

Advertising Age

These three pages are an excerpt from Ad Age's 100 Leading National Advertisers Special Report (June 25, 2007)

TV STILL RULES, BUT THE NET IS SHOWING GAINS

MEDIA MIX: The 100 top advertisers put 59% of 2006 measured spending into TV, down from 67% in 1980. Internet's share: 5.5%

By **BRADLEY JOHNSON**
bjohnson@adage.com

TV HAS COMMANDED more than 50% of measured ad spending for the 100 Leading National Advertisers every year since 1959. But TV has fallen sharply from the dominant position it long held.

To be sure, TV still is the top medium for leading advertisers. TV last

year accounted for 59% of U.S. measured spending in consumer media—TV, radio, newspapers, magazines, outdoor, internet—for the 100 LNA companies, according to an Ad Age DataCenter analysis of TNS Media Intelligence data. That's down from about 64% in 2000 and the range of 67% to 69% from 1970 to 1990.

The internet last year drew 5.5% of measured spending for the 100 top

advertisers, up from just 0.8% in 2000. As the internet gains, print loses. Newspapers' share of 100 LNA measured spending in consumer media slumped to 11.6% in 2006 from 15.4% in 2000.

Magazines' share of measured spending has been comparatively stable in recent decades. For each 10-year mark from 1970 to 2000 and then for 2006, magazines' share of measured

spending for the Top 100 held in a narrow band of 15.5% to 16.6%.

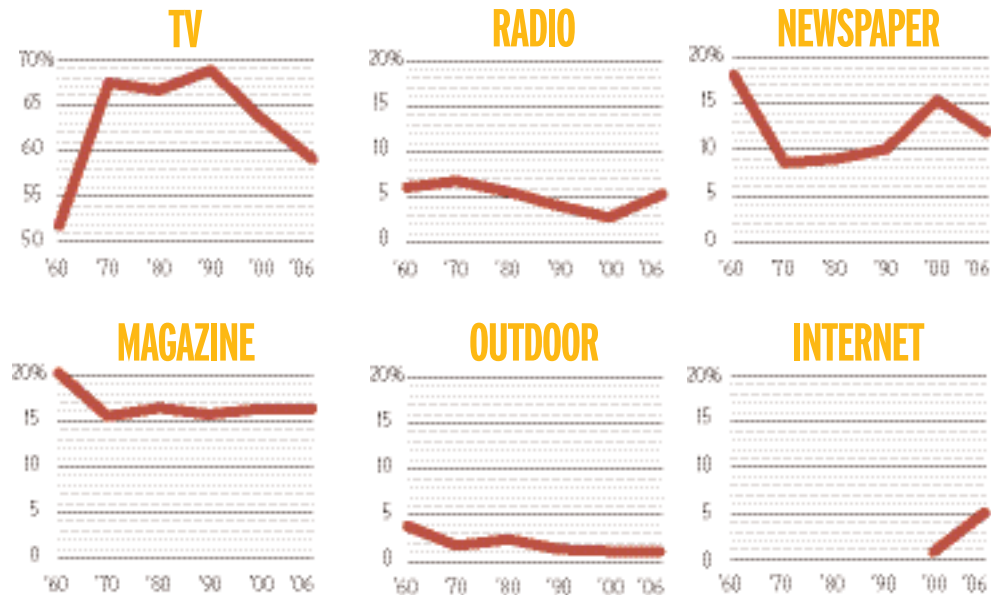
How have spending priorities changed for key marketers? The DataCenter analyzed measured spending from 1960 to 2006 for eight companies that, in various incarnations, have been members of Ad Age's 100 LNA roster since 1960.

These companies have seen fortunes rise and fall amid mergers,

breakups and mutating strategies. For some, spending priorities have changed dramatically. General Motors Corp. had two-thirds of measured spending in print media in 1960; print's share last year was 28%. Yet some media priorities haven't changed. At Johnson & Johnson, magazines have consistently been a strong No. 2 medium, after TV, since 1960.

