

ANNUAL REPORT

GLOBAL BRANDS

BusinessWeek/Interbrand rank the companies that best built their images—and made them stick

BY ROBERT BERNER AND DAVID KILEY

ADVERTISERS WHO WANT TO REACH THE Bubltz family of Montgomery, Ohio, have to leap a lot of hurdles. Telemarketing? Forget it—the family of five has Caller ID. The Internet? No way—they long ago installed spam and pop-up ad blockers on their three home computers. Radio? Rudy Bubltz, 47, has non-commercial satellite radio in his car and in the home. Television? Not likely—the family records its favorite shows on TiVo and skips most ads. “The real beauty is that if we choose to shut advertising out, we can,” Rudy says. “We call the shots with advertisers today.”

The Bubltzes and other ad-zapping consumers like them pose an enormous challenge these days to marketers trying to build new brands and nurture old ones. To get a reading on which brands are succeeding—and which aren’t—take a look at the fifth annual *BusinessWeek/Interbrand* ranking of the 100 most valuable global brands. The names that gained the most in value focus ruthlessly on every detail of their brands, honing simple, cohesive identities that are consistent in every product, in every market around the world, and in every contact with consumers. (In the ranking, which is compiled in partnership with brand consultancy Interbrand Corp., a dollar value is calculated for each brand using publicly available

data, projected profits, and variables such as market leadership.)

The best brand builders are also intensely creative in getting their message out. Many of the biggest and most established brands, from Coke to Marlboro, achieved their global heft decades ago by helping to pioneer the 30-second TV commercial. But it’s a different world now. The monolithic TV networks have splintered into scores of cable channels, and mass-market publications have given way to special-interest magazines aimed at smaller groups. Given that fragmentation, it’s not surprising that there’s a new generation of brands, including

Amazon.com, eBay, and Starbucks, that have amassed huge global value with little traditional advertising. They’ve discovered new ways to captivate and intrigue consumers. Now the more mature brands are going to school on the achievements of the upstarts and adapting the new techniques for themselves.

So how do you build a brand in a world in which consumers are increasingly in control of the media? The brands that rose to the top of our ranking all had widely varied marketing arsenals and were able to unleash different campaigns for different consumers in varied media almost simultaneously. They wove messages over multiple media channels and blurred the lines between ads and entertain-

THE BIG WINNERS

High tech and finance got it right in this year’s ranking. America’s electronic flea market, eBay, has ended up on top, a few rungs above Apple. Samsung repeats from last year, as does HSBC. Joining the megabank is financial powerhouse UBS.

RANK 2005	BRAND	2005 BRAND VALUE (BILLIONS)	2004 BRAND VALUE (BILLIONS)	PERCENT CHANGE
55	EBAY	\$5.70	\$4.70	+21%
29	HSBC	10.43	8.67	+20
20	SAMSUNG	14.96	12.55	+19
41	APPLE	7.99	6.87	+16
44	UBS	7.57	6.53	+16

Data: Interbrand Corp., JPMorgan Chase & Co., Citigroup, Morgan Stanley



ment. As a result, these brands can be found in a host of new venues: the Web, live events, cell phones, and handheld computers. An intrepid few have even infiltrated digital videorecorders, devices that are feared throughout the marketing world as the ultimate tool for enabling consumers to block unwanted TV ads.

Some marketers have worked to make their brand messages so enjoyable that consumers might see them as entertainment instead of an intrusion. When leading brands are seen on TV they're apt to have their own co-starring roles—as No. 9 Toyota Motor Corp. did in reality show *The Contender*—rather than just lending support during the commercial breaks. All are trying to create a stronger bond with the consumer. Take No. 41 Apple Computer Corp., which last fall launched a special iPod MP3 player in partnership with band U2. Not only did the “U2 iPod” say “U2” on the front and have band signatures etched into the back, but the band starred in a TV ad and buyers got \$50 off a download of 400 U2 songs. No. 8 McDonald's Corp.'s sponsorship of a tour by R&B group Destiny's Child means that fans who want access to exclusive video and news content about the band have to click first on the company's Web site. “It's hard here to tell where the brand message ends and

SAMSUNG
The electronics giant
has focused its
marketing on movie
and music tie-ins and
the Internet

where the entertainment and content begins,” says Ryan Barker, director of brand strategy at consultancy The Knowledge Group.

