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JOHNSON & JOHNSON RANKS AS MOST REPUTABLE U.S. COMPANY IN REPUTATION INSTITUTE'S 2010 REPUTATION PULSE STUDY; AIG RANKS LAST

Study Shows Quantifiable Drivers of Corporate Reputation and Links to Bottom Line Results

NEW YORK, April 20, 2010 — Johnson & Johnson takes the top spot for the second consecutive year as the most reputable U.S. company on Reputation Institute's 2010 U.S Reputation Pulse. Kraft Foods, Kellogg, The Walt Disney Company, PepsiCo, and Sara Lee rounded out the top tier of U.S. companies in 2010, all with excellent reputations. AIG, the beleaguered financial services firm, continued to dwell at the bottom of the list, finishing 150th out of the 150 companies included in the survey. PepsiCo and Microsoft moved into the top 10 from last year along with newcomers to the study Kellogg, Dean Foods, and Sara Lee. The Reputation Pulse measures the corporate reputations of the largest U.S companies based on consumers' trust, esteem, admiration, and good feeling about a company while also gauging perceptions across seven rational dimensions of reputation.

Strong Reputations Lead to Lucrative Bottom-Line Results

According to the U.S. Reputation Pulse findings, Corporate Reputation has an increased impact on business results—a company's reputation score has a positive and direct link to consumer attitudes and behaviors. Having a strong reputation in 2010 yields more recommendation, more benefit of the doubt and more purchase behavior than ever before. In comparing the Top 10 to the Bottom 10 measured companies, the general public is:

- 300% more likely to verbally support or give the benefit of the doubt;
- 200% more likely to consider products; and
- 350% more likely to purchase products of highly regarded companies.

"In today's tough economic climate, corporate reputation is critical to sustaining and growing business," said Anthony Johndrow, Partner & Managing Director, Reputation Institute North America. "This year's results illustrate a direct correlation between how well a company manages its reputation and how likely consumers are to recommend or reject the company. A good reputation is not just a nice-to-have; it's a bottom-line business imperative."

It Pays to Communicate

Respondents who indicate they have bought a company's products or utilized a customer support service tend to rate those companies higher, indicating that direct experience has the greatest impact on corporate reputation. Third party messages, from the media, online or other people, tend to have a negative effect. Reputation Institute's findings show that respondents who **were reached by companies' corporate actions and/or communications initiatives scored them 3 points above the U.S. mean.**

In fact, a consumer who has encountered a company's marketing, branding, public relations or social responsibility efforts on average rates the company higher regardless of their reputation ranking—even companies with weak reputations can gain from telling their side of the story.

How to Tell Your Corporate Story

The Reputation Pulse study proves that excellent reputations are built across seven dimensions: Products/Services, Innovation, Governance, Workplace, Citizenship, Leadership and Performance. In the U.S., statistical analysis shows that each dimension accounts for over 12 percent of reputation.

JohnDrow sums up the key insight from this reputation driver analysis: “We all know that people care and talk more than ever about the companies behind the products and services they use and they are talking about them. Join this conversation and tell your corporate story to create the support needed in tough times. Corporations can create deeper connections than products can alone, essentially deploying who they are as a company to drive business results.”

Drivers differ by industry, country and stakeholder group. In 2010, across all U.S. companies, Products/Services, followed by Governance, then Citizenship are the most influential dimensions.

Additional Highlights from 2010

- 10 companies (Chubb, McDonald’s, Archer Daniels Midland, SunTrust Banks, ExxonMobil, AutoNation, Humana, Marathon Oil, CITGO and Staples) increased their reputation scores by seven points or more from 2009
- U.S. consumers feel the most respected and reputable industries, as measured by the reputations of the biggest companies are: 1) Food Manufacturing, 2) Consumer Products, 3) Transportation & Logistics, 3) Computers, 4) Industrial Products, and 5) General Retail.
- With mergers, bankruptcies and bail-outs, financial industries suffered the most with the greatest negative individual company changes in reputation. Paradoxically, utilities and communications companies improved as a whole.

Global Reputation Pulse – U.S. Top 25

<u>Rank</u>	<u>Company</u>	<u>Global Pulse Score</u>
1	Johnson & Johnson	85.82
2	Kraft Foods Inc.	84.84
3	Kellogg	82.78
4	The Walt Disney Company	82.11
5	PepsiCo	81.20
6	Sara Lee	80.04
7	Google	79.31
8	Microsoft	79.28
9	UPS	78.93
10	Dean Foods	78.79
11	General Mills	78.46
12	Apple	78.36
13	Publix Super Markets Inc.	78.27
14	Caterpillar	78.07
15	Colgate-Palmolive	77.99
16	Eastman Kodak	77.73
17	Staples	77.70
18	FedEx	77.59
19	HJ Heinz	77.46
20	3M	77.15
21	Amazon.com	76.94
22	Hewlett-Packard	76.92
23	Intel	76.88
24	The Coca-Cola Company	76.86
25	Whirlpool	76.81

Accessing the Global Reputation Pulse 2010 Findings

For more information about the U.S. Reputation Pulse findings go to www.ReputationInstitute.com to view a video of Reputation Institute Partner & Managing Director Anthony Johndrow discussing key conclusions from the 2010 results and download a PDF of the top line report which includes the full 150 U.S. ranking.

About the Global Reputation Pulse 2010 Study

The Global Reputation Pulse 2010 was conducted online in January and February 2010. A Pulse score is a measure of corporate reputation calculated by averaging perceptions of four indicators—trust, esteem, admiration, and good feeling—obtained from a representative sample of at least 100 local respondents who were familiar with the company. Scores range from a low of 0 to a high of 100, Pulse scores that differ by more than +/-0.5 are significantly different at the 95% confidence level. The U.S. mean for all 150 companies included in the study was 67.38. Top line reports on the 2010 Global Reputation Pulse findings can be downloaded at www.ReputationInstitute.com.

About Reputation Institute

Reputation Institute is the world's leading reputation consulting firm. As a pioneer in the field of brand and reputation management, Reputation Institute helps companies unlock the power of reputation. With a presence in 30 countries, Reputation Institute is dedicated to advancing knowledge about reputation and shares best practices and current research through client engagement, memberships, seminars, conferences, and publications such as Corporate Reputation Review. Reputation Institute's 2010 Global Reputation Pulse is the largest study of corporate reputations in the world, identifying what drives reputation and covering more than 1,500 companies from 32 countries annually. Reputation Institute provides specific reputation insight from more than 15 different stakeholder groups and 24 industries, allowing clients to create tangible value from their intangible assets.

Visit www.ReputationInstitute.com to learn how you can unlock the power of your reputation.

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