

Best Global Brands

How the **BusinessWeek/Interbrand** Top 100 companies are using their brands to fuel expansion

BY DAVID KILEY

NOT LONG AGO, MOTOROLA SAW ITSELF THE same way its customers did: as a tech-driven seller of products, not a brand. The success of the RAZR changed all that. By ringing the consumer's bell, the hot-selling mobile phone validated a new strategy, internally dubbed MOTOME. Suddenly Motorola was a company that had rediscovered its identity as a major consumer brand.

The key, says global marketing head George Neill, who came to the company last year from Apple, was to think of the brand as providing experiences to consumers, not just hardware. "We're focused on giving access to what people want—music, video, Internet—wherever customers roam." That translated into an 18% gain in the company's global brand value on this year's *BusinessWeek/Interbrand* Annual Ranking of the 100 Top Global Brands. The phonemaker, adds Interbrand Group CEO Jez Frampton, is "redefining the place people make for the Motorola brand in their lives."

This year's list is brimming with hot brands such as Motorola that are crafting new and surprising ways to branch into entirely new product arenas. Hyundai is launching a premium sedan. Google is wading into selling ad time on the radio. Others are revving up their brand's goodwill value to dodge problems, as McDonald's is doing with its health and fitness marketing to counter concerns about junk food.

Every company wants its brand to get bigger. The hard part is balancing what the brand is with a vision of what it would like to be. "As soon as you try to go someplace that doesn't fit or where you don't have credibility, it can detract from your organization and your brand," says Frampton. The sixth annual *BusinessWeek/Interbrand* rankings measure an elusive but cru-

cial quality. Companies that score high can count on plenty of customer loyalty as they push into risky expansions.

Don't Fear Public Flops

THE GOOGLE NAME is stronger than ever: In this year's ranking it gained 46% in brand value—the biggest year-over-year rise of any company ever on the list. Revenues climbed by 105% last year. With market share in Internet search still surging, it can afford to gamble with its universally recognizable brand.



That allows Google to launch a slew of new products with small investments, gain valuable user input at early stages of development, and in turn challenge market leaders such as Microsoft in mature businesses. "The way you find really successful innovation is to release five things and hope that one or two of them really take off," says product czar Marissa Mayer.

When your brand is a verb in the *Oxford English Dictionary*, you can weather the sting of a few product flops. In the process you can harness the power of early releases, when users offer tons of suggestions, and engineers can fold in upgrades and adapt on the fly. That's what the company did with Google Video, which was expanded to let people upload and showcase their own creations. Another example: When Google initially launched Gmail in 2004, it scared some would-be customers by scanning e-mails for keywords and serving up ads relevant to their content. Since then the company has invited Web critics and consumer advocates to weigh in during the test phases of other new offerings.

The Big WINNERS

Google posted the biggest single-year percentage gain of any company in the rankings' five-year history. Growth at eBay, the top dog of 2005, slowed from last year.

BRAND	2006 BRAND VALUE (BILLIONS)	2005 BRAND VALUE (BILLIONS)	CHANGE IN BRAND VALUE
GOOGLE	12.38	8.46	46%
STARBUCKS	3.10	2.58	20
EBAY	6.76	5.70	18
MOTOROLA	4.57	3.88	18
HYUNDAI	4.08	3.48	17

Data: Interbrand; JPMorgan Chase; Citigroup; Morgan Stanley

The Big LOSERS

Practically every industry had a loser this year. Gap slipped 12 places in the rankings, and beleaguered Ford made its fifth appearance on this list, falling eight places.

BRAND	2006 BRAND VALUE (BILLIONS)	2005 BRAND VALUE (BILLIONS)	CHANGE IN BRAND VALUE
GAP	6.42	8.19	-22%
FORD	11.06	13.16	-16
KODAK	4.41	4.98	-12
HEINZ	6.22	6.93	-10
INTEL	32.32	35.59	-9

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Google's brand may not always ride this high. Failed product tests can pile up and dent all the positive brand buzz. That's a worry, particularly since only a few of its services beyond search have found real acclaim, much less significant new revenue.