It's no accident that most of the companies with the biggest increases in brand value in the 2005 ranking operate as single brands everywhere in the world. Global marketing used to mean crafting a new name and identity for each local market. America's No. 1 laundry detergent, Tide, is called Ariel in Europe, for example. The goal today for many, though, is to create consistency and impact, both of which are a lot easier to manage with a single worldwide identity. It's also a more efficient approach, since the same strategy can be used everywhere. An eBay shopper in Paris, France, sees the same screen as someone logging in from Paris, Texas. Only the language is different. Global banks HSBC, No. 29, which posted a 20% increase in brand value, and No. 44 UBS, up 16%, use the same advertising pitches around the world. “Given how hard the consumer is to reach today, a strong and unified brand message is increasingly becoming the only way to break through,” says Jan Lindemann, Interbrand's managing director, who directed the Top 100 Brands ranking.

Possibly no brand has done a better job of mining the po-

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tential of these new brand-building principles than Korean consumer electronics manufacturer Samsung Electronics Co. Less than a decade ago, it was a maker of lower-end consumer electronics under a handful of brand names including Wiseview, Tantus, and Yepp, none of which meant much to consumers. Figuring that its only shot at moving up the value chain was to build a stronger identity, the company ditched its other brands to put all its resources behind the Samsung name. Then it focused on building a more upscale image through better quality, design, and innovation.

Beginning in 2001, the newly defined Samsung came out with a line of top-notch mobile phones and digital TVs, products that showed off the company's technical prowess. By vaulting the quality of its offerings above the competition in those areas, Samsung figured it could boost the overall perception of the brand. Besides, consumers form especially strong bonds with cell phones and TVs. Most people carry their mobile phones with them everywhere, while their TV is the center of the family room. "We wanted the brand in users' presence 24/7," says Peter Weedfald, head of Samsung's North American marketing and consumer electronics unit.

Now that strategy is paying off. Over the past five years, No. 20 Samsung has posted the biggest gain in value of any Global 100 brand, with a 186% surge. Even sweeter, last year Samsung surpassed No. 28 Sony, a far more entrenched rival that once owned the electronics category, in overall brand value. Now, in a nod to Samsung, Korean electronics concern LG Electronics Inc. has followed its rival's playbook. Cracking this year's global list for the first time at No. 97, LG has also sought to elevate its product under a single brand led by phones and TVs.

Some of the older brands in our ranking are clearly struggling to remake their marketing and product mix for a more complex world. This year's biggest

HSBC
No matter what country or language, the bank comes at you with the same cohesive message

losers in brand value include Sony (down 16%), Volkswagen (down 12%), and Levi's (down 11%). VW acknowledges its brand value slippage. "Volkswagen is well aware of the current deficiencies," says VW brand chief Wolfgang Bernhard. Sony, which disputes that it is losing brand value, has suffered from an innovation drought.

The electronics giant pioneered the Walkman, but left Apple to revolutionize portable MP3 players, as well as digital downloading and organizing of music. Meanwhile, Sony's moves into films and music put it into areas where its brand adds no value. Worse, those acquisitions made Sony a competitor with other content providers. That, notes Samsung's Weedfald, gives his company an advantage in linking to the hottest music and movies. Samsung, for example, is lead sponsor of this summer's much-hyped movie, *The Fantastic Four*, in which a variety of Samsung gadgets play a part. VW faces different problems. It has attempted to move upmarket with the luxury Touareg sport-utility vehicle and Phaeton sedan models; but that has left car buyers, who associate VW with zippy, affordable cars, confused. Similarly, Levi's introduction of its less pricey Levi's Signature line in discount stores means it now competes on price at the low end, while trying to fend off rivals like Diesel at the upper end with its core "red tab" brand.

