The 100 Top Brands
Here’s how we calculate the power in a name

LOTs OF INGREDIENTS go into ranking the world's most valuable brands. To even qualify for the list, each brand must have a value greater than $3 billion, derive about a third of its earnings outside its home country, and have publicly available marketing and financial data. One or more of those criteria eliminate such heavyweights as Visa, Wal-Mart, Mars, and CNN. We don’t rank parent companies, which explains why Procter & Gamble doesn’t show up. And airlines are not ranked because it’s too hard to separate their brand’s impact on sales from factors such as routes and schedules.

BUSINESSWEEK CHOSE Interbrand Corp.’s methodology because it evaluates brands much the way analysts value other assets: on the basis of how much they’re likely to earn in the future. Then the projected profits are discounted to a present value, based on the likelihood that those earnings will actually materialize.

THE FIRST STEP is figuring out what percentage of a company’s revenues can be credited to a brand. (The brand may be almost the entire company, as with McDonald’s Corp., or just a portion, as it is for Marlboro.) Based on reports from analysts at J.P. Morgan Chase, Citigroup, and Morgan Stanley, Interbrand projects five years of earnings and sales for the brand. It then deducts operating costs, taxes, and a charge for the capital employed to arrive at the intangible earnings. The company strips out intangibles such as patents and customer convenience to assess what portion of those earnings is due to the brand.

FINALLY, THE BRAND’S strength is assessed to determine the risk profile of those earnings forecasts. Considerations include market leadership, stability, and global reach—its ability to cross both geographical and cultural borders. That generates a discount rate, which is applied to brand earnings to get a net present value. BusinessWeek and Interbrand believe this figure comes closest to representing a brand’s true economic worth.

<table>
<thead>
<tr>
<th>RANK</th>
<th>2004 BRAND VALUE ($MILLIONS)</th>
<th>2003 BRAND VALUE ($MILLIONS)</th>
<th>PERCENT CHANGE</th>
<th>COUNTRY OF OWNERSHIP</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>67,994</td>
<td>70,453</td>
<td>-4%</td>
<td>U.S.</td>
<td>Little innovation beyond its flagship brand and poor management has caught up with Coke as consumers’ thirst for cola has diminished.</td>
</tr>
<tr>
<td>2</td>
<td>61,372</td>
<td>65,174</td>
<td>-6%</td>
<td>U.S.</td>
<td>Its logo pops up on 400 million computer screens worldwide. But virus plagues and rival Linux took some luster off Gates &amp; Co.</td>
</tr>
<tr>
<td>3</td>
<td>53,791</td>
<td>51,767</td>
<td>4%</td>
<td>U.S.</td>
<td>A leader in defining e-business, with services making up more than half of Big Blue’s sales.</td>
</tr>
<tr>
<td>4</td>
<td>44,111</td>
<td>42,340</td>
<td>4%</td>
<td>U.S.</td>
<td>With acquisitions in areas from bioscience to bomb detection, it’s easier to buy GE’s new theme of “imagination at work.”</td>
</tr>
<tr>
<td>5</td>
<td>33,499</td>
<td>31,112</td>
<td>8%</td>
<td>U.S.</td>
<td>No longer just inside PCs, Intel is using its muscle to set the agenda for everything from wireless standards to the digital home.</td>
</tr>
<tr>
<td>6</td>
<td>27,113</td>
<td>28,036</td>
<td>-3%</td>
<td>U.S.</td>
<td>Long the gold seal in family entertainment, but newcomers like Nickelodeon and Pixar are siphoning off some of its brand equity.</td>
</tr>
<tr>
<td>7</td>
<td>25,001</td>
<td>24,699</td>
<td>1%</td>
<td>U.S.</td>
<td>Big Mac has pulled out of a two-year slump but still has to battle its reputation for supersizing the world’s kids.</td>
</tr>
<tr>
<td>8</td>
<td>24,041</td>
<td>29,440</td>
<td>-18%</td>
<td>Finland</td>
<td>Tough times for the mobile-phone giant as its market share has slipped and younger buyers turn to rivals such as Samsung.</td>
</tr>
<tr>
<td>9</td>
<td>22,673</td>
<td>20,784</td>
<td>9%</td>
<td>Japan</td>
<td>With rock-solid quality and the edge in hybrid cars, the Japanese auto maker is on track to overtake Ford in worldwide sales.</td>
</tr>
<tr>
<td>10</td>
<td>22,128</td>
<td>22,183</td>
<td>0%</td>
<td>U.S.</td>
<td>The No. 1 name in cigarettes has cut prices and upped marketing to beat back the challenges of higher taxes and fewer smokers.</td>
</tr>
<tr>
<td>11</td>
<td>21,331</td>
<td>21,371</td>
<td>0%</td>
<td>Germany</td>
<td>With wobbly profits and quality problems, the luxury car brand is struggling to retain premium status.</td>
</tr>
<tr>
<td>12</td>
<td>20,978</td>
<td>19,860</td>
<td>6%</td>
<td>U.S.</td>
<td>Covering everything from digital cameras to service, the IT giant wants to dominate the middle ground between Dell and IBM.</td>
</tr>
<tr>
<td>13</td>
<td>19,571</td>
<td>18,571</td>
<td>8%</td>
<td>U.S.</td>
<td>New CEO Charles Prince has spurred on global expansion and boosted the consumer credit division.</td>
</tr>
<tr>
<td>14</td>
<td>17,683</td>
<td>16,833</td>
<td>5%</td>
<td>U.S.</td>
<td>Despite the tougher competition from Schick, the King of Blades still reigns with new products like the battery-powered M3Power.</td>
</tr>
</tbody>
</table>