Still, the company has a toehold almost everywhere and a knack for speed. In the past year it has launched an online finance site, a spreadsheet tool, and a word processor, and it plans to resell radio and TV ad time to its ad clients. Several of these may never be big cash machines, but with revenues growing 77% last quarter, it's hard to blame Google for failing in small ways when it's winning so big on the Street.

Face Your Weaknesses

IN THE FIVE YEARS leading up to 2003, McDonald's saw its market capitalization fall by \$12.2 billion. And this is no Internet stock. The problem was that despite the company's nearly 100% brand awareness in every global market, the old images of Ronald McDonald weren't wearing well. Just as troubling, evidence was mounting that junk food was fueling an obesity epidemic in the U.S. McDonald's had long struck a defensive pose against such barbs. But it was time to take control of the brand before outside forces did it for them.



McDonald's discovered that while its big-budget Disney tie-ins and Olympics sponsorships kept the Golden Arches in kids' sights, mothers were its real problem. Opinion studies and focus groups showed a mounting distrust of McDonald's and guilt among suburban moms about letting kids eat there. "Everything we do is really driven through the eyes of our customers and understanding what their needs and desires are," says Global Chief Marketing Officer Mary Dillon.

So the chain set out to appeal to moms. In the past three years, one-third of its 13,725 restaurants have been upgraded, and new premium-priced salads and chicken meals have been added. Fruit offerings such as apple slices have helped change Mickey D's image—it's now the nation's biggest wholesale buyer of apples. This year, McDonald's global brand value rose a healthy 6%, and its market capitalization grew by \$2 billion. The company took the mom-friendly message to a new level last February. McDonald's kicked off a global campaign tied in with the Olympics that talks up the importance of exercise and nutrition, using such athletic role models as tennis stars Venus and Serena Williams.

The campaign ("It's what I eat and what I do...I'm lovin' it") includes TV ads, new packaging, and a series of Ronald McDonald videos teaching children how to eat well and stay active. Meanwhile, average restaurant sales are up to a record \$1.9 million thanks to the premium-priced items. Says Dillon: "One of the fun things about McDonald's is we are always learning about how we can expand our brand."

Earn Permission to Grow

IN 1998, HYUNDAI'S reputation in the U.S. was so ravaged by a decade of quality problems that the South Korean company considered pulling up stakes. Chung Mong Koo took over that year and began reinventing how Hyundai viewed quality. A carmaker without a U.S. presence, he reckoned, could never be a global brand.

Quality improved, but Hyundai was still far behind. So Chung devised an aggressive strategy: Until at least 2008, Hyundai models would carry a 100,000-mile/10-year warranty to give customers peace of mind. This created hundreds of millions of dollars a year in extra provision costs, of course. Meanwhile, Chung ordered plant managers to obsess about quality, even to stop production lines if defects were detected. The practice was common in Japan and catching on in the U.S. but still unheard of in Korea.

The moves paid off. In the U.S., Hyundai saw its sales grow from less than 100,000 in 1998 to 455,012 last year. Global brand value climbed an impressive 17% last year. In the latest quality scores from J.D. Power & Associates, released in June, Hyundai was the top-rated nonluxury brand ahead of Toyota. That now gives Hyundai the street cred, for example, to sell its new Azera sedan, which costs close to \$30,000 and has been compared seriously to the Chrysler 300, Toyota Avalon, and Buick Lucerne.

Having earned stripes from critics, Hyundai says it's looking for more creative validation as it contemplates a sub-brand to compete with Lexus and Cadillac. "One important objective of our brand is to create emotional connection with our clients," says Nam Myung Hyun, general manager for brand strategy. It shouldn't be too hard. Americans love an underdog, especially one that has learned new tricks.

Make Simplicity King



WHEN GERARD KLEISTERLEE took the helm of Royal Philips Electronics in 2001, the Dutch conglomerate's empire included TVs, lighting, medical devices, and semiconductors. The missing key: a coherent brand. "We had to choose whether Philips was a company built around its core technologies or one built around its core brand," says Kleisterlee, who presided over a healthy 14% gain in global brand value last year.