Of course, defining the essence of a brand is only part of the battle. Communicating it to the consumer is the other. On this front, there has clearly been a divide between newer brands that use traditional advertising as just one tool in an overall marketing plan and older ones that grew up with it. Sony, for example, far outspends Samsung on traditional advertising in the U.S. on electronics products. (Samsung advertises on TV only during the last six months of the year, its peak sales period.) Many young brands that scored big gains in value, like Google, Yahoo!, and eBay, depend on

THE BIG LOSERS

Steep declines weren't confined to just one industry. Sony took the deepest dive, but it was joined by an investment bank (Morgan Stanley), a carmaker (Volkswagen), a jeans maker (Levi's), and a computer company (Hewlett-Packard).

RANK 2005	BRAND	2005 BRAND VALUE (BILLIONS)	2004 BRAND VALUE (BILLIONS)	PERCENT CHANGE
28	SONY	\$10.75	\$12.76	-16%
33	MORGAN STANLEY	9.78	11.50	-15
56	VOLKSWAGEN	5.62	6.41	-12
96	LEVI'S	2.66	2.98	-11
13	HEWLETT-PACKARD	18.87	20.98	-10

Data: Interbrand Corp., JPMorgan Chase & Co., Citigroup, Morgan Stanley

their own interactive Web sites to shout about their brands.

Now some older brands, like Coke, ranked No. 1 in overall brand value, and McDonald's are decreasing traditional advertising. In the past four years, McDonald's has cut TV advertising from 80% of its ad budget to 50%. Most of the shift has gone to online advertising. What's evolving, then, is a model in which most brand builders use a variety of marketing channels. HSBC has branded taxis to carry customers for free. And although eBay spends most of its marketing budget on Internet advertising, it also relies on TV to some extent to boost simple brand awareness. "With fragmentation and ad evasion, you can't count on one medium," says Tom Cotton, president of Conductor, a branding strategy firm.

Marketers who do turn to TV are trying to make brand messages as engrossing as the programming. Last year Toyota, whose brand value rose 10%, paid \$16 million to have its vehicles be part of the storyline on NBC reality show *The Contender*, about small-time boxers competing for a nationally televised bout. The grand prize: a million dollars and a Toyota truck. Rival Nissan, up 13%, has been parking its Titan pickups on Wisteria Lane in hit ABC show *Desperate Housewives*. The trucks will also ride into the new *Dukes of Hazzard* movie this month.

Nor are TV and movies the only target. No. 1 Coke, McDonald's, No. 88 Smirnoff, No. 16 BMW, No. 23 Pepsi, and No. 61 KFC are among brands striking deals to plant their brands in video games and even song lyrics. Deborah Wahl-Meyer, who headed Toyota marketing until recently moving to the company's Lexus division, says both divisions attempt to seed magazine and newspaper articles with vehicle references and pictures. "We have to be more a part of what people are watching and reading instead of being in between what people are watching and reading," Meyer says.

In an echo of Procter & Gamble Co.'s creation of the soap opera on radio and then TV, some brand builders are taking control of the programming themselves and creating content that tries to draw in ad-allergic consumers. BMW, whose brand value rose 8% over the past year, turned out a series of popular short films on the Internet starting in 2001. The seven-to-ten minute films starred BMW cars and were produced by A-list Hollywood directors like John Woo. The German auto maker has moved onto comic books based on the films aimed at Bimmer-aspiring teens and adults alike. "It's imperative to create media destinations that don't look like advertising," says James McDowell, who headed marketing for the BMW brand before recently taking over as chief of the parent company's MINI USA business. BMW has also embraced the enemy, TiVo, the television-top gadget that consumers use to skip ads altogether. Since last year, BMW has produced short films and long-form ads accessible through TiVo's main menu page. BMW fans are alerted to the films in the on-demand video menu when a BMW ad runs.

Such old-line brands as No. 14 American Express Co. are heading down the entertainment path, too. Tipping its hat to BMW, AmEx ran long-form Internet ads/films starring Jerry Seinfeld last year that succeeded in drawing consumers to its Web site and Webcasted concerts. AmEx Chief Marketing Officer John Hayes says flatly: "Brands are not being built on [traditional] advertising."

