

# FORTUNE

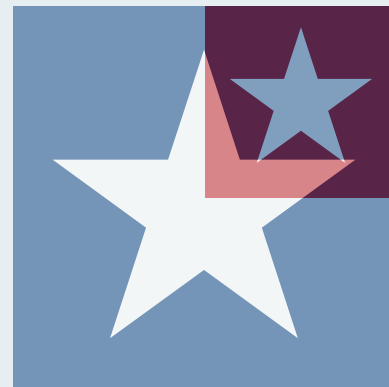
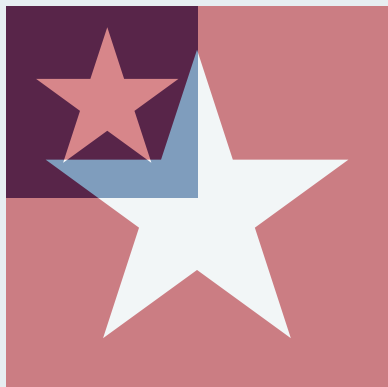
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America's  
**Most  
Admired  
Companies**

# WHERE COMPANIES RANK IN THEIR INDUSTRIES



## The Most Admired list

is the definitive report card on corporate reputations. Our survey partners at Hay Group started with the FORTUNE 1,000—the 1,000 largest U.S. companies ranked by revenue—and the top foreign ones operating in the U.S. Hay sorted them by industry and selected the ten largest in each. To create the 63 industry lists, Hay asked executives, directors, and analysts to rate companies in their own industry on eight criteria, from investment value to social responsibility. Only

the best are listed: A company's score must rank in the top half of its industry survey.

To create the top 20, an overall list of Most Admired Companies, Hay Group asked the 3,322 executives, directors, and securities analysts who had responded to the industry surveys to select the ten companies they admired most. They chose from a list of companies that ranked in the top 25% in last year's survey, plus those that finished in the top 20% of their industry. Anyone could vote for any company in any industry. The difference in voting rolls is why some results

can seem anomalous; for example, Southwest Airlines is one of the top five Most Admired Companies but is second in its own industry.

A total of 616 companies in 68 industries were surveyed. Due to insufficient response, the results of 29 companies in five industries are not reported: health care, pharmacy and other services, home equipment, furnishings, precision equipment, tobacco, and printing. Thus, 3M is No. 14 on the overall list even though its industry—precision equipment—did not have enough responses to merit a category.

## EIGHT KEY ATTRIBUTES OF REPUTATION

To arrive at each company's score on the industry rankings, we averaged the scores of these eight criteria

**Innovation**

**People management**

**Use of corporate assets**

**Social responsibility**

**Quality of management**

**Financial soundness**

**Long-term investment**

**Quality of products/services**

## 54. Aerospace and defense

| 2006/2005 |   |                     | SCORE |
|-----------|---|---------------------|-------|
| 1         | 1 | United Technologies | 7.37  |
| 2         | 5 | Boeing              | 7.33  |
| 3         | 2 | Lockheed Martin     | 6.93  |
| 4         | 8 | Raytheon            | 6.72  |
| 5         | 3 | Northrop Grumman    | 6.72  |
| 6         | 4 | General Dynamics    | 6.72  |