SPEND TREND: WHERE THE MONEY GOES

How the 100 Leading National Advertisers' U.S. measured ad spending was apportioned over time. Share of money that went into each medium



U.S. measured spending for TV, radio, newspapers, magazines, outdoor and internet. Radio is estimated for 1960. Source: DataCenter analysis of Ad Age's Leading National Advertiser reports, 1961-2007

100 LEADING NATIONAL ADVERTISERS: HISTORIC MEDIA TRENDS

AD SPENDING BY MEDIUM, 1960-2006

How U.S. measured spending priorities have changed over the decades for eight top marketers

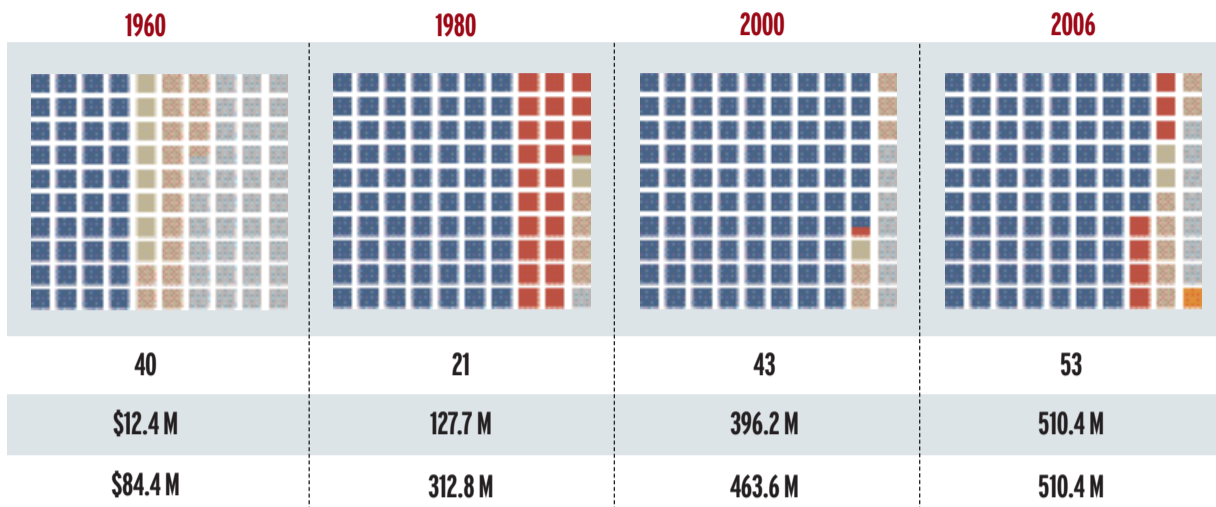
■ TV ■ RADIO ■ NEWSPAPER
■ MAGAZINE ■ OUTDOOR ■ INTERNET

ANHEUSER-BUSCH COS.

Anheuser-Busch's measured spending in 2006 was 41 times the level of 1960, tracking with sales (revenue last year was 39 times that of 1960). A-B's spending grew more slowly than the ad market; measured consumer media spending last year was 47 times the level of 1960.

TV accounted for 40% of A-B's measured spending in 1960. By 1970, TV had grabbed more than half of A-B's budget. That mirrors the ad market; TV accounted for 40% of overall U.S. measured ad spending in 1960 and 55% in 1970. TV rules A-B advertising, but TV's share declined this decade as A-B boosted spending in other media both old (radio, magazines) and new (the internet).

MEDIA SPENDING BREAKOUT (ONE BLOCK REPRESENTS 1 PERCENT-AGE POINT)



