The Dutch Top 100 corporate brands

by Brand Competence

edition 2012

This research project is supported by:

motivaction research and strategy

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1. Foreword

On Photograph: Ferdy de Smeth, right – Managing Partner of Brand Competence and Pieter Paul Verheggen of Motivaction
Photo by Ilona Molhuysen – Amsterdam

If the recent economic crisis has taught us anything it is that tangible assets such as buildings and machinery are no longer the pillars of economic stability they were once considered to be in the world of finance. For years these assets were viewed as the only serious – i.e. bankable – assets. Intangible assets such as brands and patents were of a lower order. The economic crisis has made it abundantly clear that this axiom no long applies in today's financial world (e.g. **Ford** Motor Company borrowed $ 23,4 billion on security of its corporate logo). Meanwhile, intangible assets (only those acquired) are being capitalised. Tangible assets are now preferably depreciated at accelerated tempo.

We are dedicating this Top 100 report on the year 2012 to the **Apple** brand. If there is one organisation that has made outstanding use of its intangible assets, it is Apple. Not only the utilisation of its technological know-how (as applied in the Tablet PC and the Smartphone), but also the design and branding of those products sets Apple in a class of its one. In a nutshell, therefore, the cluster of intangible assets as a whole was optimally put to work.

But we are not simply aiming for far-reaching financial recognition of intangible assets, although you won't hear one derogatory word about the value of branding and design from us. Instead we focus on the thorny issue of whether there is such a thing as intellectual property. Apple's success with the iPhone and the Apple Tablet went hand in hand with an unprecedented upsurge of imitations of its brands by, for one, **Samsung**. It was only after an enormous lawsuit to the tune of some hundreds of millions of dollars that this competitor (and co-producer) admitted to having violated Apple's intellectual property rights. That would be a very unlikely outcome in the case of a sole trader. We have nevertheless heard of leading law firms that advise such businesspeople not to apply for a patent to protect their unique technological knowledge, arguing that companies and governments in some distant Asian countries take a rather cavalier attitude to this type of intellectual property documentation. Put it away in a (civil notary's) deposit box is their safest solution. And it is untrue that this threat to intellectual property protection is exclusively looming from the Orient. Here in the West (Europe and the United States) courts, too, occasionally tend to turn a blind eye in cases involving intellectual property disputes. In order, it would seem, to avoid drawing too much attention to parodies of a company's trademark rights and advertising by pressure groups with which they are in dispute. At the same time, however, our international legal position is being undermined now that counterfeiting operations are steadfastly on the increase. It is therefore, we believe, a matter of great urgency that measures are taken in the field of international protection of intellectual property.

Most market research into strong, valuable brands focuses exclusively on product brands. In our study we look at the manufacturer's or service provider's commercial or corporate brand, in other words, the company behind the brand(s). The product brand and corporate brand together form the sum of a company's value. Both brand aspects have been fused into a single concept in the case of **Shell**, for example, or **Heineken**. Other companies, like **Unilever**, have opted to create an entirely new name. The corporate brand is receiving greater emphasis in **Unilever's** advertising (ads for **Calvé, Unox** or **Dove** for example). Our evaluation also examines the differences in brand strategy among the business community.
This year again, our research was carried out in close conjunction with the Amsterdam market research agency Motivaction. The structure and the results of the research can be found in the following chapters 7 and 8.

And, as last year, our compilation of the Top 100 list is based on revenues generated by the Netherlands' largest companies, both listed and unlisted. Some of the last years Top 100 companies have been taken over by foreign owners such as **Wavin** and **Draka**. They have retained their Dutch identity. However no individual Profit and Loss account is made available to the public. Therefore **Wavin** is no longer a candidate for one of our Top 100 players.

The brand valuation method applied by **Brand Competence** is fully in line with generally accepted valuation practices for intangible assets as approved by the International Valuation Standard Committee and the International Standard Organization's workgroup in respect of brand valuation. In chapters 4 and 7 we will be looking at the specific methods used for this research.

Motivaction and Brand Competence would like to pay particular thanks to the Dutch Association of Investment Professionals (VBA) for their help in getting us into contact to the investor target group.

I hope you enjoy reading our report and that you will gain valuable and innovative insights.

With kind regards,

Ferdy de Smeth
Managing Partner Brand Competence B.V.

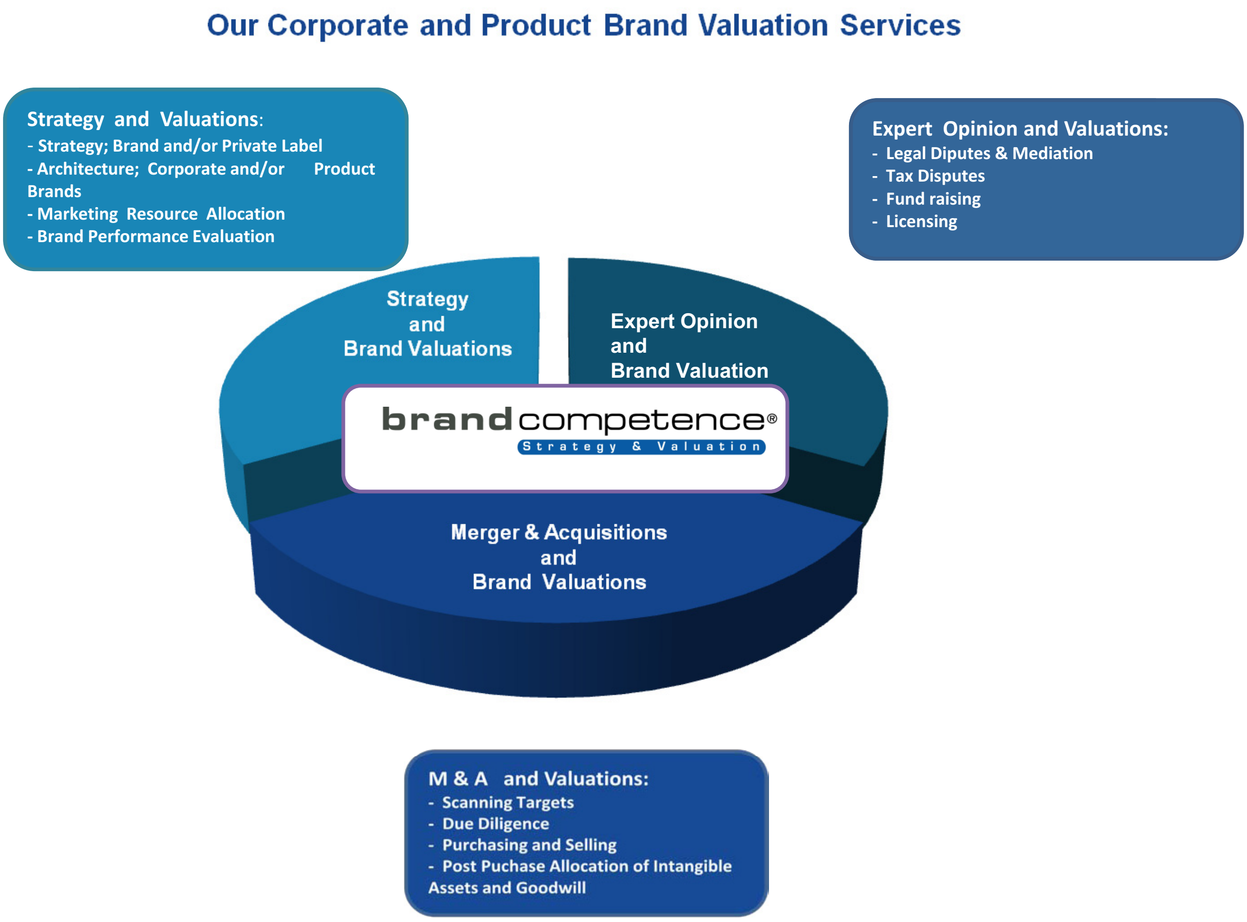
2. About Brand Competence

Ferdy de Smeth set up the company De Smeth & Co. (DSC) in 1990 as the first of its kind to offer the Dutch business community brand valuation services. Prior to this, he studied business economics and worked at a number of marketing and advertising agencies. De Smeth thus acquired the necessary knowledge and experience in both marketing and finance to carry out brand evaluation.

In conjunction with the Erasmus University (Rotterdam) and the VU University Amsterdam (Controllers programme) he not only developed considerable know-how in the field of the financial valuation of intangible assets, including brands, but also developed know-how and conducted further research. He concluded from his studies that the source of this brand value lies in the competence with which it is managed. In addition to brand valuation, De Smeth also focused on creating strategic guidelines in the field of brands. Brand Competence became the company's second trade name and attracted a large number of clients such as producers of branded products and services. And also their financial or legal advisors.

Owing to adjustments in the regulations governing accountancy (IAS, IFRS, etc.) at the beginning of the second millennium, the financial value of brands was fast becoming a specialist area. This development prompted De Smeth to join forces with Brand Finance Plc in 2004. In cooperation with this well-known English brand valuation company, he served a large number of clients.

But De Smeth remained convinced that what ultimately counts is the specific competences of brand management. And having carried the baton thus far, he celebrated in 2009 the re-establishing of the dedicated company Brand Competence.



3. About Motivaction

What moves our clients' clients? At Motivaction this is the single most important question we ask ourselves every day. Since 1984, we have been dedicated to answering this and other relevant questions for our customers. By providing them with the right answers, Motivaction helps them take the right marketing decisions, enabling them to create products, services and campaigns that have a stronger impact.

In marketing, the key question is: how do I really connect to my clients and consumers? By helping companies to improve what we call the 'social intelligence' of an organisation, they better understand their stakeholders and Motivaction helps them strengthen the connection. This, in turn, enables them to establish lasting relationships with their clients, which ultimately turns customers into fans.

Firmly rooted in the Netherlands and with more than 75 researchers, Motivaction is continually in touch with what's going on in the country's complex and dynamic society. By interpreting trends and developments in their early stages, we translate changing forces in society and make them actionable for both government and businesses.

When it comes to international research Motivaction is part of GlobalNR and the WIN/Gallup network. These are international networks of independent research firms with representatives all over the world and enables Motivaction to carry out global research.

