

ESTTA Tracking number: **ESTTA122662**

Filing date: **01/31/2007**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Notice of Opposition

Notice is hereby given that the following party opposes registration of the indicated application.

Opposer Information

Name	Apple Inc.
Granted to Date of previous extension	01/31/2007
Address	1 Infinite Loop Cupertino, CA 95014 UNITED STATES
Party who filed Extension of time to oppose	Apple Computer, Inc.
Relationship to party who filed Extension of time to oppose	On January 9, 2007, Apple Computer, Inc. amended Article I of its Restated Articles of Incorporation solely to change the corporate name from Apple Computer, Inc. to Apple Inc. is therefore in privity with Apple Computer, Inc. as set forth in TBMP 206.02

Attorney information	Joseph Petersen Kilpatrick Stockton LLP 31 West 52nd Street New York, NY 10019 UNITED STATES JPetersen@kilpatrickstockton.com, AGarcia@kilpatrickstockton.com, CLick@kilpatrickstockton.com Phone:212-839-8700
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Applicant Information

Application No	78911470	Publication date	10/03/2006
Opposition Filing Date	01/31/2007	Opposition Period Ends	01/31/2007
Applicant	XES Entertainment LLC 14 Page Terrace, Suite 2A Stoughton, MA 02072 UNITED STATES		

Goods/Services Affected by Opposition

Class 035. All goods and services in the class are opposed, namely: On-line retail store services featuring adult-themed videos, DVDs, photographs, toys and clothing
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Related Proceedings	Opposition to App. No. 78/911,463.
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Attachments	Notice of Opp (78-911470) (2).pdf (46 pages)(2780484 bytes)
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Signature	/Joseph Petersen/
Name	Joseph Petersen
Date	01/31/2007

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Application Serial No. 78/911,470
For the mark: MINNIE APPLE
Filed: June 19, 2006
Published: October 3, 2006

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APPLE INC.,	:
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Opposer,	:
	:
v.	:
	:
XES ENTERTAINMENT LLC,	:
	:
Applicant.	:
-----X	

Opposition No.
NOTICE OF OPPOSITION

APPLE INC. (“Opposer”), a corporation organized and existing under the laws of California with a principal place of business at 1 Infinite Loop, Cupertino, California 95014, believes that it will be damaged by the issuance of a registration for the trademark shown in Application Serial No. 78/911,470 and hereby opposes same.

As grounds for its opposition, Opposer alleges as follows, with knowledge concerning its own acts, and on information and belief as to all other matters:

1. Opposer is the world-famous computer company, and Opposer’s APPLE brand is one of the best known brands in the world. Opposer designs, manufactures and markets in interstate and international commerce, among other things, computers, computer software programs, computer peripherals and Internet-based media retail services, and offers a broad array of related goods and services, including but by no means limited to iTunes® media player software, APPLE STORE® internet-based retail and iTUNES MUSIC STORE® internet-based media retail and audio and video content-delivery services and iPod® mobile digital media players.

2. Since at least as early as 1977, Opposer has extensively promoted, marketed, advertised, distributed and sold goods and services in connection with a family of trademarks consisting, in whole or in part, of the word APPLE and a visual equivalent of the word, to wit a logo depicting a stylized apple, as shown below:



(the “Apple Logo”).

3. Further, since at least as early as January 2005 Opposer has marketed and sold a line of computers in connection with the trademark MAC MINI (the “MAC MINI” Mark).

4. Opposer’s family of APPLE-based word marks, its Apple Logo and its MAC MINI Mark (collectively, “Opposer’s Marks”) have achieved an extraordinary level of fame and consumer recognition. As a result of Opposer’s extensive advertising, promotion and use of Opposer’s Marks in connection with a variety of goods and services, including but by no means limited to computers, including the MAC MINI, computer software, computer peripherals, iTunes® media player software, APPLE STORE® internet-based retail and iTUNES MUSIC STORE® internet-based media retail and audio and video content-delivery services, iPod® mobile digital media players and a broad range of other goods and services. Opposer’s Marks have acquired enormous goodwill, and have come to be immediately identified with Opposer as the source of goods and services.

5. Opposer’s Marks are famous under the Lanham Act, specifically 15 U.S.C. § 1125 *et seq.*, and are among the most valuable trademarks in the world. The extraordinary level of fame and consumer recognition that Opposer’s Marks currently enjoy cannot be seriously

disputed. As a result of Opposer's extensive advertising and use of Opposer's Marks, Opposer's Marks have acquired extensive goodwill and have come to be immediately identified with Opposer.

6. In recent years, the APPLE brand has consistently been recognized as belonging in the top 50 brands worldwide. Attached as **Exhibit 1** are copies of the rankings of the APPLE brand for 2001 through 2006 as compiled by the leading brand assessment company, Interbrand Corporation. Interbrand has given the APPLE brand the following rankings and U.S. dollar values over the past six years:

- i. 2001: valuing the APPLE brand as the 49th most valuable brand in the entire world, with an estimated brand worth of U.S. \$5.46 billion.
- ii. 2002: valuing the APPLE brand as the 50th most valuable brand in the entire world, with an estimated brand worth of U.S. \$5.32 billion
- iii. 2003: valuing the APPLE brand as the 50th most valuable brand in the entire world, with an estimated brand worth of U.S. \$5.55 billion.
- iv. 2004: valuing the APPLE brand as the 43rd most valuable brand in the entire world, with an estimated brand worth of U.S. \$6.871 billion
- v. 2005: valuing the APPLE brand as the 41st most valuable brand in the entire world, with an estimated brand worth of U.S. \$7.985 billion.
- vi. 2006: valuing the APPLE brand as the 38th most valuable brand in the entire world, with an estimated brand worth of U.S. \$9.130 billion.

7. Opposer is the owner of numerous United States Registrations on the Principal Register for Opposer's Marks, including, without limitation, the following registrations:

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
APPLE	1,078,312	March 25, 1977 Nov. 29, 1977	Class 9: computers and computer programs recorded on paper and tape.
	1,114,431	March 20, 1978 March 6, 1979	Class 9: computers and computer programs recorded on paper and tape.

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
APPLE	2,079,765	April 7, 1995 July 15, 1997	Class 38: communication filed by computer, namely, electronic transmission of data and documents via computer, delivery of messages by electronic transmission.
THE APPLE STORE	2,424,976	November 23, 1999 January 30, 2001	Class 35: online retail store services provided via a global computer network featuring computers, computer hardware, computer systems, computer software, computer peripherals and accessories
APPLESTORE	2,462,798	November 23, 1999 June 19, 2001	Class 35: online retail store services provided via a global computer network featuring computers, computer hardware, computer systems, computer software, computer peripherals and accessories.
APPLE STORE	2,683,410	April 25, 2002 February 4, 2003	Class 35: Retail store services featuring computers, computer software, computer peripherals and consumer electronics, and demonstration of products relating thereto; online retail store services provided via a global computer network featuring computers, computer software, computer peripherals and consumer electronics, and demonstration of products relating thereto.
	2,715,578	July 1, 2002 May 13, 2003	Class 9: computers hardware; computer hardware, namely, server, desktop, laptop, notebook and subnotebook computers; hand held and mobile computers; computer terminals and monitors; personal digital assistants; portable digital audio players; electronic organizers; computer keyboards, cables, modems; audio speakers; computer video control devices, namely, computer mice, trackballs, joysticks and gamepads; a full line of computer software for business, home, education, and developer use; computer programs for personal information management; database management software; character recognition software; telephony management software; electronic mail and messaging software; telecommunications software, namely for paging; database synchronization software; computer programs for accessing, browsing and searching

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
			<p>online databases; operating system software; application development tool programs; blank computer storage media; fonts, typefaces, type designs and symbols recorded on magnetic media; computer software for use in providing multiple user access to a global computer information network for searching, retrieving transferring, manipulating and disseminating a wide range of information; computer software for use as a programming interface; computer software for use in network server sharing; local and wide area networking software; computer software for matching, correction, and reproduction of color; computer software for use in digital video and audio editing; computer software for use in enhancing text and graphics; computer software for use in font justification and font quality; computer software for use to navigate and search a global computer information network, as well as to organize and summarize the information retrieved; computer software for use in word processing and database management, word processing software incorporating text, spreadsheets, still and moving images, sounds and clip art; computer software for use in authoring, downloading, transmitting, receiving, editing, extracting, encoding, decoding, playing, storing and organizing audio, video, still images and other digital data; computer software for analyzing and troubleshooting other computer software; children's educational software; computer game software; Computer graphics software; Computer search engine software; web site development software; computer program which provides remote viewing, remote control, communications and software distribution within personal computer systems and across computer network; computer programs for file maintenance and data recovery; computer peripherals; instructional</p>

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
	2,753,069	July 23, 2002 August 19, 2003	<p>manuals packaged in association with the above.</p> <p>Class 42: Application service provider (ASP), namely, hosting computer software applications of others; computer services, namely, displaying the web sites and images of others on a computer server; computer diagnostic services; installation of computer software; updating of computer software; maintenance of computer software; computer hardware development; integration of computer systems and networks; monitoring the computer systems of others for technical purposes and providing back-up computer programs and facilities; computer consultation, design, and testing services; consulting services in the field of design, selection, implementation and use of computer hardware and software systems for others; computer data recovery; computer programming for others; research and development of computer hardware and software; website design, creation and hosting services; computer services, namely, designing and implementing web sites for others; computer services, namely, providing search engines for obtaining data on a global computer network; providing use of on-line non-downloadable software for communications via local or global communications networks, including the Internet, intranets, and extranets; computer consultation, namely, analyzing data to detect, eradicate, and prevent the occurrence of computer viruses; computer consultation, namely, services relating to the protection of computer hardware, computer software, computer networks and computer systems against computer viruses, attacks, or failures; computer consultation, namely, services for optimizing the performance and functionality of computer software and communications networks; technical support services, namely, troubleshooting of computers,</p>