He wisely chose the latter. In doing so he had to shake up the way the company thought about customers and communication without alienating the engineering and science units critical to innovation. In 2004 its "Sense and Simplicity" global branding effort launched. The idea is to create a "health-care, lifestyle, and technology" company that offers easy-to-use products designed around the consumer. To get the effort on track, the CEO created an internal think tank, the Simplicity Advisory board, comprised entirely of Philips outsiders: a British fashion designer, a Chinese architect, an American radiologist, and an American Massachusetts Institute of Technology professor.

The board looks at overarching questions like: How does simplicity get executed? Their strategic advice changed the way the company thinks, leading to a series of new, user-friendly products. It wasn't enough to design a small defibrillator that could be stashed in public spaces such as airports and workplaces. Consumers dictated that it be the size of a laptop and simple enough that the untrained could spark a heart back to



life in seconds using built-in audio instructions. There's also Perfect Draft, a home draft-beer dispenser that's a twist on Philips' hugely successful Senseo coffee machines.

Philips installed new test centers around the world where products are extensively critiqued by consumers. That saved the company from flubbing the launch of its WACS7000 Wireless Music Center & Station, which it postponed when the software was rewritten because of complaints of overcomplexity.

Brand value hasn't come cheaply for Philips. Analysts say the company spent \$170 million in 2005 and plans to invest around the same amount this year on the new campaign. But Kleisterlee knows the company's future valuation depends on the strength of the brand: "Everything we do, from our products to the way we work with our suppliers and customers, has to live up to the simplicity promise."

Protect Your Culture

STARBUCKS HARDLY advertises, instead relying on its ubiquitous cafés to do the talking and create its 20% bump in global brand value. That means keeping them free of the clutter of other brands and products, which are constantly trying to piggyback on the Starbucks aura and access to 30 million weekly customers. At the same time, the chain has come to view its brand as a kind of cultural portal—after co-producing a series of music CDs, Starbucks this year backed a book and a film. So it was a spirited discussion that took place within the Consumer Insight Group last fall about how to use the sacred store environment to promote the movie, *Akeelah and the Bee*. Until then the chain had never sullied its cafés with movie posters or TV monitors.

The answer was to make the cafés a sort of extension of the film, which is about an inner-city African American girl who competes in a national spelling bee. So last April vocabulary words from the contests in the film went on Starbucks cup sleeves and on café walls, challenging customers' vocabularies. It wasn't an overly obvious promotion. Rather than use traditional methods, says Senior Vice-President for Marketing Ann Saunders, new projects like this are launched "based mostly on our intuition and out of our brand culture.... We know when it feels right." Starbucks plans to co-produce at least two more movies next year.

Missteps have been helpful in understanding how to grow—and how not to. *Joe* magazine, in 1999, was one. Magazines are a smaller niche than newspapers and a highly personal choice for consumers. After six months, *Joe* was tossed. Last year's "drinking chocolate," called Chantico, served in a dainty six-ounce cup, didn't work, either. It was too pricey at almost \$3, in too small a cup, and had too many calories (390). Gone.

Perhaps Starbucks' riskiest ventures are its music bars, which let customers compile songs on CDs or in MP3 folders from a song library. The bars change the atmosphere of the cafés and have been criticized in the media and on blogs as an unnecessary diversion. Saunders counters that customer satisfaction is high, and more music bars are likely next year. She knows the plan is ambitious. "But if you know where your brand lines really are, you can push them." ■

—With Ben Elgin in San Mateo, Calif.,
Michael Arndt and Roger Crockett in Chicago,
Kerry Capell in London, and Moon Ihlwan in Seoul



Burt's Bees: Up from Craft Fairs

BRAND EXPANSION ISN'T JUST for big business. Two decades ago the founders of Burt's Bees were peddling their handmade beeswax candles and lip balms at craft fairs in the Northeast. Now the Durham (N.C.) company's eco-friendly personal-care products, some of which still

sport the bearded visage of Maine beekeeper and retired co-founder Burt Shavitz, can be found in 22,000 stores, including recent additions Walgreens and CVS. Sales at the company, which was acquired by private equity group AEA Investors in 2004, are expected to rise 25% in 2006, to \$250 million. Writer Andrew Park spoke with Chief Executive John Replogle, 40, who joined Burt's from Unilever in January, about managing the explosive growth of this offbeat brand.

What drives decisions about brand expansion at Burt's Bees?