Barnathan

Distribution: Diane Brady, Beucke; Kuntz; Barnathan
The networking behemoth used slick TV ads and key acquisitions like Linkys to extend its reach.

The Bavarian auto maker is powering higher sales with a raft of new models from the sleek 6 Series sports coupe to the X3 baby SUV.

Overtaken by Nissan at home and falling further behind rival Toyota in the U.S. market.

Ford is trying to make quality “Job One” again after an embarrassing run of glitches, but leery consumers haven’t yet regained trust.

It was late to the LCD TV boom, and the PS2 video game console is slipping. Worse, rival Samsung is in Sony’s face.

No longer known just for undercutting the prices of big Japanese brands, the Korean consumer-electronics dynamo is suddenly cool.

It’s still the world’s favorite instant coffee but even products like Ice Java struggle against hip upscale brands like Starbucks.

It was late to the LCD TV boom, and the PS2 video game console is slipping. Worse, rival Samsung is in Sony’s face.

With record profits, it remains one of the most prestigious institutions on Wall Street.

The retail chain has revived its brand with fresh fashions and celebrity endorsements.

The Munich conglomerate behind everything from phones to power plants is seeing a payoff from years of global image building.

The database-software business is up, but patent expirations and research flops still pinch.

With allegations of sweatshop operations behind it and a growing soccer-crazed fan base, Nike rules the athletic market.

The pharma industry's powerhouse, with 11 products each expected to generate $1 billion a year.

The retailer has been transformed with more partnerships, but patent expirations and research flops still pinch.

After snapping up Household International in 2003, the “world's local bank” is making inroads in the U.S. market.

The marquee investment bank had a solid year, and now can extend its reach with its $58 billion acquisition of Bank One Corp.

The drugmaker has tried to bolster its lineup with more partnerships, but patent expirations and research flops still pinch.

The database-software business is up, but CEO Lawrence Ellison’s fight to buy PeopleSoft makes Oracle look like a corporate raider.

The investment bank’s reputation is rising along with mergers and stock issuances, its specialty.

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## THE GLOBAL BRAND SCOREBOARD

