Plain Packaging to Wipe Millions Off the Value of Tobacco Brands

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- **Research from Brand Finance suggests plain packing will wipe out millions in brand value**
- **Valuation and strategy agency Brand Finance has valued the world's top tobacco brands**
- **Marlboro is the world's most valuable tobacco brand, valued at US$13.1 billion**
- **However like many other tobacco brands its value is already in decline**
- **Click here for the full results and report**

MPs have just voted to approve the introduction of plain packaging for cigarettes in England.

Tobacco companies have historically been some of the most determined brand-builders, investing billions to develop the allure of cigarettes and to distinguish their brands. Marlboro is one of the most iconic brands from any category and at US$13.1 billion is more valuable than household names such as Starbucks (US$11.1bn), L'Oreal (US$12.5bn) and Kellogg's (US$7bn).

Creeping regulation, the gradual decline in smoking in western markets and more recently the spread of plain packaging in countries such as Australia and Ireland mean that cigarette brand values are already declining. According to Brand Finance's research, Marlboro, Winston, Camel and Pall Mall have already lost brand value this year, as much as 21%. However today's decision is perhaps the most significant blow yet to manufacturers, rapidly accelerating brand value losses and encouraging other governments to follow suit.

Brands are hugely valuable intangible assets that in many cases account for over a third of the value of a business. The prohibition of other forms of consumer communication has made packaging absolutely fundamental to the ability of manufacturers to maintain and develop brands that have been built over decades. Neutralising it has therefore been argued to amount to the destruction or appropriation of business assets. Though a controversial standpoint, it is one that will no doubt form part of industry efforts to block or delay the implementation of legislation both in the UK and abroad.

Brand values for hundreds of the world's top brands from all industries can be found on Brand Finance's website.

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Note to Editors

2015 brand values are calculated in USD with a valuation date of 1/1/15. More information on our methodology can be found on our website here.

About Brand Finance

Brand Finance is the world's leading brand valuation and strategy consultancy, with offices in over 15 countries. We provide clarity to marketers, brand owners and investors by quantifying the financial value of brands. Drawing on expertise in strategy, branding, market research, visual identity, finance, tax and intellectual property, Brand Finance helps clients make the right decisions to maximise brand and business value and bridges the gap between marketing and finance.

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