We receive over a thousand phone calls and e-mails a week from consumers. It's through that dialogue that we know where to take our brand. For example, consumers tell us they absolutely adore products in our hand- and foot-care line. And they say, "Can you help me by giving me a product like that that's good for all over my body?" That's what really led to our recent launches of a full range of body lotions.

Where do you want to take the brand in the future?

We're trying to meet consumer needs from head to toe. We're going to be moving into a men's range and a fuller line of personal cleansing products, to shampoos and conditioners. We just launched a body wash, and we'll launch more products next year. We'll be offering hand soaps and washes early in the new year.

Any plans for the baby-care market, which is hot right now?

We're just about to introduce a head-to-toe baby wash. Mothers really understand the need for natural care. A lot of our consumers actually [discovered the brand] with their child.

Any products you'll stay away from?

Household care. There's a lot of damage to our planet [from synthetic] things that go down the drain, and our philosophy has always been to be gentle. Frankly we've decided not to move into it at this time.



REPLOGLE Going wide

Have any new categories been disappointments?

Color cosmetics such as eye shadows or blushing creams. Those have not been strong sellers for us.

What's the end game for Burt's Bees?

We don't really see a limit to what we can do. Health and wellness [are part of] a megatrend, and so is the greening of America. All you have to do

is listen to major retailers talk about sustainability, and you see the confluence of consumer trends and retailer trends. We're right at the heart of that.

Do you risk alienating your core consumers as you move into mainstream stores?

[Our consumer] wants access to her favorite products at all of her favorite retailers. The authenticity of the brand shines through regardless of whether we're in 10,000 or 20,000 or even 30,000 stores.

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HOW AMERICAN EXPRESS SERVES SMALL BUSINESS

The 100 Top Brands

Here's how we calculate the power in a name

INTERBRAND TAKES lots of ingredients into account when ranking the world's most valuable brands. To even qualify for the list, each brand must derive about a third of its earnings outside its home country, be recognizable outside of its base of customers, and have publicly available marketing and financial data. One or more of those criteria eliminate such heavyweights as Visa, Wal-Mart, Mars, and CNN. Interbrand doesn'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 can be attributed 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 geographic 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 2006 / 2005			2006 BRAND VALUE \$MILLIONS	2005 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
1	1	COCA-COLA	67,000	67,525	-1%	U.S.	Flagging appetite for soda has cut demand for Coke, but the beverage giant has a raft of new products in the pipeline that could reverse its recent slide.
2	2	MICROSOFT	56,926	59,941	-5%	U.S.	Threats from Google and Apple haven't yet offset the power of its Windows and Office monopolies.
3	3	IBM	56,201	53,376	5%	U.S.	Having off-loaded its low-profit PC business to Lenovo, IBM is marketing on the strategic level to corporate leaders.
4	4	GE	48,907	46,996	4%	U.S.	The brand Edison built has extended its reach from ovens to credit cards, and the "Ecomagination" push is making GE look like a protector of the planet.
5	5	INTEL	32,319	35,588	-9%	U.S.	Profits and market share weren't the only things slammed by rival AMD. Intel's brand value tumbled 9%, as it lost business from high-profile customers.
6	6	NOKIA	30,131	26,452	14%	Finland	Fashionable designs and low-cost models for the developing world enabled the mobile phone maker to regain ground against competitors.
7	9	TOYOTA	27,941	24,837	12%	Japan	Toyota is closing in on GM to become the world's biggest automaker. A slated 10% increase in U.S. sales this year will help even more.
8	7	DISNEY	27,848	26,441	5%	U.S.	New CEO Robert Iger expanded the brand by buying animation hit-maker Pixar and beefing up digital distribution of TV shows through the Internet and iPods.
9	8	MCDONALD'S	27,501	26,014	6%	U.S.	A new healthy-living marketing campaign—and the premium-priced sandwiches and salads that came with it—have led to a fourth year of sales gains.
10	11	MERCEDES-BENZ	21,795	20,006	9%	Germany	The new S-Class sedan and M-Class SUV are helping repair a tarnished quality reputation. High costs and weak margins will take longer to fix.
11	12	CITI	21,458	19,967	7%	U.S.	Already the biggest U.S. bank, Citigroup's quest to generate more revenues from world markets has it introducing its brand to new emerging markets.
12	10	MARLBORO	21,350	21,189	1%	U.S.	Marlboro remains firmly in the saddle, particularly outside the U.S., as it expands into developing markets.
13	13	HEWLETT-PACKARD	20,458	18,866	8%	U.S.	Under CEO Mark Hurd, HP is skipping glitzy image ads to push specific products. Improving profits and a 40% stock price increase haven't hurt.
14	14	AMERICAN EXPRESS	19,641	18,559	6%	U.S.	A preeminent financial-services brand among high-end customers, the company is recasting itself as hip to broaden its appeal to a younger set.
15	16	BMW	19,617	17,126	15%	Germany	BMW continues to churn out hot models that buyers love to drive and Japanese automakers can't seem to replicate.