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
			computer software, telecommunications, and the Internet systems; leasing of computers, computer peripherals and computer software; leasing computer facilities; providing information in a wide variety of fields over computer networks and global communication networks; computer services, namely, creating indexes of information, web sites and other information sources available on computer networks; providing information concerning a wide range of text, electronic documents, databases, graphics and audiovisual information.
APPLE	2,808,567	Oct. 2, 2002 January 27, 2004	Class 42: computer consultation, design, testing, research and advisory services; research and development of computer hardware and software; maintenance and repair of computer software applications; updating of computer software; computer programming services; providing information concerning computers and computer software over computer networks and global communication networks; computer services, namely, hosting web sites and providing web site operation and management services to others; computer services, namely, providing search engines for obtaining data on computer networks and global communication networks; leasing of computers, computer peripherals and computer software.
	2,870,477	August 22, 2002 August 3, 2004	Class 38: Telecommunication services, namely, electronic transmission of data and images via computer networks; electronic mail services; providing on-line electronic bulletin boards for transmission of messages among computer users in the fields of business, creative design, education, computers, information technology, word processing, database management, entertainment, electronic commerce and telecommunications; telecommunications consultation; delivery of messages by electronic transmission; electronic transmission of data and information by computer, radio, mail, providing internet access.

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
	2,926,853	August 16, 2002 February 15, 2005	Class 35: analysis and consultation in the field of business information management, namely, the selection, adoption and operation of computers and computer information management systems; providing information in the fields of business and commerce over computer networks and global communication networks; business services, namely, providing computer databases regarding the purchase and sale of a wide variety of products and services of others; business services, namely, dissemination of advertising for others via computer networks and global communication networks; retail store services featuring computers, computer software, computer peripherals and consumer electronics, and demonstration of products relating thereto; online retail store services provided via computer networks and global communication networks featuring computers, computer software, computer peripherals and consumer electronics, and demonstration of products relating thereto.

Copies of the above-identified registrations are annexed as Exhibit 2.¹

8. The above-identified registrations are valid and in full force and effect. Indeed, affidavits have been filed and accepted pursuant to sections 8 and 15 of the Lanham Act for Registration Nos. 1,078,312, 1,114,431 and 2,079,765 rendering such registrations incontestable.

9. Notwithstanding Opposer’s prior rights, on June 19, 2006, applicant XES Entertainment LLC (“XES”) filed Application Serial No. 78/911,470 on an intent to use basis for “On-line retail store services featuring adult-themed videos, DVDs, photographs, toys and clothing” in International Class 35 for the mark MINNIE APPLE (“Applicant’s Mark”).

¹ The assignment of these marks and registrations from Apple Computer, Inc. to Opposer has been recorded with the United States Patent and Trademark Office.

10. Opposer obtained extensions of time to oppose the instant application and is timely filing this Notice of Opposition within such extended period. At the time Opposer obtained extensions of time, Opposer's corporate name was Apple Computer, Inc. However, on January 9, 2007, Apple Computer, Inc. amended Article I of its Restated Articles of Incorporation solely to change the corporate name from Apple Computer, Inc. to Apple Inc. Therefore, Opposer is in privity with Apple Computer, Inc. as set forth in Trademark Trial and Appeal Board Manual of Procedure § 206.02.

11. Applicant's MINNIE APPLE Mark is similar to Opposer's Marks in appearance, sound and commercial impression. Applicant's MINNIE APPLE mark incorporates Opposer's famous APPLE word mark in its entirety and also uses the word MINNIE, which is a close variant of, with the exact same phonetic sound as, the MINI component of Opposer's MAC MINI Mark.

12. The basic services cited by Applicant under Applicant's Mark, namely "[o]n-line retail store services," are identical to services Opposer has long offered under Opposer's Marks.

13. Accordingly, Applicant's Mark so closely resembles Opposer's Marks that Applicant's use of Applicant's Mark is likely to cause confusion, mistake or deception in the minds of consumers as to the origin or source of Applicant's goods and/or services in violation of Section 2(d) of the Lanham Act, 15 U.S.C. § 1052(d), with consequent injury to Opposer and the public.

14. There is no issue as to priority. Opposer began using Opposer's Marks in commerce since at least as early as 1977, and began using its MAC MINI Mark as early as January 2005, well prior to June 19, 2006, the date on which Applicant filed its intent to use application for Applicant's Mark.

15. If Applicant is permitted to register Applicant's Mark, as specified in the application herein opposed, consumer confusion resulting in damage and injury to Opposer would be caused and would result by reason of the similarity between Applicant's Mark and Opposer's Marks. Persons familiar with Opposer's Marks would be likely to purchase Applicant's services as and for services associated with Opposer. Any such confusion inevitably would result in Opposer's losing sales. Furthermore, any defect, objection or fault found with Applicant's services marketed under Applicant's Mark would necessarily reflect upon and seriously injure the reputation which the Opposer has established for its goods and services.

16. Applicant's Mark will cause actual dilution of the distinctiveness of Opposer's Marks in violation of Section 43(c)(1) of the Lanham Act, 15 U.S.C. § 1125(c)(1), by tarnishing Opposer's famous Opposer's Marks as Applicant's cited services will consist of online retail store services "featuring adult-themed videos, DVDs, photographs, toys and clothing," which appear to be pornographic in nature.

17. If Applicant is granted the registration herein opposed, it would thereby obtain a *prima facie* exclusive right to the use of Applicant's Mark. Such registration would be a source of damage and injury to Opposer.

WHEREFORE, Opposer requests that this opposition be sustained and that the registration of Application Serial No. 78/911,470 be denied.

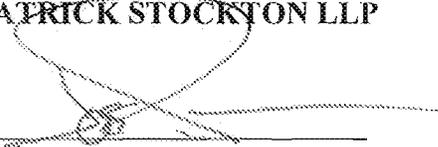
The opposition fee in the amount of \$300.00 for an opposition in one class is filed herewith. If for any reason this amount is insufficient, it is requested that Opposer's attorneys'

Deposit Account No. 11-0860 be charged with any deficiency. This paper is filed electronically.

Dated: New York, New York
January 31, 2007

Respectfully submitted,

KILPATRICK STOCKTON LLP

By:  _____

Joseph Petersen

Christopher Lick

31 West 52nd Street, 14th Floor

New York, New York 10019

Telephone: (212) 775-8700

Facsimile: (212) 775-8800

Attorneys for Opposer Apple Inc.

CERTIFICATE OF TRANSMITTAL

I hereby certify that a true copy of the foregoing NOTICE OF OPPOSITION is being filed electronically with the TTAB via ESTTA on this day, January 31, 2007.



Christopher Lick

Exhibit 1

BONUS: OUR SUPPLEMENT ON E-BUSINESS



Investing

How our
Wall Street
column
performed

**Global
Summit**

The fallout for
corporations
after Genoa

Xerox



Anne
Mulcahy
takes
charge

Indonesia

Can a new
leader save the
economy?

THE BEST GLOBAL BRANDS

Our first ranking
of the world's
most valuable
brands

PAGE 10



AOL Keyword: SW

THE 100 TOP BRANDS

Our first ranking of the world's most valuable brands

The table that follows ranks 100 global brands that have a value greater than \$1 billion. The brands were selected according to two criteria. They had to be global in nature, deriving 20% or more of sales from outside their home country. There also had to be publicly available marketing and financial data on which to base the valuation. That excluded some big

opinion polls or ad expenditures. *BusinessWeek* selected Interbrand's method because it values brands the same way analysts value other assets on the basis of how much they're likely to earn going forward. These future earnings are then discounted to a present value based on how risky the earnings are, that is, the likelihood that they will actually materialize.

To start the process, Interbrand first figures out what percentage of overall revenues are accounted for by the brand.

Next, with the help of analysts from Citigroup, Interbrand projects the net earnings for that segment of the business. Interbrand then deducts a charge for the cost of owning the tangible assets, on the theory that whatever income is generated beyond that cost is due to intangible factors. This is the economic value added by such intangibles as patents, customer lists, and, of course, the brand.

The next step is to winnow the earnings generated by the brand from the earnings generated by other intangibles. For example, are people buying Shell gas because of the brand name or because the gas station is conveniently located? Interbrand uses market research and interviews with industry executives to sift through these variables.

The third and final phase is to analyze the strength of the brand in order to figure out how risky those future brand earnings are. To calculate the brand's strength, Interbrand looks at seven factors, including the brand's market leadership, its stability, and its ability to cross geographical and cultural borders. The risk analysis produces a discount rate, which is applied to the brand earnings to come up with a net present value of the brand. *BusinessWeek* and Interbrand believe that this figure comes closest to representing the true economic value of that complex array of forces that make up a brand.

Special Report



brands, such as Visa, Coca-Cola, and Exxon. The table of individual brands is followed by a table of leading brand portfolios, since some companies create significant brand value by managing a group of brands. Procter & Gamble, for example, owns Pampers, Crest, and Tide.

