

**SOFTBANK SON HAS  
A NEW BROADBAND  
STRATEGY**

**JOHN KERRY  
HIS NEW PLAN FOR  
FOREIGN POLICY**

**AMERICAN EXPRESS  
LAUNCHING A CREDIT  
CARD WAR**

The McGraw-Hill Companies

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## THE **BEST** GLOBAL BRANDS

Our Annual  
Ranking of  
The Top **100**  
SPECIAL DOUBLE ISSUE

Harley-  
Davidson  
is No. 41

BRAD TRENT

## SPECIAL REPORT

# CULT BRANDS

The *BusinessWeek*/Interbrand annual ranking of the world's most valuable brands shows the power of passionate consumers

**C**ASEY NEISTAT, 23, IS A SELF-PROFESSED APPLE JUNKIE. Along with his brother, Van, he is building his filmmaking career with the company's iMac computers and editing software. He usually leaves his Manhattan apartment with a sleek iPod plugged into his ear. So last year, when the Neistat brothers discovered the digital music player's batteries were irreplaceable and lasted just 18 months, they made a film called *iPod's Dirty Secret* and launched a protest Web site. Apple Computer Inc. addressed the problem. Now Neistat insists that the protest was an act of love: "We made that film because we believe in the brand so much."

Such loyalty flies in the face of conventional marketing wisdom. A customer spurned, the logic goes, is a customer lost. But these days the relationship between brands and their customers has become much more complex. For one thing, consumers simply know more than they used to. The Internet opens up a wealth of information, allowing for instant price and quality comparisons. But consumers demand more from the brands they love than simple reliability; passionate consumers want their brands to become a form of self-expression. Increasingly, consumers are customizing products and services to achieve that—whether it's tailoring colors on a pair of sneakers from Nike Inc. or adding items to their personal to-watch list on eBay. Instead of arms-length customers, they're beginning to act like and feel like owners or members of a community. They no longer passively consume. Through the Internet, they can talk back and talk to one another. They can ignite a groundswell of positive buzz or spawn a revolt. As Peter Weedfald, senior vice-president for strategic marketing and new media at Samsung Electronics North America, puts it: "Consumers are empowered in a way that's almost frightening."

## The World's 10 Most Valuable Brands

A newcomer, Toyota, breaks into the Top 10, while big-name consumer brands come under attack.

RANK	BRAND	2004 BRAND VALUE (BILLIONS)
1	COCA-COLA	\$67.39
2	MICROSOFT	61.37
3	IBM	53.79
4	GE	44.11
5	INTEL	33.50
6	DISNEY	27.11
7	MCDONALD'S	25.00
8	NOKIA	24.04
9	TOYOTA	22.67
10	MARLBORO	22.13

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





**ICONIC** From Beijing to Boston, iPod users have formed a bond

This seismic shift in clout from companies to their customers is creating opportunities, especially for younger brands that grew up with the Internet and have become adept at building user communities. Meanwhile, some traditional brands, such as Coca-Cola and Microsoft, are struggling to retain their mammoth leads in a market where consumers increasingly resist what they see as bland ubiquity and a surfeit of power.

There have always been cult brands, mostly smaller labels unknown to the masses. But these days, building cults or at least strong communities, is a widespread strategy. No wonder companies that are able to instill a sense of ownership in near-fanatical customers showed the biggest gains in our fourth annual ranking of the 100 most valuable global brands. The loyal, if sometimes nagging, band of true believers behind No. 43 Apple—combined with tremendous success of the iPod—helped the dollar value of the brand jump 23.7%, to \$6.9 billion, over the past year. That was the biggest increase in this year's ranking, which is compiled in partnership with leading brand consultancy Interbrand Corp. A dollar value is calculated for each brand using a mix of publicly available data, projected profits, and variables like market leadership.