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4. Why Corporate Brands are Valuable

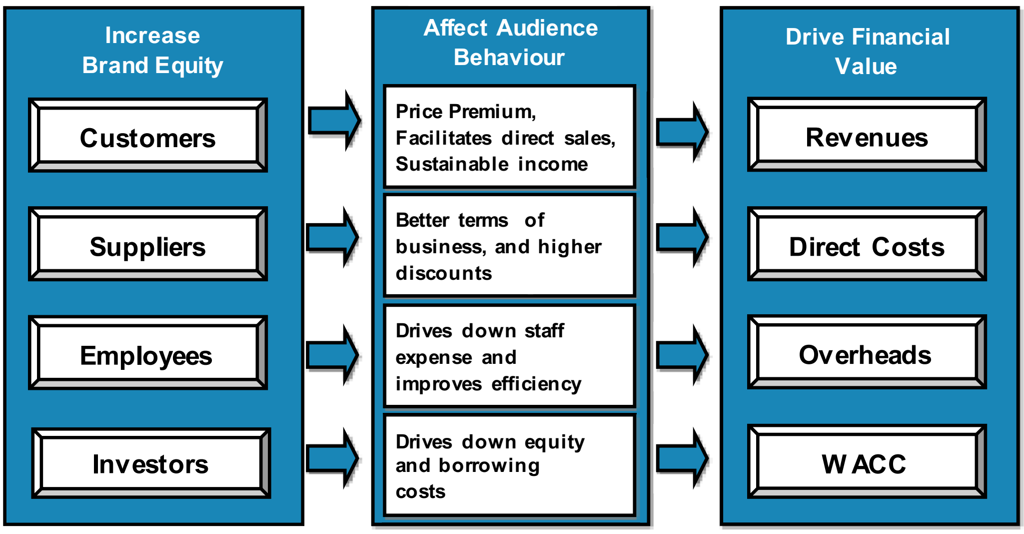
Goodwill and reputation

Only a few decades ago, financial experts looked at goodwill as a premium for good business practice, which the person selling the business received as a reward over and above the material value of his company. The buyer of the company was generally advised to write off this part of the takeover sum as soon as possible. In the mid-1980s, this perspective changed and the view then taken was that 'goodwill' represented something of real value to the operation of a business. But contrary to a company's machines, buildings, bank balances and inventory, that value was not reflected in the books. Goodwill was a hidden asset, which is why this new perspective has also been called the Hidden Asset View[1]. Among other things, advocates of this vision described goodwill as "the favourable attitudes towards the firm". This six-word description of reputation sums it up for us. Supporters of the new theory of goodwill add that it also encompasses favourable relations with other organisations, with employees and among suppliers and others, generated by an excellent reputation, a reliable name, special know-how and so forth. In short, everything we now regard as corporate reputation or as a strong brand.

Favourable attitudes towards the firm lead to Future Economic Benefits

Using quantitative public research a company's marketing and communications experts are currently capable of determining the perceptions of, the attitudes to and the behaviour towards the company. The sum of this knowledge, attitudes and behaviour is also referred to as 'brand equity'. And corporate communication professionals know that costs incurred to develop brand equity benefit a company. Brand equity leads to economic gains or 'future economic benefits', such as an increasing number of clients, cheaper suppliers, more applicants and advantageous financing. Future economic benefits may be described as: Benefits that result from a material or immaterial asset and that may include the proceeds from the sale of goods and services as well as cost savings or other benefits derived from the organisation's use of an asset (such as a brand).
Hence a company's excellent reputation (due to a strong corporate brand) may promote both sales and margin while leading to savings in the area of direct and indirect costs and capital costs.

Figure 1



[1] See Colley J.R. and Volka A.G. : "Accounting for Goodwill", Accounting Horizons, March 1988.

5. Key Findings

- This study profiles the most valuable corporate brands in The Netherlands. It covers the Top 100 trade names ('handelsnamen') of companies listed on the Amsterdam Stock Exchange and of the non-listed/privately-owned companies. All companies were selected on the basis of revenue as at the end of their financial year (2011). Total Value of all Dutch Top 100 companies soared with 36% to € 315 billion in 2011.

- For the fourth year in succession, research bureau Motivaction uncovered the detailed steps for each participating brand that lead to a 'favourable attitude toward that brand'. Our contention that these 'favourable attitudes' lead to future economic profit was justified in the next part of this study. The results made clear that brand preference is the basis of the corporate brand value.

- While Brand Competence supports the 'royalty relief' method of assessing the economic value of brands, the amount of revenue a company makes is a key valuation element. Therefore, it came as no surprise that **Royal Dutch Shell** (with € 363 billion in revenue in its financial year 2011) was one of the major contenders for the most valuable corporate brand in the Netherlands. And yet, the number two in terms of annual revenue, oil trader **Vitol** (with €229 billion in revenue in 2011), is clearly not the second most valuable corporate brand in the Netherlands. That position is held by **Unilever** (with 'only' € 46,5 billion in revenue). It proves the fact that revenue is an important element in brand valuation, but not the only element. Marketing strength of a brand has also an important influence on the valuation.

- **Shell** ranks first with an overall corporate brand value of € 74,7 billion (2011: € 56,5) and **Unilever** ranks second with a brand value of € 33,6 billion (in 2011: 18,1 billion; please see table below including all 100 brands). Meanwhile, **Vitol** ranks fifth in brand value of € 13,2 (in 2011 € 7,1 billion). The relative difference in values lies in the marketing strength of each brand. **Vitol** is a little-known brand (only 4 % prompted brand awareness) and does not, therefore, enjoy a preferred status or positive behaviour amongst selected target groups. **Vitol** is a typical business-to-business (B2B) brand with low Brand Equity, which refers to the marketing effects that accrue to a company, product or service with a well-known brand. Strong brand equity is in the higher level of 'target group's knowledge' of a brand (i.e. perception, attitude and behaviour).
  AkzoNobel came back (last in 2010) and **Trafigura** is another newcomer in the Top Ten of 2012.

- The overall revenue of all Dutch Top 100 companies grew with 4,2 % to €1,325 billion (or, over 1,3 trillion euro's) in 2011. Especially the oil related business, such as companies like **Shell**, **Vitol** and newcomers **Trafigura** and **Argos** improved their revenue, due to the increase in the oil price over the year. Technology driven companies like **ASML** and **ASMI** improved their revenue, as well.

- At the individual company level, four brands stand out. **Douwe Egberts,** the main product brand of **D.E. Master Blenders 1753 B.V.** in The Netherlands, is highly preferred as a Corporate brand name)* by the Professional Workers target group, because of a) its quality products, b) to supply to and c) to work for. Similar high ranking brands among this target group are **Philips, Heineken** and **ANWB;** all typically part of our national inheritance (please, see next tables 5, 6 and 7).

* We found that Douwe Egberts had a higher prompted brand awareness than D.E. Master Blenders. In the following image questions we therefore asked the respondents about their opinions about the Douwe Egberts brand.

6. The Dutch Top 100 Corporate Brands (1)

DUTCH TOP 100 CORPORATE BRANDS (2012):	Rank Nr. 2012	Rank Nr. 2011	2012 Corporate Brand "Overall" Value	2012 Corporate Brand Product/Service Value	2012 Corporate Brand Efficiency Value	2011 Corporate Brand "Overall" Value	2011 Corporate Brand Product/Service Value	2011 Corporate Brand Efficiency Value
			(euro x million)			(euro x million)		
Shell	1	1	74.702	71.834	2.868	56.482	54.716	1.765
Unilever	2	2	33.563	30.553	3.010	18.126	15.193	2.933
Philips	3	4	18.117	17.708	409	12.985	11.872	1.113
ING	4	5	15.517	14.303	1.214	11.426	10.572	854
Vitol	5	10	13.170	13.170	*	7.142	7.142	*
Rabobank	6	7	11.779	9.497	2.283	9.781	8.118	1.663
Heineken	7	3	11.022	9.079	1.943	14.143	12.951	1.192
Trafigura	8	14	9.807	9.682	124	3.790	3.790	*
Aegon	9	6	7.659	7.318	342	10.660	10.228	433
AkzoNobel	10	13	7.546	6.642	904	4.853	4.196	657
KLM-Air France	11	9	7.335	7.173	162	7.796	5.856	1.940
Randstad	12	8	6.504	6.000	504	8.237	7.951	287
Ahold	13	12	6.183	4.019	2.164	5.169	3.995	1.173
ASML	14	18	4.866	4.455	411	2.679	2.482	197
ABN AMRO	15	19	4.297	3.303	995	2.651	2.651	-
BCD Holding	16	_	3.771	3.771	*	**	-	-
Vion	17	37	3.728	3.245	483	910	910	-
KPN	18	11	3.557	2.785	772	5.308	4.701	607
Blokker	19	54	2.765	2.501	264	426	268	157
Wolters-Kluwer	20	21	2.564	2.044	520	1.876	1.503	372
Leaseplan	21	20	2.452	2.331	121	2.071	1.989	82
Achmea Eureko	22	16	2.430	2.027	403	2.711	2.143	568
Jumbo	23	15	2.248	2.248	*	3.304	3.206	98
Nutreco	24	23	2.161	2.000	161	1.742	1.642	100
CZ	25	24	2.061	1.736	325	1.644	1.592	52

* No Annual Report available

** In 2012 added for the first time as a candidate company to the Top 100 Corporate Brands list.

The Dutch Top 100 Corporate Brands (2)

DUTCH TOP 100 CORPORATE BRANDS (2012):	Rank Nr.		2012			2011		
	2012	2011	Corporate Brand "Overall" Value	Corporate Brand Product/Service Value	Corporate Brand Efficiency Value	Corporate Brand "Overall" Value	Corporate Brand Product/Service Value	Corporate Brand Efficiency Value
			(euro x million)			(euro x million)		
SHV	26	25	1.919	1.649	270	1.457	1.271	186
Alliance Boots	27	46	1.910	1.794	116	669	619	50
TNT	28	17	1.811	1.751	60	2.705	2.705	-
DSM	29	26	1.737	1.329	408	1.449	1.185	264
Hema	30	-	1.681	1.572	109	**	-	-
Douwe Egberts	31	30	1.596	1.453	143	1.118	1.118	-
Argos North Sea Groep	32	78	1.562	1.562	*	163	161	2
PostNL	33	-	1.533	1.350	184	**	-	-
Friesland Campina	34	27	1.482	1.044	437	1.423	1.145	278
Reed Elsevier	35	22	1.476	915	561	1.795	1.049	745
Daf trucks	36	42	1.471	1.424	47	757	731	26
Hoogwegt	37	79	1.385	1.375	10	148	148	*
SNS Reaal	38	32	1.376	1.084	293	1.084	1.076	8
Ned.Spoorwegen	39	28	1.361	1.189	172	1.338	1.212	125
TomTom	40	31	1.361	1.358	4	1.084	975	109
Menzis	41	29	1.335	1.301	34	1.232	1.215	17
Sperwer (& Plus)	42	36	1.279	1.228	51	937	937	*
BAM	43	34	1.266	1.188	78	969	965	3
ASMI	44	48	1.159	999	160	629	581	48
NXP Semiconductor	45	61	1.139	988	151	280	280	-
Sligro	46	39	1.130	1.067	63	856	814	42
CSM	47	40	1.096	1.085	10	803	747	56
USG People	48	38	1.051	967	84	863	796	67
Imtech	49	45	1.026	845	181	683	586	97
Schiphol	50	41	981	893	88	792	719	73

* No Annual Report available

** In 2012 added for the first time as a candidate company to the Top 100 Corporate Brands list.

The Dutch Top 100 Corporate Brands (3)