There are many ways to rank brands. Some rankings rely on little more than

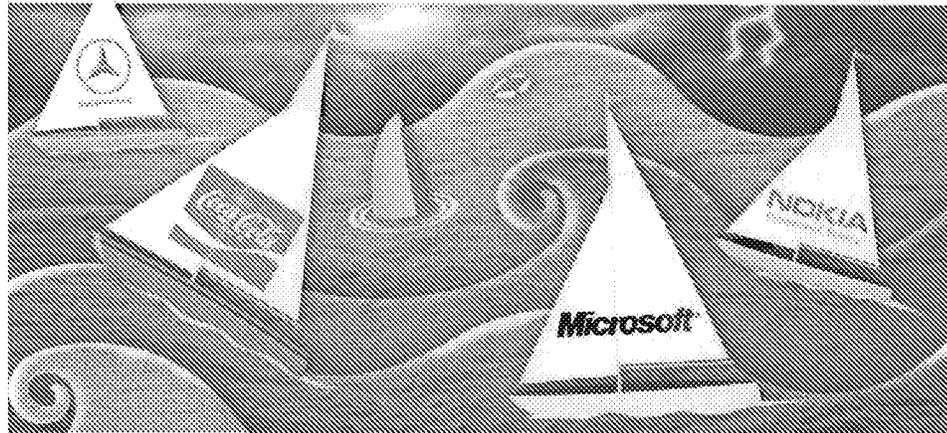
The Global Brand Scoreboard

RANK	2001 BRAND VALUE (\$BIL.)	2000 BRAND VALUE (\$BIL.)	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
1	68.92	72.54	-5	U.S.	Coca-Cola still No. 1, but can it hang on to the top spot?
2	66.67	70.20	-7	U.S.	Microsoft is watching its biggest product wave near, topped by Windows XP
3	59.72	63.18	-6	U.S.	Despite the tech storm, Big Boss's beefy marketing budget is assuring the company's stout and steady
4	42.40	38.13	11	U.S.	The Teflon brand? Not even Jack Welch's announced exit could dent the brand
5	38.64	39.83	-3	FINLAND	The success of their gear phone accessory seems to be the name for other mobile products
6	34.67	33.05	11	U.S.	"Brand leader" asks what the expenditure to the top, but stopping '00 sales and price wars make it a struggle to stay there
7	32.29	33.01	-3	U.S.	Despite new license deals, Microsoft struggles to rise above customer expense, bad press, and tough competition
8	31.09	36.37	-17	U.S.	The Freshone factor and other quality gaffes hit the No. 2 candidate
9	29.29	27.88	6	U.S.	Target's recent troubles take a bite out of Big Mac. Nonetheless, they don't bite, either
10	22.83	25.05	-11	U.S.	AT&T has the most powerful brand in telecom, but it's losing market share

Data courtesy: Citigroup, Interbrand

RANK	2001 BRAND VALUE (\$ MILLION)	2000 BRAND VALUE (\$ MILLION)	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION	
40	SEBIA	6.02	5.70	5%	U.S.	Carroll's acquisition, profitable accounting, management turned. What didn't get along?
41	HEA	6.01	6.00	0	Sweden	Its growth is proving that cheap chic is an international movement.
42	PULL NIPP	5.98	NA	NA	U.S.	After sparring with The New Yorker and Starbucks Coffee, Puller will make the real test to get some more sales growing again.
43	HARLEY-DAVIDSON	5.53	NA	8%	U.S.	The leader of the pack powers down the highway. How it seems to get stronger riders to come aboard.
44	APPLE	5.48	5.29	17%	U.S.	Apple continues to churn out eye pleasing products but struggles to find buyers beyond the core Macintosh.
45	BUCCI	5.26	5.15	4%	Italy	Garmentier houses with just enough edge to keep fashionistas hooked.
46	WFC	5.24	NA	NA	U.S.	King of brief carriers takes new branding tack by turning on with selling and/or face that at some occasions.
47	REUTERS	5.24	4.88	7%	Amster	On the eve of its 150th anniversary, the British news service has new leadership, partnerships, and a restructured pitch.
48	SUN MICROSYSTEMS	5.15	NA	NA	U.S.	While the space market coasts during the hot bubble being "the six in silicon" isn't what it used to be.
49	ELLENEA	5.09	5.14	-1%	U.S.	Facial tissue hygiene means beyond mass sufficient to market, three (3) and other tissue systems.
50	PHILIPS	4.99	4.48	11%	Netherlands	Global consumer brand in Europe, but lags in U.S., where it's often associated with production of medical machines.
51	COBALT	4.97	4.42	12%	U.S.	Like technology helps this one-way brand protect market share.
52	WHISKEY'S	4.93	4.92	0	U.S.	How hasn't whiskey changed through a crisis? Now there's Whiskey's answer: gum and tough water, too.
53	AOL	4.90	4.93	-1%	U.S.	Makes money and partnerships with new AOL Time Warner sibling tracks could spur next growth spurt.
54	TRUMP	4.88	6.30	-21%	U.S.	With its marketing dollars getting tighter, this casino giant's brand may have seen its last days.
55	AVON	4.87	NA	8%	U.S.	The Avon Lady wants to sell more than just makeup, she's not just over-the-line.
56	CHANEL	4.87	4.14	18%	France	The classic style of Number One Chanel has been discreetly updated for fashion's power houses.
57	DUNACELL	4.74	5.89	-20%	U.S.	It scored with its premium-priced Dunacell Ultra, but got some push in the mass market.
58	BOBBI	4.69	NA	NA	U.S.	A branding effort - and headquarters shift - aims to create broader image for cosmetics behemoth.
59	TEXAS INSTRUMENTS	4.64	NA	NA	U.S.	It chips away 10% of the world's oil prices, but Intel wants more wireless devices of the future.
60	SMART	4.63	NA	NA	U.S.	Managed to make ever-phased phone more convenient to use.
61	MOTOROLA	4.74	4.70	1%	U.S.	Competition, privacy phone didn't click with consumers, how it's playing catch-up.
62	LEVI'S	4.70	NA	NA	U.S.	Once an icon of individuality and youthful rebellion, these jeans are now as tame as baby socks and saddle shoes.
63	TIME	4.70	NA	NA	U.S.	With new corporate parent AOL, give the venerable weekly a boost.
64	BOLEX	4.70	4.66	4%	Switzerland	The cameras are known for their precision and style. No wonder so many executives have them.
65	ADIDAS	4.65	4.78	-4%	Germany	It still has some green appeal, but the spring and summer apparel collections were a bust in the U.S.
66	WENTZ	4.62	4.44	4%	U.S.	A strong sales market got results in the last year, but traffic for second volume.
67	PANASONIC	4.43	4.73	-7%	Japan	While Sony and Samsung go global with electronics, Panasonic remains highly dependent on the crucial Chinese market.
68	TIFFANY	4.44	NA	NA	U.S.	The jeweler has such a powerful aura that even the trademark robin egg blue comes on silver jewelry.
69	BP	4.25	4.07	4%	Britain	CEO John Browne's flurry of acquisitions has made once sleepy BP into a top oil brand.
70	BRANDON	4.23	5.15	-1%	Germany	Trademark for the light's slipped this year, but still selling more than 20 million cases a year.
71	AMAZON.COM	4.19	4.23	-9%	U.S.	The biggest challenge: convincing book and CD customers it's also the place to buy gifts and comics.
72	STEEL	4.04	4.79	-16%	Mid. North	Major gains in crushing up an image tarnished by environmental problems and mediocre performance.

Data obtained from Brand Resonance



THE BEST GLOBAL BRANDS

BusinessWeek and **INTERBRAND** tell you what they're worth

Wireless phones. Consumer electronics. Memory chips. Could you just throw together lines of business to be in right now? Somehow, with just such a portfolio, Samsung Electronics Co. managed to more than double its profits in the most recent quarter, to \$1.6 billion.

Risk? Once a humdrum manufacturer of commodity electronics largely sold under other companies' names, South Korea-based Samsung is reaping the rewards of moving aggressively into higher-end products that carry higher profit margins. It has invested heavily to produce cutting-edge designs, from flat-panel TV monitors that can be hung on walls like paintings to an elegantly thin DVD player. The company moved up the money-chain price chain to sell more devices to video game makers. And it became the No. 3 producer of cell phones, with a premium-priced line that includes handsets with color screens.

But just as critical as the turnover in product was the effort Samsung gave its brand. Last year, it took a first step in creating a new image with visually arresting ads such as

one that posed an impossibly stylish woman in blue cocktail, yellow nail polish, and ostrich leathers next to one of its TV monitors. This year, it plans to spend \$200 million on ads focused on the company's promise to provide a "Light All Experience." That's an attempt to drive home the link between Samsung's new upscale image and the lifestyle its customers crave, says Eric B. Kim, executive vice-president for global marketing operations. Says Kim: "This is our first attempt to be at the leading edge rather than being a follower."