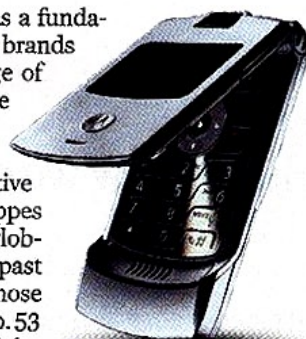
Still, none of these marketing ploys are sure bets in a world where old-school advertising means less. That's why more mar-

keters are investing in design as a fundamental way to distinguish their brands and to stay on the leading edge of technology. "Design isn't just the promise of a brand, like TV advertising—it's the reality of it," says Marc Gobe, chief executive of design consultancy Desgrippes Gobe. Samsung has tripled its global design staff to 400 over the past five years. No. 73 Motorola, whose brand value rose 11%, and No. 53 Philips Electronics have boosted design spending. The move sparked the launch of Motorola's hot-selling Razr phone, the thinnest flip phone ever made. No. 85 Nissan gained 13% last year on a wave of bold designs, like its curvy Murano SUV and Altima sedan, as the Japanese company differentiates itself from Toyota and Honda through design rather than quality.

Good design implies more than just good looks. It's also about ease of use. Apple demonstrated this with its iPod. Users can pick songs or download music from the iTunes music bank with the swipe of a finger. That's blunted sales of Sony's Walkman MP3 player, which has been criticized as too cumbersome. Design can also mean sound. Samsung insists that all its products make the same reassuring tone when turned on. The Samsung tone is even being used in some advertising. "We want to have the same sound, look, and feel throughout our products so it all works toward one Samsung brand," says Gregory Lee, Samsung's global marketing chief.

The era of building brands namely through mass media advertising is over. The predominant thinking of the world's most successful brand builders these days is not so much the old game of reach (how many consumers see my ad) and frequency (how often do they see it), but rather finding ways to get consumers to invite brands into their lives. The mass media won't disappear as a tool. But smart companies see the game today as making bold statements in design and wooing consumers by integrating messages so closely into entertainment that the two are all but indistinguishable. ■

—With Mara Der Hovanesian in New York, Ian Rowley in Tokyo, Michael Arndt in Chicago, and bureau reports



MOTOROLA
An eye to branding, plus design, begat the ultrathin Razr cell phone



BMW
The company produced films in which its luxury cars played starring roles

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Pop Quiz: Which company got a boost from *Fantasia*? What brand merger would be worth the most? Test your knowledge.

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GLOBAL BRAND SCOREBOARD

The 100 Top Brands

Here's how we calculate the power in a name

INTERBRAND CORP. takes lots of ingredients into account when ranking the world's most valuable brands. To even qualify for the list, each brand must have a value greater than \$1 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 brands' impact on sales from factors such as routes and schedules.

