

ESTTA Tracking number: **ESTTA161737**

Filing date: **09/10/2007**

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	09/12/2007
Address	1 Infinite Loop Cupertino, CA 95014 UNITED STATES

Correspondence information	Stephen J. Coates Kilpatrick Stockton LLP 31 W 52nd Street - 14th Floor New York, NY 10019 UNITED STATES scoates@kilpatrickstockton.com, jpeterse@kilpatrickstockton.com, agarcia@kilpatrickstockton.com Phone:212-775-8700
----------------------------	--

**Applicant Information**

Application No	78573123	Publication date	05/15/2007
Opposition Filing Date	09/10/2007	Opposition Period Ends	09/12/2007
Applicant	Rabess, Douglass Apt 1e 1020 Soundview Ave Bronx, NY 10472 UNITED STATES		

**Goods/Services Affected by Opposition**

Class 035. All goods and services in the class are opposed, namely: Wholesale distribution services featuring musical and video recordings
---

**Grounds for Opposition**

Priority and likelihood of confusion	Trademark Act section 2(d)
Dilution	Trademark Act section 43(c)

**Marks Cited by Opposer as Basis for Opposition**

U.S. Registration No.	1078312	Application Date	03/25/1977
Registration Date	11/29/1977	Foreign Priority Date	NONE
Word Mark	APPLE		

Design Mark	
Description of Mark	NONE
Goods/Services	Class 009. First use: First Use: 1976/04/00 First Use In Commerce: 1976/04/00 COMPUTERS AND COMPUTER PROGRAMS RECORDED ON PAPER AND TAPE

U.S. Registration No.	1114431	Application Date	03/20/1978
Registration Date	03/06/1979	Foreign Priority Date	NONE
Word Mark	NONE		
Design Mark			
Description of Mark	THE MARK CONSISTS OF A SILHOUETTE OF AN APPLE WITH A BITE REMOVED.		
Goods/Services	Class 009. First use: First Use: 1977/01/00 First Use In Commerce: 1977/01/00 COMPUTERS AND COMPUTER PROGRAMS RECORDED ON PAPER AND TAPE		

U.S. Registration No.	2079765	Application Date	04/07/1995
Registration Date	07/15/1997	Foreign Priority Date	NONE
Word Mark	APPLE		
Design Mark			
Description of Mark	NONE		
Goods/Services	Class 038. First use: First Use: 1994/04/09 First Use In Commerce: 1994/04/09 communication filed by computer, namely, electronic transmission of data and documents via computer, delivery of messages by electronic transmission		

U.S. Registration No.	2715578	Application Date	07/01/2002
Registration Date	05/13/2003	Foreign Priority Date	NONE
Word Mark	NONE		
Design Mark			
Description of Mark	NONE		
Goods/Services	Class 009. First use: First Use: 1977/01/01 First Use In Commerce: 1977/01/01 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 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 manuals packaged in association with the above
--	---

U.S. Registration No.	2753069	Application Date	07/23/2002
Registration Date	08/19/2003	Foreign Priority Date	NONE
Word Mark	NONE		
Design Mark			
Description of Mark	The mark consists of the design of an apple with a bite removed.		
Goods/Services	Class 042. First use: First Use: 1980/09/00 First Use In Commerce: 1980/09/00 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
--	---

U.S. Registration No.	2808567	Application Date	10/02/2002
Registration Date	01/27/2004	Foreign Priority Date	NONE
Word Mark	APPLE		
Design Mark			
Description of Mark	NONE		
Goods/Services	Class 042. First use: First Use: 1980/09/00 First Use In Commerce: 1980/09/00 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		

U.S. Registration No.	2870477	Application Date	08/22/2002
Registration Date	08/03/2004	Foreign Priority Date	NONE
Word Mark	NONE		
Design Mark			
Description of Mark	The mark consists of the design of an apple with a bite removed.		
Goods/Services	Class 038. First use: First Use: 1994/04/09 First Use In Commerce: 1994/04/09 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		

U.S. Registration No.	2926853	Application Date	08/16/2002
Registration Date	02/15/2005	Foreign Priority Date	02/26/2002
Word Mark	NONE		

Design Mark	
Description of Mark	The mark consists of the design of an apple with a bite removed.
Goods/Services	Class 035. First use: First Use: 1983/00/00 First Use In Commerce: 1983/00/00 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 Class 039. First use: First Use: 1985/00/00 First Use In Commerce: 1985/00/00 computerized data storage services; data storage relating to business

U.S. Registration No.	3084491	Application Date	04/26/2004
Registration Date	04/25/2006	Foreign Priority Date	11/04/2003
Word Mark	NONE		
Design Mark			
Description of Mark	NONE		
Goods/Services	Class 009. First use: electronic apparatus and software therefor for downloading, transmitting, receiving, playing, storing and organizing audio, video and navigation data for use in automobiles, railway cars and engines, ships and planes; sound effect generators and instruments comprised of computer hardware and software Class 012. First use: automobiles Class 015. First use: Electric and electronic musical instruments; musical instruments adapted to programmed system sequences; electronic pianos, electronic keyboard instruments; electric or electronic percussion or drum systems comprised of computer hardware and software; music and sound synthesizers; electronic tone generators; musical instruments controlled by computer software		

U.S. Registration No.	2034964	Application Date	06/26/1995
Registration Date	02/04/1997	Foreign Priority Date	NONE
Word Mark	APPLE		
Design Mark			
Description of Mark	NONE		
Goods/Services	Class 009. First use: First Use: 1968/08/00 First Use In Commerce: 1968/08/00 gramophone records featuring music; pre-recorded audio tape cassettes		

	featuring music; audio compact discs featuring music; pre-recorded video tape cassettes featuring music; [ video laser discs featuring music ]
--	--

U.S. Registration No.	2036537	Application Date	06/26/1995
Registration Date	02/11/1997	Foreign Priority Date	NONE
Word Mark	NONE		
Design Mark			
Description of Mark	NONE		
Goods/Services	Class 009. First use: First Use: 1968/08/00 First Use In Commerce: 1968/08/00 gramophone records featuring music; pre-recorded audio compact discs featuring music		

U.S. Registration No.	2041653	Application Date	06/26/1995
Registration Date	03/04/1997	Foreign Priority Date	NONE
Word Mark	NONE		
Design Mark			
Description of Mark	NONE		
Goods/Services	Class 009. First use: First Use: 1968/08/00 First Use In Commerce: 1968/08/00 gramophone records featuring music; pre-recorded audio tape cassettes featuring music; audio compact discs featuring music; pre-recorded video tape cassettes featuring music; [ video laser discs featuring music ]		

U.S. Registration No.	3200354	Application Date	06/04/2004
Registration Date	01/23/2007	Foreign Priority Date	NONE
Word Mark	NONE		
Design Mark			
Description of Mark	The mark consists of an artistic rendering of a half apple.		
Goods/Services	Class 009. First use: Musical sound recordings; sound recordings featuring entertainment, music, musicians, documentaries, biographies, interviews, performances, reviews, historical narratives, drama and fiction; musical video recordings; musical cinematographic films; video records and cinematographic films featuring entertainment, music, musicians, caricatures, cartoons, animation, television programs, documentaries, film excerpts, biographies, interviews, performances, reviews, historical narratives, drama and fiction; sound recordings, video records, cinematographic films, namely, television programs, motion pictures, audio visual records and audio video film footage for television and other transmission; audio and visual recordings featuring or relating to music, entertainment and films; pre-recorded compact discs, audio tapes, gramophone records, video tapes, video discs, DVDs, CD-ROMs and interactive compact discs, all featuring or relating to music and films; digitally recorded sound and video records featuring music, entertainment and cinematographic films; downloadable musical sound and video records; downloadable sound and video records featuring or relating to music, entertainment and films		

U.S. Registration No.	3221275	Application Date	06/04/2004
Registration Date	03/27/2007	Foreign Priority Date	NONE
Word Mark	NONE		
Design Mark			
Description of Mark	The mark consists of an artistic rendering of an apple.		
Goods/Services	<p>Class 009. First use:</p> <p>Musical sound recordings; sound recordings featuring entertainment, music, musicians, documentaries, biographies, interviews, performances, reviews, historical narratives, drama and fiction; musical video recordings; musical cinematographic films; video records and cinematographic films featuring entertainment, music, musicians, caricatures, cartoons, animation, television programs, documentaries, film excerpts, biographies, interviews, performances, reviews, historical narratives, drama and fiction; sound recordings, video records, cinematographic films, namely, television programs, motion pictures, audio visual records and audio video film footage for television and other transmission; audio and visual recordings featuring or relating to music, entertainment and films; pre-recorded compact discs, audio tapes, gramophone records, video tapes, video discs, DVDs, CD-ROMs and interactive compact discs, all featuring or relating to music and films; digitally recorded sound and video records featuring music, entertainment and cinematographic films; downloadable musical sound and video records; downloadable sound and video records featuring or relating to music, entertainment and films</p>		

Attachments	<p>73162799#TMSN.gif ( 1 page )( bytes )</p> <p>76426501#TMSN.gif ( 1 page )( bytes )</p> <p>78146716#TMSN.gif ( 1 page )( bytes )</p> <p>78157042#TMSN.gif ( 1 page )( bytes )</p> <p>78155188#TMSN.gif ( 1 page )( bytes )</p> <p>78408365#TMSN.jpeg ( 1 page )( bytes )</p> <p>74693838#TMSN.gif ( 1 page )( bytes )</p> <p>74693680#TMSN.gif ( 1 page )( bytes )</p> <p>78430282#TMSN.jpeg ( 1 page )( bytes )</p> <p>78430266#TMSN.jpeg ( 1 page )( bytes )</p> <p>ROTTEN @PPLE NOTICE.pdf ( 55 pages )(3936235 bytes )</p>
-------------	--

Signature	/STEPHEN COATES/
Name	Stephen J. Coates
Date	09/10/2007



and/or markets in interstate and international commerce, among other things, computer hardware, software, peripherals and other products, including, but not limited to, many products and services specifically used in connection with the creation, distribution and reproduction of audio and audiovisual entertainment content, and offers a broad array of related goods and services.