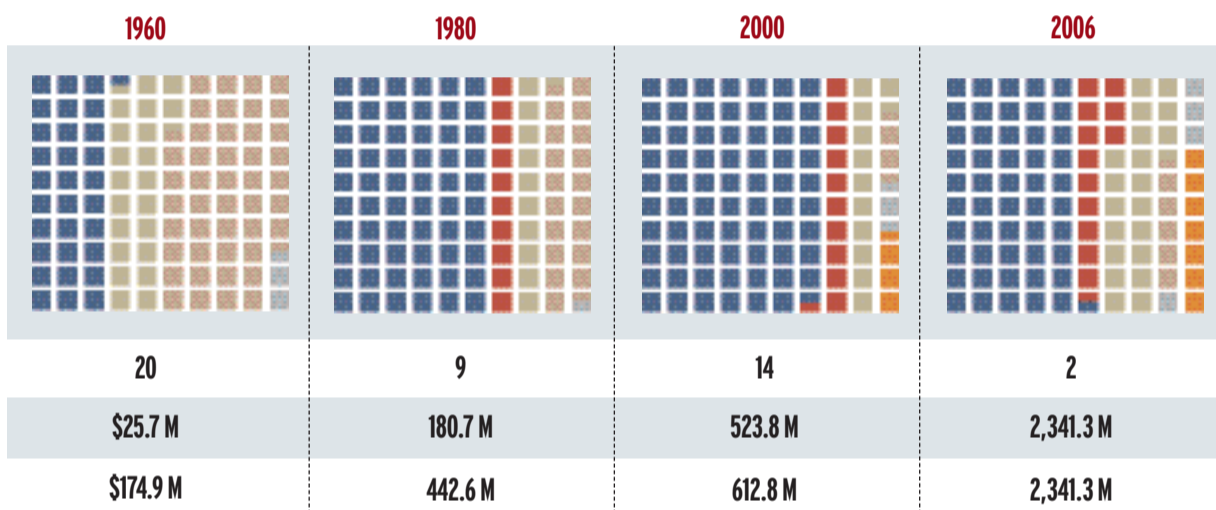
AT&T

Back in 1960, the old AT&T put two-thirds of its budget into magazines and newspapers; TV accounted for 30.5%.

By the '70s, AT&T was spending a majority of its money on TV. After the 1984 Bell System breakup, AT&T invested heavily in TV in the long-distance wars. TV accounted for 69% of measured spending in both 1990 and 2000.

The new AT&T Inc.—SBC plus Cingular, AT&T Corp. and BellSouth—last year put half of measured spending in TV. Newspapers' 2006 share (20.6%) wasn't far from the 1960 share (about 22%). The internet last year accounted for a comparatively high 7% of measured spending.

MEDIA SPENDING BREAKOUT (ONE BLOCK REPRESENTS 1 PERCENT-AGE POINT)

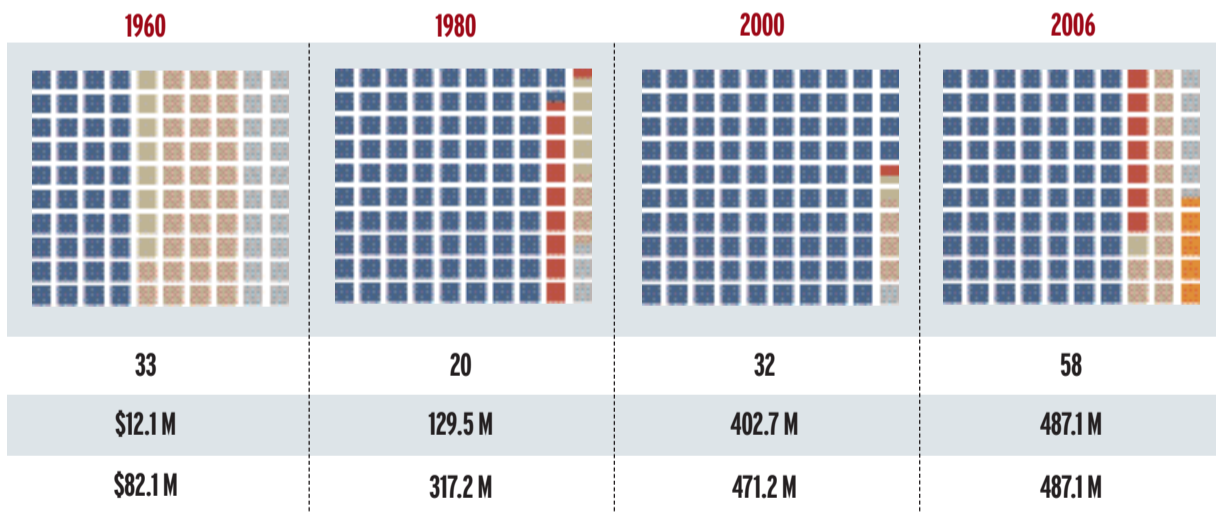


COCA-COLA CO.

Coca-Cola measured media as share of U.S. revenue rose to 7.3% in 2006 from an estimated 4.6% in 1960. U.S. revenue last year was an estimated 30 times the level of 1960, the year Coca-Cola launched Sprite and bought Minute-Maid; 2006 spending was 40 times that of 1960.