Apple was hardly alone in enlisting recruits. eBay makes its debut at No. 60. Fellow hot property Samsung Electronics, No. 21, jumped 15.7% in value to \$12.6 billion—a move that Seoul-based global marketing chief Eric B. Kim attributes to “building communities around our brand.” Along with honing

a high-end image with its feature-packed cell phones and flat-panel TVs, it nurtures loyalty with events for users. Yahoo! and Amazon.com, Nos. 61 and 66, respectively, also made significant gains. But success isn't limited to the young. Cult icon Harley-Davidson, No. 41, climbed despite having been founded more than a century ago. While the value of those brands is a fraction of the top-ranked \$67.4 billion Coca-Cola brand or No. 2 Microsoft, with \$61.4 billion, those behemoths have lost brand value over the past year. And they, too, have started to recognize the need to nurture stronger ties with consumers. Witness moves by Microsoft to hold mini trade shows in airport lounges for consumers and the soda giant's creation of hip “Coke Red Lounges” for teens in suburban malls.

## Group Think

**THE GOAL:** TO FOSTER A SENSE of shared experience and of belonging. Starbucks Chairman Howard D. Schultz balks at the notion that his brand, which ranks 98th in our survey and jumped 12% in value this year, is about selling various iterations of coffee. Says Schultz: “The product is the experience.” His shops may sell latte, but what people really crave is the hip, relaxed ambiance, the music, even the baristas who remember the regulars' favorite concoctions. Sounds crazy? Not to student Amy Berkman. Approach her at her favorite New York City outlet and she lets forth a stream of opinions on everything from



## SPECIAL REPORT

ideal chair configurations in the store to the type of mustard they should use on their ham-and-cheese sandwiches. "Something more tangy and grainy would work better," she says, sipping on her daily chai latte. She cares because this is where she hangs out with her friends. Berkman doesn't like coffee; she likes the experience of being at Starbucks.

The brands that have managed to build cultlike followings have done so by being, well, cultlike, at least in some aspects. They are self-consciously different from rivals. They're bound by a set of clearly defined and rigorously enforced values. And they fulfill a range of needs for their members—er, customers. The fastest-growing ones often project an aura, an attractive group identity. Conjure up an image of an Armani customer or a Porsche driver and it will evoke a set of personality characteristics as much as it evokes a product preference. They also beget proselytizers—customers who will chat up the brands to their buddies, set up Web sites, attend events, and proudly identify themselves as adherents, according to strategist Douglas Atkin of ad agency Merkley & Partners, who recently wrote *The Culting of Brands*. Nobody has to pay them. They are owners as well as customers.

### Empowered Consumers

THE CLASSIC EXAMPLE of a cult brand is Harley-Davidson. The 101-year-old brand gained 4% in value this year to \$7.1 billion. Sure, there are new models like the sleek V-Rod line and fresh features aimed at wooing women, but the real buzz comes from the 886,000 members of the company-sponsored Harley Owners Group. They're the ones who organize rides, training courses, social events, and charity fund-raisers. They pore through motorcycle magazines and wear the Harley-branded gear to feel more like rugged individualists and outlaws when they hit the road on weekends. A quarter of a million of them descended on Milwaukee last Labor Day to celebrate the brand's centennial. No wonder more than half of new Harley sales are to current customers who are trading up. The brand is self-reinforcing.

It doesn't take a cool category like motorcycles to yield a cult brand. Some are found in far more mundane sectors—like furniture retailing. In Shanghai, Wang Jian Shuo runs a Web blog that, among other things, delves into his likes and dislikes with No. 40 Ikea, the Swedish furniture chain that offers modestly priced, ready-to-assemble furniture with cute names. He writes about everything from the 12¢ ice cream cones in the store cafeterias to how, as a newly graduated student in 1999, he spent his first month's salary on a "Billy Bookcase." Notes Wang: "Ikea seems to know my life better than

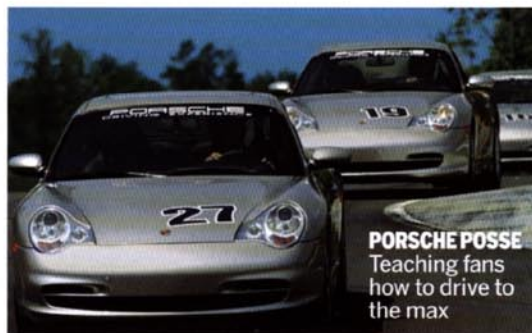


## Cultlike brands are self-consciously different from their competitors

any other furniture brand." Among those posting responses to his musings are a Malaysian fan who started his own Ikea forum and another who makes jokes about Swedish meatballs.