DUTCH TOP 100 CORPORATE BRANDS (2012):	Rank Nr. 2012	Rank Nr. 2011	2012 Corporate Brand "Overall" Value (euro x million)	2012 Corporate Brand Product/Service Value (euro x million)	2012 Corporate Brand Efficiency Value (euro x million)	2011 Corporate Brand "Overall" Value (euro x million)	2011 Corporate Brand Product/Service Value (euro x million)	2011 Corporate Brand Efficiency Value (euro x million)
ForFarmers	51	-	903	858	44	**	-	-
Delta Lloyd	52	35	847	747	100	948	610	338
ANWB	53	33	846	748	98	997	959	38
Essent	54	43	828	804	24	734	734	-
Hunter Douglas	55	47	753	658	95	666	614	52
Mediq	56	50	702	584	118	568	484	84
Eneco	57	44	692	655	37	715	685	30
V&D	58	-	671	620	51	**	-	-
Ziggo	59	-	664	546	117	**	-	-
Volker Wessels	60	51	627	576	51	481	431	50
Fugro	61	53	624	490	134	454	376	77
Nuon	62	49	569	534	35	629	588	41
Greenery	63	71	563	548	16	199	193	6
Pon holding	64	52	497	447	50	467	423	44
BosKalis Westminster	65	58	497	400	97	363	306	57
Arcadis	66	57	495	421	74	372	311	60
VDL Groep	67	-	491	449	42	**	-	-
Draka	68	66	416	284	132	237	236	1
Connexxion	69	56	404	361	43	415	379	36
TKH Groep	70	70	393	368	25	200	167	33
Agrifirm	71	62	393	360	32	264	264	-
Oord, Van	72	-	392	361	31	**	-	-
Lanschot, Van	73	55	387	303	83	416	337	79
ASR Nederland	74	65	373	278	95	243	217	26
Heijmans	75	60	371	364	7	349	335	14

** In 2012 added for the first time as a candidate company to the Top 100 Corporate Brands list.

The Dutch Top 100 Corporate Brands (4)

DUTCH TOP 100 CORPORATE BRANDS (2012):	Rank Nr.		2012			2011		
	2012	2011	Corporate Brand "Overall" Value	Corporate Brand Product/Service Value	Corporate Brand Efficiency Value	Corporate Brand "Overall" Value	Corporate Brand Product/Service Value	Corporate Brand Efficiency Value
			(euro x million)			(euro x million)		
Vopak	76	76	325	184	141	168	86	82
Brunel	77	74	323	301	22	176	164	13
Spar holding	78	59	305	298	7	351	342	9
Leeuwen Buizen, Van	79	-	298	289	9	**	-	-
Stork	80	72	279	215	64	189	172	17
Delta	81	73	274	256	18	186	172	13
Remeha	82	63	255	216	39	248	242	7
UPC	83	64	247	199	48	243	209	34
IHC Merwede	84	77	242	211	31	168	160	7
Dockwise	85	90	229	226	3	17	17	-
Refresco	86	-	215	169	46	**	-	-
MacIntosh	87	68	214	127	87	213	165	47
Ten Cate	88	81	197	165	31	134	113	21
Beter Bed	89	75	190	149	40	176	150	26
Ballast Nedam	90	80	184	157	27	136	125	11
Aalberts	91	82	179	93	86	126	76	50
Wessanen	92	67	174	169	6	213	185	28
Grontmij	93	-	174	172	2	**	-	-
Telegraaf	94	69	164	161	2	211	166	46
AMG	95	-	162	143	20	**	-	-
Wegener	96	86	160	112	48	37	35	2
WE Fashion	97	-	159	157	2	**	-	-
Ganzewinkel Groep, Van	98	-	150	142	8	**	-	-
Dura Vermeer	99	83	146	137	10	122	105	17
Cosun	100	87	137	121	17	29	29	-

** In 2012 added for the first time as a candidate company to the Top 100 Corporate Brands list.

7. Our Approach to Valuing Corporate Brands

The selection of the Top 100 Companies
The selection of the Top 100 most valuable corporate brands in the Netherlands is based on a pre-selection round. The pre-selection comprises some 150 companies with an annual turnover of some € 300 to € 500 million and higher. In 2012, this list contained approximately 55 listed (AEX, AMX and ASsX) organisations and around 95 unlisted companies selected on the basis of turnover. This year (the Top 100 2012 edition), 16 new companies have been added to the pre-selection round and the same number has been removed from the list. The reason for removing companies could be one of the following:

- They have been taken over, merged or demerged and and are incorporated under a new identity (such as **TNT** and the **North Sea Group**);

- They were already taken over but not yet incorporated under their new identity (such as **C1000** by **Jumbo** or **Océ** by **Canon**);

- They have disqualified themselves from the pre-selection round on the basis of turnover comparison (an example is **NedCar**);

- In respect of 'turnover' pre-selection, a company scores somewhere between 100 to 150, but also rates very poorly where aided brand recognition is concerned (such as **Deli Maatschappij**);

- As this year's exceptional case we like to mention **Wavin**. This company has been taken over by a foreign owner in 2011/2012. It has retained its Dutch identity (and that's news!). However, we could not get hold of any financial reporting on 2011 of **Wavin**, so it was no more a candidate for the 2012 Top 100 list.

The 16 new companies to be added to the pre-selection round are:

Company's name:	2011 Revenue (€ million)
AMG	1.743
BCD Holdings)*	17.381
Facilicom	1.094
ForFarmers	5.200
Grontmij	934
Hema	1.150
Oord, Van	1.715
Post.nl	4.350
Refresco	1.523
Van Drie Groep)*	1.700
Van Ganzewinkel Groep	1.186
Van Leeuwen Buizen	611
Vebego	788
V & D	648
VDL Groep	1.575
Ziggo	1.478

* No Annual Report available

As in last year's edition, a pre-selection round of 100 to 150 companies of Dutch origin is being compiled in 2012. These may be companies whose origins were formerly fully Dutch (i.e. a Dutch registration and/or Dutch ownership) and which have since been taken over by a foreign organisation but have retained their Dutch identity. An example we mentioned over the past years is **Essent** (currently fully owned by German **RWE**).

We will now present an overview of our valuation methodology.

Defining what we are valuing

When we talk about valuing 'brands', we must be clear about exactly what we mean. One of the great challenges in marketing is that there is no uniform definition of what a brand is. The term is used differently by different people to encompass a relatively broad range of assets.

For the purpose of most Brand Competence studies, brands are defined as 'trademarks and all associated marketing intangibles'. This is – what is defined as - the 'product brand'. It is the package of legal rights, also referred to as 'a bundle of intangible assets'.

At the other end of the spectrum, brands are defined as the whole organisation or 'branded business' within which the specific logo and associated visual elements – the larger bundle of 'visual and marketing intangibles' and all other economic profit (including 'associated goodwill') – are deployed. The 'branded business' can either be branded with the name and logo of the product brand or have its own identity through a separate trade name or corporate brand name.

Economic profit can either be potential incremental positive earnings (price/volume premiums on revenue and/or premium profit) or cost savings realised by the branded business.

Corporate brand stands for the trade name of the enterprise as a whole and can also be used for its product brands. Whether the corporate brand is used for all or only part of the company's branded products depends on the selected Brand Architecture – the structure of brand names used for the company and its products.

The brand architecture is decisive for the Brand Advocacy Rate (or BAR). The BAR is the estimated percentage that the corporate brand name influences the 'branded business' delivered to certain stakeholder audiences. For example: to **Shell**-petrol customers the BAR of the **Shell** name will be 100%; to **Ariël**-detergent customers the BAR of the **Proctor & Gamble** name will only be about 10% to 20%, because **P&G** is only mentioned as the manufacturer on the rear of the package.

Corporate Brand Value is the value that is attributed to trade name of an organisation (the corporate brand). This value attribution comes from economic benefits associated with the company's Product Brand Portfolio and the Corporate Brand itself (what we will define as the 'Corporate Brand Efficiency Value'- see next).

Brand Valuation methodology

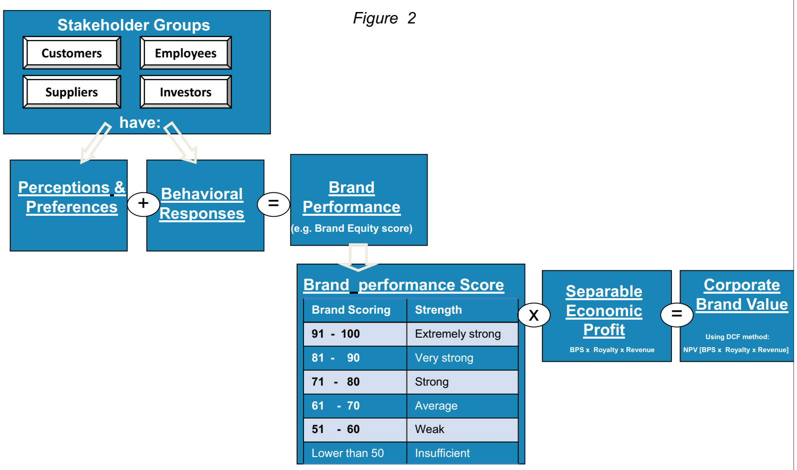
Brand Competence assesses the potential value of the intangible assets combined in a brand. To do so, we use the 'economic valuation' or Net present Value (NPV) method.

Brand Competence uses the 'Royalty Relief' method to determine the separate brand earnings.
This method is based on the notion that a brand holding company owns the brand and licenses it to an operating company. The notional price paid by the operating company to the brand company is expressed as a royalty percentage of brand's annual revenue. The brand royalty rate is set by the brand's market strength or the 'Brand Performance Score'. We determined the Brand Performance Scores of the Dutch Top 100 Corporate Brands by implementing the Motivaction Market research. The NPV of all forecast royalties represents the value of the brand to the business.

Steps in the Royalty Relief brand valuation process (see Figure 2):

Outline Brand Valuation Model

Figure 2



Corporate Brand Value

Corporate Brand value attribution comes from profit associated with:
- the company's Product Brand Portfolio (see a),
- the Corporate Brand itself (see b).

a) Economic profit from the Product Brand Portfolio

- Products and services associated with well-known brands are considered to be more reliable and better quality than products and services of less-known brands. When shopping, the customer/consumer more often considers the products or services of these brands than those of other brands. These branded products are part of the consumers' evoked set. These brands are also more often recommended to other consumers. Such advantages are key to their brand value.