TV was Coca-Cola's top medium then and now. TV's share of measured spending rose from 40% in 1960 to 81.6% in 1980 and 94% in 2000. But it's fallen sharply since then; TV last year accounted for 70% of measured spending. Magazines' share tumbled from 32% in 1960 to about 3% in 1980, '90 and '00. But magazines got back in the mix, snaring 12% of measured spending last year.

MEDIA SPENDING BREAKOUT (ONE BLOCK REPRESENTS 1 PERCENT-AGE POINT)

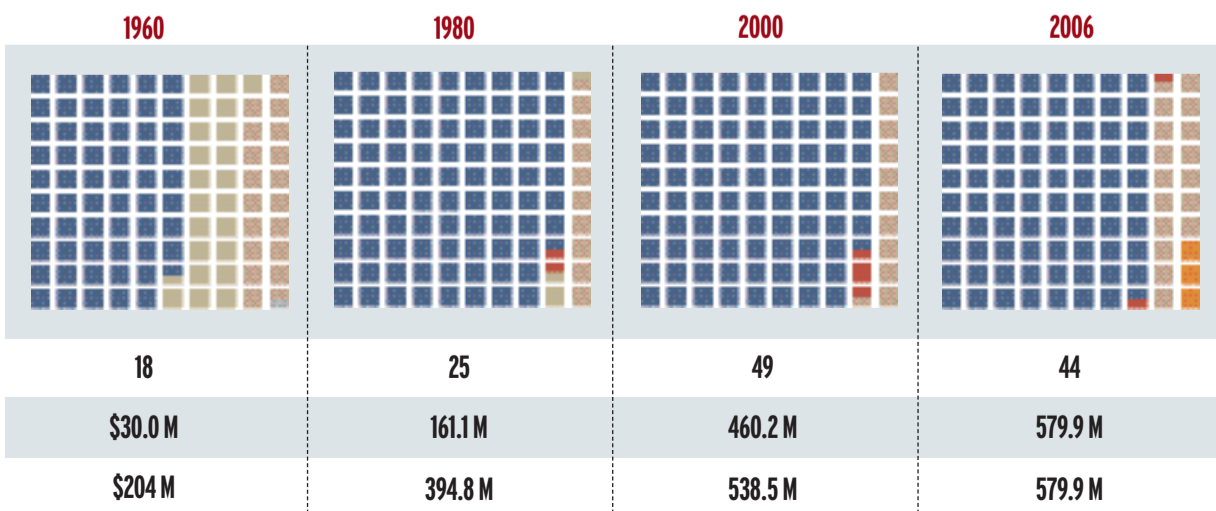


GENERAL MILLS

General Mills in 1960 ranked as the No. 18 U.S. advertiser and second-largest food advertiser (after General Foods). General Mills bought another 100 LNA company (Pillsbury), but others got far bigger; last year, General Mills ranked No. 44 on the LNA list and third in food, after Kraft (including the old General Foods) and Nestlé.

TV's share of measured spending jumped from 58.3% in 1960 to 92.7% in 1990. TV's share fell to 79.5% by 2006; magazines helped fill the void. Magazines' share had tumbled from 18.6% in 1960 to 4.7% by 1990, but magazines last year accounted for 16.5% of General Mills' measured spending.

MEDIA SPENDING BREAKOUT (ONE BLOCK REPRESENTS 1 PERCENT-AGE POINT)



100 LEADING NATIONAL ADVERTISERS: HISTORIC MEDIA TRENDS

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GENERAL MOTORS CORP.