Such exchanges underline a key aspect of brand communities in the modern age: They evolve in ways that the head office often can't control. Newly empowered consumers can appropriate and manipulate the brand in whatever way they want. The Neistat brothers' anti-iPod Web site has generated 1.4 million hits from around the world. And it's not just brand fans who can make a difference—or inflict damage. Witness the success of *Super Size Me*, in which documentary filmmaker Morgan Spurlock chronicled his decline in health while eating meals at McDonald's for 30 days in a row. Although it denies any link, McDonald's Corp. recently did away with the Super Size meal option. They called it a menu simplification.

The key for brand builders is to give empowered consumers a great product and the tools to use it however they want. Jeffrey P. Bezos, chief executive of Amazon.com, whose brand value grew 22%, believes there is a distinct community built around his brand, even though it's now used by more than 30 million people





worldwide. For him, community is defined as "neighbors helping neighbors make purchase decisions." That means allowing negative customer reviews, even if it sabotages a possible sale. It meant halting spending on conventional advertising last year to funnel money into cutting prices and improving service in the belief that the community itself would spread the word. What Bezos does control is the range and quality of his site's offerings. "The thing that we did early on is that we made it very easy for people to find very obscure products," notes Bezos. "If you're not doing something that people will remark on, then it's going to be hard to generate word of mouth."

Some companies are using mass customization to bind their customers ever more tightly to their brands. The efforts extend beyond the individualized Web pages that characterize Web sites like Amazon.com and eBay. It means allowing customers to set up fan sites on the Web or personalize items. Some companies, like No. 18 Honda Motor and Nike, offer tools to help customers put their imprint on a product—such as choosing unique color combinations and messages for their sneakers. But relinquishing control has proved to be hard for some marketers. No. 6 Walt Disney and No. 82 AOL have famously chased down fans for unauthorized use of copyrighted material. As brand "futurist" Andrew Zolli argues: "When you get to the point where you're suing your customers over their use of your brand, it's time to change your business model."

Even brands that have largely grown through acquisitions and smart pricing understand the importance of building a distinct image and fan base. As Peter Stringham, group general manager of HSBC Holdings PLC bank in London notes: "Nobody needs a new anything anymore." Instead, what has allowed No. 33 HSBC to jump 15%, to \$8.7 billion, this year is clear differentiation as "the world's local bank" with a flavor that varies by location. On Jan. 28, for example, it kicked off the rebranding of newly acquired Mexican bank GF Bital with a free live concert in Mexico City for 10,000 people by pop singer Luis Miguel. In New York, it grabbed attention by offering free taxi rides in a cab emblazoned with the bank's red and white logo to any passenger with an HSBC bank card.

In contrast, some old-line brands seem to be coasting on sheer size rather than an ability to forge a unique relationship with customers. Even brands that have enjoyed decades of success and

have instant recognition with consumers can lose some sparkle. Over the past year heavyweights like Microsoft, Coca-Cola, and Walt Disney saw their brand values erode. Others, like Finnish mobile-phone giant Nokia Corp., No. 8, are struggling to regain momentum. "Nokia used to differentiate but I don't think people would know what to associate with it now," argues Jan Lindemann, Interbrand's global director of brand valuation. Nokia's head of global branding, Tapio Hedman, admits that "some young people may find Nokia too everyday, too middle of the road." But he disputes

the notion that his brand could plummet 18% over 12 months, as it did this year in our ranking, arguing that brand equity takes years to win and lose. "Once you have it, it's a bit like insurance," says Hedman. "It's not likely to be eroded very fast unless you make one mistake after another."