CoverStory | Rankings

RANK 2006 / 2005			2006 BRAND VALUE \$MILLIONS	2005 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
16	15	GILLETTE	19,579	17,534	12%	U.S.	Gillette's new six-bladed Fusion razor met with ridicule when it was introduced. But with Fusion sales soaring, Gillette is still king.
17	18	LOUIS VUITTON	17,606	16,077	10%	France	With a glitzy new flagship on the Champs Elysées, the world's richest luxury brand celebrates yet another year of robust growth.
18	17	CISCO	17,532	16,592	6%	U.S.	Cisco's decision to lead with its Linksys brand for consumers hasn't made the company a household name yet, but it's helping.
19	19	HONDA	17,049	15,788	8%	Japan	As gas prices rise, Honda's gas sippers are helping the Japanese carmaker gnaw into the Big Three's market share.
20	20	SAMSUNG	16,169	14,956	8%	S. Korea	Samsung is rolling out hot LCD TVs and ever more powerful memory chips. But it is missing in action with low-end handsets, hurting market share.
21	25	MERRILL LYNCH	13,001	12,018	8%	U.S.	Merrill Lynch has made a dramatic transformation from a sleepy, stable brokerage to a lean and mean investment bank.
22	23	PEPSI	12,690	12,399	2%	U.S.	It tapped a growing obsession with obesity by shifting marketing dollars to Diet Pepsi. Another boost? Rival Coke's move to copy Pepsi Max with Coke Zero.
23	24	NESCAFE	12,507	12,241	2%	Switzerland	Sales of instant coffee are piping hot in emerging markets, while flavored coffees and new products have boosted appeal in the U.S. and Europe.
24	38	GOOGLE	12,376	8,461	46%	U.S.	Its recent inclusion as a verb in the <i>Oxford English Dictionary</i> confirms what competitors feared: Google means search to an army of Web users.
25	21	DELL	12,256	13,231	-7%	U.S.	The king of the inexpensive PC is trying to regain trust with a campaign to bolster customer service and technical support.
26	28	SONY	11,695	10,754	9%	Japan	Sony CEO Howard Stringer has fixed the TV biz, but other electronics products are struggling. He's betting PlayStation 3 can help turn things around.
27	26	BUDWEISER	11,662	11,878	-2%	U.S.	A price war and changing tastes left the No.1 beer maker with a nasty hangover. The drop in profits for 2005 was its first in a decade.
28	29	HSBC	11,622	10,429	11%	Britain	With retail, private, and investment banking operations in 76 countries, the world's local bank is fast becoming a major force in financial services.
29	27	ORACLE	11,459	10,887	5%	U.S.	Last year, Oracle bought another major software brand, Siebel Systems. This year it will have to sew it together and keep its customers happy.