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. Opposer’s family of APPLE-based word marks and its Apple Logo (collectively, the “APPLE Marks”) has achieved an extraordinary level of fame and consumer recognition. As a result of Opposer’s extensive advertising, promotion and use of its APPLE Marks in connection with a variety of goods and services, including, *inter alia*, computers, computer software programs, the iTunes media player software, the iTunes Store internet-based media retail and audio and visual content-delivery services and iPod mobile digital media players, Opposer’s APPLE Marks have acquired enormous goodwill, and have come to be immediately identified with Opposer as the source of goods and services.

4. Opposer is the third largest music retailer in the United States according to The NPD Group, a leading market research firm. Opposer's online store can be found at the web site <http://www.apple.com/itunes/> and features a catalog of over five million songs, 550 television shows and 500 movies. To date, over three billion songs have been purchased and downloaded through Opposer's iTunes Store.

5. The APPLE 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 the APPLE Marks currently enjoy cannot be seriously disputed. As a result of Opposer's extensive advertising and use of the APPLE Marks, the APPLE Marks have acquired extensive goodwill and have come to be immediately identified with Opposer.

6. For many 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, in reverse chronological order from 2007 through 2001, 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 seven years:

- i. 2007: valuing the APPLE brand as the 33<sup>rd</sup> most valuable brand in the entire world, with an estimated brand worth of U.S. \$11.037 billion.
- ii. 2006: valuing the APPLE brand as the 39<sup>th</sup> most valuable brand in the entire world, with an estimated brand worth of U.S. \$9.130 billion.
- iii. 2005: valuing the APPLE brand as the 41<sup>st</sup> most valuable brand in the entire world, with an estimated brand worth of U.S. \$7.985 billion.

- iv. 2004: valuing the APPLE brand as the 43<sup>rd</sup> most valuable brand in the entire world, with an estimated brand worth of U.S. \$6.871 billion.
- v. 2003: valuing the APPLE brand as the 50<sup>th</sup> most valuable brand in the entire world, with an estimated brand worth of U.S. \$5.55 billion.
- vi. 2002: valuing the APPLE brand as the 50<sup>th</sup> most valuable brand in the entire world, with an estimated brand worth of U.S. \$5.32 billion.
- vii. 2001: valuing the APPLE brand as the 49<sup>th</sup> most valuable brand in the entire world, with an estimated brand worth of U.S. \$5.46 billion.

7. Opposer is the owner of numerous United States trademark registrations on the Principal Register for its APPLE Marks, including, among others, 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.
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.
	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,

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
			<p>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 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</p>

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
			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.
	2,753,069	July 23, 2002 August 19, 2003	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

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
			<p>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.</p>
<p>APPLE</p>	<p>2,808,567</p>	<p>October 2, 2002 January 27, 2004</p>	<p>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;</p>

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
	2,870,477	August 22, 2002 August 3, 2004	<p>leasing of computers, computer peripherals and computer software.</p> <p>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.</p>
	2,926,853	August 16, 2002 February 15, 2005	<p>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.</p>

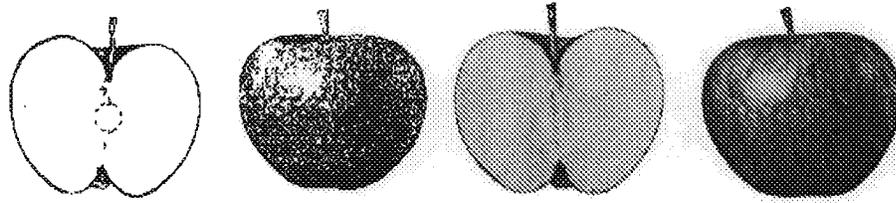
TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
	3,084,491	April 26, 2004 April 25, 2006	<p>Class 9: Electronic apparatus and software therefore for downloading, transmitting, receiving, playing, storing and organizing audio, video and navigation data for use in automobiles, railway cars and engines, ships and planes; sound effect generators and instruments comprised of computer hardware and software.</p> <p>Class 12: Automobiles.</p> <p>Class 15: Electric and electronic musical instruments; musical instruments adapted to programmed system sequences; electronic pianos, electronic keyboards instruments; electric or electronic percussion or drum systems comprised of computer hardware and software; music and sound synthesizers; electronic tone generators; musical instruments controlled by computer software.</p>

Copies of the above-identified registrations are annexed as Exhibit 2.

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. Opposer is also the owner, by assignment, of numerous apple-related trademarks and the goodwill associated therewith, and the associated trademark registrations, previously owned by Apple Corps Limited (“Apple Corps”). Under the agreement between Apple and Apple Corps, Apple now owns all of Apple Corps’ trademarks related to “Apple” and licenses certain of those trademarks back to Apple

Corps for Apple Corps' use. These trademarks consist of the word APPLE and visual equivalents of the word, to wit logos depicting apples, such as the four shown below:



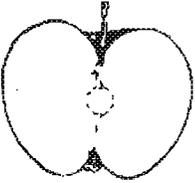
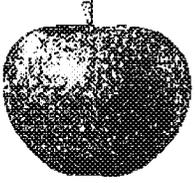
(collectively the "Apple Corps Logos").

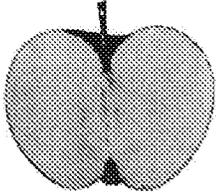
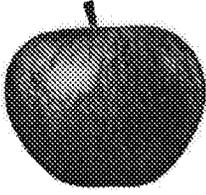
10. Since at least as early as 1968, Opposer, including through its predecessor Apple Corps, has extensively promoted, marketed, advertised, distributed and sold goods and services in connection with this family of APPLE word marks and Apple Corps Logos (collectively "Opposer's Apple Corps Marks"), including, without limitation, sound recordings featuring The Beatles and James Taylor among other music legends.

11. Opposer's Apple Corps Marks have achieved an extraordinary level of fame and consumer recognition. As a result of Opposer's and/or its predecessor's extensive advertising, promotion and use of Opposer's Apple Corps Marks in connection with a variety of goods and services, including, without limitation, audio and visual recordings relating to music, entertainment and film, musical videos, video records featuring performances, downloadable musical sound and video recordings, and downloadable sound and video records featuring or relating to music, entertainment and films, Opposer's Apple Corps Marks have acquired enormous goodwill and have come to be immediately identified with goods and services originating from Opposer or, formerly, its predecessor.

12. Opposer's Apple Corps Marks are famous under the Lanham Act, specifically 15 U.S.C. §1125 *et seq.* The extraordinary level of fame and consumer recognition that Opposer's Apple Corps Marks currently enjoy cannot be seriously disputed. As a result of Opposer's and/or its predecessor's extensive advertising and use of Opposer's Apple Corps Marks, Opposer's Apple Corps Marks have acquired extensive goodwill and have come to be immediately identified with goods and services originating from Opposer or its predecessor.

13. Opposer is the owner, by assignment, of United States Registrations on the Principal Register for Opposer's Apple Corps Marks, including, without limitation, the following registrations:

TRADEMARK	REG. NO.	FILING DATE/ REG. DATE	GOODS/SERVICES
APPLE	2,034,964	June 26, 1995 February 4, 1997	Class 9: gramophone records featuring music; pre-recorded audio tape cassettes featuring music; audio compact discs featuring music; pre-recorded video tape cassettes featuring music; [ video laser discs featuring music ].
	2,036,537	June 26, 1995 February 11, 1997	Class 9: gramophone records featuring music; pre-recorded audio compact discs featuring music.
	2,041,653	June 26, 1995 March 4, 1997	Class 9: gramophone records featuring music; pre-recorded audio tape cassettes featuring music; audio compact discs featuring music; pre-recorded video tape cassettes featuring music; [video laser discs featuring music].