That may be a dangerous point of view to take. Just ask Royal Philips Electronics' new chief marketing officer, Andrea Ragnetti, who blames the lack of buzz around the Dutch electronics giant, which dropped 2% in the rankings, to No. 65, on years of underinvesting in the brand. "It's seen as a dull, solid, reliable brand but nothing really special, nothing sparkling," says Ragnetti, who is

currently trying to narrow the brand's target demographics and recast its message.

That doesn't mean big brands can't connect with customers. Even massive players like No. 4 General Electric Co., which saw its brand value gain 4%, to \$44.1 billion, can adopt a fun, flirty style. The most popular section on the company's Web site is the "GE Pen," which allows users to doodle in a variety of colors and styles before e-mailing their handiwork to a friend. Since launching last year, it has received more than 43 million impressions. When the site went down for a few days to upgrade, the

company was deluged with e-mails that asked where it had gone. Does it help the company sell more ovens or advertising on NBC? Probably not. But it certainly gives users a warmer feeling about GE. These days, anything that makes fans out of fickle consumers can be priceless in building a brand. ■

—By Diane Brady in New York, with Robert D. Hof in San Mateo, Calif., Andy Reinhardt in Paris, Moon Ihwan in Seoul, Stanley Holmes in Seattle, Kerry Capell in London, and bureau reports

## The Big Winners

It's the year of the iPod (Apple). Meanwhile, Net brands (Amazon, Yahoo) extend their reach, a Korean electronics juggernaut (Samsung) just gets stronger, and a London outfit (HSBC) stakes its claim as the world's local banker.

RANK	BRAND	2004 BRAND VALUE (BILLIONS)	2003 BRAND VALUE (BILLIONS)	PERCENT CHANGE
43	APPLE	\$6.87	\$5.55	+24%
66	AMAZON.COM	4.16	3.40	+22%
61	YAHOO!	4.55	3.89	+17%
21	SAMSUNG	12.55	10.85	+16%
33	HSBC	8.67	7.56	+15%

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

## The Big Losers

Technology and competition march onward, battering once-sterling brands in consumer photography (Kodak), video games (Nintendo), cell phones (Nokia), online service (AOL), and autos (Ford). Consumers ask: What's so special?

RANK	BRAND	2004 BRAND VALUE (BILLIONS)	2003 BRAND VALUE (BILLIONS)	PERCENT CHANGE
53	KODAK	\$5.23	\$7.83	-33%
46	NINTENDO	6.48	8.19	-21%
8	NOKIA	24.04	29.44	-18%
82	AOL	3.25	3.96	-18%
19	FORD	14.47	17.07	-15%

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

**BusinessWeek online** For an interview with Bezos and a Video View with Interbrand's Lindemann, go to [businessweek.com/magazine/extra.htm](http://businessweek.com/magazine/extra.htm)



# THE GLOBAL BRAND SCOREBOARD

## 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 \$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 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.