BUSINESSWEEK CHOSE Interbrand'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. The projected profits are then discounted to a present value, taking into account 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 management strength 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—or the 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.

RANK 2005 / 2004			2005 BRAND VALUE \$MILLIONS	2004 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
1	1	COCA-COLA	67,525	67,394	0%	U.S.	While Coke struggles to add new diet and energy drinks, it is still searching for a zippier global advertising message.
2	2	MICROSOFT	59,941	61,372	-2%	U.S.	It continues to reach into hot consumer markets such as TV set-top box software, video games, and mobile phones.
3	3	IBM	53,376	53,791	-1%	U.S.	The sale of the notebook business to Lenovo continues the transformation from a computer manufacturer to a services and consulting company.
4	4	GE	46,996	44,111	7%	U.S.	Hawking itself as a center of cutting-edge innovation and source of earth-friendly products has enhanced GE's brand image.
5	5	INTEL	35,588	33,499	6%	U.S.	Thanks to its Pentium chips and Centrino wireless notebooks, Intel is a household name worldwide.
6	8	NOKIA	26,452	24,041	10%	Finland	Looking to take on Apple's iPod as cell phones and MP3 players converge into one device.
7	6	DISNEY	26,441	27,113	-2%	U.S.	Incoming CEO Bob Iger must develop new offerings. The trend is toward edgier fare even for kids.
8	7	MCDONALD'S	26,014	25,001	4%	U.S.	Who's not lovin' it? Big Mac has reconnected with moms and teens thanks to new offerings like salads and a hipper image.
9	9	TOYOTA	24,837	22,673	10%	Japan	Poised to pass GM globally, Toyota's image gets a big boost from its growing stable of hybrids.
10	10	MARLBORO	21,189	22,128	-4%	U.S.	Still tops in the U.S., the world's biggest cigarette brand has struggled in Europe of late, losing share in France and in Germany.
11	11	MERCEDES-BENZ	20,006	21,331	-6%	Germany	Quality problems and strategic errors have punctured Mercedes' sales for two years. Will the new S-Class sedan help buff its image?
12	13	CITI	19,967	19,971	0%	U.S.	A history in global markets that often helps it trump local players has helped to shield Citi from recent scandals.
13	12	HEWLETT-PACKARD	18,866	20,978	-10%	U.S.	Printer king HP faces increased competition, and new CEO Mark Hurd must figure a way to improve performance against computer rivals Dell and IBM.
14	14	AMERICAN EXPRESS	18,559	17,683	5%	U.S.	AmEx' star is rising since it won the right to let banks issue its cards. AmEx invested heavily in marketing spending worldwide.
15	15	GILLETTE	17,534	16,723	5%	U.S.	The King of Blades is on a roll, with its battery-powered M3Power razor helping produce record results. Now it's getting ready to merge with P&G.