	3,200,354	June 4, 2004 January 23, 2007	Class 9: Musical sound recordings; sound recordings featuring entertainment, music, musicians, documentaries, biographies, interviews, performances, reviews, historical narratives, drama and fiction; musical video recordings; musical cinematographic films; video records and cinematographic films featuring entertainment, music, musicians, caricatures, cartoons, animation, television programs, documentaries, film excerpts, biographies, interviews, performances, reviews, historical narratives, drama and fiction; sound recordings, video records, cinematographic films, namely, television programs, motion pictures, audio visual records and audio video film footage for television and other transmission; audio and visual recordings featuring or relating to music, entertainment and films; pre-recorded compact discs, audio tapes, gramophone records, video tapes, video discs, DVDs, CD-ROMs and interactive compact discs, all featuring or relating to music and films; digitally recorded sound and video records featuring music, entertainment and cinematographic films; downloadable musical sound and video records; downloadable sound and video records featuring or relating to music, entertainment and films
	3,221,275	June 4, 2004 March 27, 2007	Class 9: Musical sound recordings; sound recordings featuring entertainment, music, musicians, documentaries, biographies, interviews, performances, reviews, historical narratives, drama and fiction; musical video recordings; musical cinematographic films; video records and cinematographic films featuring entertainment, music, musicians, caricatures, cartoons, animation, television programs, documentaries, film excerpts, biographies, interviews, performances, reviews, historical narratives, drama and fiction; sound

			recordings, video records, cinematographic films, namely, television programs, motion pictures, audio visual records and audio video film footage for television and other transmission; audio and visual recordings featuring or relating to music, entertainment and films; pre-recorded compact discs, audio tapes, gramophone records, video tapes, video discs, DVDs, CD-ROMs and interactive compact discs, all featuring or relating to music and films; digitally recorded sound and video records featuring music, entertainment and cinematographic films; downloadable musical sound and video records; downloadable sound and video records featuring or relating to music, entertainment and films
--	--	--	---

Copies of the above-identified registrations are annexed as **Exhibit 3**.

14. Registration Nos. 2,034,964, 2,036,537, 2,041,653 and 3,200,354 were assigned from Apple Corps Limited to Apple Inc. and recorded with the United States Patent and Trademark Office on April 5, 2007 under Reel 3516 and Frame 0288. A copy of the Trademark Assignment Details extract from the United States Patent and Trademark Office Assignment Division online database evidencing the assignment recordal is annexed as **Exhibit 4**. Registration No. 3,221,275 was assigned from Apple Corps Limited to Apple Inc. and recorded with the United States Patent and Trademark Office on May 24, 2007 under Reel 3549 and Frame 0043. A copy of the Trademark Assignment Details extract from the United States Patent and Trademark Office Assignment Division online database evidencing the assignment recordal is annexed as **Exhibit 5**.

15. 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. 2,036,537, 2,041,653 and 2,034,964 rendering such registrations incontestable.

16. Notwithstanding Opposer's prior rights, on February 23, 2005, applicant Douglass Rabess ("Applicant") filed, on an intent to use basis, Application Serial No. 78/573,123 for "[w]holesale distribution services featuring musical and video recordings" in International Class 35 for the mark depicted below ("Applicant's Mark"):



17. Opposer obtained extensions of time to oppose the instant application and is timely filing this Notice of Opposition within such extended period.

18. Applicant's Mark prominently features the word @PPLE which is virtually indistinguishable from Opposer's APPLE word mark and Apple Corps word mark and also prominently features an apple logo. Similarly, Opposer's APPLE Marks and Apple Corps Marks famously evoke an apple.

19. The services cited by Applicant under Applicant's Mark, namely "wholesale distribution services featuring musical and video recordings" are highly related to goods and services Opposer and/or its predecessors have long offered in

connection with its APPLE Marks and Apple Corps Marks.

20. Accordingly, Applicant's Mark so closely resembles Opposer's APPLE Marks and Apple Corps 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 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.

21. There is no issue as to priority. Opposer began using its APPLE Marks in commerce since at least as early as 1977 and Opposer and/or its predecessors began using Opposer's Apple Corps Marks since at least as early as 1968, well prior to the February 23, 2005 filing date of Applicant's mark which was filed on an intent to use basis.

22. 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 Apple Marks and Opposer's APPLE Marks and Apple Corps Marks. Persons familiar with Opposer's APPLE Marks and Apple Corps Marks would be likely to purchase Applicant's services as and for services associated with Opposer. Furthermore, any defect, objection or fault found with Applicant's services marketed under Applicant's Mark would reflect upon and seriously injure the reputation which the Opposer has established for its goods and services.

23. Applicant's Mark is likely to cause dilution of Opposer's APPLE Marks and Apple Corps Marks, in violation of Section 43(c)(1) of the Lanham Act, 15 U.S.C. § 1125(c)(1), by blurring the considerable source-identifying power of

Opposer's APPLE Marks and Apple Corps Marks.

24. 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. 78/573,123 be denied.

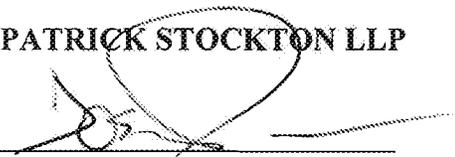
The opposition fee in the amount of \$300.00 for an opposition in one class is filed herewith. If for any reason this amount is insufficient, it is requested that Opposer's attorneys' Deposit Account No. 11-0860 be charged with any deficiency. This paper is filed electronically.

Dated: New York, New York

September 10, 2007

Respectfully submitted,

**KILPATRICK STOCKTON LLP**

By: 

Joseph Petersen

Stephen J. Coates

31 West 52<sup>nd</sup> Street, 14<sup>th</sup> Floor

New York, New York 10019

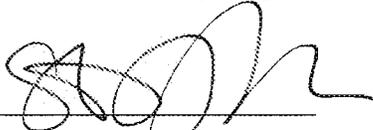
Telephone: (212) 775-8700

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, September 10, 2007.

  
\_\_\_\_\_  
Stephen J. Coates

**CERTIFICATE OF SERVICE**

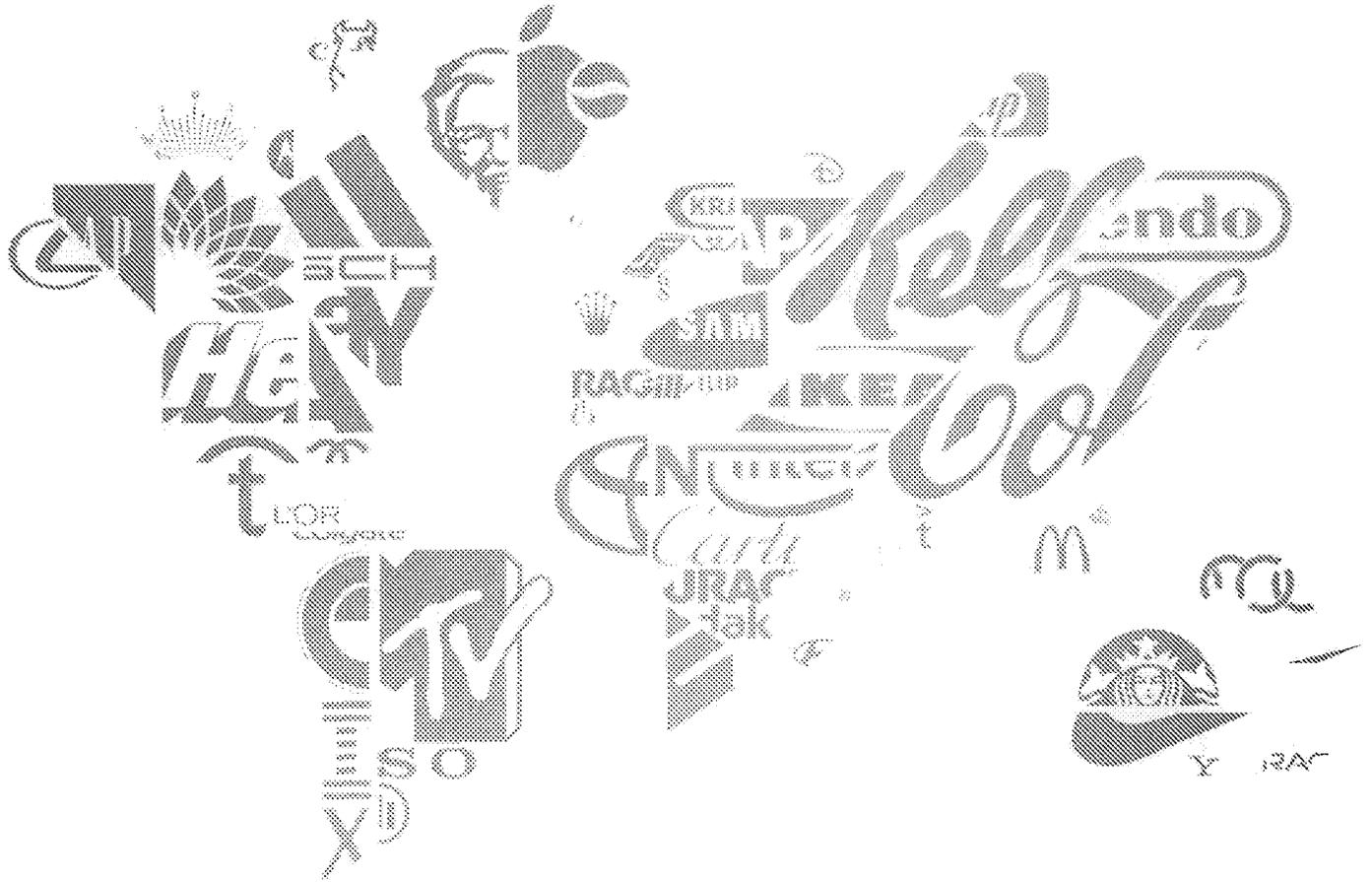
This is to certify that a copy of the foregoing NOTICE OF OPPOSITION has been served on Applicant by depositing said copy with the United States Postal Service as First Class Mail, postage prepaid, in an envelope addressed to :

Douglass Rabess  
1020 Soundview Ave – Apt. 1E  
Bronx, NY 10472

This the 10th day of September, 2007.