- The concept of linking brand names and logos to products and services – i.e. 'branding' – can be executed quite differently at every company. Nevertheless, the product brand only represents value to the corporate brand when the corporate name is used as an 'endorser' to the product brand (as is the case with the '**Volkswagen Golf**'). In some cases, the corporate brand is the only brand used for all the company's products and services (as is the case with **Shell**). Alternatively, the corporate brand may never mentioned, not even as an 'endorser' (such as **Heineken's** other beer brands). How corporate brands are generally used in relation to the product brand is determined in the so-called 'brand architecture' policy. Meanwhile, the proportion of the use of the corporate brand compared to the product brand(s) is called the 'brand advocacy rate' (BAR). The higher the BAR, the more economic profit of the Product Brand Portfolio is attributed to the Value of the Corporate Brand.

- In this report we will not value each specific product brand. That would be unfeasible, as some companies have a portfolio of over one hundred product brands (**Unilever**, for instance, claims to have more than 400 top brands). Instead of an assessment of each product brand, we will assess the value of the combined brands of each 'Operational Segment' that is included in the annual reporting in accordance with IFRS 8. Most companies segment their output according to markets to be served. Most of the time, there is a correlation between segments and branding. However, our first question concerns whether the branded product or service targets a business-to-business (B2B) - or a business-to-consumer (B2C) market. Next, we evaluate whether a market is more conducive to branding (for instance, 'soft drinks' are more conducive to branding than fresh fruit). The different Operational Segments are assessed differently as regards Brand performance and are therefore assigned different Royalty rates.

b) Economic Profits of the Corporate Brand itself

- The economic profits of the corporate brand itself are derived from stakeholder groups other than customers/consumers. These benefits come from groups like Suppliers, (potential) Employees, Investors, Government Organisations or Pressure Groups. In this report we have focused on the most important economic profits that can be derived from stakeholder groups like Suppliers, (potential) Employees and Investors. The predominant type of economic profits derived from transactions with these target groups involves **cost savings.**

- Moreover, the impact of cost savings on corporate earnings is disproportional compared to the impact of an increase or decrease in revenue. For instance, a 5% increase in earnings through cost savings could be the equivalent of a 30% increase in revenue. We therefore argue that the economic profits of cost savings are linked to additional revenue. This prompted us to introduce the 'earnings multiplier' in this multi-client brand value research. Based on a company's potential cost savings, this multiplier gives an indication of the additional revenue generated from strong corporate brand performance vis-à-vis stakeholder groups like Suppliers, Employees and Investors.

- This element of the financial value of the Corporate Brand is usually only realised at those companies that are known to the target groups aiming to be Supplier, (potential) Employee or Investor. This element of the Corporate Brand's value is the outcome of 'efficient' brand management; we therefore propose to call this element the 'Corporate Brand Efficiency Value'.

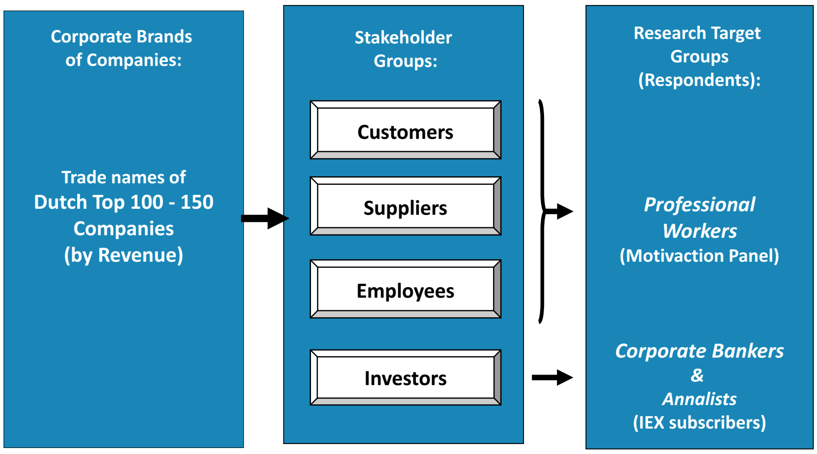
Steps in the brand valuation process

The steps in the brand valuation process are as follows:

Step 1: Select stakeholder groups (see Figure 3):

a) Representation of 'Customers', 'Suppliers' and (potential) 'Employees' by the Professional workers group from Motivaction Research,
b) Representation of the 'Investor' group by subscribers to the IEX newsletter.

Figure 3



Step 2: Establish perception & preference through market research in relation to Stakeholder Groups,

Step 3: Determine Brand Performance (the overall score on perception, preference and behaviour) for the corporate brand and the segments (or combined Product Brands),

Step 4: Transform Brand Performance into a Brand Strength Score or Rating and establish the notional Royalty Rate for the brand, by:

a) Using the Brand Performance input (from Step 3),
b) Establishing the Royalty range for the sector(s) in which the brand operates,
c) Combine previous steps (4a & 4b) to calculate the appropriate Royalty % for brand(s).

Step 5: Establish the Economic Profit from Brands, by:

a) Obtaining brand-specific Financial Data (in this case revenues per company's 'operational segments') for valuation year (i.e. 2012) and previous year,
b) Analyse actual consolidated income statements (or P&L accounts) and identify direct costs ('cost of sales'), indirect costs and financing costs (interest) to establish potential cost savings and 'translate' these data into potential revenue increase,
c) Estimate five-year financial forecast by using consensus forecast, e.g. OECD reports and GDP growth forecasts,
d) Calculate the notional future royalty income stream for the brand by using the corporate and product brand-related performance scores,
e) Control brand architecture to assess to what degree customer stakeholders groups are confronted with the corporate brand on products or services bought from the company. Establish the Corporate Brand Advocacy Rate (BAR).

Step 6: Establish Brand Value by:

a) Establishing appropriate brand discount rate by taking into account Brand Performance Score,
b) Discount future royalty stream from brand (Step 5d) to Net Present Value (NPV).

8. General Marketing Findings

The objective of Motivaction's research
To explore and define the following among members of the four stakeholder groups (customers, suppliers, employees and investors):

- Awareness (spontaneous and prompted) of the 100 largest company brand(name)s; and
- The perception of and the preference for the 100 largest brands;
- The resulting behavioural patterns in relation to these brands;
- The opinion about overall brand performance or 'Brand Equity' results from perceptionand preferential responses;
- The Corporate Brand Performance Scores and Product Brand Performance Scores established by Brand Competence based on these 'Brand Equity' scores. These scores indicate brand strength in relation to market risks and are therefore relevant to assess the exact royalty percentages and discount rates.

Technical report on the market research conducted by Motivaction

Motivaction conducted the fieldwork for The Dutch Top 100 Corporate Brands for Brand Competence research study.
Motivaction was also involved in designing the questionnaire and analyzing the data.

Research method
The quantitative research was conducted as self-completion. This self-completion data collection was based on Computer Assisted Web Interviewing (CAWI). Respondents received an invitation by e-mail to participate in the research via a link to the online questionnaire.

Target groups
The target group **Professional Workers** consists of Dutch people with University/Technical College level education who work in companies with at least 25 employees.

The **Investors** are subscribers of the digital IEX newsletter (IEX.nl is a website 'of investors for investors').

Fieldwork
The data collection took place from the 7th till the 23rd h of June 2012 (Professional Workers and investors).

Sample
A total of 827 Professional Workers and 110 Investors were interviewed. The Professional Workers were recruited via Motivaction's Stempunt.nu research panel. The Investors were selected from subscribers of the digital newsletter of IEX.nl (via an advertisement).

Perception / Brand Awareness

The first question put to the Professional Workers (PWs, representing stakeholders like customers, suppliers and employees) was whether they could name the biggest (in terms of revenue) companies in the Netherlands ('spontaneous awareness'). This was followed by a question in which we summed up the Top 100 companies and asked the PWs whether they knew these company names (i.e. 'prompted brand awareness'). Please see Table 2 below spontaneous awareness:

Table 2 - Professional Workers: Spontaneous Brand Awareness

Rank 2012:	Company:	2012	2011	2010	2009
		%	%	%	%
1	Philips	62%	66%	64%	67%
2	Shell	52%	54%	55%	54%
3	Unilever	41%	42%	43%	37%
4	Ahold	39%	35%	17%	-
5	ING	37%	41%	36%	36%
6	Rabobank	37%	36%	34%	-
7	KPN	30%	38%	28%	28%
8	ABN AMRO	30%	33%	37%	-
9	AkzoNobel	23%	21%	21%	-
10	Heineken	19%	20%	22%	16%

The same question was put to the Investors. Please see Table 3 below.

Table 3 - Investors: Spontaneous Brand Awareness

Rank 2012	Company:	2012	2011	2010	2009
		%	%	%	%
1	Philips	86%	85%	86%	83%
2	Shell	79%	85%	85%	69%
3	Unilever	56%	64%	83%	69%
4	Ahold	55%	46%	42%	41%
5	ING	51%	65%	85%	69%
6	AkzoNobel	44%	54%	52%	48%
7	DSM	40%	45%	43%	34%
8	ASML	31%	18%	4%	-
9	KPN	30%	37%	28%	-
10	KLM Air France	27%	19%	15%	-

First of all, we would like to point out the first position of the **Philips** brand, for the fourth consecutive year. Secondly, the overall results for spontaneous and prompted awareness (not mentioned here) are quite different for companies that could also be viewed as 'Business-to-Consumer' Companies (so-called B2C) and companies considered as pure 'Business-to-Business' (B2B). For the sake of completeness we note that Professional Workers could either be working for B2B companies that buy or deliver goods and services to other companies or they could be potential customers/consumers of products or services delivered by the so-called B2C companies.
If we compare the outcome of perception/awareness in relation to B2C and B2B brands we can conclude that there are four layers of brand awareness among the researched companies:

- The 20 best-known corporate brands are brands that have substantial B2C branding activities and a relatively high Brand Advocacy Rate, i.e. the corporate brand is used more frequently for branding products and/or services. All 20 have an a prompted brand awareness of 100% among Professional Workers and Investors.

- The brands ranking from 21 to 70 are B2C as well as B2B companies; they have prompted brand awareness of between 60% to 100%.

- The brands ranking from 71 to 95 almost all belong to B2B companies with a prompted brand awareness of between 20% and 60%.

- Finally, there is a group (ranking from 96 to 110) of hardly known company brands, with awareness levels below 22%. It should be noted that we had a group of 15 'spare brands' in case non-awareness occurred. Please see Table 4 below.

Table 4: Hardly known companies by Professional Workers; 2012 - 2010 (lower than 22% promted brand awareness)

	2012	2011	2010
Accell	22%	17%	13%
Agrifirm	22%	24%	)**
AMG	18%)*		
NXP Semiconductor	18%	18%	)**
Flora Holland	17%	32%)*	
Dockwise	16%	12%	0%
Facilicom	16%)*		
Vion	13%	9%	7%
Deli Mij	11%	12%	12%
Cosun	10%	10%	4%
BCD Holding	9%)*		
ForFarmers (***)	9%)*	)**	)**
Refresco	9%)*		
TKH Groep (Twentse Kabel)	9%)**	24%)*	
Alliance Boots (Healthcare)	8%)**	20%	1%
Vebego	8%)*		
Drie Groep, Van	7%)*		
Argos North Sea Groep	6%)**	34%	
Hoogwegt	6%	3%	5%
Vitol	4%	3%	2%

)* Company name added to market research first time in this year
)** Company name changed/re-introduced during this year (former name put in brackets)
)*** New Business Combination of several companies

Brand awareness was quite high among the Investors target group; top listed companies scored between 90% and 100% on prompted awareness. Investors are familiar with most of the top 100 companies because they (like to) do business with them.