RANK 2004 / 2003	2004 BRAND VALUE \$MILLIONS	2003 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
<b>1</b> 1 <b>COCA-COLA</b>	67,394	70,453	-4%	U.S.	Little innovation beyond its flagship brand and poor management has caught up with Coke as consumers' thirst for cola has diminished.
<b>2</b> 2 <b>MICROSOFT</b>	61,372	65,174	-6%	U.S.	Its logo pops up on 400 million computer screens worldwide. But virus plagues and rival Linux took some luster off Gates & Co.
<b>3</b> 3 <b>IBM</b>	53,791	51,767	4%	U.S.	A leader in defining e-business, with services making up more than half of Big Blue's sales.
<b>4</b> 4 <b>GE</b>	44,111	42,340	4%	U.S.	With acquisitions in areas from bioscience to bomb detection, it's easier to buy GE's new theme of "imagination at work."
<b>5</b> 5 <b>INTEL</b>	33,499	31,112	8%	U.S.	No longer just inside PCs, Intel is using its muscle to set the agenda for everything from wireless standards to the digital home.
<b>6</b> 7 <b>DISNEY</b>	27,113	28,036	-3%	U.S.	Long the gold seal in family entertainment, but newcomers like Nickelodeon and Pixar are siphoning off some of its brand equity.
<b>7</b> 8 <b>MCDONALD'S</b>	25,001	24,699	1%	U.S.	Big Mac has pulled out of a two-year slump but still has to battle its reputation for supersizing the world's kids.
<b>8</b> 6 <b>NOKIA</b>	24,041	29,440	-18%	Finland	Tough times for the mobile-phone giant as its market share has slipped and younger buyers turn to rivals such as Samsung.
<b>9</b> 11 <b>TOYOTA</b>	22,673	20,784	9%	Japan	With rock-solid quality and the edge in hybrid cars, the Japanese auto maker is on track to overtake Ford in worldwide sales.
<b>10</b> 9 <b>MARLBORO</b>	22,128	22,183	0%	U.S.	The No. 1 name in cigarettes has cut prices and upped marketing to beat back the challenges of higher taxes and fewer smokers.
<b>11</b> 10 <b>MERCEDES</b>	21,331	21,371	0%	Germany	With wobbly profits and quality problems, the luxury car brand is struggling to retain premium status.
<b>12</b> 12 <b>HEWLETT-PACKARD</b>	20,978	19,860	6%	U.S.	Covering everything from digital cameras to service, the IT giant wants to dominate the middle ground between Dell and IBM.
<b>13</b> 13 <b>CITIBANK</b>	19,971	18,571	8%	U.S.	New CEO Charles Prince has spurred on global expansion and boosted the consumer credit division.
<b>14</b> 15 <b>AMERICAN EXPRESS</b>	17,683	16,833	5%	U.S.	A recent federal court ruling that allows banks to issue Amex cards should give the brand another boost.
<b>15</b> 16 <b>GILLETTE</b>	16,723	15,978	5%	U.S.	Despite the tougher competition from Schick, the King of Blades still reigns with new products like the battery-powered M3Power.