  
\_\_\_\_\_  
Stephen J. Coates

# EXHIBIT 1



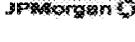
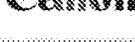
# ALL BRANDS ARE NOT CREATED EQUAL

Best Global Brands 2007

Interbrand

BusinessWeek

2. Best Global Brands

2007 Rank	2006 Rank	Brand		Country of origin	Sector	2007 Brand Value (\$bn)	Change in brand value
21	20	Samsung		Republic of Korea	Consumer Electronics	16,853	4%
22	21	Merrill Lynch		US	Financial Services	14,343	10%
23	28	HSBC		UK	Financial Services	13,563	17%
24	23	Nescafé		Switzerland	Beverages	12,950	4%
25	26	Sony		Japan	Consumer Electronics	12,907	10%
26	22	Pepsi		US	Beverages	12,888	2%
27	29	Oracle		US	Computer Software	12,448	9%
28	32	UPS		US	Transportation	12,013	12%
29	31	Nike		US	Sporting Goods	12,004	10%
30	27	Budweiser		US	Alcohol	11,652	0%
31	25	Dell		US	Computer Hardware	11,554	-6%
32	33	JPMorgan		US	Financial Services	11,433	12%
33	39	Apple		US	Computer Hardware	11,037	21%
34	34	SAP		Germany	Computer Software	10,850	8%
35	37	Goldman Sachs		US	Financial Services	10,663	11%
36	35	Canon		Japan	Computer Hardware	10,581	6%
37	36	Morgan Stanley		US	Financial Services	10,340	6%
38	41	Ikea		Sweden	Home Furnishings	10,057	15%
39	42	UBS		Switzerland	Financial Services	9,838	13%
40	40	Kellogg's		US	Food	9,341	6%

# Best Global Brands

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

BY DAVID KILEY

**N**OT 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 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 crucial

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 song 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	2005 BRAND VALUE (BILLIONS)	2004 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

## 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	2005 BRAND VALUE (BILLIONS)	2004 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

BRAND VALUE: BUSINESSWEEK/INTERBRAND

# CoverStory | Rankings

RANK 2006 / 2005	2006 BRAND VALUE (\$BILLIONS)	2005 BRAND VALUE (\$BILLIONS)	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 rapturous when it was introduced. Out with Fusion sales soaring, Gillette is still king.
17 18	LOUIS VUITTON	11,606	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	12,049	15,788	8%	Japan	As gas prices rise, Honda's gas sippers are helping the Japanese carmaker grow 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 steady, stable brokerage to a lean and mean investment bank.
22 23	PEPSI	12,690	12,399	2%	U.S.	It topped 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 in 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 div., 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 26 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, whether product portfolio, and a plummeting 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 Fumio Uchida brings technological know-how.
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 boomers, 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	8,714	7,565	15%	Switzerland	Merging 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.

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 nags 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
15	EBAY	15.70	14.70	+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	6.43	+16

Based on Interbrand Corp., "Market Overview & Co. Catalog," Morgan Stanley

RANK 2005 / 2004	2005 BRAND VALUE (\$ MIL.)	2004 BRAND VALUE (\$ MIL.)	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	13,159	14,475	-9%	U.S.	Muslang 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	12,019	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 spluttered a bit in 2004, owing to competition from domestic brewers and spirit makers. Bud is boiling 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 gaifin 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	9,456	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 next 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	8,206	8,029	3%	U.S.	Cereal is up and acquired brands like Keebler and Morningside 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.

## SPECIAL REPORT

# CULT BRANDS

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

**C**ASEY NEISTAT, 23, IS A SELF-PROFESSED APPLE JUNKIE. Along with his brother, Van, he is building his filmmaking career with the company's iMac computers and editing software. He usually leaves his Manhattan apartment with a sleek iPod plugged into his 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. Increasingly, consumers are customizing products and services to achieve that—whether it's tailoring colors on a pair of sneakers from Nike Inc. or adding items to their personal to-watch list on eBay. Instead of arms-length customers, they're beginning to act like and feel like owners or members of a community. They no longer passively consume. Through the Internet, they can talk back and talk to one another. They can ignite a groundswell of positive buzz or spawn a revolt. As Peter Weedfald, senior vice-president for strategic marketing and new media at Samsung Electronics North America, puts it: "Consumers are empowered in a way that's almost frightening."

## The World's 10 Most Valuable Brands

A new survey by Interbrand ranks the top 10 most valuable consumer brands, based on their ability to generate loyalty and repeat business.

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

Source: Interbrand Corp., 77, Morgan Chase & Co., Group: Morgan Stanley

RANK 2004 / 2003	2004 RANK	2003 RANK	2004 MARKET VALUE (\$BILLION)	2003 MARKET VALUE (\$BILLION)	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	15,256	15,106	5%	Germany	The Bavarian auto maker is powering higher sales with a raft of new models from the sleek 6 Series sports coupe to the X3 baby SUV.	
18 18	HONDA	14,874	15,625	-5%	Japan	Overtaken by Nissan at home and falling further behind rival Toyota in the U.S. market.	
19 14	FORD	14,475	17,066	-16%	U.S.	Ford is trying to make quality "Job One" again after an embarrassing run of glitches, but leery consumers haven't yet regained trust.	
20 20	SONY	12,759	13,153	-3%	Japan	It was late to the LCD TV boom, and the PS2 video game console is slipping. Worse, rival Samsung is in Sony's face.	
21 25	SAMSUNG	12,553	10,846	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	11,892	12,336	-4%	Switzerland	It's still the world's favorite instant coffee but even products like ice Java struggle against hip upscale brands like Starbucks.	
24 22	BUDWEISER	11,846	11,894	0%	U.S.	The growing global low-carb trend has left Bud flat. Plus, it's under attack from bulked-up and foisty rival Miller.	
25 29	DELL	11,500	10,367	11%	U.S.	With its reputation for low prices and fast delivery, Dell continues to leave competitors in the dust.	
26 27	MERRILL LYNCH	11,499	10,521	9%	U.S.	A painful overhaul is behind it. Now the retail brokerage is back in hiring and expansion mode.	
27 26	MORGAN STANLEY	11,498	10,591	8%	U.S.	The investment bank's reputation is rising along with mergers and stock issuances, its specialty.	
28 24	ORACLE	10,935	11,263	-3%	U.S.	The database-software business is up, but CEO Lawrence Ellison's fight to buy rival PeopleSoft makes Oracle look like a corporate raider.	
29 28	PFIZER	10,635	10,455	2%	U.S.	The pharma industry's powerhouse, with 11 products each expected to top \$1 billion in annual sales this year.	
30 31	J.P. MORGAN	9,782	9,120	7%	U.S.	The marquee investment bank had a solid year, and now can extend its reach with its \$58 billion acquisition of Bank One Corp.	
31 33	NIKE	9,260	8,167	13%	U.S.	With allegations of sweatshop operations behind it and a growing soccer line, Nike rules the athletic market.	
32 30	MERCK	8,811	9,407	-6%	U.S.	The drugmaker has tried to bolster its lineup with more partnerships, but patent expirations and research flops still pinch.	
33 37	HSBC	8,671	7,565	15%	Britain	After snapping up Household International in 2003, the "world's local bank" is making inroads in the U.S. market.	
34 35	SAP	8,323	7,714	8%	Germany	Its establishment image and sharp marketing have helped SAP thrive in a volatile software market.	
35 39	CANON	8,055	7,192	12%	Japan	Hot digital cameras and printers boosted sales. Next up: an expanded line of sleek color copiers.	
36 38	KELLOGG'S	8,029	7,438	8%	U.S.	Jumping on the low-carb bandwagon has kept Kellogg's cereal business crackling.	
37 41	GOLDMAN SACHS	7,954	7,039	13%	U.S.	With record profits, it remains one of the most prestigious institutions on Wall Street.	
38 36	GAP	7,873	7,685	2%	U.S.	The retail chain has revived its brand with fresh fashions and celebrity endorsements.	
39 NEW	SIEMENS	7,470	New	New	Germany	The Munich conglomerate behind everything from phones to power plants is seeing a payoff from years of global image building.	
40 43	IKEA	7,182	6,918	4%	Sweden	The Swedish home furnishing chain is now pushing cheap chic furnishings as far as Russia and Asia.	
41 44	HARLEY-DAVIDSON	7,057	6,775	4%	U.S.	The motorcycle icon has lowered seat heights to woo women and trimmed prices, but production limits put a brake on growth.	
42 40	HEINZ	7,026	7,097	-1%	U.S.	Despite wacky colors and cute ads, it's proving hard to boost value in foods like ketchup and beans.	
43 50	APPLE	6,871	6,554	24%	U.S.	The iPod digital music player gave one of tech's coolest brands the consumer electronics hit of the year.	
44 45	LOUIS VUITTON	6,602	6,708	-2%	France	It has a hot Murakami line and Jennifer Lopez in its ads, but is Vuitton getting over-exposed?	