Now more than ever, companies see the power of a strong brand. At a time when battered investors, customers, and employees are questioning whom they can trust, the ability of a familiar brand to deliver proven value flows straight to the bottom line. If, shaken by the plummeting stock market and concerned about the security of their jobs, consumers start cutting back on spending, they're more likely to stick with names they know they can rely on. "When a brand earns our trust, we not only repeat our purchases, but we also tell all of our friends about it," says David Martin, U.S. president of New York-based In-

Special Report

THE 100 TOP BRANDS

What's in a name? Plenty, if you play your cards right

It was a tough year to build a brand—or defend one against the corrosive effects of a bear market, financial scandals, and shifting consumer priorities. For proof, look no further than the fact that roughly half of the 100 global brands that Interbrand Corp. and *BusinessWeek* ranked this year fell in value compared with a year ago. In this environment, just holding your own is an accomplishment.

To qualify for our ranking, brands had to have a value greater than \$1 billion. They were selected according to two criteria: They had to be global in nature, deriving 20% or more of sales from outside their home country. They also had to have publicly available marketing and financial data on which to base the valuation. That excluded some big brands, such as Visa International, the BBC, and Mars.

How do you place a value on a brand? Some attempts rely on little more than opinion polls or ad spending. *BusinessWeek* selected Interbrand's method because it values brands the same way analysts value other assets: on the basis of how much they're likely to earn in the future. Those projected profits are then discounted to a present value based on how risky the projected earnings are—that is, the likelihood that they will in fact materialize.

To start the process, Interbrand first figures out what

percentage of overall revenues are accounted for by the power of the brand. Next, with the help of analysts from J.P. Morgan Chase & Co., Interbrand projects net earnings for that segment of the business. Interbrand then deducts a charge for the cost of owning the tangible assets, on the theory that whatever income is generated beyond that cost is due to intangible factors. This is the economic value added by things like patents, customer lists, and, of course, the brand.

The next step is to winnow the earnings generated by the brand from the earnings generated by other intangibles. For example, are people buying Shell gasoline because of the brand name or because the gas station is conveniently located? Interbrand uses market research and interviews with industry executives to sift through those variables.

The final phase is to analyze the strength of the brand to figure out how risky those future brand earnings are. To calculate the brand's strength, Interbrand looks at seven factors, including the brand's market leadership, its stability, and its ability to cross geographical and cultural borders. The risk analysis produces a discount rate that is applied to the brand earnings to come up with a net present value of the brand. *BusinessWeek* and Interbrand believe this figure comes closest to representing the true economic value of that complex array of forces that make up a brand.

Special Report

The Global Brand Scoreboard

RANK		2002 BRAND VALUE (\$ BILLIONS)	2001 BRAND VALUE (\$ BILLIONS)	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
1	COCA-COLA	69.64	63.85	+1%	U.S.	Still the best brand by far. Growth in the developing world offset so-so new products like Diet Coke with Lemon.
2	MICROSOFT	64.09	65.07	-2	U.S.	Its name is still dragged through the courtroom, but the biggest challenge is stagnant PC purchases.
3	IBM	51.19	52.75	-3	U.S.	Good thing Big Blue was rebuilt on services, which remains the most promising segment for tech spending.
4	GE	41.31	42.40	-3	U.S.	The retirement of Jack Welch and angst over Corporate America took a toll on the GE name.
5	INTEL	30.85	34.67	-11	U.S.	"Intel Inside" put it on the map, but now the brand faces tough competition and sluggish PC sales.
6	NOKIA	29.97	35.04	-14	Finland	Still the cell-phone brand of choice among consumers, but overall sales of mobile handsets are weak.
7	DISNEY	29.26	32.59	-10	U.S.	Even monster hit <i>Monsters Inc.</i> couldn't compensate for a post-September 11 falloff at theme parks.
8	McDONALD'S	26.38	29.29	-11	U.S.	Who remembers Mad Cow disease? Global expansion continues as negative PR fades.
9	MARLBORO	24.15	22.05	+10	U.S.	The iconic brand uses fine extensions and merchandising clout to overcome court challenges and skyrocketing price of cigs.

Data: Interbrand Corp., J.P. Morgan Chase & Co., *BusinessWeek*

The Global Brand Scoreboard

RANK	2002 BRAND VALUE \$BILLIONS	2001 BRAND VALUE \$BILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
40	7.19	7.01	+3	U.S.	State of innovation, and a Disney alliance that put Buzz Lightyear on cereal boxes, renewed the brand's relevance.
41	7.05	7.05	0	France	Still a fashion must-have, particularly in Asia, but sales have been anemic because of post-September 11 travel decline.
42	6.78	6.31	+7	Germany	SAP has delivered on theme, "The best-run e-businesses run SAP." The software maker benefited from a flight to established suppliers.
43	6.72	6.68	+2	Japan	A reasonable performance in a camera market that is exhibiting almost no growth. And it's gaining on Xerox in copiers.
44	6.55	6.01	+9	Sweden	Reasonit brand benefited from the weak economy, which made more customers willing to assemble their own tables.
45	6.39	6.21	+3	U.S.	Innovations keep coming, like lemon-flavored Pepsi Twist. But biggest challenge is a consumer shift to bottled water and juices.
46	6.27	5.53	+13	U.S.	Masterful job of selling Baby Boomers on a high-margin symbol of youthful rebellion.
47	6.08	6.60	-8	U.S.	Phenomenal success of <i>The Osbournes</i> shows MTV still has its spark. Unfortunately, the ad market is dead.
48	6.05	6.00	+1	U.S.	Tough market, but the chain upgraded its restaurants and added new products like P-Zone, Twisted Crust, and Quad.
49	5.35	5.26	+2	U.S.	Introduced Popcorn Chicken, new Chicken Twister sandwich, and restaurants co-branded with corporate sibling Pizza Hut.
50	5.32	5.46	-3	U.S.	A well-received new iMac couldn't overcome weak sales to consumers and design professionals.
51	5.31	6.02	-12	U.S.	Trying to dodge its stodgy image, with digital and high-speed copiers. But a financial cloud lingers.
52	5.30	5.37	-1	Italy	The ongoing allure of lead designer Tom Ford could offset a slow start to 2002.
53	5.18	N/A	N/A	U.S.	In light of former parent Arthur Andersen's fate, Accenture's branding initiative looks like sheer brilliance.
54	5.08	N/A	N/A	France	No slowdown here. The brand now gets more than half its sales outside Europe, thanks to smart acquisitions.
55	5.04	5.09	-1	U.S.	Kleenex held most of its value because of innovations like Kleenex Travelers, for car door pockets.
56	4.78	5.15	-7	U.S.	Sun still leads in servers, but must deal with the implosion of the once-terrible dot-com sector.
57	4.75	4.53	+5	U.S.	Innovations kept the Wrigley's brand fresh. Can "functional" products like tooth-clearing gum add further shine?
58	4.61	5.24	-12	Britain	Reuters lost considerable ground to Bloomberg as customers fled its old-fashioned image and poor service.
59	4.60	4.57	+1	U.S.	A toothpaste-mouthwash combo and other novelties helped offset slipping share in other product areas.
60	4.56	4.90	-7	Netherlands	Potent in Europe but weak in North America, this brand was dogged by tough consumer-electronics markets and lackluster U.S. marketing.
61	4.43	N/A	N/A	Switzerland	The king of chocolate, cookies, and baby food is eating up U.S. ice cream with Dreyer's.
62	4.40	4.37	+1	U.S.	A makeover of its sales force and product lines boosted U.S. sales. But Avon has stumbled with its foray into retail sales.
63	4.33	4.50	-4	U.S.	Few signs of promised synergies following merger with Time Warner, and AOL's subscriber growth has slowed.
64	4.27	4.27	0	France	The perfume and fashion icon held its own in a tough global economy.
65	4.08	4.03	+1	U.S.	Still dominates lineup stretching from cheese to salad dressing, and isn't afraid to use its muscle to get the best store display.
66	4.05	N/A	N/A	France	No. 1 in yogurt outside the U.S. and No. 2 in water, Danone is well-positioned to benefit from health worries.
67	3.86	4.38	-12	U.S.	Forget the ad slump, Yahoo needs to prove it is relevant to consumers as they become more experienced at browsing.
68	3.69	3.66	+1	Germany	Benefited from World Cup fever, but still has little appeal among trend-setting black and Hispanic youth.
69	3.69	3.70	0	Switzerland	There's nothing like a classy watch in bad times. But improved sales must wait.

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

Special Report

THE 100 TOP BRANDS

Here's how we calculate the power in a name

To rank the world's 100 most valuable global brands, we set three hurdles that all contenders have to meet to merit consideration. First, they must have brand values greater than \$1 billion. They also have to be global in nature, meaning they must derive at least a third of their sales from outside their home countries and have significant distribution throughout the Americas, Europe, and Asia. Finally, they must have publicly available marketing and financial data. That excluded some big brands, such as Visa International, the BBC, and Mars.

How do you place a value on a brand? Some attempts rely on little more than opinion polls or ad spending. *BusinessWeek* selected Interbrand's method because it values brands the same way analysts value other assets: on the basis of how much they're likely to earn in the future. Those projected

profits are then discounted to a present value based on how risky the projected earnings are—that is, the likelihood that they will, in fact, materialize.

To start the process, Interbrand first figures out what the brand's overall sales are. (The brand may be almost the entire company, as in the case of McDonald's Corp. For others, such as Marlboro, it may be just a portion.) Next, with the help of analysts from J.P. Morgan Chase & Co., Citigroup, and Morgan Stanley, Interbrand projects net earnings for the brand. It then deducts a charge for the cost of owning the tangible assets, on the theory that whatever income is generated beyond that cost is due to intangible factors. This is the economic value added by things like patents, customer lists, and, of course, the brand.