30	22	FORD	11,056	13,159	-16%	U.S.	The iconic auto brand has declined in every measure. Weak marketing, bad press, shallow product portfolio, and a bottomed-out U.S. stock price hurt value.
31	30	NIKE	10,897	10,114	8%	U.S.	Nike won in both the casual fashion and hard-core athletic markets with innovative new products, marketing, and partnerships.
32	32	UPS	10,712	9,923	8%	U.S.	China-to-U.S. routes are paying off handsomely, while a big contract to consolidate shipments for Dell is providing a boost back at home.
33	34	JPMORGAN	10,205	9,455	8%	U.S.	Unlike other big banks selling money management units, JPMorgan is building a brand in the business, as merger integration efforts continue.
34	36	SAP	10,007	9,006	11%	Germany	New software aimed at smaller businesses helped SAP extend its customer base beyond blue chips.
35	35	CANON	9,968	9,044	10%	Japan	Digital cameras and copiers helped Canon become one of Japan's most profitable companies. New boss Tsuneji Uchida brings technological knowhow.
36	33	MORGAN STANLEY	9,762	9,777	0%	U.S.	CEO John J. Mack is overhauling the firm, and its brand, to restore its former reputation as the top investment bank.
37	37	GOLDMAN SACHS	9,640	8,495	13%	U.S.	Goldman's repeated blockbuster trading results have made it Wall Street's most profitable money machine.
38	31	PFIZER	9,591	9,981	-4%	U.S.	Sold its over-the-counter unit to focus on developing new prescription drugs—a smart move as powerhouse brands such as Lipitor face generic competition.
39	41	APPLE	9,130	7,985	14%	U.S.	Apple continues to be the style master with its expanded family of iPods and Mac PCs. Its latest hit: the MacBook line of laptops.
40	39	KELLOGG'S	8,776	8,306	6%	U.S.	The cereal maker is striking an effective balance between healthy products like Special K and sugary treats like Pop Tarts to attract both moms and kids.
41	42	IKEA	8,763	7,817	12%	Sweden	Its affordable Scandinavian designs have helped the Swedish retailer become a household name from San Diego to Shanghai.
42	44	UBS	8,734	7,565	15%	Switzerland	Melding private banking and investment banking continues to pay off big-time, especially in Europe and Asia.
43	43	NOVARTIS	7,880	7,746	2%	Switzerland	The Swiss pharmaceutical giant is expanding across everything from prescription drugs to generic medicines, vaccines, and diagnostics.
44	45	SIEMENS	7,828	7,507	4%	Germany	New CEO Klaus Kleinfeld has disposed of poor-performing telecom units, allowing Siemens to focus on businesses such as medical equipment.

