

The Most Respected U.S. Companies 2008

A Study of Corporate Reputations in the United States

Pulse



The 150 United States Companies Included in the Global Pulse 2008



The following United States Companies were identified and included in the study (1-100):

- 3M
- Abbott Laboratories
- AES
- Aetna
- Aflac
- Alcoa
- Allstate
- Altria Group
- American Airlines (AMR)
- American Electric
- American Express
- American International Group
- Amgen
- Anheuser-Busch Cos.
- Apple
- Archer Daniels Midland
- AT&T
- AutoNation
- Bank of America
- Bear Stearns Cos.
- Berkshire Hathaway
- Best Buy
- Boeing
- Bristol-Myers Squibb
- Capital One Financial
- Cargill Ltd.
- Caterpillar
- CBS
- Chevron
- Chubb
- Cigna
- Circuit City Stores
- Cisco Systems
- CITGO Corp.
- Citigroup
- Coca-Cola Company
- Colgate-Palmolive
- Comcast
- ConocoPhillips
- Consolidated Edison
- Continental Airlines
- Costco Wholesale
- Countrywide Financial
- CVS
- Deere & Co.
- Dell
- Delta Air Lines
- DirecTV Group
- Dow Chemical
- Duke Energy
- Eastman Kodak
- El du Pont de Nemours
- Eli Lilly & Co.
- Emerson Electric
- Enterprise Rent-A-Car
- Express Scripts
- ExxonMobil
- Federated Dept. Stores
- FedEx
- Fidelity Investments
- Ford Motor
- Gap
- General Electric
- General Mills
- General Motors
- Goldman Sachs Group
- Goodyear
- Google
- Halliburton
- Hartford Financial Services
- Hess
- Hewlett-Packard
- Home Depot
- Honeywell International
- IBM
- Intel
- International Paper
- JC Penney
- Johnson & Johnson
- JPMorgan Chase
- Kaiser Permanente
- Koch USA Inc.
- Kohl's
- Kraft Foods Inc.
- Kroger
- Lehman Brothers Holdings
- Liberty Mutual Insurance Co.
- Lockheed Martin
- Lowe's Cos.
- Marathon Oil
- Marriott International
- McDonald's
- Meijer
- Merck & Co.
- Merrill Lynch
- MetLife
- Microsoft
- Morgan Stanley
- Motorola
- National City

The 150 United States Companies Included in the Global Pulse 2008



The following United States Companies were identified and included in the study (101-150):

- News Corp.
- NIKE
- Northrop Grumman
- Northwest Airlines
- Office Depot
- Oracle
- PepsiCo
- Pfizer
- PG&E
- Procter & Gamble
- Progressive
- Prudential Financial
- Publix Super Markets Inc.
- Qwest Communications
- Raytheon
- Rite Aid
- Safeway
- Sara Lee
- Sears Holdings
- Southern Co.
- Sprint Nextel
- St. Paul Travelers Companies
- Staples
- State Farm Insurance Company
- Sunoco
- SunTrust Banks
- Supervalu
- Target
- Texas Instruments
- Time Warner
- TJX Cos.
- Toys 'R' Us
- Tyco International Ltd.
- Tyson Foods
- Union Pacific
- United Airlines (UAL)
- United Parcel Service (UPS)
- US Bancorp
- US Postal Service
- Valero Energy
- Verizon Communications
- Wachovia
- Walgreens
- Wal-Mart Stores
- Walt Disney
- Washington Mutual
- Wells Fargo
- Whirlpool
- Wyeth
- Xerox

Global Pulse – United States 2008

The companies selected for inclusion in the 2008 Global Pulse Study met the following criteria:

1. They were among the largest companies in their country of origin based on the most recent record of their total revenues.
2. They engaged in commercial activities and so were not purely investment trusts or holding companies.
3. They were not wholly-owned subsidiaries of another foreign company.
4. If they were large B2B companies, they were only included if they had reasonably high familiarity to the public.