The next step is to winnow the earnings generated by the brand from the

earnings generated by other intangibles. For example, are people buying Shell gasoline because of the brand name or because the gas station is conveniently located? Interbrand uses market research and interviews with industry executives to sift through those variables.

The final phase is to analyze the strength of the brand to figure out how risky those future brand earnings are. To calculate the brand's strength, Interbrand looks at seven factors, including the brand's market leadership, its stability, and its ability to cross geographic and cultural borders. The risk analysis produces a discount rate that is applied to the brand earnings to come up with a net present value. *BusinessWeek* and Interbrand believe this figure comes closest to representing the true economic value of that complex array of forces that make up a brand.

The Global Brand Scoreboard

RANK	2003 BRAND VALUE \$BILLIONS	2002 BRAND VALUE \$BILLIONS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION	
40	HEINZ	7.10	7.35	-3	U.S.	The world's favorite ketchup now comes in upside-down bottles and comes like "stellar blue." But competition took a bite.
41	GOLDMAN SACHS	7.04	7.19	-2	U.S.	Raising capital for Corporate America made it arguably the most prestigious investment bank. But a drought in mergers and equity issuances took a toll.
42	VOLKSWAGEN	6.94	7.21	-4	Germany	The stalwart maker of quality mass-market cars suffered from high costs, an aging lineup, fierce French competition, and a slew of overlapping brands.
43	IKEA	6.92	6.55	+6	Sweden	The chain made flat-packed furniture both affordable and fashionable, bringing its concept of democratic design to 31 countries.
44	HARLEY-DAVIDSON	6.78	6.27	+8	U.S.	Aging customers still think Harley when they think motorcycle. They're also rich enough to afford such innovations as the sleek \$18,000 V-Rod.
45	LOUIS VUITTON	6.71	7.05	-5	France	A downturn in tourism slowed this awesome profit machine fueled by monogrammed bags and accessories.
46	MTV	6.28	6.08	+3	U.S.	Still a big favorite among teens, and not just in the U.S., MTV International was one of the fastest-growing businesses at parent Viacom Inc.
47	L'OREAL	5.60	5.08	+10	France	Who's boycotting France? Not the millions of women who made L'Oréal the No. 1 cosmetics seller in the U.S.
48	VERO	5.58	5.31	+5	U.S.	With new financing and a range of hot color products, the troubled copier company's image was on the mend.
49	KFC	5.58	5.35	+4	U.S.	The chicken chain goosed global business by promoting local fare—tempura crispy strips in Japan and potato-and-onion croquettes in Holland.
50	APPLE	5.55	5.22	+4	U.S.	The "It's" have it—iPod, iTunes, and iBooks filled the personal technology, while the innovative iTunes Store download service left rivals in the dust.
51	PIZZA HUT	5.31	6.05	-12	U.S.	The dough wasn't rising. Asian restaurant sales were hurt by SARS, while at home the chain was slow to sling popular new products such as wings.
52	ACCENTURE	5.30	5.18	+2	U.S.	Hit hard by the slump in telecom, the consulting firm took its own advice and nimble built its outsourcing specialty.
53	GUCCI	5.10	5.30	-4	Italy	Chief designer Tom Ford was still a hit on the catwalks of Paris and New York, but Gucci's profits were shredded by economic stagnation and SARS.
54	KIEHL'S	5.06	5.04	0	U.S.	From aromatherapy tissues to 3-D holiday boxes, this leader still managed to pull out some fresh ideas.
55	WIGLEY'S	5.06	4.75	+7	U.S.	Hip ad campaigns to relaunch core brands Juicy Fruit and Doublemint and introduction of new sugar-free gum reinvigorated the chew-chew train.
56	COLGATE	4.68	4.60	+2	U.S.	As it neared the end of its second century, the brand continued to win over more smiles.
57	AVON	4.63	4.40	+5	U.S.	The Avon Ladies were on a tear, leveraging healthy R&D and marketing budgets through online sales and an expanding door-to-door network.
58	SON MICROSYSTEMS	4.47	4.77	-6	U.S.	A perception that this computer maker wasn't keeping up with technology trends made it appear as less than cutting-edge.
59	PHILIPS	4.46	4.56	-2	Netherlands	In Europe, its name equals home electronics, but Philips struggled with awareness in the U.S. and preliminary tough competition from Asia.
60	NESTLE	4.46	4.43	+1	Switzerland	From chocolate to baby formula, the Swiss food giant keeps the world's pantry stocked.
61	CHANEL	4.32	4.27	+1	France	A symbol of Parisian sophistication for mom's generation, but Chanel had a hard time luring younger customers.
62	DANONE	4.24	4.05	+5	France	The maker of Danone yogurt, already a powerhouse in Europe, was betting big on emerging markets.
63	KRAFT	4.17	4.08	+2	U.S.	The master of fine editions scored with new frozen-pizza flavors and other products but lost share on its cheese business to private labels.
64	GOI	3.96	4.33	-8	U.S.	Often dubbed the "Internet training wheels," the king of the dial-up services risked losing subscribers as they graduated to broadband connections.
65	YAHOO!	3.90	3.86	+1	U.S.	This Internet icon seared again but will have to watch out for the Net's next killer brand, Google.
66	TIME	3.78	3.68	+3	U.S.	After winning a National Magazine Award for coverage of September 11, the weekly ramped up again with excellent war reporting and photography.
67	ADIDAS	3.68	3.69	0	Germany	The maker of athletic shoes and clothing suffered from a plunge in U.S. sales as youths balked at paying more than \$100 for a pair of sneakers.
68	ROLEX	3.67	3.65	0	Switzerland	Tough times failed to put a dent in the popularity of the signature Swiss watches.
69	BP	3.58	3.39	+6	Britain	Joni Browne was once again front and center with his controversial "Beyond Petroleum" campaign. A megadeal in Russia also helped.

**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



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SPECIAL REPORT

CULT BRANDS

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

CASEY 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 car. 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. Inevitably, 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 Woodfald, 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

Based on *Interbrand's 2004 Brand Finance Global Corporate Reputation Survey*

RANK 2004 / 2003	2004 BRAND VALUE \$BILIONS	2003 BRAND VALUE \$BILIONS	PERCENT CHANGE	COUNTRY OF ORIGIN	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	8%	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	14,974	15,525	-5%	Japan	Overtaken by Nissan at home and falling further behind rival Toyota in the U.S. market.
19 14	FORD	14,476	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	12,583	10,846	15%	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	11,882	12,336	-4%	Switzerland	It's still the world's favorite instant coffee but even products like Joe Java struggle against hot upscale brands like Starbucks.
24 22	BUDWEISER	11,546	11,894	0%	U.S.	The growing global low-carb trend has left Bud flat. Plus, it's under attack from trucked-up and feisty rival Miller.
25 29	DELL	11,500	10,357	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	10,835	10,455	2%	U.S.	The pharma industry's powerhouses, 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 elite investment bank had a solid year, and now can extend its reach with its \$56 billion acquisition of Bank One Corp.
31 33	NIKE	9,250	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	8,831	9,407	-6%	U.S.	The drugmaker has tried to bolster its lineup with more partnerships, but patent expirations and research fees still pinch.
33 37	HSBC	8,671	7,585	13%	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	7,182	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	7,187	6,918	4%	Sweden	The Swedish home furnishing chain is now passing 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 working hard to boost value in ketchups, like ketchup and beans.
43 50	APPLE	6,871	5,584	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	6,802	6,708	-2%	France	It has a hot Murakami line and Jennifer Lopez in its ads, but is Vuitton getting over-expansive?

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 Publitz 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 Publitz, 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 Publitzes 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: www.interbrand.com, www.businessweek.com, www.morganstanley.com

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 maker's 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	13,150	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 gaijin 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.

Best Global Brands 2006

A Ranking by Brand Value

Interbrand

BusinessWeek





4. Best Global Brands 2006

Rank	Brand	Country	Industry	2006 Brand Value (\$Bil.)	Change vs. 2005 (%)
1	Coca-Cola	US	Beverages	67,000	-1%
2	Microsoft	US	Computer Software	56,926	-3%
3	IBM	US	Computer Services	56,201	5%
4	GE	US	Diversified	48,907	4%
5	Intel	US	Computer Hardware	32,319	-9%
6	Nokia	Finland	Telecom Equipment	30,131	14%
7	Toyota	Japan	Automotive	27,941	12%
8	Disney	US	Media/Entertainment	27,848	3%
9	McDonald's	US	Restaurants	27,501	6%
10	Mercedes	Germany	Automotive	21,795	9%
11	Citi	US	Financial Services	21,438	7%
12	Marlboro	US	Tobacco	21,350	1%
13	Hewlett-Packard	US	Computer Hardware	20,458	8%
14	American Express	US	Financial Services	19,641	6%
15	BMW	Germany	Automotive	19,617	15%
16	Gillette	US	Personal Care	19,579	12%
17	Louis Vuitton	France	Luxury	17,606	10%
18	Cisco	US	Computer Services	17,532	6%
19	Honda	Japan	Automotive	17,049	8%
20	Samsung	South Korea	Consumer Electronics	16,169	8%
21	Merrill Lynch	US	Financial Services	13,001	8%
22	Pepsi	US	Beverages	12,690	2%
23	Nescafe	Switzerland	Beverages	12,507	2%
24	Google	US	Internet Services	12,376	46%
25	Dell	US	Computer Hardware	12,256	-7%