RANK 2004 / 2003			2004 BRAND VALUE \$MILLIONS	2003 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
16	17	CISCO	15,948	15,789	1%	U.S.	The networking behemoth used slick TV ads and key acquisitions like Linksys to extend its reach.
17	19	BMW	15,886	15,106	5%	Germany	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.
18	18	HONDA	14,874	15,625	-5%	Japan	Overtaken by Nissan at home and falling further behind rival Toyota in the U.S. market.
19	14	FORD	14,475	17,066	-15%	U.S.	Ford is trying to make quality "Job One" again after an embarrassing run of glitches, but leery consumers haven't yet regained trust.
20	20	SONY	12,759	13,153	-3%	Japan	It was late to the LCD TV boom, and the PS2 video game console is slipping. Worse, rival Samsung is in Sony's face.
21	25	SAMSUNG	12,553	10,846	16%	S. Korea	No longer known just for undercutting the prices of big Japanese brands, the Korean consumer-electronics dynamo is suddenly cool.
22	23	PEPSI	12,066	11,777	2%	U.S.	Targeted marketing and ads abroad with stars like soccer icon David Beckham have enabled the No. 2 cola maker to steal some of Coke's fizz.
23	21	NESCAFE	11,892	12,336	-4%	Switzerland	It's still the world's favorite instant coffee but even products like Ice Java struggle against hip upscale brands like Starbucks.
24	22	BUDWEISER	11,846	11,894	0%	U.S.	The growing global low-carb trend has left Bud flat. Plus, it's under attack from bulked-up and feisty rival Miller.
25	29	DELL	11,500	10,367	11%	U.S.	With its reputation for low prices and fast delivery, Dell continues to leave competitors in the dust.
26	27	MERRILL LYNCH	11,499	10,521	9%	U.S.	A painful overhaul is behind it. Now the retail brokerage is back in hiring and expansion mode.
27	26	MORGAN STANLEY	11,498	10,691	8%	U.S.	The investment bank's reputation is rising along with mergers and stock issuances, its specialty.
28	24	ORACLE	10,935	11,263	-3%	U.S.	The database-software business is up, but CEO Lawrence Ellison's fight to buy rival PeopleSoft makes Oracle look like a corporate raider.
29	28	PFIZER	10,635	10,455	2%	U.S.	The pharma industry's powerhouse, with 11 products each expected to top \$1 billion in annual sales this year.
30	31	J.P. MORGAN	9,782	9,120	7%	U.S.	The marquee investment bank had a solid year, and now can extend its reach with its \$58 billion acquisition of Bank One Corp.
31	33	NIKE	9,260	8,167	13%	U.S.	With allegations of sweatshop operations behind it and a growing soccer line, Nike rules the athletic market.
32	30	MERCK	8,811	9,407	-6%	U.S.	The drugmaker has tried to bolster its lineup with more partnerships, but patent expirations and research flops still pinch.
33	37	HSBC	8,671	7,565	15%	Britain	After snapping up Household International in 2003, the "world's local bank" is making inroads in the U.S. market.
34	35	SAP	8,323	7,714	8%	Germany	Its establishment image and sharp marketing have helped SAP thrive in a volatile software market.
35	39	CANON	8,055	7,192	12%	Japan	Hot digital cameras and printers boosted sales. Next up: an expanded line of sleek color copiers.
36	38	KELLOGG'S	8,029	7,438	8%	U.S.	Jumping on the low-carb bandwagon has kept Kellogg's cereal business crackling.
37	41	GOLDMAN SACHS	7,954	7,039	13%	U.S.	With record profits, it remains one of the most prestigious institutions on Wall Street.
38	36	GAP	7,873	7,688	2%	U.S.	The retail chain has revived its brand with fresh fashions and celebrity endorsements.
39	NEW	SIEMENS	7,470	New	New	Germany	The Munich conglomerate behind everything from phones to power plants is seeing a payoff from years of global image building.
40	43	IKEA	7,182	6,918	4%	Sweden	The Swedish home furnishing chain is now pushing cheap chic furnishings as far as Russia and Asia.
41	44	HARLEY-DAVIDSON	7,057	6,775	4%	U.S.	The motorcycle icon has lowered seat heights to woo women and trimmed prices, but production limits put a brake on growth.
42	40	HEINZ	7,026	7,097	-1%	U.S.	Despite wacky colors and cute ads, it's proving hard to boost value in foods like ketchup and beans.
43	50	APPLE	6,871	5,554	24%	U.S.	The iPod digital music player gave one of tech's coolest brands the consumer electronics hit of the year.
44	45	LOUIS VUITTON	6,602	6,708	-2%	France	It has a hot Murakami line and Jennifer Lopez in its ads, but is Vuitton getting over-exposed?