Best Corporate Reputations in the United States 2008

- The Top 75 Companies



Rank	Company	Global Pulse Score
1	Google	85.23
2	Johnson & Johnson	83.48
3	Kraft Foods Inc.	82.79
4	General Mills	81.34
5	Walt Disney	81.22
6	United Parcel Service	81.05
7	3M	79.79
8	Xerox	78.44
9	Colgate-Palmolive	78.04
10	Texas Instruments	77.22
11	Eastman Kodak	77.13
12	General Electric	76.82
13	Sara Lee	76.48
14	FedEx	76.28
15	Deere & Co	76.12
16	Goodyear	76.00
17	Apple	75.42
18	Hewlett-Packard	75.10
19	Intel	74.94
20	Publix Super Markets Inc.	74.91
21	Caterpillar	74.78
22	Whirlpool	74.41
23	Boeing	74.37
24	Costco Wholesale	74.33
25	Dell	74.26
26	Coca-Cola	74.24
27	Marriott International	74.14
28	Berkshire Hathaway	73.58
29	Walgreen	73.01
30	Toys 'R' Us	72.86
31	Procter & Gamble	72.85
32	PepsiCo	72.76
33	Office Depot	72.59
34	Fidelity Investments	72.57
35	IBM	72.39
36	Best Buy	72.08
37	Staples	72.01
38	Lowe's Cos	71.76
39	Aflac	71.59
40	Home Depot	71.49
41	NIKE	71.47
42	CVS	71.14
43	Microsoft	70.52
44	Anheuser-Busch Cos	70.05
45	Kroger	69.96
46	JC Penney	69.92
47	Honeywell International	69.79
48	Kohl's	69.31
49	Enterprise Rent-A-Car	69.25
50	Motorola	69.20

Rank	Company	Global Pulse Score
51	Safeway	69.16
52	Express Scripts	69.13
53	Tyson Foods	69.04
54	Lockheed Martin	68.65
55	Cisco Systems	67.75
56	Alcoa	67.58
57	Meijer	67.38
58	Target	67.38
59	Union Pacific	67.30
60	Goldman Sachs Group	67.12
61	St. Paul Travelers Companies Inc.	67.11
62	CBS	67.06
63	State Farm Insurance Company	66.87
64	Northrop Grumman	66.34
65	Hartford Finl Service	66.16
66	Rite Aid	65.92
67	Circuit City Stores	65.74
68	Southern Co	65.69
69	Merrill Lynch	65.64
70	Eli Lilly & Co	65.41
71	Morgan Stanley	65.31
72	MetLife	65.06
73	Raytheon	64.90
74	Chubb	64.88
75	American Express	64.76

Google has the best reputation in the U.S.

Of the 150 companies rated by the U.S. general public, Google earned the highest reputation ranking with a Pulse score of 85.23. The score indicates that consumers have a very high level of trust, respect, and good feelings for the company.

Strong top tier group in the U.S.

Six companies stand out with excellent reputations in the US. Led by Google, Johnson & Johnson and Kraft Foods rank 2nd and 3rd, respectively, with Pulse scores of 83.48 and 82.79. General Mills, Walt Disney and United Parcel Service (UPS) round out the Top 6 positions each with excellent reputations and Pulse scores above 80.00.

All Pulse scores are standardized on both the country and global level. For further explanation see the RepTrak™ Methodology section.

All RepTrak™ Pulse scores that differ by more than +/-0.5 are significantly different at the 95% confidence level

Excellent/Top Tier	above 80
Strong/Robust	70 - 79
Average/Moderate	60 - 69
Weak/Vulnerable	40 - 59
Poor/Lowest Tier	below 40