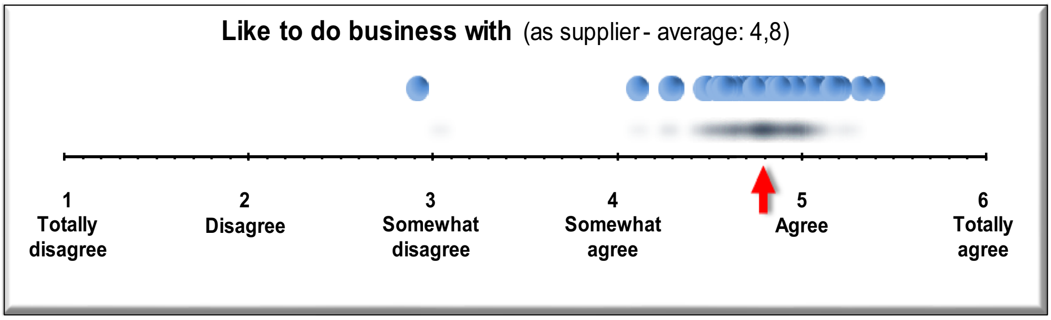
Perception / Proposition Awareness

Professional Workers were also asked about the branch to which a company they knew belonged. In this survey, we applied the branch names used by the Amsterdam Stock Exchange (FD list). A point of interest in this regard is that the branches assigned by the Amsterdam Stock Exchange are insufficiently made clear. However, it could be an indication for quite a few brands that their company's proposition awareness is too low. Again, Investors knew almost every branch to which a company belonged.

Preference / Appreciation

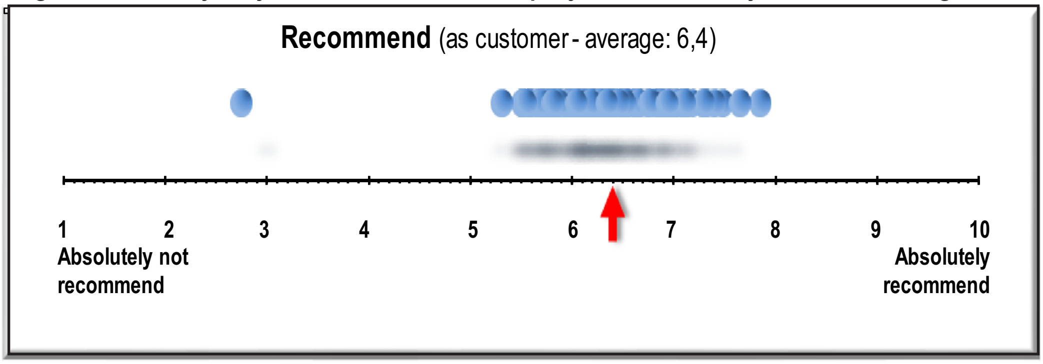
Professional Workers were then asked about their preferences and attitudes towards the companies they knew by (brand) name. These questions were in fact 'statements' with which they could:
1. Totally disagree, 2. Disagree, 3. Slightly disagree, 4. Slightly agree, 5. Agree or 6. Totally agree (i.e. on a scale of 1 to 6).
For instance, the Professional Workers were given a statement like: "As a supplier I like to do business with (name of company)". Their answers are illustrated in Figure 4 & 5 below.

Figure 4: To what extent do you agree? "As supplier I would like to do business with this company"



On average, therefore, Professional Workers agreed with this statement 'in their role of Supplier'; their average score was above 3.5. Only one of 100 companies included in this survey (represented by the blue dots in this graph) is excluded (i.e. respondents indicated their unwillingness to do business with them).
As an example of how the 1 to 10 scale works, the Professional Workers' responses to the statement: "How likely are you to recommend …. (name of company) to a friend, family member or collegue" are illustrated in Figure 5 below.
Respondents could rate their attitude towards this 'statement' with a score from 1 (very low) to 10 (very high).

Figure 5: How likely are you to recommend the company to a friend, family member or colleague?



In their role as satisfied or dissatisfied customers, Professional Workers are not highly motivated to recommend the

Dutch Top 100 companies to others (see figure 5). A score of 6.2 (on average) is sufficient for a recommendation, but not quite convincing. Some of the average responses about companies (again, represented by blue dots) even indicate they would not recommend the company (lower than 5.4), while others show they would highly recommend a company (a score of 7,9).

In addition to the 'recommendation to others' question, Professional Workers were also asked about their opinion of the 'quality of the products or services' of the Top 100 companies and about their reliability. Or they were asked to express their brand preference. By weighting the responses to these questions, we were able to compile an overall opinion about companies with which they wanted to do business. In Table 5 we list the top 10 preferences.

Table 5: Top 10 CUSTOMER Preferences

	Highest preferred companies by Professional Workers:	Average (weighted) responses to questions about Preference towards Products & Services of the Top 100 Companies (scale 1 - 6):		
Rank 2012:	**Companies:**	**2012**	**2011**	**2010**
1	Douwe Egberts	5,11	5.03	4.80
2	ASML	5,04	4.77	-
3	Hema	5,01	-	-
3	ANWB	4,98	4.97	4.63
5	Ahold	4,93	4.72	4.79
6	Philips	4,91	5.00	4.81
7	Friesland Campina	4,91	4.65	4.67
8	Heineken	4,86	4.77	4.64
9	Unilever	4,83	4,78	4,70
10	Schiphol	4,77	4.73	4.60

We did the same for the other stakeholder groups (i.e. Suppliers, Employees and Investors). See Tables 6, 7 and 8 below.

Table 6: Companies PREFERRED TO SUPPLY TO:				
	Highest Preferred Companies by Professional Workers:	Average (weighted) responses to questions about preferences by suppliers (scale 1 – 6):		
Rank 2012	Companies:	2012	2011)*	2010)*
1	ASML	5,01	3,92	3,77
2	Douwe Egberts	4,96	4,04	3,91
3	Philips	4,82	4,20	4,04
4	ANWB	4,79	4,06	3,90
5	Ahold	4,79	3,91	3,91
6	Heineken	4,79	4,02	3,92
7	Unilever	4,72	4,02	4,04
8	AkzoNobel	4,71	3,90	3,89
9	Schiphol	4,70	3,99	3,78
10	Friesland Campina	4,67	3,88	3,76

)* Factor weighting reconsidered in 2011

Table 7: Preferences of EMPLOYEES:				
	Highest Preferred Companies by Professional Workers:	Average (weighted) responses to questions about preferred employer (1-6):		
Rank 2011:	Companies:	2012	2011)*	2010)*
1	ASML	5,05	3,84	3,39
2	Douwe Egberts	4,92	4.04	3.91
3	Heineken	4,74	4.02	3.92
4	Ahold	4,71	3,71	3,86
5	AkzoNobel	4,67	3,67	3,87
6	ANWB	4,67	4,06	-
7	Unilever	4,64	4.02	4.04
8	Wolters-Kluwer	4,63	3,72	3,22
9	Friesland Campina	4,60	3,72	3,49
10	Schiphol	4,59	3,99	3,59

)* Factor weighting reconsidered in 2011

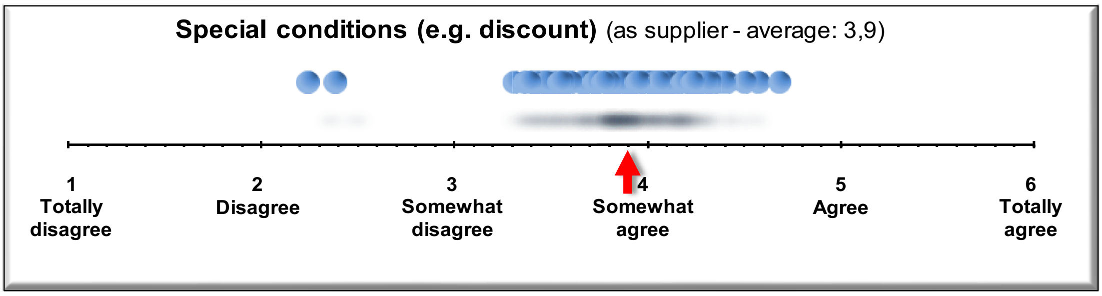
Table 8: INVESTORS Preference :				
	Highest Preferred Companies by Investors	Average (weighted) responses to Questions about preference for companies to be funded with debt or equity (scale 1-6):		
Rank 2012:	**Companies:**	**2012**	**2011**	**2010**
1	Ahold	5,28	5,05	5,33
2	DSM	5,17	5.30	4,92
3	Rabobank	5,17	5.37	5.48
4	Shell	5,15	5.41	5.50
5	Fugro	5,03	4,68	4,18
6	Imtech	4,95	5.21	5,03
7	Vopak	4,95	4,60	4,11
8	ForFarmers	4,90	-	-
9	ASML	4,89	4,65	4,12
10	Nutreco	4,87	4,21	4,50

Behaviour / Offer of special conditions

We assumed that well-regarded and highly appreciated companies could reasonably anticipate positive behaviour towards their organisation (please see Chapter 4). From the responses of the Professional Workers, we concluded that this is indeed true in most cases. For instance, the Professional Workers were asked to evaluate to the following statement: “As a supplier, I am willing to offer this company special conditions (e.g. discounts, shorter delivery time) which I would not give to just another company”.

Their answers are illustrated in Figure 6 below.

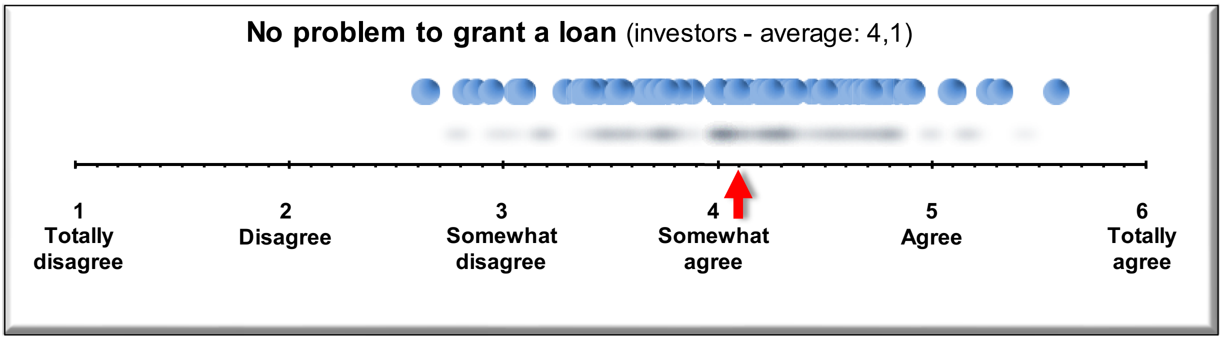
Figure 6: As supplier I would be willing to give this company special conditions (like discounts, shortened delivery periods) which I would not give to just another company.