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<tr>
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<th>2004 / 2003</th>
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<th>2003 BRAND VALUE (MILLIONS)</th>
<th>PERCENT CHANGE</th>
<th>COUNTRY OF OWNERSHIP</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
<td>NEW</td>
<td>UBS</td>
<td>6,526</td>
<td>New</td>
<td>New</td>
<td>Switzerland</td>
</tr>
<tr>
<td>46</td>
<td>32</td>
<td>NINTENDO</td>
<td>6,479</td>
<td>8,190</td>
<td>-21%</td>
<td>Japan</td>
</tr>
<tr>
<td>47</td>
<td>46</td>
<td>MTV</td>
<td>6,456</td>
<td>6,278</td>
<td>3%</td>
<td>Japan</td>
</tr>
<tr>
<td>48</td>
<td>42</td>
<td>VOLKSWAGEN</td>
<td>6,410</td>
<td>6,938</td>
<td>-8%</td>
<td>Germany</td>
</tr>
<tr>
<td>49</td>
<td>47</td>
<td>L'OREAL</td>
<td>5,902</td>
<td>5,600</td>
<td>5%</td>
<td>France</td>
</tr>
<tr>
<td>50</td>
<td>52</td>
<td>ACCENTURE</td>
<td>5,772</td>
<td>5,301</td>
<td>9%</td>
<td>France</td>
</tr>
<tr>
<td>51</td>
<td>48</td>
<td>XEROX</td>
<td>5,696</td>
<td>5,578</td>
<td>2%</td>
<td>U.S.</td>
</tr>
<tr>
<td>52</td>
<td>55</td>
<td>WRIGLEY'S</td>
<td>5,424</td>
<td>5,057</td>
<td>7%</td>
<td>U.S.</td>
</tr>
<tr>
<td>53</td>
<td>34</td>
<td>KODAK</td>
<td>5,231</td>
<td>7,826</td>
<td>-33%</td>
<td>U.S.</td>
</tr>
<tr>
<td>54</td>
<td>49</td>
<td>KFC</td>
<td>5,188</td>
<td>5,576</td>
<td>-8%</td>
<td>U.S.</td>
</tr>
<tr>
<td>55</td>
<td>51</td>
<td>PIZZA HUT</td>
<td>5,050</td>
<td>5,312</td>
<td>-5%</td>
<td>U.S.</td>
</tr>
<tr>
<td>56</td>
<td>56</td>
<td>COLGATE</td>
<td>4,929</td>
<td>4,686</td>
<td>5%</td>
<td>U.S.</td>
</tr>
<tr>
<td>57</td>
<td>54</td>
<td>KLEENEX</td>
<td>4,881</td>
<td>5,057</td>
<td>-3%</td>
<td>U.S.</td>
</tr>
<tr>
<td>58</td>
<td>57</td>
<td>AVON</td>
<td>4,849</td>
<td>4,631</td>
<td>5%</td>
<td>U.S.</td>
</tr>
<tr>
<td>59</td>
<td>53</td>
<td>GUCCI</td>
<td>4,715</td>
<td>5,100</td>
<td>-8%</td>
<td>Italy</td>
</tr>
<tr>
<td>60</td>
<td>NEW</td>
<td>EBAY</td>
<td>4,700</td>
<td>New</td>
<td>New</td>
<td>U.S.</td>
</tr>
<tr>
<td>61</td>
<td>65</td>
<td>YAHOO!</td>
<td>4,545</td>
<td>3,895</td>
<td>17%</td>
<td>Switzerland</td>
</tr>
<tr>
<td>62</td>
<td>60</td>
<td>NESTLE</td>
<td>4,529</td>
<td>4,460</td>
<td>2%</td>
<td>France</td>
</tr>
<tr>
<td>63</td>
<td>62</td>
<td>DANONE</td>
<td>4,488</td>
<td>4,237</td>
<td>6%</td>
<td>France</td>
</tr>
<tr>
<td>64</td>
<td>61</td>
<td>CHANEL</td>
<td>4,416</td>
<td>4,315</td>
<td>2%</td>
<td>U.S.</td>
</tr>
<tr>
<td>65</td>
<td>59</td>
<td>PHILIPS</td>
<td>4,378</td>
<td>4,464</td>
<td>-2%</td>
<td>Netherlands</td>
</tr>
<tr>
<td>66</td>
<td>74</td>
<td>AMAZON.COM</td>
<td>4,156</td>
<td>3,403</td>
<td>22%</td>
<td>U.S.</td>
</tr>
<tr>
<td>67</td>
<td>63</td>
<td>KRAFT</td>
<td>4,112</td>
<td>4,171</td>
<td>-1%</td>
<td>U.S.</td>
</tr>
<tr>
<td>68</td>
<td>75</td>
<td>CATERPILLAR</td>
<td>3,801</td>
<td>3,363</td>
<td>13%</td>
<td>U.S.</td>
</tr>
<tr>
<td>69</td>
<td>67</td>
<td>ADIDAS</td>
<td>3,740</td>
<td>3,679</td>
<td>2%</td>
<td>Germany</td>
</tr>
<tr>
<td>70</td>
<td>68</td>
<td>ROLEX</td>
<td>3,720</td>
<td>3,673</td>
<td>1%</td>
<td>Switzerland</td>
</tr>
<tr>
<td>71</td>
<td>76</td>
<td>REUTERS</td>
<td>3,691</td>
<td>3,300</td>
<td>12%</td>
<td>Britain</td>
</tr>
<tr>
<td>72</td>
<td>69</td>
<td>BP</td>
<td>3,662</td>
<td>3,582</td>
<td>2%</td>
<td>Britain</td>
</tr>
<tr>
<td>73</td>
<td>66</td>
<td>TIME</td>
<td>3,651</td>
<td>3,784</td>
<td>-4%</td>
<td>U.S.</td>
</tr>
</tbody>
</table>