Changes in the Global Pulse 2007-2008

- The Top 50 Companies



Company	Rank	Global Pulse Score		
	2008	2008	2007	Change
Google	1	85.23	New	N/A
Johnson & Johnson	2	83.48	78.80	4.68
Kraft Foods Inc.	3	82.79	81.07	1.72
General Mills	4	81.34	New	0.00
Walt Disney	5	81.22	78.37	2.85
United Parcel Service	6	81.05	80.06	1.00
3M	7	79.79	75.06	4.73
Xerox	8	78.44	New	N/A
Colgate-Palmolive	9	78.04	New	N/A
Texas Instruments	10	77.22	New	N/A
Eastman Kodak	11	77.13	New	N/A
General Electric	12	76.82	73.96	2.86
Sara Lee	13	76.48	New	N/A
FedEx	14	76.28	79.39	-3.11
Deere & Co	15	76.12	74.99	1.13
Goodyear	16	76.00	68.46	7.54
Apple	17	75.42	73.71	1.71
Hewlett-Packard	18	75.10	71.35	3.75
Intel	19	74.94	72.73	2.21
Publix Super Markets Inc.	20	74.91	74.01	0.90
Caterpillar	21	74.78	75.24	-0.46
Whirlpool	22	74.41	New	N/A
Boeing	23	74.37	71.64	2.74
Costco Wholesale	24	74.33	72.45	1.88
Dell	25	74.26	70.09	4.17
Coca-Cola	26	74.24	77.00	-2.76
Marriott International	27	74.14	New	N/A
Berkshire Hathaway	28	73.58	73.59	0.00
Walgreen	29	73.01	68.77	4.24
Toys 'R' Us	30	72.86	New	N/A
Procter & Gamble	31	72.85	76.25	-3.39
PepsiCo	32	72.76	74.91	-2.15
Office Depot	33	72.59	New	N/A
Fidelity Investments	34	72.57	New	N/A
IBM	35	72.39	69.06	3.34
Best Buy	36	72.08	69.44	2.64
Staples	37	72.01	New	N/A
Lowe's Cos	38	71.76	70.85	0.90
Aflac	39	71.59	New	N/A
Home Depot	40	71.49	69.76	1.72
NIKE	41	71.47	New	N/A
CVS	42	71.14	69.37	1.77
Microsoft	43	70.52	72.95	-2.43
Anheuser-Busch Cos	44	70.05	New	N/A
Kroger	45	69.96	65.64	4.32
JC Penney	46	69.92	73.71	-3.79
Honeywell International	47	69.79	65.92	3.88
Kohl's	48	69.31	New	N/A
Enterprise Rent-A-Car	49	69.25	New	N/A
Motorola	50	69.20	66.66	2.54

Majority of reputations remain consistent

Of the corporate reputations measured in 2007 and again in 2008, 77% saw a change of less than +/- 4 points. This underlines the fact that reputations do not change dramatically without significant positive or negative news for the company (or its industry).

Gained reputation equity in 2008

10 companies improved their reputation scores with more than 4 points. Goodyear moved from an average to a strong reputation with a gain of +7.53. The other positive movers are: State Farm Insurance (+7.17), St. Paul Travelers Companies (+6.33), AT&T (+5.88), 3M (+4.72), Johnson & Johnson (+4.68), Kroger (+4.32), Walgreens (+4.23), Dell (+4.16) and McDonald's (+4.06).

50 companies added in 2008

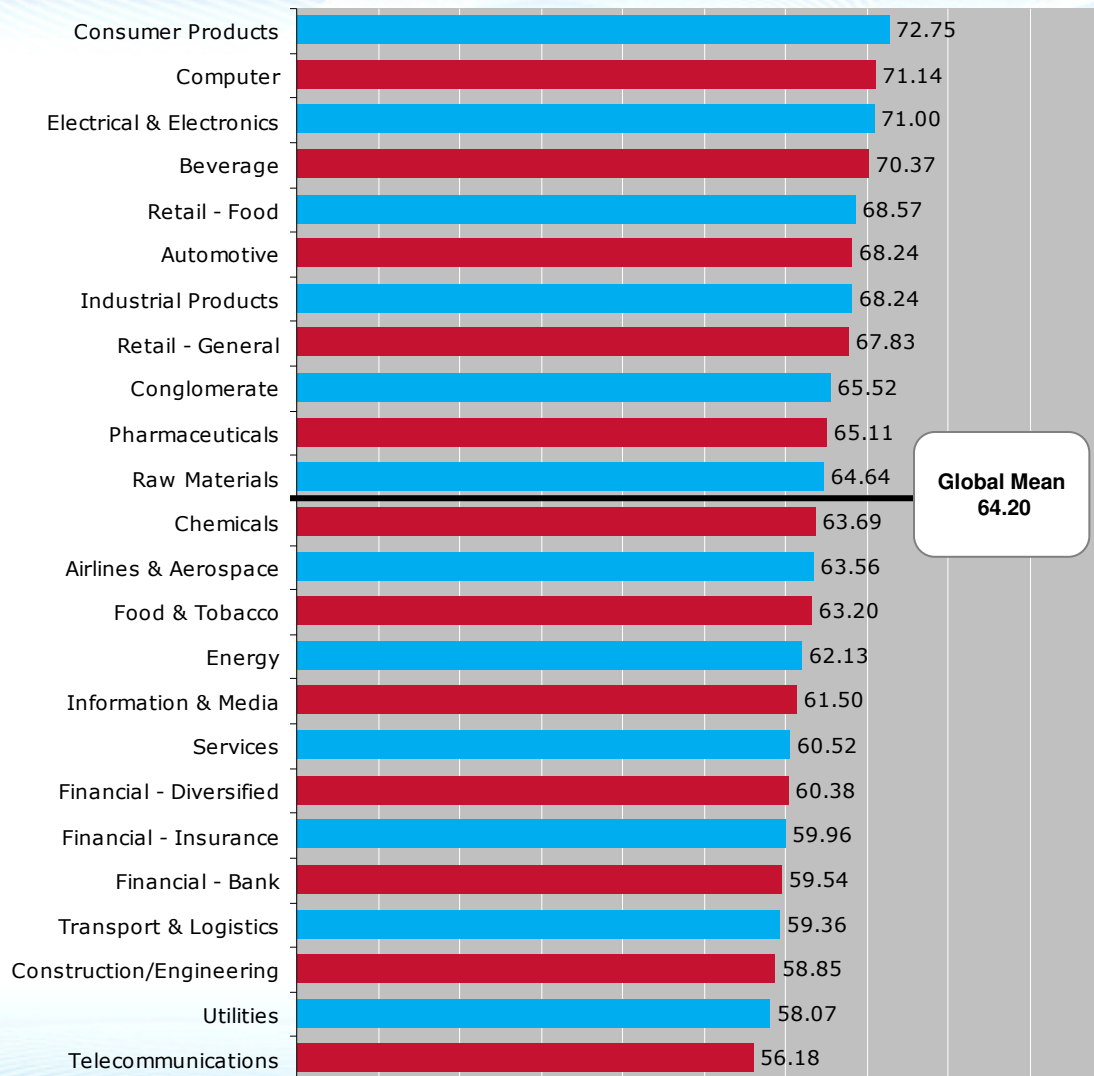
For the 2008 Global Pulse we added another 50 companies to the list so we now measure the reputations of the largest 150 companies in the U.S. The addition of these 50 companies impacts changes in rankings from 2007 to 2008. Thus, analysis is based predominantly on year-over-year changes in reputation scores.