On average, therefore, Professional Workers agreed with this statement 'in their role of Supplier'. Some of the 100 companies (again, depicted by blue dots), were excluded, i.e. respondents did not agree with the statement about offering special conditions to these firms.
Another question put to the Professional Workers concerned their attitude towards working for the specified companies. The outcome showed that most respondents were positive about the idea of working for a majority of the Top 100 companies.

Preference and Behaviour / Investors
In our survey, the target group 'Investors' was asked different questions with regard to preferences and behaviours. For instance, Investors were asked to evaluate the following statement: "No problem for me to grant a loan to this company". Figure 7 below illustrates the responses to this question.

Figure 7: No problem for me to grant a loan to this company



In their role of 'Debt Supplier', the Investor group agreed, on average, with that statement. However, rather a few of the Top 100 companies (more than last year) were excluded, i.e. respondents did not agree to the idea of providing loans to these companies. Other statements submitted to the Investors dealt with risk and investment in company shares and/or the terms of credit (e.g. issuing debt at a lower interest rate to well-known companies).

The advantage of being well-known

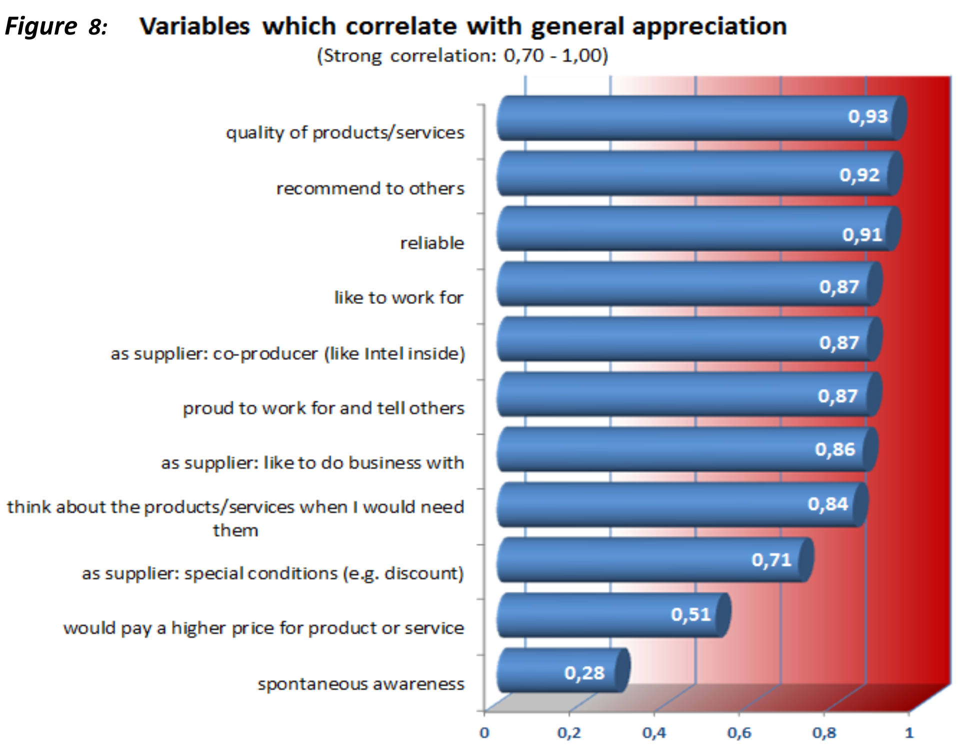
Overall, we can conclude that most well-known companies (with a high spontaneous awareness) have certain advantages. In general they benefited from:

• a higher price premium for their products and services;
• suppliers that are willing to grant better terms of business (faster delivery / more discounts);
• a greater likelihood of being recommended to others.

Relationship between appreciation and behaviour

Our contention is that 'Favourable attitudes towards the firm' lead to 'Future economic benefits'. These benefits come both via the customer stakeholder group as well as favourable behaviour from Suppliers, Employees (and potential Employees) and Investors. Our market research with Motivaction found a relationship between perception and behaviour. This relationship applied in the case of both Professional Workers and Investors. The scope of this study is to determine the effectiveness of corporate brands in converting favourable perceptions and behaviours into cashflows among target groups like consumers/customers, suppliers, (potential) employees and investors. Motivaction found a correlation between appreciation and all of the behavioural aspects of these target groups in relationship to the corporate brands under research(all with an R-squared of more than 0.7), see Figure 8:

Figure 8: Correlation with ‘general appreciation’



Motivaction concluded that for Professional Workers a higher general appreciation means:

• people believe the company stands for quality products and services;

• greater frequency of recommendation;

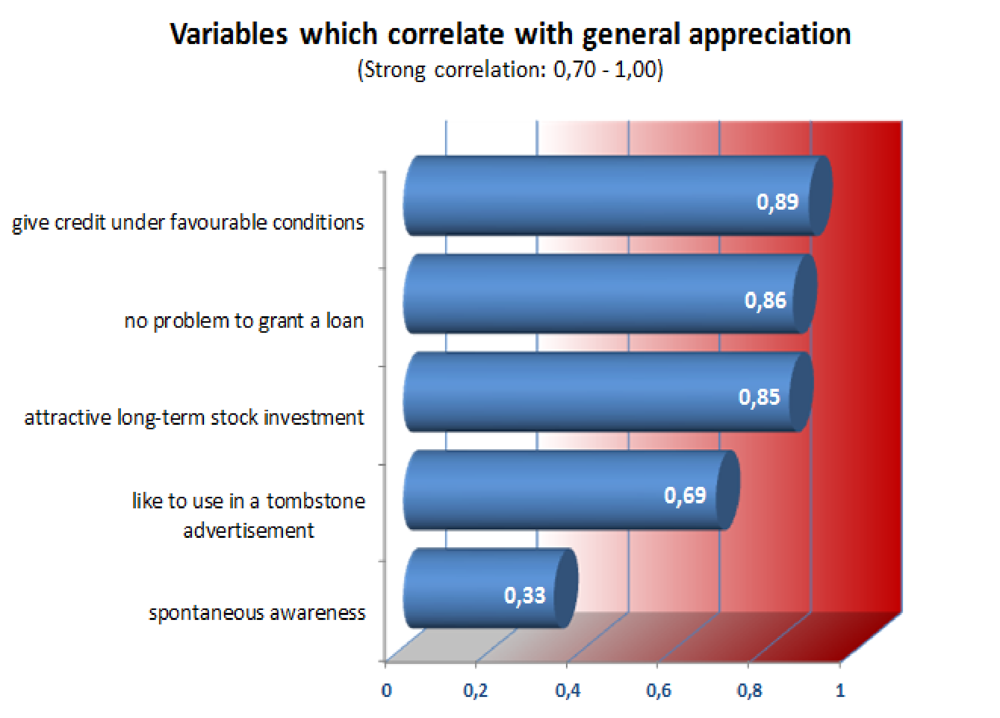
• perception of the company as more reliable;

• people like to work for the company;

• products and services in ‘evoked set’ of customers.

Relationship between Appreciation of Investors and their statements on Preference and Behaviour

The Investor target group showed a strong relationship with the general level of appreciation (R-squared all greater than 0.7). See Figure 9.



Therefore, when a company is highly appreciated, it can generally be said:

- People are pleased to be doing business with your company;
- Shares in your company will be kept for a longer period;
- Your company is able to grant credit at better terms;
- Shares in your company will be seen as a safe investment;
- It is easier to get a loan.

9. General Financial Findings

1) Shell is the most valuable Dutch corporate brand in 2012

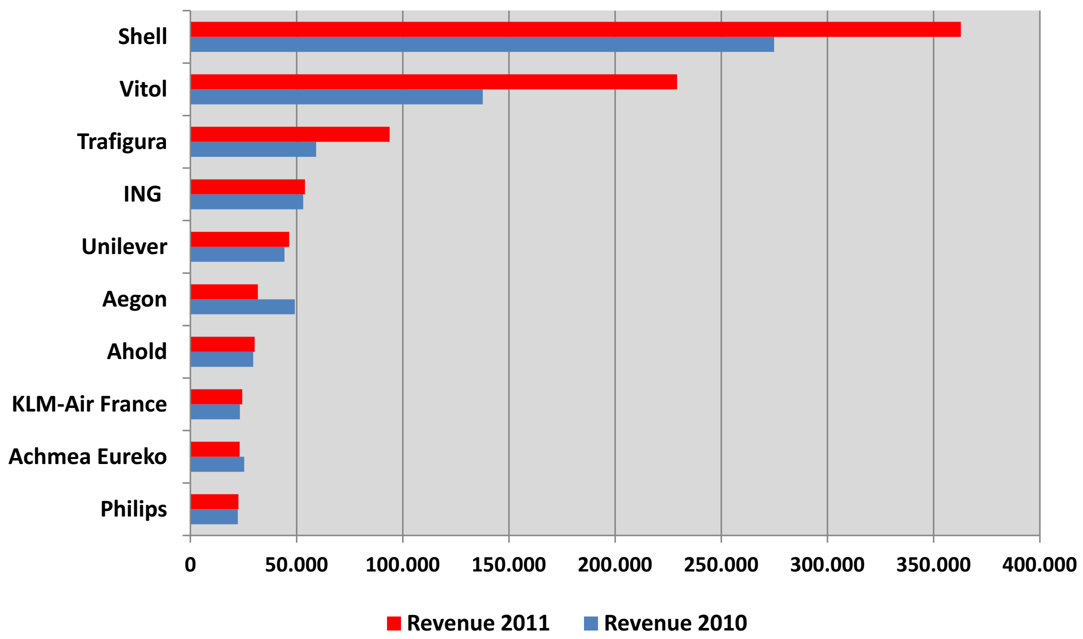
Those familiar with the 'Royalty Relief' valuation method, will understand that the high revenue generated by the **Royal Dutch Shell** company is one of the reasons that its brand is valued as the number one Dutch corporate brand. **Shell** reported overall revenue of almost € 363 billion in 2011, while the number two Dutch corporate brand – **Unilever** – sold goods for € 46,5 billion in that year. Yet, the difference between the corporate brand values of these two companies is remarkably smaller than the differences in revenue.