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**EDIT:** August 2, 2004

**DISTRIBUTION:** Diane Brady, Beucke; Kuntz; Barnathan

**CREDITS:**

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### Domestic Int. Credits: 100

The brand valuations draw upon publicly available information, which has not been independently investigated by Interbrand. Valuations do not represent a guarantee of future performance of the brands or companies. Data: Interbrand Corp., J.P. Morgan Chase & Co., Citigroup, Morgan Stanley, BusinessWeek.

### New Porsche
- **2004 Brand Value:** $3.646 million
- **2003 Brand Value:** $2.706 million
- **Percent Change:** +33%
- **Country of Ownership:** Germany
- **Description:**
  - The high-end Cayenne SUV produced record profits and turbocharged the brand.

### Tiffany
- **2004 Brand Value:** $3.638 million
- **2003 Brand Value:** $3.540 million
- **Percent Change:** +3%
- **Country of Ownership:** U.S.
- **Description:**
  - The lure of its diamonds, pearls, and silver is strong but Japan is looking tarnished and U.S. store sales are down.

### Motorola
- **2004 Brand Value:** $3.483 million
- **2003 Brand Value:** $3.103 million
- **Percent Change:** +12%
- **Country of Ownership:** U.S.
- **Description:**
  - Motorola is relevant again, with its clamshell phones gaining in Europe and in new markets like China.

### Panasonic
- **2004 Brand Value:** $3.480 million
- **2003 Brand Value:** $3.257 million
- **Percent Change:** +7%
- **Country of Ownership:** Japan
- **Description:**
  - It boasts some of the best technology in must-have items like recordable DVDs and plasma-screen TVs.

### Hertz
- **2004 Brand Value:** $3.411 million
- **2003 Brand Value:** $3.288 million
- **Percent Change:** +4%
- **Country of Ownership:** France
- **Description:**
  - Healthy international markets help keep the king of car rental roar again, even amid rising gas prices.

### Hermes
- **2004 Brand Value:** $3.376 million
- **2003 Brand Value:** $3.416 million
- **Percent Change:** -1%
- **Country of Ownership:** France
- **Description:**
  - The maker of silk scarves and Kelly handbags hopes designer Jean Paul Gaultier can freshen its image.

### Duracell
- **2004 Brand Value:** $3.362 million
- **2003 Brand Value:** $3.438 million
- **Percent Change:** -2%
- **Country of Ownership:** U.S.
- **Description:**
  - Relentless discounting and promotions continue to commoditize the world of batteries.

### Audi
- **2004 Brand Value:** $3.288 million
- **2003 Brand Value:** $3.106 million
- **Percent Change:** -5%
- **Country of Ownership:** Germany
- **Description:**
  - The new A8 and strong global expansion have made Audi a profit engine. It’s even thriving in China.

### AOL
- **2004 Brand Value:** $3.248 million
- **2003 Brand Value:** $3.961 million
- **Percent Change:** -18%
- **Country of Ownership:** U.S.
- **Description:**
  - Federal accounting inquiries and a messy merger have tarnished the AOL name as it fights to keep customers.

### Hennessy
- **2004 Brand Value:** $3.084 million
- **2003 Brand Value:** $2.996 million
- **Percent Change:** +3%
- **Country of Ownership:** France
- **Description:**
  - Parent LVMH is toasting the popularity of cognac with the world’s young urbanites, especially among the hip-hop set.

### Shell
- **2004 Brand Value:** $2.985 million
- **2003 Brand Value:** $2.983 million
- **Percent Change:** 0%
- **Country of Ownership:** Brit./Neth.
- **Description:**
  - The energy giant is struggling to recover from a reserves downgrade and a boardroom bloodbath.

### Levi’s
- **2004 Brand Value:** $2.979 million
- **2003 Brand Value:** $3.298 million
- **Percent Change:** -10%
- **Country of Ownership:** U.S.
- **Description:**
  - Even its iconic 501 jeans are discounted these days and brands like Diesel are finding legs with young shoppers.