All Pulse scores are standardized on both the country and global level. For further explanation see the RepTrak™ Methodology section.

RepTrak™ Pulse scores that are more than +/- 0.5 apart are significantly different at the 95% level.

Excellent/Top Tier	above 80
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Global Industry Reputations



Consumer Products Dominate the Industry Ratings

Sector results provide an indication of the context within companies operate. Some companies operate in industries with a positive halo, others operate in a global industry with a negative halo.

The general public tends to rate makers of consumer products, computers, and electronics well above the global mean. The results indicate relative appreciation for those customer-facing sectors –and suggest a favorable operating environment for companies in these sectors.

By contrast, communications companies and utilities largely anchor the bottom of the distribution. Companies operating in these sectors face an uphill battle in communicating with the general public. Financial companies face a similar uphill battle as they must struggle to overcome an average perceptual environment that is weak and significantly below the global mean.

Hovering around the middle of the global distribution are pharmaceutical, conglomerates, raw materials, airline, food/tobacco, and the chemical industries. They start from a largely neutral position, despite the fact that in some countries they may have more extreme positions than they do in other countries.

Excellent/Top Tier	above 80
Strong/Robust	70 – 79
Average/Moderate	60 – 69
Weak/Vulnerable	40 – 59
Poor/Lowest Tier	below 40

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Company Rankings on the Seven Reputation Dimensions

- U.S. results



Products/Services		Innovation		Workplace	
1 Johnson & Johnson	85.20	1 Google	83.40	1 Google	81.72
2 3M	84.90	2 Walt Disney	81.41	2 Walt Disney	79.84
3 Kraft Foods Inc.	84.08	3 Apple	81.07	3 Johnson & Johnson	79.62
4 General Mills	83.22	4 3M	81.07	4 Microsoft	79.28
5 Google	81.87	5 Intel	80.36	5 Anheuser-Busch Cos	79.13

Governance		Citizenship		Leadership	
1 Google	79.60	1 Google	79.60	1 Johnson & Johnson	83.46
2 Johnson & Johnson	79.21	2 Walt Disney	77.43	2 Google	81.26
3 Walt Disney	77.43	3 Johnson & Johnson	79.21	3 Walt Disney	80.62
4 Kraft Foods Inc.	75.66	4 Berkshire Hathaway	73.28	4 Microsoft	80.05
5 General Mills	74.91	5 Kraft Foods Inc.	75.66	5 Berkshire Hathaway	79.22

