



Blackberry, Thomson Reuters Ranked Amongst the World's Top Brands

Description

Every year, a company by the name of Interbrand [posts their annual list of the world's 100 most valuable brands](#). As implied by the title, the only two Canadian companies that made the cut for the most recent list were **Thomson Reuters** (TSX:TRI,NYSE:TRI) and **Blackberry** (TSX:BB,NASDAQ:BBRY).

Interbrand, which labels itself as the world's largest brand consultancy, works with many of the world's best known companies to bolster their brand. What was once thought of as no more than a logo, the concept of branding has steadily grown in importance as corporate executives, and investors, now understand the important role it can play in a business's day-to-day success.

To value a brand, Interbrand uses 3 criteria. The financial performance of the branded products or services are measured, the role of the brand in the purchase decision process is gauged, as is the overall strength of the brand.

The combination of these three items led Interbrand to determine that the Thomson Reuters brand was worth about \$8.4 billion, good for 44th on the most current list. Sandwiched between **Heineken** and **MasterCard**, Blackberry checked in further down the list in 93rd spot with a brand valued at \$3.9 billion.

Both brands have slipped from their all-time highs. Thomson peaked in 2011 when its brand was valued at \$9.5 billion. Blackberry achieved its pinnacle in 2010 at \$6.8 billion.

Interbrand sighted a loss of market share to rival Bloomberg as well as some organizational turmoil as reasons for the decline in Thomson. We probably need not go into the reasons behind Blackberry's tumble. Let's just say, they've been well documented.

Foolish Takeaway

With a current market cap of \$7.1 billion, Blackberry currently trades at a multiple to Interbrand's brand value of just 1.8. This compares to Thomson which trades at a multiple to its brand value of 3.3. The world's top 2 brands, **Coca-Cola** and **Apple**, trade at a multiple to their brand value of 2.3 and 5.3 respectively. Especially when we consider Apple's multiple, this is just one more metric that indicates

Blackberry is cheap, if it can survive. The results of this year's Z10 and Q10 rollouts are likely to dictate whether or not this company moves up in next year's ranking or disappears off the list for good.

The Canadian market is dominated by financial institutions and resource companies, none of which made it onto Interbrand's top 100 list. To help diversify your portfolio away from our relatively narrow market, the Motley Fool has created a special **FREE** report that you can download today by simply [clicking here](#). "**3 U.S. Companies That Every Canadian Should Own**" profiles 3 more companies that made the Interbrand list, one of which was ranked 4th overall. [Click here now](#) and we'll send you the report – **FREE!**

*The Motley Fool's purpose is to help the world invest, better. [Click here now](#) for your free subscription to **Take Stock**, The Motley Fool Canada's free investing newsletter. Packed with stock ideas and investing advice, it is essential reading for anyone looking to build and grow their wealth in the years ahead.*

[Follow us on Twitter](#) and [Facebook](#) for the latest in Foolish investing.

Fool contributor Iain Butler does not own any of the companies mentioned in this report. David Gardner owns shares of Apple. Tom Gardner owns shares of MasterCard. The Motley Fool owns shares of Apple and MasterCard.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NASDAQ:TRI (Thomson Reuters)
2. NYSE:BB (BlackBerry)
3. TSX:BB (BlackBerry)
4. TSX:TRI (Thomson Reuters)

Category

1. Investing

Date

2025/08/23

Date Created

2013/06/12

Author

tmfohcanada

default watermark