These relative small differences can be explained by four factors:

- Due to its 'upstream' activities **Shell** characterises itself as a business-to-business (B2B) rather than a business-to-consumer (B2C) company;
- Because of this distinguishing marketing characteristic, oil companies have lower minimal and maximal royalty rates (over revenue) than food and beverage companies;
- In addition, a lower brand performance score (BPS), in combination with lower royalty rate, lead to lower brand income (brand's cash flow) and thus to a lower present value (NPV) of the **Shell** brand, compared to brands like **Unilever** or **Heineken**;
- Nevertheless, **Shell's** high brand advocacy rate (BAR = 100%) can somewhat compensate for these differences with **Unilever** (with BAR's per 'Operational segments' of 20% to 80%).

2) Revenue among all Top 100 Dutch companies grew 4,2 % between financial years 2010 and 2011.

***FIGURE 10*: Revenue development 2010 vs. 2011 of the 10 largest Dutch companies**
(€ x million)

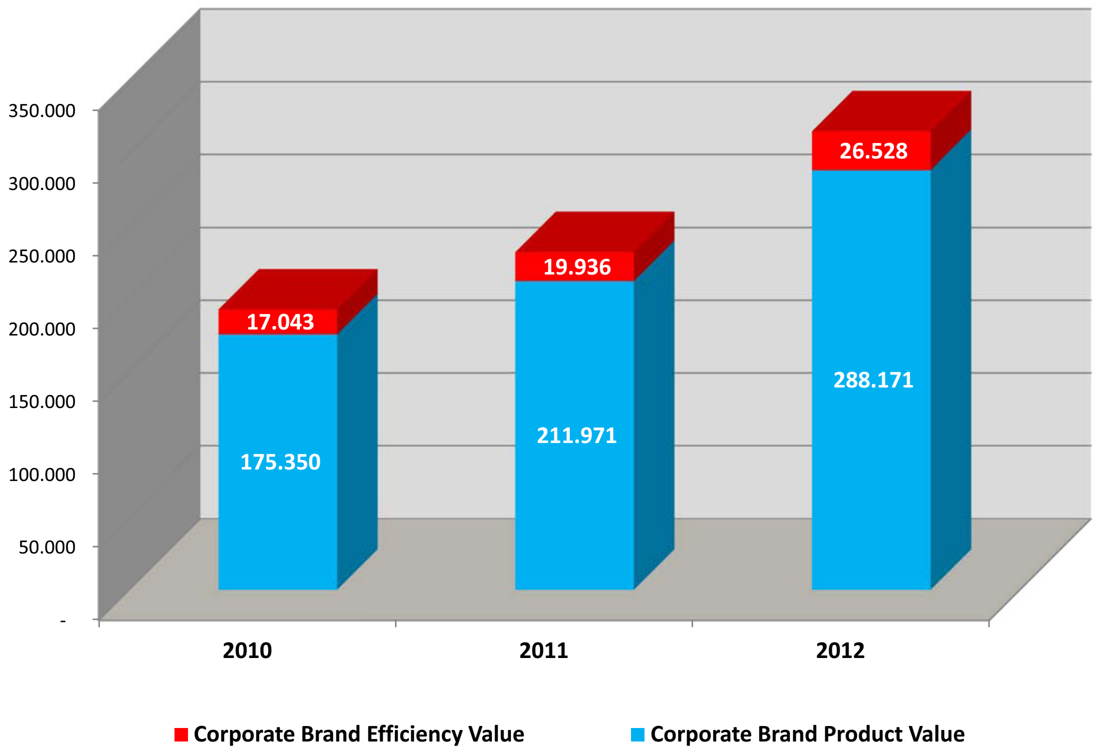


- The overall revenue of all Dutch Top 100 companies grew with 4,2% to € 1,3 billion (or, over one trillion euro's) in 2011. Revenue growth is also a result of a change in companies under research. But again this year the oil related business, with companies like **Shell**, **Vitol** and **Trafigura** improved their revenue; also due to the increase in the oil price over the year. Technology driven companies like **ASML** and **ASMI** improved their revenue, as well.

3) Corporate brand value did grow between 2010 and 2012

- As a result of the increase in financial results in 2011 (higher revenues, improved earnings and the like) the Corporate Brand Value of most Top 100 companies rose in 2012; in total from € 231,9 billion (in 2011) to € 314.7 billion (2012); please see next Figure 11:

***Figure 11*: Total Brand Value Dutch Top 100 Corporate Brands**
(€ x million)



- By august/september 2012, GDP growth rate forecasts and OECD expectations where about 0,2 % (in stead of 0,5% last year). Therefore, expected brand income will grow slower than previous years.

4) On average 92% of the 'Overall' Corporate Value' consists of the Corporate Brand Product/ or Service Value.

- When we compare the total of the Corporate Brand Product/Service Value (in figure 11) with the Corporate Brand Efficiency Value we see that the share of the CB Product/Service Value is about 92% of the "Overall" Corporate value. Yet, there are many individual differences at company level. For instance at **Ahold** the CB Product/Service Value versus CB Efficiency Value is 65%-35%. There are many reasons behind these differences in ratios. It can be due to the differences in cost savings capacities each individual company has. It can also result from the differences in royalty rates, because of differences in brand performance per target group or from the differences in brand architecture. Each company has its favourable or unfavourable situations that in influence its corporate brand value.

- In addition, it is clear that that hardly known companies (see table 4 at General Marketing Findings) do not have any corporate brand efficiency value, because they lack the 'favourable attitudes towards their firms'. This includes the fact that potential staff does not know them, so the company has to advertise or pay high fees to head hunters. And they may have to put more effort into supply chain activities to get the delivered goods at relative low prices, etc.

5) Difficulties with financial reporting

- By the middle of September 2012 not all Top 100 candidate companies presented their Annual Reports to the Chamber of Commerce, yet. Therefore we had to rely with a couple of companies on data provided elsewhere (like in their corporate brochure or website). If no Consolidated Profit & Loss account for 2011 had been made available, it was not possible for us to assess the Corporate Brand Efficiency Value for that brand.
- Not every Top 100 candidate company proper implemented the IFRS – and Dutch RJ - regulations on reporting 'Operational Segments'; some companies changed definitions of these reported segments versus a year ago and – in a few cases – no 'Operational Segment' at all was reported.

6) 'Leaps in ranking'

- Leaps in ranking are not really relevant (it only shows you the relative position between other corporate brands). It is the additional value that the corporate brand realizes, that matter. For instance a corporate brand like **CSM** lost 6 places in ranking, compared to last year, but it added almost 36% in corporate brand value over the same period, due to an improvement in Brand Performance. On the other hand some movers-up like **Blokker** and **Alliance Boots** changed 20 to 37 places in ranking and added corporate brand value, as well.

7) Change in long term market rate of interest

- As a result of the Euro crises the Dutch market rate of interest fell to unprecedently low level of 1,5% for a 10 years term. The '10 year interest rate' was basis for the interest surcharge (based on brand performance) in the Discounted Cash flow method; please see chapter 7. In the longer term of 20 years the market rate of interest goes up to 2,4%. In view of its importance in setting the Brand Discount Rate we decided to implement the 20 years term for the level of market rate interest.

The last two **general financial findings** are not real findings at all, but rather general questions or research objectives for the coming years.

8) Are we assessing the value of the corporate trade name or of the self generated 'goodwill'?

- Can the 'overall corporate brand value' be compared with company's self generated 'goodwill'? In principal, the answer to this question should be no because there may be many more elements of 'goodwill' aside from the trade name and the trade mark. These include assembled workforce, ongoing training programs and favourable government relations. And, on top of this, if the company were sold it could get an extra premium for the shareholders.

  Yet, if we consider the corporate brand as a 'bundle' of intangible assets and associated 'goodwill' there is an argument for classifying this value as self generated 'goodwill'.

9) Could 'Overall Corporate Brand Value' exceed the Enterprise Value?

- In theory this is possible. A study conducted six years ago by **PriceWaterhouseCoopers** revealed that managers thought that the value of a (product) brand could be worth 67%, on average, of the enterprise value. In a similar study five years earlier, managers thought that it would 'only' be worth 56% of that value. However, the **Coca Cola** brand was estimated at more than 85% of the enterprise value. But we are not only measuring the brand value of a single product, but of an entire portfolio and, on top of that, we also assess the value of the corporate brand itself (vis à vis target groups like suppliers, employees and investors). Based on this, we conclude that the overall corporate brand value could, to some extent, exceed the enterprise value. However, we do not think it is realistic to believe that Overall corporate brand value could be double or triple the enterprise value.

10. The Dutch Top 10 Corporate Brands Profiled

(Numbers in EUR x Million) / Values as at end of fiscal year 2011/2012 / Market Research data from May-June 2012

1. Royal Dutch Shell Plc.

Overall Corporate Brand Value:	€ 74.702
Corporate Brand Product/Service Value:	€ 71.832
Corporate Brand Efficiency Value:	€ 2.868
Corporate Revenue 2011:	€ 362.817
Corporate Brand Performance Score (on a scale 0 – 100):	91,3
Corporate Brand Royalty Rate:	0,96 %
Product Brand Performance Score (on a scale 0 – 100):	70-71
Product Brand Royalty Rate:	0,86% - 1,20%
Brand Advocacy Rate (BAR):	100%

Royal Dutch Shell is the largest Dutch enterprise listed on the Amsterdam Stock Exchange. It is also one of the biggest (Fortune Top 500) companies in the world.

Yet, the company has a totally different approach to branding compared to Unilever. Shell is what we call a ‘monolithic brand’, covering the majority of ‘upstream’ and ‘downstream’ activity.

The oil giant must manage its brand both as a corporate brand and a product brand in B2C as well as B2B markets – quite a challenge!

Shell splits its Operational Segments into **Upstream** and **Downstream** activities (according to its 2011 annual report).

2. Unilever N.V.

Overall Corporate Brand Value:	€ 33.563
Corporate Brand Product/Service Value:	€ 30.553
Corporate Brand Efficiency Value:	€ 3.010
Corporate Revenue 2011:	€ 46.467
Corporate Brand Performance Score (on a scale 0 – 100):	91,8
Corporate Brand Royalty Rate:	2,84%
Product Brand Performance Score (on a scale 0 – 100):	54 - 71
Product Brand Royalty Rate:	2,44%-6,03%
Brand Advocacy Rate (BAR):	50% - 85%

Unilever claims to meet consumers’ everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life. Their strong portfolio of food, home and personal care brands is trusted by consumers all over the world. We found proof of this in our survey, where 12 of Unilever’s product brands achieve annual revenue of € 1 billion or more. Unilever’s Top 25 Product Brands account for 70% of sales.

Unilever splits its business into **four Operational Segments:**

(1) Foods with the following top Product Brands: Knorr, Flora/Becel, Blue Band/Rama and Hellman’s,
(2) Refreshment with Lipton and Hearth brand ice creams,
(3) Personal Care with Axe/Lynx, Dove, Lux, Rexona, and Sunsilk,
(4) Home Care with OMO, Persil Automatic, Surf and many other strong detergent brands.

For the past couple of years, the Unilever corporate brand has been used as an endorsement for the Product Brands.