RANK 2006 / 2005			2006 BRAND VALUE \$MILLIONS	2005 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
45	46	HARLEY-DAVIDSON	7,739	7,346	5%	U.S.	Still the king of the hogs. Growing sales to women augment the loyal customer base of baby boomers and hard-core bikers.
46	49	GUCCI	7,158	6,619	8%	Italy	Designer Frida Giannini still can't match predecessor Tom Ford's star power. But sales of apparel and leather accessories are growing nicely.
47	55	EBAY	6,755	5,701	18%	U.S.	Investors may not like increasing competition from the likes of Google, but TV ads keep boosting the online marketplace's brand appeal.
48	53	PHILIPS	6,730	5,901	14%	Netherlands	Buoyed by the success of its medical equipment and high-tech consumer gadgets, Philip's focus on cutting-edge, easy-to-use products is paying off.
49	51	ACCENTURE	6,728	6,142	10%	Bermuda	Bundling consulting and outsourcing gigs is helping Accenture stay fierce. Last year, sales grew by more than twice the rate of other tech-services firms.
50	48	MTV	6,627	6,647	0%	U.S.	Now 25, MTV is pushing into broadband with the MTV Overdrive site, where it faces competition with MySpace and YouTube for teens' attention.
51	50	NINTENDO	6,559	6,470	1%	Japan	Nintendo is No. 1 in portable video-game consoles, but the unconventional new Wii console machine due out this autumn could be a harder sell.
52	40	GAP	6,416	8,195	-22%	U.S.	Still searching for its fashion identity, the clothier's sales are fraying as it struggles to dress the twentysomething crowd for both work and weekend.
53	52	L'OREAL	6,392	6,005	6%	France	This French cosmetics maker's finances are looking prettier, thanks to a rebound in sluggish European sales.
54	47	HEINZ	6,223	6,932	-10%	U.S.	Slimming its portfolio and adding products like Lea & Perrins hasn't been enough for Heinz to compete with retailers' in-house brands.
55	58	YAHOO!	6,056	5,256	15%	U.S.	The company risks looking like an also-ran next to Google, but Yahoo is mining for hits in new areas like social networking and digital content.
56	56	VOLKSWAGEN	6,032	5,617	7%	Germany	Maybe the most resilient brand in its industry. VW is solving its quality and financial issues, and customers are coming back.
57	54	XEROX	5,918	5,705	4%	U.S.	Xerox' stable of color copiers is bringing in a good supply of cash, but it has yet to make its mark in the digital world.
58	60	COLGATE	5,633	5,186	9%	U.S.	Well into a four-year restructuring, Colgate now has something to smile about with new launches such as Luminous toothpaste finding strong demand.
59	57	WRIGLEY'S	5,449	5,543	-2%	U.S.	With new players chewing away at market share, Wrigley's has been expanding into areas like candy and mints with brand extensions and acquisitions.
60	61	KFC	5,350	5,112	5%	U.S.	Avian flu fears in early 2006 slowed KFC's growth in China, the chain's hottest market, but KFC sales are rebounding.
61	65	CHANEL	5,156	4,778	8%	France	Fresh-faced Keira Knightly is replacing bad-girl Kate Moss as the face of Coco Mademoiselle perfume.
62	59	AVON	5,040	5,213	-3%	U.S.	Avon ladies have been struggling. Poor results in many markets, including Eastern Europe, forced CEO Andrea Jung to launch a restructuring this year.
63	66	NESTLE	4,932	4,744	4%	Switzerland	Best known for chocolate, Nestlé posts stronger growth from other products, such as Nestlé Aquarel bottled water.
64	64	KLEENEX	4,842	4,922	-2%	U.S.	A mature brand that's working to fend off commodity status. Emotional advertising is helping buoy its image against private labels.
65	68	AMAZON.COM	4,707	4,248	11%	U.S.	Heavy spending on technology for digital media initiatives has depressed the stock, but free shipping and reliability keep customers happy.
66	63	PIZZA HUT	4,694	4,963	-5%	U.S.	Pizza Hut sales have been drooping as Americans turn increasingly to sandwiches and Mexican fare.
67	67	DANONE	4,638	4,513	3%	France	A growing global appetite for yogurt keeps the French food and beverage giant in good health.
68	70	CATERPILLAR	4,580	4,085	12%	U.S.	Demand for Caterpillar's rugged machines and engines has never been stronger. Cat is on track to top \$40 billion in sales this year.
69	73	MOTOROLA	4,569	3,877	18%	U.S.	New products like the RAZR and SLVR have been a hit, and a hip marketing campaign behind them is adding luster to the Moto brand.
70	62	KODAK	4,406	4,979	-12%	U.S.	Kodak has defied skeptics by becoming a major player in digital photography and printing, but profits remain disappointing.
71	71	ADIDAS	4,290	4,033	6%	Germany	The World Cup was a bonanza for the sports-apparel maker. Securing the sponsorship helped keep archrival Nike at bay before the world's largest audience.
72	72	ROLEX	4,237	3,906	8%	Switzerland	Rolex remains the ultimate luxury brand worldwide, and with strong sales in China, its appeal continues to spread.
73	77	ZARA	4,235	3,730	14%	Spain	With its focus on high fashion at low prices, Europe's biggest clothing retailer is so popular that it's opening more than a store a day in 2006.