RANK 2005 / 2004			2005 BRAND VALUE \$MILLIONS	2004 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
16	17	BMW	17,126	15,886	8%	Germany	BMW is in the fast-lane, proving that the right mix of engineering and marketing can propel an auto makers' performance even in tough markets.
17	16	CISCO	16,592	15,948	4%	U.S.	Partnered with Microsoft to tackle Internet security and limit damage from viruses. A new focus on small business is paying off.
18	44	LOUIS VUITTON	16,077	NA	NA	France	With Uma Thurman promoting its hot new Monogram Cerises collection, the world's richest luxury brand seems unstoppable.
19	18	HONDA	15,788	14,874	6%	Japan	Consumers can't get enough of Honda. Now it plans to boost annual North American production to 1.4 million vehicles by 2007.
20	21	SAMSUNG	14,956	12,553	19%	S. Korea	One big brand marketed everywhere, plus an explosion of popular cell phones, is boosting sales of all its gadgets.
21	25	DELL	13,231	11,500	15%	U.S.	It has the biggest market share in personal computers and is now aggressively pushing printers, TVs, and laptops as PC demand slows.
22	19	FORD	13,159	14,475	-9%	U.S.	Mustang is red hot. But SUVs and pickups, which had been top money-makers, are cold, and competition hammers truck profit margins.
23	22	PEPSI	12,399	12,066	3%	U.S.	Increasing emphasis on Diet Pepsi and Hispanic marketing, plus big-event advertising on the Super Bowl and Oscars is boosting brand growth.
24	23	NESCAFE	12,241	11,892	3%	Switzerland	Holding its own in the Starbucks era by offering ready-to-drink products such as Ice Java coffee coolers.
25	26	MERRILL LYNCH	12,018	11,499	5%	U.S.	Its revamped retail brokerage business is increasingly being recognized as the best performer in the industry.
26	24	BUDWEISER	11,878	11,846	0%	U.S.	The King of Beers sputtered a bit in 2004, owing to competition from domestic brewers and spirit makers. Bud is battling back with new products.
27	28	ORACLE	10,887	10,935	0%	U.S.	Winning the battle for PeopleSoft, and two other acquisitions, was easy. Oracle now has to integrate all of those products and employees.
28	20	SONY	10,754	12,759	-16%	Japan	Top priority for Sir Howard Stringer, Sony's first ever <i>gaijin</i> CEO: getting the company's consumer electronics biz back on track.
29	33	HSBC	10,429	8,671	20%	Britain	HSBC's three-year-old campaign, "The World's Local Bank," is paying dividends as it rebrands international acquisitions.
30	31	NIKE	10,114	9,260	9%	U.S.	While rivals branch out into hip hop, Nike focuses on athletics. The swoosh overtook Adidas as the biggest supplier of soccer shoes in Europe.
31	29	PFIZER	9,981	10,635	-6%	U.S.	Patent expirations and a weak new-product pipeline hurt the No. 1 drugmaker's prospects. A cost-cutting push won't cure those ailments.
32	NEW	UPS	9,923	New	New	U.S.	Buying regional shippers and rebranding them has enabled Brown to benefit from explosion in mail order and Net selling.
33	27	MORGAN STANLEY	9,777	11,498	-15%	U.S.	Very public management turmoil and the ouster of CEO Philip J. Purcell seriously damaged the firm's sterling reputation.
34	30	JPMORGAN	9,455	9,782	-3%	U.S.	JPMorgan Chase's venerable name has taken its lumps as the bank struggles to absorb its latest acquisition, Chicago's Bank One.
35	35	CANON	9,044	8,055	12%	Japan	Color copiers and top-notch cameras make Canon one of Japan's most profitable companies. Tennis star Maria Sharapova adds star quality.
36	34	SAP	9,006	8,323	8%	Germany	The software giant gained brand value thanks to innovation and smart marketing, but rival Oracle grabbed headlines with its PeopleSoft takeover.
37	37	GOLDMAN SACHS	8,495	7,954	7%	U.S.	Prestige and stability count for a lot, especially when other firms have high-profile management traumas.
38	NEW	GOOGLE	8,461	New	New	U.S.	Google spent \$5 million on marketing in 2004, a fraction of the totals spent by competitors. Yet more people than ever go to Google to search.
39	36	KELLOGG'S	8,306	8,029	3%	U.S.	Cereal is up and acquired brands like Keebler and Morningstar Farms are up even more. International growth is strong.
40	38	GAP	8,195	7,873	4%	U.S.	Sarah Jessica Parker couldn't fend off lackluster sales in 2004. Now the clothier is betting on remodeled stores to move more merchandise.
41	43	APPLE	7,985	6,871	16%	U.S.	With iPod-mania showing no signs of abating, Apple's brand is hotter than ever. That's giving a lift to Mac sales and sets the stage for new offerings.
42	40	IKEA	7,817	7,182	9%	Sweden	The Swedish furniture giant continues to boost sales through smart design and aggressive geographic expansion.
43	NEW	NOVARTIS	7,746	New	New	Switzerland	A heavy advertiser, it ran ads during the Super Bowl and is big in Internet search advertising.
44	45	UBS	7,565	6,526	16%	Switzerland	Its global brand strategy is winning new customers for private wealth management business.