## 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	2002 BRAND VALUE (\$BILLION)	2001 BRAND VALUE (\$BILLION)	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
1	70.45	69.94	+1%	U.S.	Beer, soft drinks, such as Vanilla Coke and a former-owned olive oil brand helped the soft drink giant remain buoyant.
2	65.17	64.05	+2%	U.S.	The software giant shifted its advertising to build the brand, not just sell products, at a time when most rivals were suffering.
3	51.77	51.13	+1%	U.S.	Big Blue gained recognition in new markets, partly thanks to an \$800 million marketing campaign pushing e-business in demand.
4	42.24	41.31	+2%	U.S.	Getting double-digit growth is harder, but in tough times, the brand that Edison built held its own.
5	31.11	30.96	+1%	U.S.	With Intel inside and Microsoft to take over the world, the chipmaker's Cashmio brand made a comeback to help deliver a powerful punch.
6	29.44	29.97	-2%	Finland	Still the world's leading mobile phone maker, Nokia found soft earnings late last year, Samsung and a growing crop of specialty-branded phones.
7	28.64	29.26	-2%	U.S.	Not the happiest place on Earth as Disney closed, but up for sale, ABC outlived the time, and brand name helped those parts.
8	24.70	25.35	-6%	U.S.	Mixed-up orders and city restaurants hurt the brand. New business is re-emerging, somewhat, but it's focused more on service and sales.
9	24.18	24.15	+0%	U.S.	Smokers' rage from smoking bans and lawsuits, the Marlboro Man was looking like a fugitive.
10	21.27	21.01	+2%	Germany	The heavy-duty motor crafts the dampening waters the rich and famous love to bat—and ordinary consumers' dream of owning.

## The Global Brand Scoreboard

RANK	2003 BRAND VALUE DOLLARS	2002 BRAND VALUE DOLLARS	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION	
40	HEINZ	7.10	7.25	-3	U.S.	The world's favorite ketchup now comes in upside-down bottles and covers 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	6.77	+6	U.S.	Aging customers still think Harley when they think motorcycle. They're also rich enough to afford such innovations as the sleek \$13,000 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 the bestselling France? Not the millions of women who made L'Oréal the No. 1 cosmetics seller in the U.S.
48	XEROX	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 march.
49	KFC	5.58	5.35	+4	U.S.	The chicken chain geared global business by promoting local fare—tempura crispy strips in Japan and potato-and-onion croquettes in Holland.
50	APPLE	5.55	5.32	+4	U.S.	The "i" line—iPod, iTunes, and iMac—led the premium branding while the innovative Mac OS X drove demand across all PCs 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 bring 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 nimbly built its outsourcing specialty.
53	GUCCI	5.10	5.30	-4	Italy	Chief designer Tom Ford was still a hit in the catwalks of Paris and New York, but Guccio's profits were shredded by economic stagnation and SARS.
54	KEENEX	5.06	5.04	0	U.S.	From aromatherapy tissues to 3-D holiday bows, this niche still managed to pull out some fresh ideas.
55	WRIGLEY'S	5.06	4.75	+7	U.S.	Hi-ad campaigns to relaunch core brands Juicy Fruit and Doublemint and introduction of new sugar-free gum reinvigorated the chew-chew train.
56	COLGATE	4.69	4.60	+2	U.S.	As it neared the end of its second century, the brand continued to win over new 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	SUN 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 perennially tough competition from Asia.
60	NESTLE	4.46	4.43	+1	Switzerland	From chocolate to baby formula, the Swiss have gone keeps the world's pantry stocked.
61	CHANEL	4.32	4.27	+1	France	A symbol of Parisian sophistication for men's generation, but Chanel had a harder time luring younger customers.
62	DANONE	4.24	4.05	+5	France	The maker of Danon yogurt, already a powerhouse in Europe, was betting big on emerging markets.
63	KRAFT	4.17	4.00	+2	U.S.	The maker of fine condiments scored with new frozen-pizza flavors and other products but lost share on its cheese business to private labels.
64	AOL	3.96	4.13	-9	U.S.	Older e-mailers the "Internet on-trailing wheels" the king of the dot-up services needed losing subscribers as they gravitated to broadband connections.
65	YAHOO!	3.90	3.80	+1	U.S.	This Internet icon soared again but will have to watch out for the Net's next killer brand: Google.
66	TIME	3.79	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	3.69	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	3.67	0	Switzerland	Tough times? Failed to put a dent in the popularity of the signature Swiss watches.
69	BP	3.58	3.29	+6	Britain	John Brown was once again front and center with his controversial "Beyond Petroleum" campaign. A magadon in Russia also helped.

# 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 ABC, 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 (\$BIL)	2001 BRAND VALUE (\$BIL)	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
1	COCA-COLA	63.64	62.95	+1%	U.S.	Sold the two brands by far, growth in the developing world offset a slow product line. Due to low health concern.
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 recent on services, which require the most primary support for tech spending.
4	GE	41.31	42.49	-3%	U.S.	The retirement of Jack Welch and rapid new Corporate America took a fall on the GE name.
5	INTEL	30.66	34.67	-11%	U.S.	"Pee Intel" isn't in the man, but new the brand faced tough competition and sluggish PC sales.
6	NOKIA	29.97	35.04	-14%	Finland	Sold the cell-phone brand of choice among consumers, but overall sales of mobile handsets are weak.
7	DISNEY	23.26	27.54	-16%	U.S.	Overhaul of Miramax Inc. couldn't compensate for a post-September 11 lull in theme parks.
8	MCDONALD'S	26.38	25.29	+4%	U.S.	Who remembers the Coward's? Global expansion continues to shape the FF side.
9	MARLBORO	24.15	22.10	+10%	U.S.	The iconic brand saw the earnings and marketing and brand in over 100 countries, and strengthening price of cigarettes.