Performance	
1 Google	83.51
2 Microsoft	83.51
3 Walt Disney	83.42
4 Johnson & Johnson	82.28
5 Berkshire Hathaway	82.20

Reputation Dimensions

- Q: Product/Services:** 'Company' offers high quality products and services -- it offers excellent products and reliable services
- Q: Innovation:** 'Company' is an innovative company -- it makes or sells innovative products or innovates in the way it does business
- Q: Workplace:** 'Company' is an appealing place to work -- it treats its employees well
- Q: Citizenship:** 'Company' is a good corporate citizen -- it supports good causes & does not harm the environment
- Q: Governance:** 'Company' is a responsibly-run company -- it behaves ethically and is open & transparent in its business dealings
- Q: Leadership:** 'Company' is a company with strong leadership -- it has visible leaders & is managed effectively
- Q: Performance:** 'Company' is a high-performance company -- it delivers good financial results

Which companies will the U.S. general public support?

- The Top 5 most recommended U.S. companies



Creating value from reputation

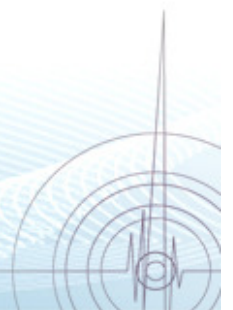
Value is created when positive perceptions lead to support from stakeholders. We see a strong pattern between reputation and support which underlines the business case for investing in the reputation capital of the company. When people trust, admire, and have a good feeling about the company they are willing to support and recommend the company to others.

Very strong consumer support for highly regarded companies

78% of the U.S. general public would recommend Google to others. 74% would recommend Johnson & Johnson and Kraft Foods Inc. This positive word of mouth is critical in influencing buying behavior, investing behavior and employment behavior. Often, the companies with the best reputations are also the companies with the highest levels of support.

Company Ratings [Sorted by Positive]		■ Negative (1-2)	■ Neutral (3-5)	■ Positive (6-7)
Google	3.0%	19.0%	78.0%	
Johnson & Johnson	3.2%	22.0%	74.8%	
Kraft Foods Inc.	1.5%	23.9%	74.7%	
3M	0.9%	25.3%	73.8%	
Walt Disney	6.1%	20.9%	73.0%	

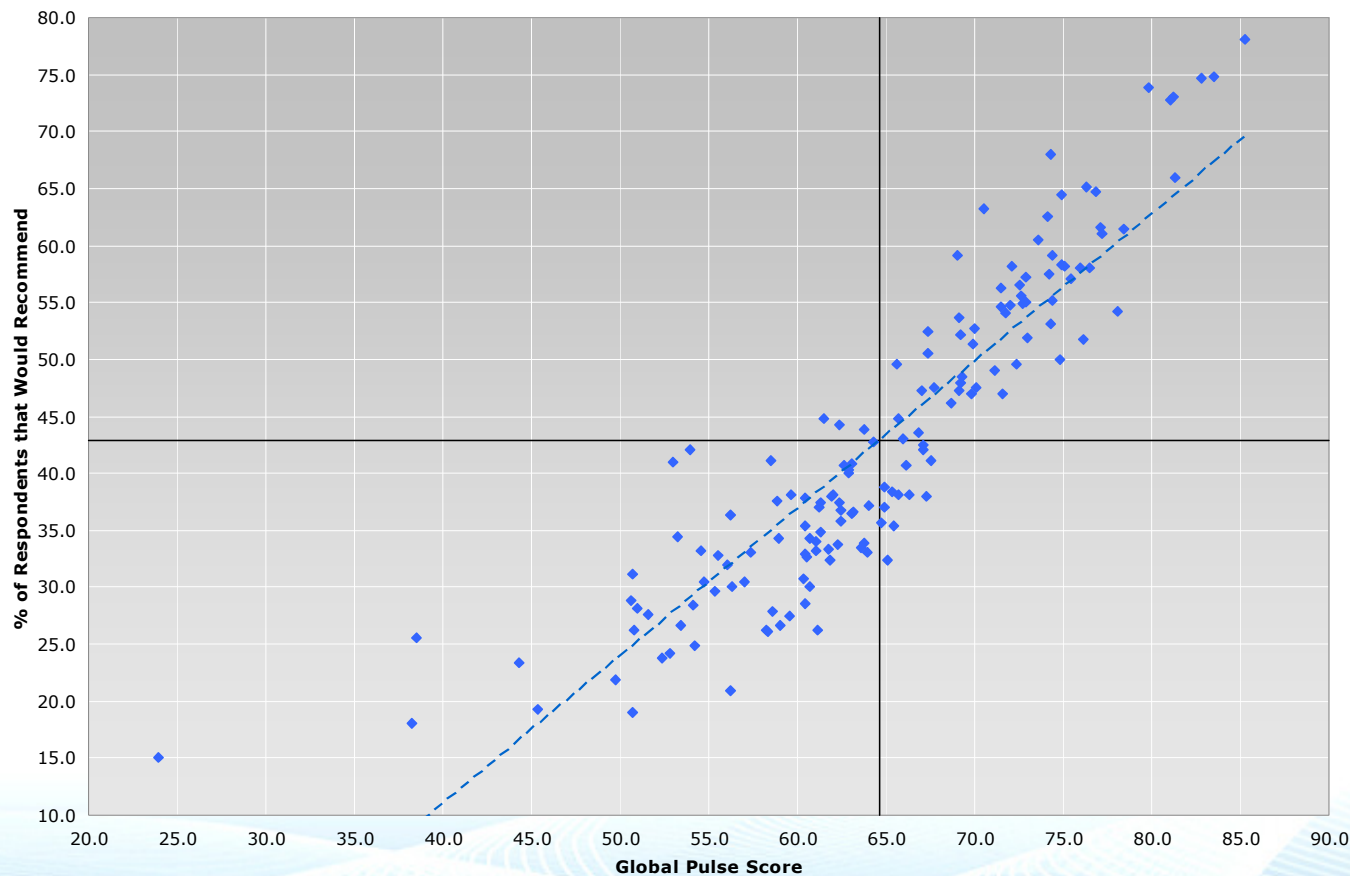
Q: I would recommend 'Company' to others.