GLOBAL BRAND SCOREBOARD

RANK 2005 / 2004	2005 BRAND VALUE \$MILLIONS	2004 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
45 39 SIEMENS	7,507	7,470	1%	Germany	After selling the money-losing mobile handset business, new CEO Klaus Kleinfeld is concentrating on business-to-business products.
46 41 HARLEY-DAVIDSON	7,346	7,057	4%	U.S.	Harley lost 27% of its stock value this spring. Its problems: slowing growth, high bike prices, and aging Baby Boomer buyers.
47 42 HEINZ	6,932	7,026	-1%	U.S.	It continues to fight private-label brands for space on kitchen tables, buying Lea & Perrins Worcestershire Sauce in June.
48 47 MTV	6,647	6,456	3%	U.S.	The planned cleaving of parent Viacom to unlock shareholder value underscores the growth prospects, particularly overseas, of MTV Networks.
49 59 GUCCI	6,619	NA	NA	Italy	Star designer Tom Ford stepped down last year, but CEO Robert Polet has put Gucci back on its feet with strong sales of footwear and leather accessories.
50 46 NINTENDO	6,470	6,479	0%	Japan	The brand is treading water, but launch of the Nintendo DS portable games machine should raise the company's profile.
51 50 ACCENTURE	6,142	5,772	6%	U.S.	Outsourcing has been a strong growth area, winning high-profile, high-value contracts such as border security in the U.S.
52 49 L'OREAL	6,005	5,902	2%	France	The beauty-products giant is sitting pretty, with strong growth in the U.S. and Asia. Sagging European sales are starting to shore up.
53 65 PHILIPS	5,901	NA	NA	Netherlands	The consumer electronics and medical systems colossus launched a global rebranding effort that raised its ranking, but its visibility still lags in the U.S.
54 51 XEROX	5,705	5,696	0%	U.S.	Despite a steady march of new products—40 in 2004 alone—the copier giant has not been able to build momentum with investors.
55 60 EBAY	5,701	4,700	21%	U.S.	The online marketplace's brand value shot up thanks to a runup in its stock price. But revenue growth is slowing as some merchants try rivals.
56 48 VOLKSWAGEN	5,617	6,410	-12%	Germany	Unexciting designs and luxury products forced on a value brand is costing the German auto maker customers worldwide.
57 52 WRIGLEY'S	5,543	5,424	2%	U.S.	The No. 1 name in gum is making a big push into other tasty treats with its recent purchase of Altoids and Life Savers.
58 61 YAHOO!	5,256	4,545	16%	U.S.	The decade-old Internet brand has matured from "colorful" and "wacky" to "useful" and "indispensible" in recent years.
59 58 AVON	5,213	4,849	8%	U.S.	Struggles in the U.S. market were offset by red-hot direct sales in Eastern Europe and other developing economies.
60 56 COLGATE	5,186	4,929	5%	U.S.	Responding to the rising challenge of rival P&G, the global toothpaste giant sharply increased advertising and promotional spending in 2004.
61 54 KFC	5,112	5,118	0%	U.S.	KFC is going away from "healthy" offerings, playing up guilty pleasures and moving back to the Kentucky Fried Chicken brand name.
62 53 KODAK	4,979	5,231	-5%	U.S.	Though Kodak has made impressive strides in digital photography, the stock has been hurt by a credit-rating demotion to junk-bond status.
63 55 PIZZA HUT	4,963	5,050	-2%	U.S.	"Healthy" pizza items and aggressive product-placement strategy in video games aren't enough to overcome the low-carb eating trend.
64 57 KLEENEX	4,922	4,881	1%	U.S.	As Gen Y consumers buy private label or whatever is on sale, Kleenex plays the innovation card with its launch of Moist Cloth tissues.
65 64 CHANEL	4,778	4,416	8%	France	The Paris fashion house is the essence of chic, Nicole Kidman promoting Chanel No. 5 perfume helps, too.
66 62 NESTLE	4,744	4,529	5%	Switzerland	Best known for chocolate, the Swiss food giant posts stronger sales growth from newer products such as Aquarel bottled water.
67 63 DANONE	4,513	4,488	1%	France	U.S. and Asian sales of Danone yogurts and yogurt-based drinks help offset recent weakness in its core European markets.
68 66 AMAZON.COM	4,248	4,156	2%	U.S.	The pioneer e-tailer has kept its brand equity steady by chucking TV ads and spending the money on relentlessly lowering prices.
69 67 KRAFT	4,238	4,112	3%	U.S.	A leaner portfolio of brands should give the maker of Oreos and Maxwell House a boost on store shelves.
70 68 CATERPILLAR	4,085	3,801	7%	U.S.	Cat, with its giant earth-hauling machines, maintains a strong reputation for ruggedness.
71 69 ADIDAS	4,033	3,740	8%	Germany	Collaboration with hip-hop queen Missy Elliott proves that athlete endorsements aren't the only way to sell sports apparel.
72 70 ROLEX	3,906	3,720	5%	Switzerland	Still the ultimate status-symbol timepiece. Rolex is polishing its appeal with marketing initiatives such as an arts sponsorship program.
73 76 MOTOROLA	3,877	3,483	11%	U.S.	Slick designs like the \$500 Razr phone make Motorola a force, especially at the high-end of personal digital electronics.