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	KELLOGG'S	7.19	7.01	+3	U.S.	State or innovation, and a Disney alliance that put Buzz Lightyear on cereal boxes, renewed the brand's relevance.
41	LOUIS VUITTON	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	SAP	6.78	6.31	+7	Germany	SAP has delivered on theme: "The best-run software maker in SAP." The software maker benefited from a flight to established suppliers.
43	CANON	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	IKEA	6.55	6.01	+9	Sweden	Resistant brand benefited from the weak economy, which made more customers willing to assemble their own tables.
45	PEPSI	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 juice.
46	HARLEY-DAVIDSON	6.27	5.53	+13	U.S.	Made his job of selling Baby Beemers in a high-margin symbol of youth-ful rebellion.
47	MTV	6.08	6.60	-8	U.S.	Phenomenal success of The Osbournes shows MTV still has its spark. Unfortunately, the ad market is dead.
48	PIZZA HUT	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 Glad.
49	KFC	5.95	5.24	+2	U.S.	Introduced Popcorn Chicken, new Chicken Twister sandwich, and restaurants co-branded with corporate sibling Pizza Hut.
50	APPLE	5.32	5.46	-3	U.S.	A year received new Macs couldn't overcome weak sales to consumers and design professionals.
51	XEROX	5.31	6.02	-12	U.S.	Trying to change its stodgy image, with digital and high-speed copiers. But a financial cloud lingers.
52	GUCCI	5.30	5.37	-1	Italy	The ongoing allure of lead designer Tom Ford could offset a slow start to 2002.
53	ACCENTURE	5.18	NA	NA	U.S.	In light of former parent Arthur Andersen's fate, Accenture's branding initiatives look like sheer brilliance.
54	L'OREAL	5.16	NA	NA	France	No slowdown here. The brand now gets more than half its sales outside Europe, thanks to smart acquisitions.
55	KLEENEX	5.04	5.09	-1	U.S.	Kleenex had most of its value because of innovations like Kleenex Tissues, for car door pockets.
56	SUN	4.78	5.15	-7	U.S.	Sun still leads in service, but must deal with the imposition of the ancillary oil-and-gas sector.
57	WRIGLEYS	4.75	4.53	+5	U.S.	Innovations kept the Wrigley's brand fresh. Can "functional" products like tooth-cleaning gum add further shine?
58	REUTERS	4.61	5.24	-12	Netherlands	Reuters lost considerable ground to Bloomberg as customers fled its old-fashioned message and news services.
59	COLGATE	4.60	4.57	+1	U.S.	A toothpaste-mouthwash combi and other novelties helped offset slipping share in other product areas.
60	PHILIPS	4.56	4.90	-7	Netherlands	Strong in Europe but weak in North America, this brand was dinged by tough consumer-electronics markets and lackluster U.S. marketing.
61	NESTLE	4.43	NA	NA	Switzerland	The king of chocolate, cookies, and baby food is solving up U.S. ice cream with Dreyer's.
62	AVON	4.40	4.37	+1	U.S.	A massive shift in sales force and product lines boosted U.S. sales, but Avon has stumbled with its foray into retail sales.
63	AOL	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	CHANEL	4.27	4.27	0	France	The perfume and fashion icon held its own in a tough global economy.
65	KRAFT	4.08	4.03	+1	U.S.	Still dominates lunch, stretching from cheddar to salad dressing, and isn't afraid to use its muscles to get the best store display.
66	DANONE	4.05	NA	NA	France	No. 1 in yogurt outside the U.S. and No. 2 in water. Danone's well-positioned to benefit from health worries.
67	YAHOO!	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	ADIDAS	3.69	3.60	+1	Germany	Distanced from World Cup fever, but still has little appeal among brand-switching track-and-fielders yet.
69	ROLEX	3.69	3.70	0	Switzerland	There's nothing like a dizzy watch in bad times. But improved sales must wait.

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

BONUS: OUR SUPPLEMENT ON E-BUSINESS

www.businessweek.com

# BusinessWeek

AUGUST 6, 2001

A PUBLICATION OF THE MCGRAW-HILL COMPANIES



## 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 50



AOL Keyword: BW

# THE 100 TOP BRANDS

Our first ranking of the world's most valuable brands

**T**he 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 25% or more of sales from outside their home country. They 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. Those 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 percentages of overall revenues are accounted for by the brand. Next, with the help of analysts from *Clippings*, 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 final 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, NBC, Mars, and CNN. 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 (\$BILLION)	2000 BRAND VALUE (\$BILLION)	PERCENT CHANGE	COUNTRY OF OWNERSHIP	DESCRIPTION
1	68.95	77.54	-11	U.S.	Coca-Cola has lost its luster, but can it hang on to the top spot?
2	65.07	70.20	-7	U.S.	Microsoft is overlooking its biggest product line ever, topped by Windows XP.
3	57.75	53.15	+9	U.S.	Despite the best plans, Big Blue's costly marketing budget is keeping the company from the crown.
4	42.30	38.13	+11	U.S.	The lemon brand? Not when Jack Welch's announced exit could dent the name.
5	35.04	32.73	+7	Finland	The company that gave Finland's product a name to go the same as other world leaders.
6	34.67	39.05	-11	U.S.	"Intel Inside" ads lifted the company to the top, but increasing PC sales and more work drives a struggle to stay there.
7	32.97	33.95	-3	U.S.	Despite new theme parks, Mickey struggled to rise above mediocre movies, TV shows, and retail competition.
8	29.09	30.37	-7	U.S.	The Firestone tires and other quality gaffes hit the No. 7 cushion.
9	25.75	27.95	-8	U.S.	Europe's most popular brand a little out of step. It's a popular brand that's been a little out of step.
10	22.83	23.55	-3	U.S.	AT&T has the most powerful brand in telecom, but it's taking major steps.

Data: Interbrand, *Clippings*, *BusinessWeek*

RANK	2001 BRAND VALUE (\$BIL)	2000 BRAND VALUE (\$BIL)	PERCENT CHANGE	COUNTRY OF ORIGIN	DESCRIPTION	
45	XEROX	6.02	9.70	-38	U.S.	Competitive struggles, questionable accounting, management turmoil. What didn't go wrong?
46	HEA	6.01	6.01	0	Sweden	Its growth is making that cheap rise an international movement.
47	PIZZA HUT	5.96	NA	NA	U.S.	After working with Big New Yorker and Shedd's Great, which will look for next fall to get shareholders' same growth again.
48	HARVEY-CAVENDER	5.91	NA	NA	U.S.	The leader of the pack peters down, but progress. Now it needs to get younger riders to climb aboard.
49	APPLE	5.86	6.99	-17	U.S.	People continue to cheer and are providing products but struggles to find unique beyond the core Mac brand.
50	LUCCI	5.76	5.15	4	Italy	Glasshouse bottles with just enough edge to keep temperature locked.
51	KFC	5.70	NA	NA	U.S.	King of food chicken takes rising branding talk by starting up with adding more fast food at some locations.
52	HUTCHES	5.74	4.69	7	Britain	On the eve of its 150th anniversary, the British beer needs the new leadership, partnerships, and a consumer push.
53	SUN MICROSYSTEMS	5.15	NA	NA	U.S.	Wants the server market around during the hot debate, being "the old in the room" but what it needs to be.
54	GREENEY	5.09	5.14	-1	U.S.	Carlsberg investor moves beyond their craft to crafted, thereby and other design products.
55	PHILIPS	4.90	5.49	-11	Netherlands	Global consumer brand in Europe, but top in U.S., where it's often out faced with presence of Samsung products.
56	COBALT	4.87	4.42	9	U.S.	Total toothpaste helps this real care brand attract market share.
57	WAGLEP'S	4.83	4.82	5	U.S.	Who hasn't chosen through a pack? Now there's Wagley's and you and growth this, too.
58	ADI	4.50	4.53	-1	U.S.	Makes money, and partnerships with non-ACE. Tom Marston's thing brands could open next growth sport.
59	YAMPO	4.38	4.90	-11	U.S.	With its marketing dollars getting tighter, this online giant's brand may have seen its best days.
60	ARW	4.37	NA	NA	U.S.	The Arco Lady needs to sell more than just makeup, and not just store to-day.
61	CHANEL	4.27	4.14	3	France	The classic style of Chanel's Coco Chanel has been gradually updated for the 21st century beauty.
62	DORACELL	4.14	5.89	-30	U.S.	It started with its premium priced Doracell Ultra, but got stuck also in the mass market.
63	BOEING	4.06	NA	NA	U.S.	A branding effort, and headquarters shift, aims to create broader image for aerospace technology.
64	TEXAS INSTRUMENTS	4.04	NA	NA	U.S.	TI chips power 60% of the world's cell phones, but must work to make wireless devices of the future.
65	DRAFT	4.03	NA	NA	U.S.	Manufactured in mass were processed there more convenient to eat.
66	MOTOROLA	3.76	4.45	-15	U.S.	Clunkers, pricey phones didn't stick with consumers. Now it's playing catch-up.
67	LEVI'S	3.75	NA	NA	U.S.	Since its era of high quality and quality together, these jeans are now at least as fancy as the and people jeans.
68	YME	3.72	NA	NA	U.S.	Will new package (and AOL) give the massive weekly a boost?
69	ROLEX	3.70	3.56	4	Switzerland	The watches are known for their precision time record. An owner is many generations into time.
70	AUDAS	3.65	3.73	-4	Germany	It still has some street appeal, but the being and former airport culture have seen a bust in the U.S.
71	HERTZ	3.62	3.44	5	U.S.	A strong brand market got parts in the last year but year, though traffic has slowed lately.
72	PANASONIC	3.49	3.73	-7	Japan	While Sony and Samsung go on with electronics, Panasonic increasingly competes with low-priced Chinese models.
73	TIFANY	3.48	NA	NA	U.S.	The brand has such a powerful aura that even the business stores are like those are status symbols.
74	BP	3.26	3.07	6	Britain	CEO John Browne's flurry of acquisition has made once a strong BP, but a top of brand.
75	BACARDI	3.20	3.13	1	Cuba	Tradition, but the brand's stepped into new gear from selling more than 20 million cases a year.
76	AMAZON.COM	3.13	4.51	-31	U.S.	The biggest challenge: convincing book and CD buyers it's also the place to buy gifts and cameras.
77	SHELL	2.84	2.73	4	UK/Italy	Makes gains in cleaning up an image tarnished by environmental problems and mediocre performance.

Data derived from BusinessWeek

# 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

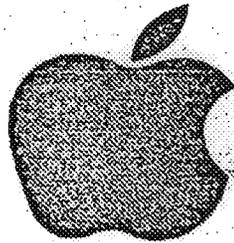
Int. Cl.: 9

Prior U.S. Cl.: 26, 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.: 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.