Relationship between Reputation and Support in the United States

There is a strong correlation between Reputation and Support

The graph below shows the strong linear relationship between a company's reputation and the percentage of people that would recommend it. This trend tells us that companies who invest in building a strong reputation are also investing in creating support from their stakeholders. This is how you create value from your reputation.



Q: I would recommend 'Company' to others.

Using the Global Pulse 2008



Armed with Global Pulse reports, executives can...

- ... **Report** credibly about their company's reputation to internal and external audiences
- ... **Understand** the levers to pull in order to improve reputation
- ... **Create** strategic differentiation from other corporate rivals
- ... **Track** the value of their company's reputation
- ... **Customize** results to see benchmarks and international rankings

Global Pulse reports provide a detailed comparison of your company's results against the Global database, and include an overview of:

- **Company Specific Results:**
Company profile on reputation Pulse and the 7 dimensions of reputation. A report of which dimensions are your strong and weak points and how you are doing compared to selected rivals.
- **Drivers:**
An analysis of which dimensions are driving reputation in your country and in your industry.
- **Country Results:**
Profiles of the best and worst reputations in the US.
- **Industry Results:**
Industry profile, across all 27 countries, positioning your company in the global competition relative to your industry peers.
- **Global Results:** A profile of the best reputations in the world across 27 countries with rankings of more than 600 companies.

Order information:

Reports are sold for **\$ 10,000** and can be customized to your needs. Additional company benchmarks and country reports are available for **\$5,000** each.

Email PulseUS@reputationinstitute.com or call +1 212 495 3855 for pricing
and to learn more about Reputation Institute's offerings.

About Reputation Institute

Reputation Institute is a private advisory firm specialized in corporate reputation management. Through a network of offices and associates in more than 20 countries, Reputation Institute provides knowledge-based consulting services to some of the most respected companies worldwide. Our consulting teams regularly help these global clients assess, value and act on their reputations by providing strategic analysis and direction, as well as helping them to develop and implement cutting-edge reputation measurement and management systems.

Reputation Institute also identifies best practices from original research conducted around the world, and we share our cutting-edge findings with a wide network of clients and members through engagements, seminars, conferences, and publications such as **Corporate Reputation Review**. The **Global Pulse** is Reputation Institute's flagship research study conducted annually with some 60,000 consumers in 27 countries from which emerge a set of detailed reputation ratings and rankings of 1000 of the world's largest companies. Each year, the results of this groundbreaking study get featured in leading business publications around the world, including **Forbes**.

Visit **ReputationInstitute.com** to learn more about how you can create value from your reputation.

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