4. Best Global Brands

Rank	Brand	Country of origin	Sector	2004 Brand Value (\$bn)	Change in Brand value
16	Sony	Japan	Consumer Electronics	11,695	9%
17	Budweiser	US	Alcohol	11,662	-2%
18	HSBC	UK	Financial Services	11,622	11%
19	Oracle	US	Computer Software	11,459	3%
20	Ford	US	Automotive	11,056	-16%
21	Nike	US	Sporting Goods	10,897	8%
22	UPS	US	Transportation	10,712	8%
23	JPMorgan	US	Financial Services	10,205	8%
24	SAP	Germany	Computer Software	10,007	11%
25	Canon	Japan	Computer Hardware	9,968	10%
26	Morgan Stanley	US	Financial Services	9,762	0%
27	Goldman Sachs	US	Financial Services	9,640	13%
28	Pfizer	US	Pharmaceuticals	9,591	-4%
29	Apple	US	Computer Hardware	8,130	14%
30	Kellogg's	US	Food	8,776	6%
31	Ikea	Sweden	Home Furnishings	8,763	12%
32	UBS	Switzerland	Financial Services	8,734	15%
33	Novartis	Switzerland	Pharmaceuticals	7,880	2%
34	Siemens	Germany	Diversified	7,828	4%
35	Harley-Davidson	US	Automotive	7,739	5%
36	Gucci	Italy	Luxury	7,158	8%
37	eBay	US	Internet Services	6,755	18%
38	Philips	Netherlands	Diversified	6,736	14%
39	Accenture	Bermuda	Computer Services	6,728	10%
40	MTV	US	Media/Entertainment	6,627	0%
41	Nintendo	Japan	Consumer Electronics	6,559	1%
42	Gap	US	Apparel	6,416	-22%
43	L'Oreal	France	Personal Care	6,392	6%
44	Heinz	US	Food	6,223	-10%
45	Yahoo!	US	Internet Services	6,056	15%
46	Volkswagen	Germany	Automotive	6,032	7%
47	Xerox	US	Computer Hardware	5,918	4%
48	Colgate	US	Personal Care	5,633	9%
49	Wrigley's	US	Food	5,449	-2%
50	KFC	US	Restaurants	5,350	5%
51	Chanel	France	Luxury	5,156	8%
52	Avon	US	Personal Care	5,040	-3%
53	Nestlé	Switzerland	Food	4,932	4%
54	Kleenex	US	Personal Care	4,842	-2%
55	Amazon.com	US	Internet Services	4,707	11%

Exhibit 2

Int. Cl.: 9

Prior U.S. Cl.: 26

United States Patent Office

Reg. No. 1,078,312
Registered Nov. 29, 1977

TRADEMARK
Principal Register

APPLE

Apple Computer, Inc. (California corporation)
20863 Stevens Creek Blvd.
Cupertino, Calif. 95014

For: COMPUTERS AND COMPUTER PROGRAMS
RECORDED ON PAPER AND TAPE, in CLASS 9
(U.S. CL. 26).

First use during April 1976; in commerce during April
1976.

Ser. No. 120,444, filed Mar. 25, 1977.

G. T. GLYNN, Examiner

Int. Cl.: 9

Prior U.S. Cl.: 26

Reg. No. 1,078,312

United States Patent and Trademark Office

Registered Nov. 29, 1977

10 Year Renewal

Renewal Term Begins Nov. 29, 1997

TRADEMARK
PRINCIPAL REGISTER

APPLE

APPLE COMPUTER, INC. (CALIFORNIA
CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 950142081

FOR: COMPUTERS AND COMPUTER
PROGRAMS RECORDED ON PAPER
AND TAPE, IN CLASS 9 (U.S. CL. 26).
FIRST USE 4-0-1976; IN COMMERCE
4-0-1976.

SER. NO. 73-120,444, FILED 3-25-1977.

*In testimony whereof I have hereunto set my hand
and caused the seal of The Patent and Trademark
Office to be affixed on Oct. 28, 1997.*

COMMISSIONER OF PATENTS AND TRADEMARKS

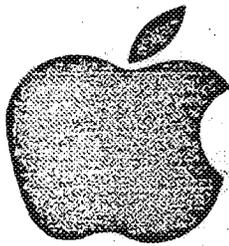
Int. Cl.: 9

Prior U.S. Cl.: 26, 38

United States Patent and Trademark Office

Reg. No. 1,114,431
Registered Mar. 6, 1979

TRADEMARK
Principal Register



Apple Computer, Inc. (California corporation)
10260 Bandley Drive
Cupertino, Calif. 95014

For: COMPUTERS AND COMPUTER PROGRAMS
RECORDED ON PAPER AND TAPE, in CLASS 9
(U.S. CLS. 26 and 38).

First use during January 1977; in commerce January
1977.

The mark consists of a silhouette of an apple with a
bite removed.

Owner of Reg. No. 1,078,312.

Ser. No. 162,799, filed Mar. 20, 1978.

J. TINGLEY, Examiner

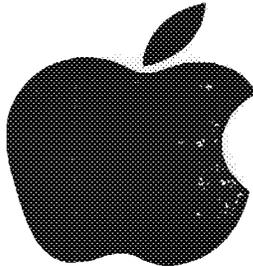
Int. Cl.: 9

Prior U.S. Cl.: 26, 38

United States Patent and Trademark Office

Reg. No. 1,114,431
Registered Mar. 6, 1979

TRADEMARK
Principal Register



Apple Computer, Inc. (California corporation)
10260 Bandley Drive
Cupertino, Calif. 95014

For: COMPUTERS AND COMPUTER PROGRAMS
RECORDED ON PAPER AND TAPE, in CLASS 9
(U.S. CLS. 26 and 38).

First use during January 1977; in commerce January
1977.

The mark consists of a silhouette of an apple with a
bite removed.

Owner of Reg. No. 1,078,312.

Ser. No. 162,799, filed Mar. 20, 1978.

J. TINGLEY, Examiner

Int. Cl.: 38

Prior U.S. Cls.: 100, 101, and 104

Reg. No. 2,079,765

United States Patent and Trademark Office

Registered July 15, 1997

**SERVICE MARK
PRINCIPAL REGISTER**

APPLE

APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: COMMUNICATION FILED BY COMPUTER, NAMELY, ELECTRONIC TRANSMISSION OF DATA AND DOCUMENTS VIA COMPUTER, DELIVERY OF MESSAGES BY ELEC-

TRONIC TRANSMISSION, IN CLASS 38 (U.S. CLS. 100, 101 AND 104).

FIRST USE 4-9-1994; IN COMMERCE 4-9-1994.

OWNER OF U.S. REG. NOS. 1,200,280, 1,819,400, AND OTHERS.

SN 74-660,120, FILED 4-7-1995.

WON TEAK OH, EXAMINING ATTORNEY

Int. Cl.: 35

Prior U.S. Cls.: 100, 101 and 102

Reg. No. 2,424,976

United States Patent and Trademark Office **Registered Jan. 30, 2001**

**SERVICE MARK
PRINCIPAL REGISTER**

THE APPLE STORE

APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: ONLINE RETAIL STORE SERVICES PROVIDED VIA A GLOBAL COMPUTER NETWORK FEATURING COMPUTERS, COMPUTER HARDWARE, COMPUTER SYSTEMS, COMPUTER SOFTWARE, COMPUTER PERIPHERALS AND ACCESSORIES, IN CLASS 35 (U.S. CLS. 100, 101 AND 102).

FIRST USE 11-0-1997; IN COMMERCE 11-0-1997.
OWNER OF U.S. REG. NOS. 1,078,312 AND 1,225,776.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "STORE", APART FROM THE MARK AS SHOWN.

SER. NO. 75-857,191, FILED 11-23-1999.

NAAKWAMA ANKRAH, EXAMINING ATTORNEY

Int. Cl.: 35

Prior U.S. Cls.: 100, 101 and 102

Reg. No. 2,424,976

United States Patent and Trademark Office **Registered Jan. 30, 2001**

**SERVICE MARK
PRINCIPAL REGISTER**

THE APPLE STORE

APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: ONLINE RETAIL STORE SERVICES PROVIDED VIA A GLOBAL COMPUTER NETWORK FEATURING COMPUTERS, COMPUTER HARDWARE, COMPUTER SYSTEMS, COMPUTER SOFTWARE, COMPUTER PERIPHERALS AND ACCESSORIES, IN CLASS 35 (U.S. CLS. 100, 101 AND 102).

FIRST USE 11-0-1997; IN COMMERCE 11-0-1997.
OWNER OF U.S. REG. NOS. 1,078,312 AND 1,225,776.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "STORE", APART FROM THE MARK AS SHOWN.

SER. NO. 75-857,191, FILED 11-23-1999.

NAAKWAMA ANKRAH, EXAMINING ATTORNEY

Int. Cl.: 35

Prior U.S. Cls.: 100, 101, and 102

United States Patent and Trademark Office

Reg. No. 2,462,798

Registered June 19, 2001

**SERVICE MARK
PRINCIPAL REGISTER**

APPLESTORE

APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FIRST USE 11-1-1997; IN COMMERCE 11-1-1997.