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RANK 2006 / 2005	2006 BRAND VALUE \$MILLIONS	2005 BRAND VALUE \$MILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
74 79 AUDI	4,165	3,686	13%	Germany	Eye-catching design, hot technology, and a new American-size SUV called the Q7 are transforming Audi into a serious global rival to BMW and Mercedes.
75 84 HYUNDAI	4,078	3,480	17%	S. Korea	Fast shedding its image as a cheap automaker. In the latest J.D. Power quality survey of new car owners, Hyundai was No. 3, behind Porsche and Lexus.
76 75 BP	4,010	3,802	5%	Britain	Not even an Alaskan oil spill or an explosion at a Texas refinery has put a dent in BP's strong performance.
77 78 PANASONIC	3,977	3,714	7%	Japan	It's a force in flat-screen TVs, digital cameras, and chips but hasn't turned first-rate technology into better brand equity.
78 74 REUTERS	3,961	3,866	2%	Britain	The global news and financial information giant is moving into derivatives trading with a collaboration with the Chicago Mercantile Exchange.
79 69 KRAFT	3,943	4,238	-7%	U.S.	Fierce competition and rising commodity costs have dogged the U.S.'s largest foodmaker. Kraft's new CEO needs innovative new products to revive sales.
80 76 PORSCHE	3,927	3,777	4%	Germany	CEO Wendelin Wiedeking extends his 10-year winning streak with perfect timing and precision execution on the Cayman.
81 82 HERMES	3,854	3,540	9%	France	Best known for leather accessories and silk scarves, Hermes is riding high on the success of a new perfume, Un Jardin Sur le Nil.
82 81 TIFFANY & CO.	3,819	3,618	6%	U.S.	With sales sparkling in many markets, the retailer's focus on service and design has helped it battle a new set of discount online competitors.
83 86 HENNESSY	3,576	3,201	12%	France	As the brand gets a marketing assist from adoring hip hop artists in the U.S., the French cognac maker is pushing for growth in China and India.
84 80 DURACELL	3,576	3,679	-3%	U.S.	Duracell has been gaining share in the market for premium replaceable batteries, but will rechargeable batteries threaten the long-term outlook?
85 87 ING	3,474	3,177	9%	Netherlands	ING continues its global expansion moving beyond its banking and insurance roots into the asset management business.
86 89 CARTIER	3,360	3,050	10%	France	The popularity of Pasha timepieces and Caresse d'Orchidées jewelry is putting a sparkle in Cartier sales.
87 92 MOET & CHANDON	3,257	2,991	9%	France	Global sales of Champagne are up 54% since 1990, and Moet's "Be Fabulous" campaign has cemented the brand in the center of the market.
88 91 JOHNSON & JOHNSON	3,193	3,040	5%	U.S.	There's more than one way to grow, as J&J showed by paying \$16.6 billion for Pfizer's consumer-products unit.
89 90 SHELL	3,173	3,048	4%	Britain	Despite pension problems and pipeline explosions, soaring oil prices fueled Shell to record 2005 profits of \$23 billion.
90 85 NISSAN	3,108	3,203	-3%	Japan	Starved for new models, Nissan's sales have slipped. New launches, including a remodeled Altima, will be a timely boost for CEO Carlos Ghosn.
91 99 STARBUCKS	3,099	2,576	20%	U.S.	Starbucks brings in customers with lifestyle marketing, pushing music, books, and lunch food to get them to stick around.
92 NEW LEXUS	3,070	New	New	Japan	Toyota's relatively young Lexus premium brand is No. 1 in the U.S., but it's just getting started in Asia and Europe.
93 88 SMIRNOFF	3,032	3,097	-2%	Britain	The vodka market continues to attract new entrants; Smirnoff needs to better define a sophisticated identity to stay ahead of the pack.
94 97 LG	3,010	2,645	14%	S. Korea	This Korean electronics maker is emulating its crosstown rival, Samsung, boasting stylish handsets and digital TVs.
95 94 BULGARI	2,875	2,715	6%	Italy	Italian jeweler Bulgari is powering growth with the help of a super-luxury hotel chain and customers like Madonna.
96 93 PRADA	2,874	2,760	4%	Italy	Anti-Establishment Italian fashionista Miuccia Prada keeps testing the frontiers of taste: Edgy clothing design, edgier store architecture.
97 95 ARMANI	2,783	2,677	4%	Italy	Fashion icon Giorgio Armani proves his appeal extends beyond the closet, as he expands into everything from minimalist sofas to five-star resorts.
98 NEW BURBERRY	2,783	New	New	Britain	Moving beyond its signature plaid, Burberry is beefing up its accessories line and expanding its retail profile in the U.S.
99 98 NIVEA	2,692	2,576	4%	Germany	In a bid to shed its austere image, the company is expanding into new products such as skin-firming lotion and men's eye cream.
100 96 LEVI'S	2,689	2,655	1%	U.S.	This iconic brand is fighting to stand out among such high-end names as Earnest Sewn and, at the mass level, discounters' private-label jeans.

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, JPMorgan Chase & Co., Citigroup, Morgan Stanley, BusinessWeek