GLOBAL BRAND SCOREBOARD

RANK 2005 / 2004	2005 BRAND VALUE \$MILLIONS	2004 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
74 71 REUTERS	3,866	3,691	5%	Britain	CEO Tom Glocer has led a revival, but catching up to archrival Bloomberg is still an uphill battle.
75 72 BP	3,802	3,662	4%	Britain	Despite a Texas refinery accident and a damaged platform in the Gulf of Mexico, BP is challenging ExxonMobil for pole position in the oil industry.
76 74 PORSCHE	3,777	3,646	4%	Germany	An SUV at the legendary sports car company didn't hurt brand caché. A sedan might be next. The company is testing how broad the brand can be.
77 NEW ZARA	3,730	New	New	Spain	Cutting-edge Spanish apparel retailer epitomizes cheap chic, knocking out mass-produced copies of catwalk fashions almost overnight.
78 77 PANASONIC	3,714	3,480	7%	Japan	With first-rate DVD recorders and the best-selling plasma TVs in the U.S., small wonder that Panasonic's star is rising.
79 81 AUDI	3,686	3,288	12%	Germany	Germany's No. 3 luxury-carmaker scored a big improvement in initial quality in J.D. Power's 2005 ranking, leading to 8.2% higher sales worldwide.
80 80 DURACELL	3,679	3,362	9%	U.S.	Despite rampant price competition in the battery business, Duracell has achieved record profitability thanks to cost-cutting and effective ads.
81 75 TIFFANY & CO.	3,618	3,638	-1%	U.S.	Japan turned cold for Tiffany this year, contributing to disappointing earnings in the last half of the year.
82 79 HERMES	3,540	3,376	5%	France	Designer Jean-Paul Gaultier is wowing fans of the family-run luxury group with new takes on the Birkin and Kelly handbags.
83 78 HERTZ	3,521	3,411	3%	U.S.	Still a leader with business travelers, Hertz shouldn't miss a beat when Ford completes the sale of this market-leading rental-car business.
84 NEW HYUNDAI	3,480	New	New	S. Korea	It's the fastest-growing auto brand in the world. Now it's aggressively moving upscale into bigger, more profitable segments.
85 90 NISSAN	3,203	2,833	13%	Japan	Snappy designs and aggressive pricing are raising Nissan's market share along with its profits.
86 83 HENNESSY	3,201	3,084	4%	France	Hip-hop artists made this French cognac a U.S. best-seller. Asia could fuel future growth.
87 88 ING	3,177	2,864	11%	Netherlands	ING Direct is a phenomenal success: It's the largest online bank. Now it's aiming for Chinese expansion with its Bank of Beijing investment.
88 86 SMIRNOFF	3,097	2,975	4%	Britain	Sales are up significantly after rebranding campaign. Extension into malt liquor Ice brand has been a big success.
89 91 CARTIER	3,050	2,749	11%	France	After several tough years, the jewel in Swiss luxury group Richemont's crown has rediscovered its sparkle, thanks to new jewelry lines.
90 84 SHELL	3,048	2,985	2%	Brit./Neth.	CEO Jeroen van der Veer is juicing up exploration while cleaning house after a scandal about overstated reserves.
91 87 JOHNSON & JOHNSON	3,040	2,952	3%	U.S.	While the drug business has slowed, J&J's medical devices continue to power earnings. But questions now surround its purchase of Guidant.
92 89 MOET & CHANDON	2,991	2,861	5%	France	Strong U.S. and Asian champagne sales keep the bubbly flowing at parent company LVMH.
93 95 PRADA	2,760	2,568	7%	Italy	Designer Miuccia Prada still stirs up fashionista frenzies with her edgy handbags and shoes. Sales in Asia were up 25% last year.
94 NEW BULGARI	2,715	New	New	Italy	A move into luxury hotels and resorts is enhancing the jeweler's exclusive brand image.
95 93 ARMANI	2,677	2,613	2%	Italy	The Italian king of style is now moving into home furnishings, hotels, and restaurants. Still missing is a plan for his succession.
96 85 LEVI'S	2,655	2,979	-11%	U.S.	Newer brands like Citizens of Humanity and Miss Sixty keep chipping away at Levi's cool factor. Sales of Levi's jeans in the U.S. were flat from 2003.
97 NEW LG	2,645	New	New	S. Korea	Once best known for its microwave ovens and basic refrigerators, LG is now rolling out snazzy cell phones, plasma TVs, and digital gizmos.
98 97 NIVEA	2,576	2,409	7%	Germany	The business formula has growing appeal to aging baby boomers on a budget: Skin care that doesn't cost a fortune.
99 98 STARBUCKS	2,576	2,400	7%	U.S.	Profits and share price remain high. Now Starbucks is pushing to become a force in music distribution.
100 99 HEINEKEN	2,357	2,380	-1%	Netherlands	Still the leading international beer brand, but the Amsterdam-based brewer is struggling to keep growth going.

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. NA = Not available: Last year's brand value has been restated due to the availability of new data. Data: Interbrand Corp., J.P. Morgan Chase & Co., Citigroup, Morgan Stanley, BusinessWeek