RANK 2004 / 2003	2004 BRAND VALUE \$MILLIONS	2003 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
<b>45</b> NEW <b>UBS</b>	6,526	New	New	Switzerland	With a consolidated brand and its catchy "You and Us" campaign, the world's biggest asset manager is booming.
<b>46</b> 32 <b>NINTENDO</b>	6,479	8,190	-21%	Japan	It has an unrelenting focus on kids, but has Nintendo abandoned the gamers who have grown up?
<b>47</b> 46 <b>MTV</b>	6,456	6,278	3%	U.S.	The music network pumps cash for parent Viacom, and has an international reach that's the envy of U.S. media rivals.
<b>48</b> 42 <b>VOLKSWAGEN</b>	6,410	6,938	-8%	Germany	Aging models and missteps make consumers write off the people's car as pricey and a bit dull.
<b>49</b> 47 <b>L'OREAL</b>	5,902	5,600	5%	France	Expansion in Asia and smart targeting of ethnic markets have the personal-care group looking prettier every day.
<b>50</b> 52 <b>ACCENTURE</b>	5,772	5,301	9%	U.S.	The tech services giant has its mojo back, with a contract to secure U.S. borders, and more consulting work.
<b>51</b> 48 <b>XEROX</b>	5,696	5,578	2%	U.S.	The copier maker is starting to convince customers that it can be a digital document one-stop-shop.
<b>52</b> 55 <b>WRIGLEY'S</b>	5,424	5,057	7%	U.S.	Sales are up as the gum maker looks to push popular brands into more mouths worldwide.
<b>53</b> 34 <b>KODAK</b>	5,231	7,826	-33%	U.S.	Removed from the Dow and only dominant in a film business that shrinks every year.
<b>54</b> 49 <b>KFC</b>	5,118	5,576	-8%	U.S.	Despite efforts to make the brand seem healthier, the world still focuses on the middle name in Kentucky Fried Chicken.
<b>55</b> 51 <b>PIZZA HUT</b>	5,050	5,312	-5%	U.S.	The low-carb craze crimped pizza sales, and the chain's tardiness in diversifying its menu didn't help.
<b>56</b> 56 <b>COLGATE</b>	4,929	4,686	5%	U.S.	With a growing lead over Crest in markets from Russia to China, the toothpaste company is smiling.
<b>57</b> 54 <b>KLEENEX</b>	4,881	5,057	-3%	U.S.	The big name in tissues can't blow off fierce price-cutting by rivals or higher costs in pulp and paper.
<b>58</b> 57 <b>AVON</b>	4,849	4,631	5%	U.S.	The cosmetic company's door-to-door model is performing beautifully in foreign markets like Brazil and China.
<b>59</b> 53 <b>GUCCI</b>	4,715	5,100	-8%	Italy	Sales were slipping even before influential creative director Tom Ford said an April <i>arrivederci</i> .
<b>60</b> NEW <b>EBAY</b>	4,700	New	New	U.S.	With everything from vintage jewelry to new DVDs, it's where the world shops for bargains.
<b>61</b> 65 <b>YAHOO!</b>	4,545	3,895	17%	U.S.	The Internet portal has found riches in sponsored search but former partner Google is muscling into its turf.
<b>62</b> 60 <b>NESTLE</b>	4,529	4,460	2%	Switzerland	Chocolate is the key ingredient, but the Swiss giant is moving into nutritional supplements and fitness bars.
<b>63</b> 62 <b>DANONE</b>	4,488	4,237	6%	France	Strong sales of dairy products and bottled water keeps the French food company in good health.
<b>64</b> 61 <b>CHANEL</b>	4,416	4,315	2%	France	Successful couture and Nicole Kidman ads have kept this fashion house on people's lips, hips, and wrists.
<b>65</b> 59 <b>PHILIPS</b>	4,378	4,464	-2%	Netherlands	The Dutch electronics giant has scored some hits, but it's still struggling to fend off Asian rivals.
<b>66</b> 74 <b>AMAZON.COM</b>	4,156	3,403	22%	U.S.	It dumped TV ads to cut prices, jump-starting sales and building its position as the Wal-Mart of the Web.
<b>67</b> 63 <b>KRAFT</b>	4,112	4,171	-1%	U.S.	There's new low-carbs packaging but critics accuse the food giant of producing products that make kids fat.
<b>68</b> 75 <b>CATERPILLAR</b>	3,801	3,363	13%	U.S.	The equipment manufacturer is plowing ahead as the industrial sector strengthens.
<b>69</b> 67 <b>ADIDAS</b>	3,740	3,679	2%	Germany	The German maker of athletic wear dominates in soccer, but is still trying to find its footing in the U.S.
<b>70</b> 68 <b>ROLEX</b>	3,720	3,673	1%	Switzerland	For high-end consumers, the leading luxury watch maker's appeal is timeless.
<b>71</b> 76 <b>REUTERS</b>	3,691	3,300	12%	Britain	American CEO Tom Glocer's cost cuts and new products are helping the info giant turn the corner.
<b>72</b> 69 <b>BP</b>	3,662	3,582	2%	Britain	Now second only to ExxonMobil in size, BP is raking in cash thanks to high oil and gas prices.
<b>73</b> 66 <b>TIME</b>	3,651	3,784	-4%	U.S.	Softer advertising pulls down the brand even as its book division pumps out bestsellers.