FOR: ONLINE RETAIL STORE SERVICES PROVIDED VIA A GLOBAL COMPUTER NETWORK FEATURING COMPUTERS, COMPUTER HARDWARE, COMPUTER SYSTEMS, COMPUTER SOFTWARE, COMPUTER PERIPHERALS AND ACCESSORIES, IN CLASS 35 (U.S. CLS. 100, 101 AND 102).

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "STORE", APART FROM THE MARK AS SHOWN.

SN 75-857,151, FILED 11-23-1999.

NAAKWAMA ANKRAH, EXAMINING ATTORNEY

Int. Cl.: 35

Prior U.S. Cls.: 100, 101 and 102

United States Patent and Trademark Office

Reg. No. 2,683,410

Registered Feb. 4, 2003

**SERVICE MARK
PRINCIPAL REGISTER**

APPLE STORE

APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: RETAIL STORE SERVICES FEATURING COMPUTERS, COMPUTER SOFTWARE, COMPUTER PERIPHERALS AND CONSUMER ELECTRONICS, AND DEMONSTRATION OF PRODUCTS RELATING THERETO; ONLINE RETAIL STORE SERVICES PROVIDED VIA A GLOBAL COMPUTER NETWORK FEATURING COMPUTERS, COMPUTER SOFTWARE, COMPUTER PERIPHERALS AND CONSUMER ELECTRONICS, AND DEMONSTRATION OF PRODUCTS RELATING THERETO, IN CLASS 35 (U.S. CLS. 100, 101 AND 102).

FIRST USE 11-1-1997; IN COMMERCE 11-1-1997.

OWNER OF U.S. REG. NOS. 1,078,312, 2,462,798 AND OTHERS.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "STORE", APART FROM THE MARK AS SHOWN.

SER. NO. 76-400,649, FILED 4-25-2002.

ANNE MADDEN, EXAMINING ATTORNEY

Int. Cl.: 9

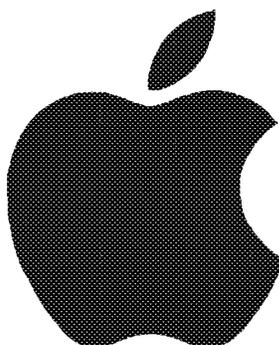
Prior U.S. Cls.: 21, 23, 26, 36 and 38

Reg. No. 2,715,578

United States Patent and Trademark Office

Registered May 13, 2003

TRADEMARK
PRINCIPAL REGISTER



APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: COMPUTERS HARDWARE; COMPUTER HARDWARE, NAMELY, SERVER, DESKTOP, LAPTOP, NOTEBOOK AND SUBNOTEBOOK COMPUTERS; HAND HELD AND MOBILE COMPUTERS; COMPUTER TERMINALS AND MONITORS; PERSONAL DIGITAL ASSISTANTS; PORTABLE DIGITAL AUDIO PLAYERS; ELECTRONIC ORGANIZERS; COMPUTER KEYBOARDS, CABLES, MODEMS; AUDIO SPEAKERS; COMPUTER VIDEO CONTROL DEVICES, NAMELY, COMPUTER MICE, TRACKBALLS, JOYSTICKS AND GAMEPADS; A FULL LINE OF COMPUTER SOFTWARE FOR BUSINESS, HOME, EDUCATION, AND DEVELOPER USE; COMPUTER PROGRAMS FOR PERSONAL INFORMATION MANAGEMENT; DATABASE MANAGEMENT SOFTWARE; CHARACTER RECOGNITION SOFTWARE; TELEPHONY MANAGEMENT SOFTWARE; ELECTRONIC MAIL AND MESSAGING SOFTWARE; TELECOMMUNICATIONS SOFTWARE, NAMELY FOR PAGING; DATABASE SYNCHRONIZATION SOFTWARE; COMPUTER PROGRAMS FOR ACCESSING, BROWSING AND SEARCHING ONLINE DATABASES; OPERATING SYSTEM SOFTWARE; APPLICATION DEVELOPMENT TOOL PROGRAMS; BLANK COMPUTER STORAGE MEDIA; FONTS, TYPEFACES, TYPE DESIGNS AND SYMBOLS RECORDED ON MAGNETIC MEDIA; COMPUTER SOFTWARE FOR USE IN PROVIDING MULTIPLE USER ACCESS TO A GLOBAL COMPUTER INFORMATION NETWORK FOR SEARCHING, RETRIEVING,

TRANSFERRING, MANIPULATING AND DISSEMINATING A WIDE RANGE OF INFORMATION; COMPUTER SOFTWARE FOR USE AS A PROGRAMMING INTERFACE; COMPUTER SOFTWARE FOR USE IN NETWORK SERVER SHARING; LOCAL AND WIDE AREA NETWORKING SOFTWARE; COMPUTER SOFTWARE FOR MATCHING, CORRECTION, AND REPRODUCTION OF COLOR; COMPUTER SOFTWARE FOR USE IN DIGITAL VIDEO AND AUDIO EDITING; COMPUTER SOFTWARE FOR USE IN ENHANCING TEXT AND GRAPHICS; COMPUTER SOFTWARE FOR USE IN FONT JUSTIFICATION AND FONT QUALITY; COMPUTER SOFTWARE FOR USE TO NAVIGATE AND SEARCH A GLOBAL COMPUTER INFORMATION NETWORK, AS WELL AS TO ORGANIZE AND SUMMARIZE THE INFORMATION RETRIEVED; COMPUTER SOFTWARE FOR USE IN WORD PROCESSING AND DATABASE MANAGEMENT; WORD PROCESSING SOFTWARE INCORPORATING TEXT, SPREADSHEETS, STILL AND MOVING IMAGES, SOUNDS AND CLIP ART; COMPUTER SOFTWARE FOR USE IN AUTHORIZING, DOWNLOADING, TRANSMITTING, RECEIVING, EDITING, EXTRACTING, ENCODING, DECODING, PLAYING, STORING AND ORGANIZING AUDIO, VIDEO, STILL IMAGES AND OTHER DIGITAL DATA; COMPUTER SOFTWARE FOR ANALYZING AND TROUBLESHOOTING OTHER COMPUTER SOFTWARE; CHILDREN'S EDUCATIONAL SOFTWARE; COMPUTER GAME SOFTWARE; COMPUTER GRAPHICS SOFTWARE; COMPUTER SEARCH ENGINE SOFTWARE; WEB SITE DEVELOPMENT SOFTWARE; COMPUTER PROGRAM WHICH PROVIDES REMOTE VIEWING, REMOTE CONTROL, COMMUNICATIONS

AND SOFTWARE DISTRIBUTION WITHIN PERSONAL COMPUTER SYSTEMS AND ACROSS COMPUTER NETWORK; COMPUTER PROGRAMS FOR FILE MAINTENANCE AND DATA RECOVERY; COMPUTER PERIPHERALS; INSTRUCTIONAL MANUALS PACKAGED IN ASSOCIATION WITH THE ABOVE , IN CLASS 9 (U.S. CLS. 21, 23, 26, 36 AND 38).

FIRST USE 1-1-1977; IN COMMERCE 1-1-1977.

OWNER OF U.S. REG. NOS. 1,078,312, 2,180,949 AND OTHERS.

SER. NO. 76-426,501, FILED 7-1-2002.

JAMES A. RAUEN, EXAMINING ATTORNEY

Int. Cl.: 42

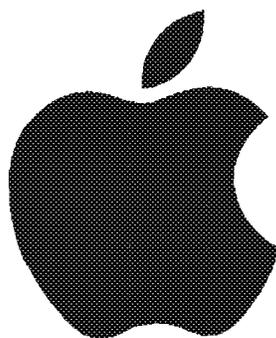
Prior U.S. Cls.: 100 and 101

United States Patent and Trademark Office

Reg. No. 2,753,069

Registered Aug. 19, 2003

SERVICE MARK
PRINCIPAL REGISTER



APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)

1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: APPLICATION SERVICE PROVIDER (ASP), NAMELY, HOSTING COMPUTER SOFTWARE APPLICATIONS OF OTHERS; COMPUTER SERVICES, NAMELY, DISPLAYING THE WEB SITES AND IMAGES OF OTHERS ON A COMPUTER SERVER; COMPUTER DIAGNOSTIC SERVICES; INSTALLATION OF COMPUTER SOFTWARE; UPDATING OF COMPUTER SOFTWARE; MAINTENANCE OF COMPUTER SOFTWARE; COMPUTER HARDWARE DEVELOPMENT; INTEGRATION OF COMPUTER SYSTEMS AND NETWORKS; MONITORING THE COMPUTER SYSTEMS OF OTHERS FOR TECHNICAL PURPOSES AND PROVIDING BACK-UP COMPUTER PROGRAMS AND FACILITIES; COMPUTER CONSULTATION, DESIGN, AND TESTING SERVICES; CONSULTING SERVICES IN THE FIELD OF DESIGN, SELECTION, IMPLEMENTATION AND USE OF COMPUTER HARDWARE AND SOFTWARE SYSTEMS FOR OTHERS; COMPUTER DATA RECOVERY; COMPUTER PROGRAMMING FOR OTHERS; RESEARCH AND DEVELOPMENT OF COMPUTER HARDWARE AND SOFTWARE; WEBSITE DESIGN, CREATION AND HOSTING SERVICES; COMPUTER SERVICES, NAMELY, DESIGNING AND IMPLEMENTING WEB SITES FOR OTHERS; COMPUTER SERVICES, NAMELY, PROVIDING SEARCH ENGINES FOR OBTAINING DATA ON A GLOBAL COMPUTER NETWORK; PROVIDING USE OF ON-LINE NON-DOWNLOADABLE SOFTWARE FOR COMMUNICATIONS VIA LOCAL OR