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

Int. Cls.: 9, 12 and 15

Prior U.S. Cls.: 2, 19, 21, 23, 26, 31, 35, 36, 38 and 44

United States Patent and Trademark Office

Reg. No. 3,084,491

Registered Apr. 25, 2006

TRADEMARK  
PRINCIPAL REGISTER



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

FOR: ELECTRONIC APPARATUS AND SOFTWARE THEREFOR FOR DOWNLOADING, TRANSMITTING, RECEIVING, PLAYING, STORING AND ORGANIZING AUDIO, VIDEO AND NAVIGATION DATA FOR USE IN AUTOMOBILES, RAILWAY CARS AND ENGINES, SHIPS AND PLANES; SOUND EFFECT GENERATORS AND INSTRUMENTS COMPRISED OF COMPUTER HARDWARE AND SOFTWARE, IN CLASS 9 (U.S. CLS. 21, 23, 26, 36 AND 38).

FOR: AUTOMOBILES, IN CLASS 12 (U.S. CLS. 19, 21, 23, 31, 35 AND 44).

FOR: ELECTRIC AND ELECTRONIC MUSICAL INSTRUMENTS; MUSICAL INSTRUMENTS ADAPTED TO PROGRAMMED SYSTEM SEQUENCES;

ELECTRONIC PIANOS, ELECTRONIC KEYBOARD INSTRUMENTS; ELECTRIC OR ELECTRONIC PERCUSSION OR DRUM SYSTEMS COMPRISED OF COMPUTER HARDWARE AND SOFTWARE; MUSIC AND SOUND SYNTHESIZERS; ELECTRONIC TONE GENERATORS; MUSICAL INSTRUMENTS CONTROLLED BY COMPUTER SOFTWARE, IN CLASS 15 (U.S. CLS. 2, 21 AND 36).

PRIORITY CLAIMED UNDER SEC. 44(D) ON ERPN CMNTY TM OFC APPLICATION NO. 3528452, FILED 11-4-2003, REG. NO. 3528452, DATED 4-27-2005, EXPIRES 11-4-2013.

OWNER OF U.S. REG. NOS. 1,114,431, 2,753,069 AND OTHERS.

SER. NO. 78-408,365, FILED 4-26-2004.

VIVIAN MICZNIK FIRST, EXAMINING ATTORNEY

# EXHIBIT 3

Int. Cl.: 9

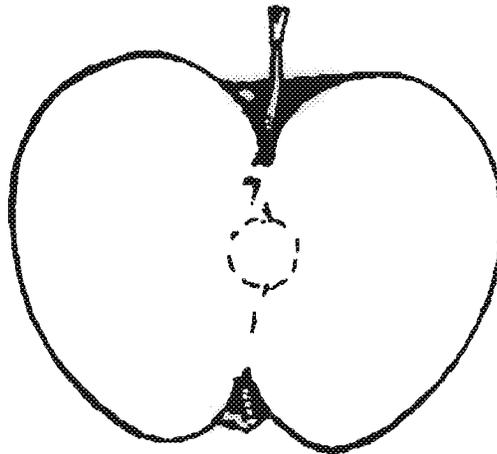
Prior U.S. Cls.: 21, 23, 26, 36 and 38

Reg. No. 2,036,537

**United States Patent and Trademark Office**

Registered Feb. 11, 1997

**TRADEMARK  
PRINCIPAL REGISTER**



APPLE CORPS LIMITED (UNITED KINGDOM  
COMPANY)  
27 OVINGTON SQUARE  
LONDON SW3 1LJ, ENGLAND

FIRST USE 8-0-1968; IN COMMERCE  
8-0-1968.

SER. NO. 74-693,838, FILED 6-26-1995.

FOR: GRAMOPHONE RECORDS FEATUR-  
ING MUSIC; PRE-RECORDED AUDIO COM-  
PACT DISCS FEATURING MUSIC, IN CLASS 9  
(U.S. CLS. 21, 23, 26, 36 AND 38).

ZHALEH DELANEY, EXAMINING ATTOR-  
NEY

Int. Cl.: 9

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

Reg. No. 2,034,964

**United States Patent and Trademark Office**

Registered Feb. 4, 1997

**TRADEMARK  
PRINCIPAL REGISTER**

**APPLE**

APPLE CORPS LIMITED (UNITED KINGDOM  
COMPANY)  
27 O'VINGTON SQUARE  
LONDON SW3 1LJ, ENGLAND

FOR: GRAMOPHONE RECORDS FEATUR-  
ING MUSIC; PRE-RECORDED AUDIO TAPE  
CASSETTES FEATURING MUSIC; AUDIO  
COMPACT DISCS FEATURING MUSIC; PRE-  
RECORDED VIDEO TAPE CASSETTES FEA-

TURING MUSIC; VIDEO LASER DISCS FEA-  
TURING MUSIC, IN CLASS 9 (U.S. CLS. 21, 23,  
26, 36 AND 38).

FIRST USE 8-0-1968; IN COMMERCE  
8-0-1968.

SER. NO. 74-693,839, FILED 6-26-1995.

ZHALEH DELANEY, EXAMINING ATTOR-  
NEY

Int. Cl.: 9

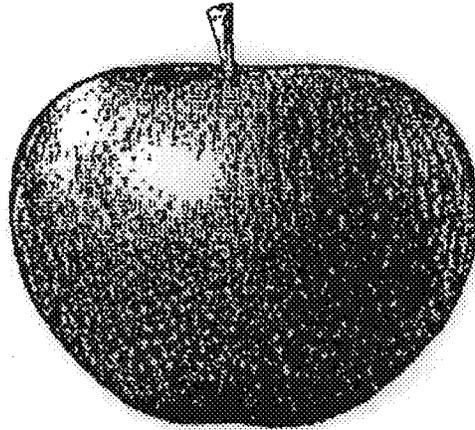
Prior U.S. Cls.: 21, 23, 26, 36 and 38

Reg. No. 2,041,653

**United States Patent and Trademark Office**

Registered Mar. 4, 1997

**TRADEMARK  
PRINCIPAL REGISTER**



APPLE CORPS LIMITED (UNITED KINGDOM  
COMPANY)  
27 OVINGTON SQUARE  
LONDON, ENGLAND SW3 1LJ

FOR: GRAMOPHONE RECORDS FEATUR-  
ING MUSIC; PRE-RECORDED AUDIO TAPE  
CASSETTES FEATURING MUSIC; AUDIO  
COMPACT DISCS FEATURING MUSIC; PRE-  
RECORDED VIDEO TAPE CASSETTES FEA-  
TURING MUSIC; VIDEO LASER DISCS FEA-

TURING MUSIC, IN CLASS 9 (U.S. CLS. 21, 23,  
26, 36 AND 38).

FIRST USE 8-0-1968; IN COMMERCE  
8-0-1968.

THE STIPPLING IN THE DRAWING IS  
USED TO SHOW SHADING AND IS NOT A  
FEATURE OF THE MARK.

SER. NO. 74-693,680, FILED 6-26-1995.

ZHALEH DELANEY, EXAMINING ATTOR-  
NEY

Int. Cl.: 9

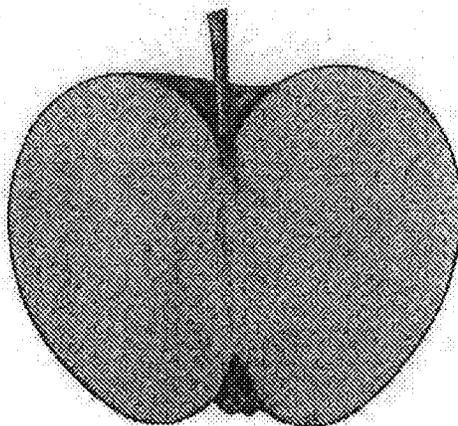
Prior U.S. Cls.: 21, 23, 26, 36 and 38

United States Patent and Trademark Office

Reg. No. 3,200,354

Registered Jan. 23, 2007

TRADEMARK  
PRINCIPAL REGISTER



APPLE CORPS LIMITED (UNITED KINGDOM  
COMPANY)  
27 OVINGTON SQUARE  
LONDON SW3 1LJ, UNITED KINGDOM

FOR: MUSICAL SOUND RECORDINGS; SOUND RECORDINGS FEATURING ENTERTAINMENT, MUSIC, MUSICIANS, DOCUMENTARIES, BIOGRAPHIES, INTERVIEWS, PERFORMANCES, REVIEWS, HISTORICAL NARRATIVES, DRAMA AND FICTION; MUSICAL VIDEO RECORDINGS; MUSICAL CINEMATOGRAPHIC FILMS; VIDEO RECORDS AND CINEMATOGRAPHIC FILMS FEATURING ENTERTAINMENT, MUSIC, MUSICIANS, CARICATURES, CARTOONS, ANIMATION, TELEVISION PROGRAMS, DOCUMENTARIES, FILM EXCERPTS, BIOGRAPHIES, INTERVIEWS, PERFORMANCES, REVIEWS, HISTORICAL NARRATIVES, DRAMA AND FICTION; SOUND RECORDINGS, VIDEO RECORDS, CINEMATOGRAPHIC FILMS, NAMELY, TELEVISION PROGRAMS, MOTION PICTURES, AUDIO VISUAL RECORDS AND AUDIO VIDEO FILM FOOTAGE FOR TELEVISION AND OTHER TRANSMISSION; AUDIO AND VISUAL RECORDINGS FEATURING OR RELATING TO MUSIC, ENTERTAINMENT AND FILMS; PRE-RE-