# THE GLOBAL BRAND SCOREBOARD

RANK 2004 / 2003			2004 BRAND VALUE \$MILLIONS	2003 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
74	NEW	PORSCHE	3,646	New	New	Germany	The high-end Cayenne SUV produced record profits and turbocharged the brand.
75	70	TIFFANY	3,638	3,540	3%	U.S.	The lure of its diamonds, pearls, and silver is strong but Japan is looking tarnished and U.S. store sales are down.
76	81	MOTOROLA	3,483	3,103	12%	U.S.	Motorola is relevant again, with its clam-shell phones gaining in Europe and in new markets like China.
77	79	PANASONIC	3,480	3,257	7%	Japan	It boasts some of the best technology in must-have items like recordable DVDs and plasma-screen TVs.
78	78	HERTZ	3,411	3,288	4%	U.S.	Healthy international markets help the king of car rental roar again, even amid rising gas prices.
79	73	HERMES	3,376	3,416	-1%	France	The maker of silk scarves and Kelly handbags hopes designer Jean Paul Gaultier can freshen its image.
80	71	DURACELL	3,362	3,438	-2%	U.S.	Relentless discounting and promotions continue to commoditize the world of batteries.
81	NEW	AUDI	3,288	New	New	Germany	The new A8 and strong global expansion have made Audi a profit engine. It's even thriving in China.
82	64	AOL	3,248	3,961	-18%	U.S.	Federal accounting inquiries and a messy merger have tarnished the AOL name as it fights to keep customers.
83	82	HENNESSY	3,084	2,996	3%	France	Parent LVMH is toasting the popularity of cognac with the world's young urbanites, especially among the hip-hop set.
84	83	SHELL	2,985	2,983	0%	Brit./Neth.	The energy giant is struggling to recuperate from a reserves downgrade and a boardroom bloodbath.
85	77	LEVI'S	2,979	3,298	-10%	U.S.	Even its iconic 501 jeans are discounted these days and brands like Diesel are finding legs with young shoppers.
86	85	SMIRNOFF	2,975	2,806	6%	Britain	The best-selling vodka builds on its popularity with Smirnoff Twist and "malternatives" such as Smirnoff Ice.
87	86	JOHNSON & JOHNSON	2,952	2,706	9%	U.S.	Holding firm in a tough market, it had a hit with a drug-coated stent. But competition looms there, too.
88	NEW	ING	2,864	New	New	Netherlands	ING Direct and a forceful U.S. marketing push put the Dutch financial services firm on the map.
89	88	MOET & CHANDON	2,861	2,524	13%	France	Strong growth in Japan and the U.S. keeps the world's leading champagne brand bubbling along.
90	89	NISSAN	2,833	2,495	14%	Japan	Having pushed aside Honda in Japan, it's gaining North American share with Titan trucks and the Altima sedan.
91	NEW	CARTIER	2,749	New	New	France	The bejeweled panther has shed cheaper items and held tight to its luxury status through tough times.
92	NEW	ESTEE LAUDER	2,634	New	New	U.S.	This fixture of the high-end cosmetics counter is now expanding in middle markets like retailer Kohl's.
93	NEW	ARMANI	2,613	New	New	Italy	Known for classy clothes, it's expanding into everything from home furnishings to hotels and restaurants.
94	84	BOEING	2,576	2,864	-10%	U.S.	It has lost commercial market share to rival Airbus, as execs try to erase the taint of a Pentagon hiring scandal.
95	87	PRADA	2,568	2,535	1%	Italy	Still the preserve of pretty stars but rapid expansion and debt could dilute some of Prada's exclusive cachet.
96	91	MOBIL	2,492	2,407	4%	U.S.	It got a boost from reformulated motor oil and its status as NASCAR's official lubricant.
97	92	NIVEA	2,409	2,221	8%	Germany	The mid-market skin-care line is now a leader in plumping up men's faces, too.
98	93	STARBUCKS	2,400	2,136	12%	U.S.	Global expansion, new products, and yet more variations on the humble cup of java boost the coffee hut's appeal.
99	90	HEINEKEN	2,380	2,431	-2%	Netherlands	Sales may be flat at Europe's largest brewery, but the 141-year-old Amsterdam brand remains the world's favorite premium brew.
100	95	POLO RL	2,147	2,048	5%	U.S.	It has consolidated control of its clothing brand, pushing same-store sales up 11% in the last quarter of 2003.

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

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