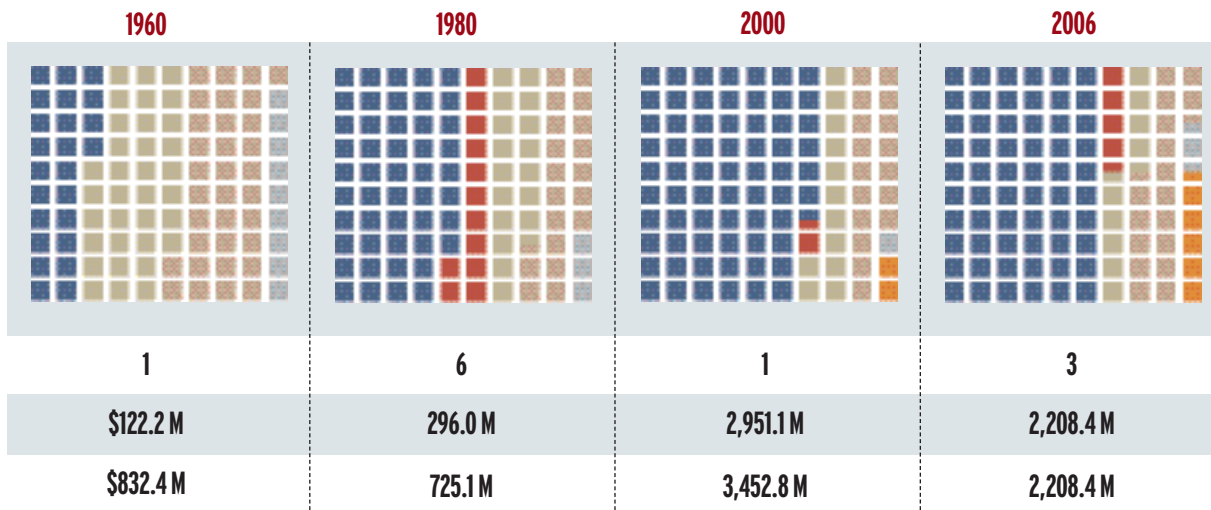
In 1960, General Motors led the U.S. auto market (with a 44% share) and the LNA list. Magazines and newspapers each snared one-third of measured spending; TV got 24%.

Flash forward to 2006: GM's share was down to 25%, ad spending was tumbling and TV was on top but slipping (60.1% vs. 71.6% in 1990). Print's share has plunged over time, yet magazines (18.2%) and newspapers (9.9%) last year still commanded a hefty share of spending. Internet snared 5.4% of GM's measured spending.

GM is down but hardly out: In 2006, it was the No. 2 network TV advertiser, No. 4 in magazines, No. 6 in outdoor, No. 7 in newspapers and No. 10 on the internet.

MEDIA SPENDING BREAKOUT

LNA RANKING
MEASURED AD SPEND ...
... ADJUSTED FOR INFLATION



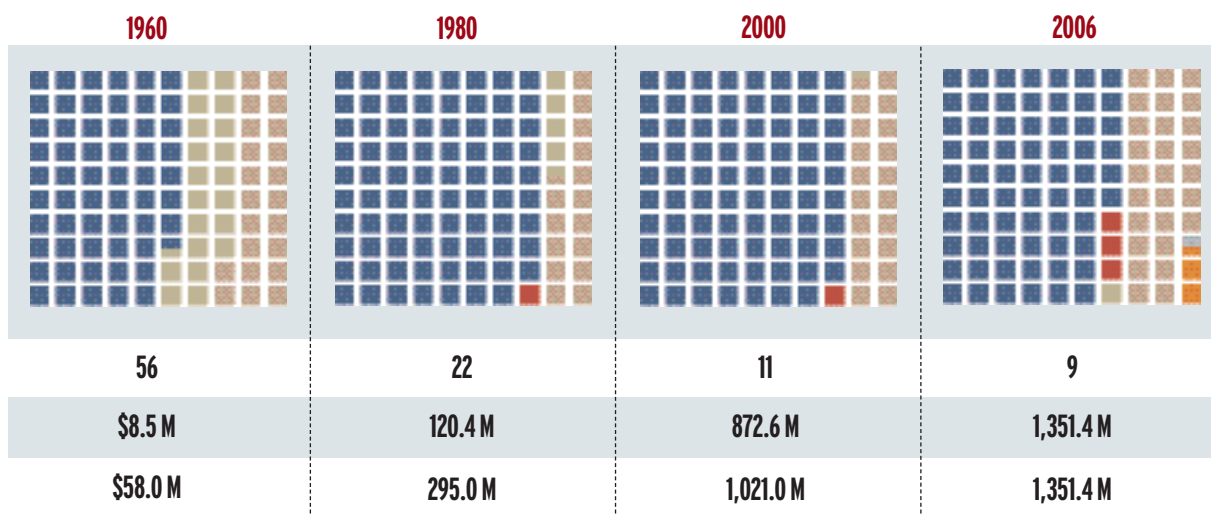
JOHNSON & JOHNSON

Johnson & Johnson ranked No. 56 among the 1960 LNA with measured spending of \$8.5 million. Last year, it ranked No. 9, with measured advertising approaching \$1.4 billion (including spending for brands J&J bought last year from Pfizer).