CORDED COMPACT DISCS, AUDIO TAPES, GRAMOPHONE RECORDS, VIDEO TAPES, VIDEO DISCS, DVDS, CD-ROMS AND INTERACTIVE COMPACT DISCS, ALL FEATURING OR RELATING TO MUSIC AND FILMS; DIGITALLY RECORDED SOUND AND VIDEO RECORDS FEATURING MUSIC, ENTERTAINMENT AND CINEMATOGRAPHIC FILMS; DOWNLOADABLE MUSICAL SOUND AND VIDEO RECORDS; DOWNLOADABLE SOUND AND VIDEO RECORDS FEATURING OR RELATING TO MUSIC, ENTERTAINMENT AND FILMS, IN CLASS 9 (U.S. CLS. 21, 23, 26, 36 AND 38).

OWNER OF ERPN CMNTY TM OFC REG. NO. 207209, DATED 12-9-1998, EXPIRES 4-1-2016.

OWNER OF U.S. REG. NO. 2,036,537.

THE MARK CONSISTS OF AN ARTISTIC RENDERING OF A HALF APPLE.

SER. NO. 78-430,282, FILED 6-4-2004.

GINA HAYES, EXAMINING ATTORNEY

Int. Cl.: 9

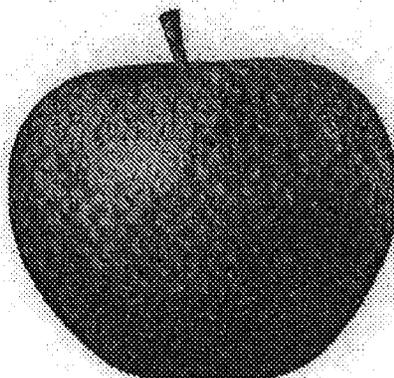
Prior U.S. Cls.: 21, 23, 26, 36 and 38

Reg. No. 3,221,275

United States Patent and Trademark Office

Registered Mar. 27, 2007

TRADEMARK  
PRINCIPAL REGISTER



APPLE CORPS LIMITED (UNITED KINGDOM  
COMPANY)  
27 OVINGTON SQUARE  
LONDON SW3 1LJ, UNITED KINGDOM

FOR: MUSICAL SOUND RECORDINGS; SOUND RECORDINGS FEATURING ENTERTAINMENT, MUSIC, MUSICIANS, DOCUMENTARIES, BIOGRAPHIES, INTERVIEWS, PERFORMANCES, REVIEWS, HISTORICAL NARRATIVES, DRAMA AND FICTION; MUSICAL VIDEO RECORDINGS; MUSICAL CINEMATOGRAPHIC FILMS; VIDEO RECORDS AND CINEMATOGRAPHIC FILMS FEATURING ENTERTAINMENT, MUSIC, MUSICIANS, CARICATURES, CARTOONS, ANIMATION, TELEVISION PROGRAMS, DOCUMENTARIES, FILM EXCERPTS, BIOGRAPHIES, INTERVIEWS, PERFORMANCES, REVIEWS, HISTORICAL NARRATIVES, DRAMA AND FICTION; SOUND RECORDINGS, VIDEO RECORDS, CINEMATOGRAPHIC FILMS, NAMELY, TELEVISION PROGRAMS, MOTION PICTURES, AUDIO VISUAL RECORDS AND AUDIO VIDEO FILM FOOTAGE FOR TELEVISION AND OTHER TRANSMISSION; AUDIO AND VISUAL RECORDINGS FEATURING OR RELATING TO MUSIC, ENTERTAINMENT AND FILMS; PRE-RE-

CORDED COMPACT DISCS, AUDIO TAPES, GRAMOPHONE RECORDS, VIDEO TAPES, VIDEO DISCS, DVDS, CD-ROMS AND INTERACTIVE COMPACT DISCS, ALL FEATURING OR RELATING TO MUSIC AND FILMS; DIGITALLY RECORDED SOUND AND VIDEO RECORDS FEATURING MUSIC, ENTERTAINMENT AND CINEMATOGRAPHIC FILMS; DOWNLOADABLE MUSICAL SOUND AND VIDEO RECORDS; DOWNLOADABLE SOUND AND VIDEO RECORDS FEATURING OR RELATING TO MUSIC, ENTERTAINMENT AND FILMS, IN CLASS 9 (U.S. CLS. 21, 23, 26, 36 AND 38).

OWNER OF ERPN CMNTY TM OFC REG. NO. 207274, DATED 10-5-1999, EXPIRES 4-1-2016.

OWNER OF U.S. REG. NO. 2,041,653.

THE MARK CONSISTS OF AN ARTISTIC RENDERING OF AN APPLE.

SER. NO. 78-430,266, FILED 6-4-2004.

GINA HAYES, EXAMINING ATTORNEY

# EXHIBIT 4



Assignments on the Web > Trademark Query

Trademark Assignment Details

Reel/Frame: [3516/0288](#)

Pages: 5

Received: 04/05/2007

Recorded: 04/05/2007

Conveyance: ASSIGNS THE ENTIRE INTEREST

Total properties: 4

1	Serial #: <a href="#">74693680</a> Mark:	Filing Dt: 06/26/1995	Reg #: <a href="#">2041653</a>	Reg. Dt: 03/04/1997
2	Serial #: <a href="#">74693838</a> Mark:	Filing Dt: 06/26/1995	Reg #: <a href="#">2036537</a>	Reg. Dt: 02/11/1997
3	Serial #: <a href="#">74693839</a> Mark: APPLE	Filing Dt: 06/26/1995	Reg #: <a href="#">2034964</a>	Reg. Dt: 02/04/1997
4	Serial #: <a href="#">78430282</a> Mark:	Filing Dt: 06/04/2004	Reg #: <a href="#">3200354</a>	Reg. Dt: 01/23/2007

Assignor

1	<a href="#">APPLE CORPS LIMITED</a>	Exec Dt: 02/02/2007	Entity Type: COMPANY	Citizenship: UNITED KINGDOM
---	-------------------------------------	---------------------	----------------------	-----------------------------

Assignee

1	<a href="#">APPLE INC.</a> 1 INFINITE LOOP CUPERTINO, CALIFORNIA 95014	Entity Type: CORPORATION	Citizenship: CALIFORNIA
---	--	--------------------------	-------------------------

Correspondence name and address

THOMAS R. LA PERLE  
1 INFINITE LOOP  
MS: 3TM  
CUPERTINO, CA 95014

Search Results as of: 05/22/2007 04:11 PM

If you have any comments or questions concerning the data displayed, contact PRD / Assignments at 571-272-3350. v.2.0.1

Web interface last modified: April 20, 2007 v.2.0.1

# EXHIBIT 5



United States Patent and Trademark Office

[Home](#) | [Site Index](#) | [Search](#) | [Guides](#) | [Contacts](#) | [eBusiness](#) | [eBiz alerts](#) | [News](#) | [Help](#)



[Assignments on the Web](#) > [Trademark Query](#)

## Trademark Assignment Abstract of Title

### Total Assignments: 1

**Serial #:** 78430266

**Filing Dt:** 06/04/2004

**Reg #:** [3221275](#)

**Reg. Dt:** 03/27/2007

**Registrant:** Apple Corps Limited

**Mark:**

### Assignment: 1

**Reel/Frame:** [3549/0043](#)

**Received:** 05/24/2007

**Recorded:** 05/24/2007

**Pages:** 5

**Conveyance:** ASSIGNS THE ENTIRE INTEREST

**Assignor:** [APPLE CORPS LIMITED](#)

**Exec Dt:** 05/22/2007

**Entity Type:** COMPANY

**Citizenship:** UNITED KINGDOM

**Entity Type:** CORPORATION

**Citizenship:** CALIFORNIA

**Assignee:** [APPLE INC.](#)

1 INFINITE LOOP

CUPERTINO, CALIFORNIA 95014

**Correspondent:** THOMAS R. LA PERLE

1 INFINITE LOOP

MS: 3TM

CUPERTINO, CA 95014

Search Results as of: 08/31/2007 10:42 AM

If you have any comments or questions concerning the data displayed, contact PRD / Assignments at 571-272-3350. v.2.0.1  
Web interface last modified: April 20, 2007 v.2.0.1

[HOME](#) | [INDEX](#) | [SEARCH](#) | [eBUSINESS](#) | [CONTACT US](#) | [PRIVACY STATEMENT](#)