

‘Brand USA’ value plummets by \$1.2 trillion since April 2011 according to Brand Finance plc.

- Brand Finance plc. today releases figures showing the dramatic impact of the economic situation on the value of ‘Brand USA’.
- ‘Brand USA’ is downgraded to AA-, as its brand strength falls to a 10 year low
- The rising value seen in the last two years falters, as the value of ‘Brand USA’ falls 10% since April 2011 to \$11.4 tn

With stock markets continuing to slump, new data shows there is a significant decline in ‘Brand USA’s’ value. Nation brand values are produced through a detailed analysis of economic data, perceptual market research data and infrastructure measures producing a combined score out of 100. For ‘Brand USA’ decreases are apparent across all inputs. Infrastructure scores dropped from 77 to 76 points, economic measures fell from 74 to 64 points and the brand equity measure slipped from 71 to 61.

As the world’s biggest economy, ‘Brand USA’ is still significantly more valuable than the next nearest nation. However the drop in brand strength has been caused by inflation, cost of capital, reduced capital, higher unemployment and declining image abroad. If ‘Brand USA’ had been given the AA- rating in the Brand Finance Nations Brand Index (published in May 2011), it would fall below Canada, Australia and South Korea in brand strength.

David Haigh, CEO of Brand Finance plc, comments:

“‘Brand USA’ is under enormous pressure as a decade of crises in business and foreign policy have been joined by serious economic problems. Low consumer spending, a static property market and the sovereign debt credit downgrade have all taken their toll on the value of ‘Brand USA’. At the same time other developed and emerging nation brands are performing better and growing in value. The economic crisis and double dip recession will accelerate these differences, with further shifts likely in the near future.”

Ollie Schmitz, Director of Nation Brand Valuation, Brand Finance plc adds:

“Prior to the recession, ‘Brand USA’ communicated strong and desirable values in everything from popular culture and entertainment to food and retailing brands. However, as a result of the current economic situation the brand strength has now dropped to its lowest score since tracking began in 2000. Once the global benchmark, emerging markets across the globe will now look to other nations to take the lead signalling exceptionally testing times for the ‘Brand USA’ in the future.”

The full Brand Finance plc Nation League Table 2011 and methodology is available upon request from Brand Finance plc.



Figure 1: Brand Strength Index for USA



Figure 2: Brand Strength Index by attribute



Figure 3: Brand Value in trillion dollars



Brand Finance plc

James Baker

Tel: 0207 389 9400

Email: j.baker@brandfinance.com

Team Spirit

Ursula Delaney

Director

Tel: 020 7360 7878

Email: udelaney@teamspiritpr.com

Notes For Editors

About Brand Finance plc Nations Brand Index

The BrandFinance® Nation Brands Index, developed in conjunction with Simon Anholt the nation branding guru, is the most extensive and thorough analysis of nation brand values. It is calculated by applying a similar methodology to the one used to value commercial brands. The analysis uses detailed economic data, infrastructure data and perceptual market research data to rate and then value each nation brand.

About Brand Finance plc

Brand Finance plc is an independent global business focused on advising strongly branded organisations on how to maximise value through effective management of their brands and intangible assets. Since it was founded in 1996, Brand Finance plc has performed thousands of branded business, brand and intangible asset valuations worth trillions of dollars. Its clients include international brand owners, tax authorities, IP lawyers and investment banks. Its work is frequently peer-reviewed by the big four audit practices and its reports have been accepted by various regulatory bodies, including the UK Takeover Panel.

Brand Finance plc is headquartered in London and has a network of international offices in Amsterdam, Athens, Bangalore, Barcelona, Cape Town, Colombo, Dubai, Geneva, Helsinki, Hong Kong, Istanbul, Lisbon, Madrid, Moscow, New York, Paris, Sao Paulo, Sydney, Singapore, Toronto and Zagreb.