GLOBAL COMMUNICATIONS NETWORKS, INCLUDING THE INTERNET, INTRANETS, AND EXTRANETS; COMPUTER CONSULTATION, NAMELY, ANALYZING DATA TO DETECT, ERADICATE, AND PREVENT THE OCCURRENCE OF COMPUTER VIRUSES; COMPUTER CONSULTATION, NAMELY, SERVICES RELATING TO THE PROTECTION OF COMPUTER HARDWARE, COMPUTER SOFTWARE, COMPUTER NETWORKS AND COMPUTER SYSTEMS AGAINST COMPUTER VIRUSES, ATTACKS, OR FAILURES; COMPUTER CONSULTATION, NAMELY, SERVICES FOR OPTIMIZING THE PERFORMANCE AND FUNCTIONALITY OF COMPUTER SOFTWARE AND COMMUNICATIONS NETWORKS; TECHNICAL SUPPORT SERVICES, NAMELY, TROUBLESHOOTING OF COMPUTERS, COMPUTER SOFTWARE, TELECOMMUNICATIONS, AND THE INTERNET SYSTEMS; LEASING OF COMPUTERS, COMPUTER PERIPHERALS AND COMPUTER SOFTWARE; LEASING COMPUTER FACILITIES; PROVIDING INFORMATION IN A WIDE VARIETY OF FIELDS OVER COMPUTER NETWORKS AND GLOBAL COMMUNICATION NETWORKS; COMPUTER SERVICES, NAMELY, CREATING INDEXES OF INFORMATION, WEB SITES AND OTHER INFORMATION SOURCES AVAILABLE ON COMPUTER NETWORKS; PROVIDING INFORMATION CONCERNING A WIDE RANGE OF TEXT, ELECTRONIC DOCUMENTS, DATABASES, GRAPHICS AND AUDIOVISUAL INFORMATION, IN CLASS 42 (U.S. CLS. 100 AND 101).

FIRST USE 9-0-1980; IN COMMERCE 9-0-1980.

OWNER OF U.S. REG. NOS. 1,114,431, 1,401,154
AND OTHERS.

SER. NO. 78-146,716, FILED 7-23-2002.

THE MARK CONSISTS OF THE DESIGN OF AN
APPLE WITH A BITE REMOVED.

JAMES A. RAUEN, EXAMINING ATTORNEY

Int. Cl.: 42

Prior U.S. Cls.: 100 and 101

United States Patent and Trademark Office

Reg. No. 2,808,567

Registered Jan. 27, 2004

**SERVICE MARK
PRINCIPAL REGISTER**

APPLE

APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: COMPUTER CONSULTATION, DESIGN, TESTING, RESEARCH AND ADVISORY SERVICES; RESEARCH AND DEVELOPMENT OF COMPUTER HARDWARE AND SOFTWARE; MAINTENANCE AND REPAIR OF COMPUTER SOFTWARE APPLICATIONS; UPDATING OF COMPUTER SOFTWARE; COMPUTER PROGRAMMING SERVICES; PROVIDING INFORMATION CONCERNING COMPUTERS AND COMPUTER SOFTWARE OVER COMPUTER NETWORKS AND GLOBAL COMMUNICATION NETWORKS; COMPUTER SERVICES, NAMELY, HOSTING WEB SITES AND PROVIDING WEB SITE OPERATION AND MANAGEMENT SERVICES

TO OTHERS; COMPUTER SERVICES, NAMELY, PROVIDING SEARCH ENGINES FOR OBTAINING DATA ON COMPUTER NETWORKS AND GLOBAL COMMUNICATION NETWORKS; LEASING OF COMPUTERS, COMPUTER PERIPHERALS AND COMPUTER SOFTWARE, IN CLASS 42 (U.S. CLS. 100 AND 101).

FIRST USE 9-0-1980; IN COMMERCE 9-0-1980.

OWNER OF U.S. REG. NOS. 1,078,312, 2,132,209 AND OTHERS.

SER. NO. 78-170,383, FILED 10-2-2002.

DOMINIC J. FERRAIUOLO, EXAMINING ATTORNEY

Int. Cl.: 38

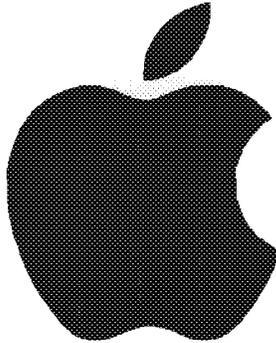
Prior U.S. Cls.: 100, 101, and 104

United States Patent and Trademark Office

Reg. No. 2,870,477

Registered Aug. 3, 2004

SERVICE MARK
PRINCIPAL REGISTER



APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: TELECOMMUNICATION SERVICES, NAMELY, ELECTRONIC TRANSMISSION OF DATA AND IMAGES VIA COMPUTER NETWORKS; ELECTRONIC MAIL SERVICES; PROVIDING ON-LINE ELECTRONIC BULLETIN BOARDS FOR TRANSMISSION OF MESSAGES AMONG COMPUTER USERS IN THE FIELDS OF BUSINESS, CREATIVE DESIGN, EDUCATION, COMPUTERS, INFORMATION TECHNOLOGY, WORD PROCESSING, DATABASE MANAGEMENT, ENTERTAINMENT, ELECTRONIC COMMERCE AND TELECOMMUNICATIONS; TELECOMMUNICATIONS CONSULTATION; DELIVERY OF MESSA-

GES BY ELECTRONIC TRANSMISSION; ELECTRONIC TRANSMISSION OF DATA AND INFORMATION BY COMPUTER, RADIO, MAIL, PROVIDING INTERNET ACCESS, IN CLASS 38 (U.S. CLS. 100, 101 AND 104).

FIRST USE 4-9-1994; IN COMMERCE 4-9-1994.

OWNER OF U.S. REG. NOS. 113,028, 1,421,062, AND OTHERS.

THE MARK CONSISTS OF THE DESIGN OF AN APPLE WITH A BITE REMOVED.

SN 78-157,042, FILED 8-22-2002.

MICHELE SWAIN, EXAMINING ATTORNEY

Int. Cls.: 35 and 39

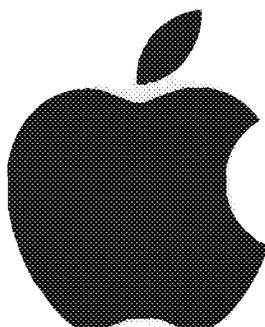
Prior U.S. Cls.: 100, 101, 102, and 105

United States Patent and Trademark Office

Reg. No. 2,926,853

Registered Feb. 15, 2005

SERVICE MARK
PRINCIPAL REGISTER



APPLE COMPUTER, INC. (CALIFORNIA CORPORATION)
1 INFINITE LOOP
CUPERTINO, CA 95014

FOR: ANALYSIS AND CONSULTATION IN THE FIELD OF BUSINESS INFORMATION MANAGEMENT, NAMELY, THE SELECTION, ADOPTION AND OPERATION OF COMPUTERS AND COMPUTER INFORMATION MANAGEMENT SYSTEMS; PROVIDING INFORMATION IN THE FIELDS OF BUSINESS AND COMMERCE OVER COMPUTER NETWORKS AND GLOBAL COMMUNICATION NETWORKS; BUSINESS SERVICES, NAMELY, PROVIDING COMPUTER DATABASES REGARDING THE PURCHASE AND SALE OF A WIDE VARIETY OF PRODUCTS AND SERVICES OF OTHERS; BUSINESS SERVICES, NAMELY, DISSEMINATION OF ADVERTISING FOR OTHERS VIA COMPUTER NETWORKS AND GLOBAL COMMUNICATION NETWORKS; RETAIL STORE SERVICES FEATURING COMPUTERS, COMPUTER SOFTWARE, COMPUTER PERIPHERALS AND CONSUMER ELECTRONICS, AND DEMONSTRATION OF PRODUCTS RELATING THERETO; ONLINE RETAIL STORE SERVICES PROVIDED VIA COMPUTER NETWORKS AND GLOBAL COMMUNICATION NETWORKS FEATURING COMPUTERS, COMPU-

TER SOFTWARE, COMPUTER PERIPHERALS AND CONSUMER ELECTRONICS, AND DEMONSTRATION OF PRODUCTS RELATING THERETO, IN CLASS 35 (U.S. CLS. 100, 101 AND 102).

FIRST USE 0-0-1983; IN COMMERCE 0-0-1983.

FOR: COMPUTERIZED DATA STORAGE SERVICES; DATA STORAGE RELATING TO BUSINESS, IN CLASS 39 (U.S. CLS. 100 AND 105).

FIRST USE 0-0-1985; IN COMMERCE 0-0-1985.

PRIORITY CLAIMED UNDER SEC. 44(D) ON ERPN CMNTY TM OFC APPLICATION NO. 2593671, FILED 2-26-2002, DATED 0-0-0000.

OWNER OF U.S. REG. NOS. 1,114,431, 1,401,154, AND OTHERS.

THE MARK CONSISTS OF THE DESIGN OF AN APPLE WITH A BITE REMOVED.

SN 78-155,188, FILED 8-16-2002.

NORA BUCHANAN WILL, EXAMINING ATTORNEY