3. Royal Philips Electronics N.V.

Overall Corporate Brand Value:	€ 18.117
Corporate Brand Product/Service Value:	€ 17.708
Corporate Brand Efficiency Value:	€ 409
Corporate revenue 2011:	€ 22.579
Corporate brand performance score (on a scale 0 – 100):	92,5
Corporate brand royalty rate:	2,85%
Product brand performance score (on a scale 0 – 100):	86
Product brand royalty rate:	2,72%
Brand advocacy rate (BAR):	100%

Since Philips was founded by two brothers – Anton and Gerard – in 1891, the company has developed numerous inventions. It is one of the largest patent owners in the world, with more than 50,000 patented products. Examples of inventions from the last five decades include the music cassette, the home video recorder and the CD, to name a few. Yet in many instances, competitor brands claimed success with these innovations. Nowadays, Philips is far more brand-oriented. In 2011 Philips decided to discontinue its Television business. That's why Revenue is down € 2,8 billion. Its strategy is now aimed at fuelling growth by making Philips the leading brand in health and well-being. The company claims to be market leader in sectors such as home healthcare, lighting, cardiac ultrasound and patient monitoring systems. Its brand must be managed in both the B2C and B2B segments.

Philips' **operational segmentation** is: healthcare products, consumer lifestyle products, lighting products and GM&S.

4. ING Group NV

Overall Corporate Brand Value:	€ 15.517)*
Corporate Brand Product/Service Value:	€ 14.303
Corporate Brand Efficiency Value:	€ 1,214
Corporate Revenue	€ 53.126

(=Total Income Bank + Total Income Insurance) 2011

Corporate Brand Performance Score (on a scale 0 – 100):	81,4
Corporate Brand Royalty Rate:	1,41%
Product Brand Performance Score (on a scale 0 – 100):	57,0
Product Brand Royalty Rate:	1,28%/2,70%
Brand Advocacy Rate (BAR):	80%/100%

ING is a global financial institution of Dutch origin, offering banking and insurance services to consumers and businesses)*. Although the recent financial crisis has damaged trust in the banking and insurance industry in general, ING's reputation remains relatively strong. The Motivaction research was encouraging for ING's ambition to maintain its image as an excellent and trustworthy financial institution.

ING Group splits its service into banking services (most under ING brand) and insurance services (also under ING brand as well as the Nationale Nederlanden brand)*.

)* Valuations have been based on ING's current product and service propositions (2011); disinvestment plans are not taken into account.

5. Vitol Holding BV

Overall Corporate Brand Value:	€ 13.170
Corporate Brand Product/Service Value:	€ 13.170
Corporate Brand Efficiency Value:	€)*
Corporate Revenue 2010:	€ 229.186
Corporate Brand Performance Score (on a scale 0 – 100):	0
Corporate Brand Royalty Rate:	0,5 %
Product Brand Performance Score (on a scale 0 – 100):	0
Product Brand Royalty Rate:	0,5%
Brand Advocacy Rate (BAR):	80%/100%

Vitol Holding B.V. is a holding company with interests in the wholesale trade in oil and gas. Through its various global subsidiaries, it engages in oil trading and crude oil production, LPG trading, natural gas trading and marketing, bulk chemicals trading and insurance risk management.

Vitol 's operational segmentation (revenue, 2011) is:

. Crude Oil:	€ 81.025
. Gasoline & Napta:	€ 37.812
. Gas Oil & Jet:	€ 39.355
. Fuel Oil:	€ 18.520
. Other Trading:	€ 52.474

)* No Annual Report available

6. Rabobank Group N.V.

Overall Corporate Brand Value:	€ 11.779)*
Corporate Brand Product/Service Value:	€ 9.497
Corporate Brand Efficiency Value:	€ 2.283
Corporate Revenue (=Total Income) 2011:	€ 13.378
Corporate Brand Performance Score (on a scale 0 – 100):	93,4
Corporate Brand Royalty Rate:	2,80%
Product Brand Performance Score (on a scale 0 – 100):	77,0
Product Brand Royalty Rate:	3,30 %
Brand Advocacy Rate (BAR):	20%/100%

Rabobank Group is an international financial services provider operating on the basis of cooperative principles. It offers retail banking, wholesale banking, asset management, leasing and real estate services. Its focus is on all-finance services in the Netherlands and on food and agribusiness internationally. Rabobank Group is comprised of independent local Rabobank branches plus Rabobank Nederland, its umbrella organisation, and a number of specialised subsidiaries)*. The group entities maintain strong mutual ties. Rabobank Group's total employee base numbers about 59,000 FTEs, who serve about 9.5 million clients in 48 countries.

The Rabobank Group splits its business into the following 'operational segments')*:

- Domestic retail banking (brands: Rabo, Obvion, Bizner)
- Wholesale banking and international retail banking (brands: RaboBank BGZ, ACCbank)
- Asset management and investment (brands: Robeco, Sarasin, Schretlen)
- Leasing (brands: De Lage Landen, Athlon, Freo)
- Insurance (brands: Rabo, Interpolis, Eureko)

)* Valuations have been based on banks' current product and service propositions (2011); disinvestment plans are not taken into account.

7. Heineken N.V.

Overall Corporate Brand Value:	€ 11.022
Corporate Brand Product/Service Value:	€ 9.079
Corporate Brand Efficiency Value:	€ 1.943
Corporate Revenue 2011:	€ 17.123
Corporate Brand Performance Score (on a scale 0 – 100):	93,7
Corporate Brand Royalty Rate:	4,75%
Product Brand Performance Score (on a scale 0 – 100):	84,0
Product Brand Royalty Rate:	4,37%
Brand Advocacy Rate (BAR):	40%/50%/100%

Heineken is among the world's largest independent breweries. The multinational was named after its founding family, which still controls the majority of its equity.

The company's strategy is aimed at being a leading brewery in each of the geographic regions in which it operates: Western, Central and Eastern Europe, Africa and the Middle East, the Americas and Asia Pacific.

Heineken's **segmented reporting** (IFRS 8) is presented only in respect of **geographical segments.** Aside from these geographical segments, Heineken's brand portfolio strategy is clear: the principle international product brand is of course Heineken – the jewel in its crown. Alongside the Heineken brand, the company tries to position a premium (national) brand in each market (e.g. Amstel, Maes, Murphy's, Tiger, Bintang and Zywiec). In addition, the company has strong regional and local brands as well as specialty beers. Over 80% of its sales are from beer. The other 20% are from soft drinks and mineral water.

8. Trafigura Beheer B.V.

Overall Corporate Brand Value:	€ 9.807
Corporate Brand Product/Service Value	€ 9.682
Corporate Brand Efficiency Value:	€ 124.0
Corporate Revenue 2011:	€ 93.829
Corporate Brand Performance Score (on a scale 0 – 100):	42,8
Corporate Brand Royalty Rate:	1,57%
Product Brand Performance Score (on a scale 0 – 100):	27,0
Product Brand Royalty Rate:	1,16%
Brand Advocacy Rate (BAR):	60%

Trafigura Beheer B.V. is a company that is incorporated in The Netherlands.
Trafigura manages every process involved in the sourcing and trading of crude oil, petroleum products, non-ferrous and bulk commodities. Its core business is physical trading and logistics.

Trafigura's Operational Segments are:
- Oil and Petroleum sourcing and trading 72% of Revenue
- Non-Ferrous & Bulk Commodities 24% of Revenue
- Asset and Investment management 4% of Revenue

9. Aegon NV

Overall Corporate Brand Value:	€ 7.659
Corporate Brand Product/Service Value:	€ 7.318
Corporate Brand Efficiency Value:	€ 342
Corporate Revenue 2010:	€ 31.786
Corporate Brand Performance Score (on a scale 0 – 100):	77,1
Corporate Brand Royalty Rate:	1,39 %
Product Brand Performance Score (on a scale 0 – 100):	52
Product Brand Royalty Rate:	1,39%
Brand Advocacy Rate (BAR):	100%

As an international life insurance, pension and investment company, Aegon has businesses in over twenty markets in the Americas, Europe and Asia. Aegon companies employ approximately 31,500 people and serve over 40 million customers across the globe. The European branch of the company was formed in 1983 as a result of the merger between two Dutch insurance companies: AGO and Ennia.

Aegon companies in the United States can trace their roots back to the mid-nineteenth century. In July of 1999. Aegon is committed to its core businesses (Operational Segments): life insurance, pensions and investments)*.

)* New disinvestment plans are not taken into account

Tomorrow's Answers Today

10. AkzoNobel

Overall Corporate Brand Value:	€ 7,546
Corporate Brand Product/Service Value:	€ 6,642
Corporate Brand Efficiency Value:	€ 904
Corporate Revenue 2010:	€ 15,697
Corporate Brand Performance Score (on a scale 0 – 100):	91,2
Corporate Brand Royalty Rate:	2,78 %
Product Brand Performance Score (on a scale 0 – 100):	72
Product Brand Royalty Rate:	2,78%
Brand Advocacy Rate (BAR):	80%/100%

AkzoNobel makes and supplies a wide range of products in paints, coatings and specialty chemicals.
It is the world's largest global paints and coatings company, with many leading paintbrands in Western European B2B and B2C markets. It also supplies industries worldwide with quality ingredients for 'life's essentials'.
AkzoNobel's headquarters are based in Amsterdam. World wide, AkzoNobel has over 60.000 employees. In early 2008 AkzoNobel acquired ICI, which had - among others - the well known Dulux brand in its portfolio

AkzoNobel's operational segmentation is (Revenue 2011, € x million):

Decorative Paint:	€ 5.296
Performande Coatings:	€ 5.170
Specialty Chemicals:	€ 5.335

11. Additional Research Opportunities

Is your company mentioned in this Dutch Top 100 Corporate Brand list?
If so, as a follow-up the companies researched in this project (the Dutch Top 100 Corporate Brands) can be provided with additional results from the existing research material.

Based on the results of the 2012 joint Brand Competence and Motivaction research, we can provide your company with:

A. Company Report 2012, which consists of the specified marketing data on your company, marketing data of a selected peer group, additional financial analysis by Brand Competence of your company (and peer group) and/or additional SSPS analyses of the marketing data.
B. Company Report 2012 **'Extra'**, that is comprised of the above report with additional SSPS analyses on the marketing data and additional financial analyses. These may include valuation per brand, corporate cost savings opportunities and the like.
C. **Repeat** of Top 100 Corporate Brands research project in **2013.**
Field work is planned for April/May 2013, with the end report to be published at the end of August 2013. The same companies will be invited to participate in this survey. In addition to this year's target groups (i.e. the Professional Workers and the Investors) the companies themselves will be questioned about their brands. The direct results of this survey will only be used in the general report on a consolidated level (not per brand). However, individual companies can order detailed reports about their brand values. If a company report is ordered you will also receive details on the direct responses from respondents during the market research.

To request additional research opportunities / (annual) follow-up research please contact:

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