Johnson & Johnson's U.S. measured spending last year was 159 times its 1960 level. What's interesting is what hasn't changed. TV's share of measured spending wasn't dramatically different in 2006 (66%) vs. 1960 (57.6%). Magazines were Johnson & Johnson's second-largest ad medium in both 2006 (27.2% of measured spending) and 1960 (22.1%).

MEDIA SPENDING BREAKOUT (ONE BLOCK REPRESENTS 1 PERCENT-AGE POINT)

LNA RANKING
MEASURED AD SPEND ...
... ADJUSTED FOR INFLATION



PROCTER & GAMBLE CO.

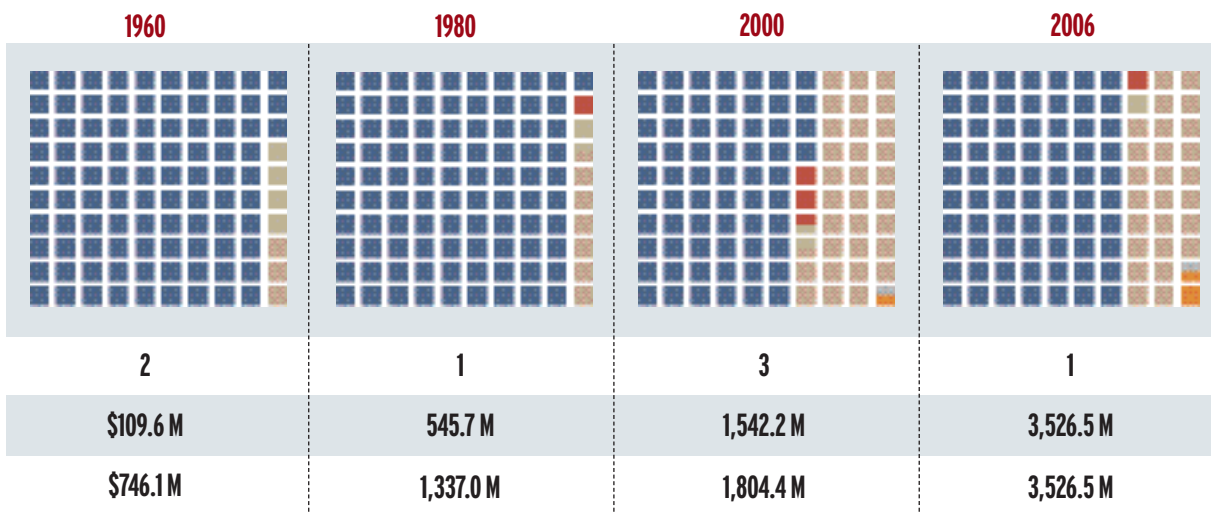
P&G was the No. 2 ad spender in 1960 and No. 1 in 2006. Familiar positions; P&G has been No. 1 or No. 2 for 50 of the 52 years Ad Age has ranked the LNA. P&G's measured spending last year was 32 times its 1960 level; revenue in fiscal 2006 was 44 times that of 1960. P&G accounted for 4.7% of 100 LNA spending in '06 vs. 4.5% in 1960.

P&G today includes two other members of 1960's 100 LNA list (Gillette, Richardson-Merrell) along with other acquired companies such as Clairol and Noxell.

The biggest shift in P&G measured spending: less TV. In 1960, '70 and '80, TV accounted for more than 90% of P&G measured spending. TV's share in '06: 69.9%.

MEDIA SPENDING BREAKOUT

LNA RANKING
MEASURED AD SPEND ...
... ADJUSTED FOR INFLATION



SEARS HOLDINGS CORP.

Sears, Roebuck & Co. ranked as the No. 11 advertiser in 1960, and Sears Holdings last year ranked No. 17. But what a trip: Between then and now, Sears stumbled through strategies, lost its position as top retailer (to Wal-Mart), exited insurance (Allstate, No. 78 on the LNA list) and was swallowed in 2005 by Kmart, creating Sears Holdings.

Amid Sears' changes, TV's share of measured spending has been relatively stable: 66% in 1960 and in the range of 55% to 58% in 1990, 2000 and 2006. Magazines' share has fallen over time; newspapers' share has risen. About 3% of measured spending last year went into the internet.

MEDIA SPENDING BREAKOUT

LNA RANKING
MEASURED AD SPEND ...
... ADJUSTED FOR INFLATION