### Smirnoff
- **2004 Brand Value:** $2.975 million
- **2003 Brand Value:** $2.806 million
- **Percent Change:** +6%
- **Country of Ownership:** Britain
- **Description:**
  - The best-selling vodka builds on its popularity with Smirnoff Twist and “malternatives” such as Smirnoff Ice.

### Johnson & Johnson
- **2004 Brand Value:** $2.952 million
- **2003 Brand Value:** $2.706 million
- **Percent Change:** +9%
- **Country of Ownership:** U.S.
- **Description:**
  - Holding firm in a tough market, it had a hit with a drug-coated stent. But competition looms there, too.

### Ing
- **2004 Brand Value:** $2.864 million
- **2003 Brand Value:** $2.695 million
- **Percent Change:** +9%
- **Country of Ownership:** Netherlands
- **Description:**
  - ING Direct and a forceful U.S. marketing push put the Dutch financial services firm on the map.

### Moet & Chandon
- **2004 Brand Value:** $2.861 million
- **2003 Brand Value:** $2.524 million
- **Percent Change:** +13%
- **Country of Ownership:** France
- **Description:**
  - Strong growth in Japan and the U.S. keeps the world’s leading champagne brand bubbling along.

### Nissan
- **2004 Brand Value:** $2.833 million
- **2003 Brand Value:** $2.495 million
- **Percent Change:** +14%
- **Country of Ownership:** Japan
- **Description:**
  - Having pushed aside Honda in Japan, it’s gaining North American share with Titan trucks and the Altima sedan.

### Cartier
- **2004 Brand Value:** $2.749 million
- **2003 Brand Value:** $2.758 million
- **Percent Change:** 0%
- **Country of Ownership:** France
- **Description:**
  - The bejeweled panther has shed cheaper items and held tight to its luxury status through tough times.

### Estee Lauder
- **2004 Brand Value:** $2.634 million
- **2003 Brand Value:** $2.535 million
- **Percent Change:** +4%
- **Country of Ownership:** U.S.
- **Description:**
  - This fixture of the high-end cosmetics counter is now expanding in middle markets like retailer Kohl’s.

### Armani
- **2004 Brand Value:** $2.613 million
- **2003 Brand Value:** $2.420 million
- **Percent Change:** +9%
- **Country of Ownership:** Italy
- **Description:**
  - Known for classy clothes, it’s expanding into everything from home furnishings to hotels and restaurants.

### Boeing
- **2004 Brand Value:** $2.576 million
- **2003 Brand Value:** $2.864 million
- **Percent Change:** -10%
- **Country of Ownership:** U.S.
- **Description:**
  - It has lost commercial market share to rival Airbus, as execs try to erase the taint of a Pentagon hiring scandal.

### Prada
- **2004 Brand Value:** $2.568 million
- **2003 Brand Value:** $2.535 million
- **Percent Change:** 1%
- **Country of Ownership:** Italy
- **Description:**
  - Still the preserve of pretty stars but rapid expansion and debt could dilute some of Prada’s exclusive cachet.

### Mobil
- **2004 Brand Value:** $2.492 million
- **2003 Brand Value:** $2.407 million
- **Percent Change:** +4%
- **Country of Ownership:** U.S.
- **Description:**
  - It got a boost from reformulated motor oil and its status as NASCAR’s official lubricant.

### Nivea
- **2004 Brand Value:** $2.409 million
- **2003 Brand Value:** $2.221 million
- **Percent Change:** +8%
- **Country of Ownership:** Germany
- **Description:**
  - The mid-market skin-care line is now a leader in plumping up men’s faces, too.

### Starbucks
- **2004 Brand Value:** $2.400 million
- **2003 Brand Value:** $2.136 million
- **Percent Change:** +12%
- **Country of Ownership:** U.S.
- **Description:**
  - Global expansion, new products, and yet more variations on the humble cup of java boost the coffee hut’s appeal.

### Heineken
- **2004 Brand Value:** $2.380 million
- **2003 Brand Value:** $2.431 million
- **Percent Change:** -2%
- **Country of Ownership:** Netherlands
- **Description:**
  - Sales may be flat at Europe’s largest brewery, but the 141-year-old champagne brand bubbling along.

### Polo RL
- **2004 Brand Value:** $2.147 million
- **2003 Brand Value:** $2.048 million
- **Percent Change:** 5%
- **Country of Ownership:** U.S.
- **Description:**
  - It has consolidated control of its clothing brand, pushing same-store sales up 15% in the last quarter of 2003.

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**Distribution:** Diane Brady, Beucke; Kuntz; Barnathan v01