

THE PERFORMANCE THEATRE 2009 • WASHINGTON DC

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THE INSPIRED LEADERSHIP AWARD





“At Johnson & Johnson, we expect leaders to grow their business and, at the same time, make us proud of the way they do it.”

William Weldon
Chairman and CEO
Johnson & Johnson

According to Fortune it is the world’s fifth most admired company; Barron’s says it is the world’s most respected. It is one of the largest and most valuable businesses on earth. Yet it does not chase attention, and it is not often written about.

Though Johnson & Johnson walks softly, its consumer brands – Band-Aid, Tylenol, Listerine and Neutrogena, to name a few – resonate almost everywhere. William Weldon, Johnson & Johnson’s Chairman and CEO, has deftly navigated the company through the recent financial crisis (J&J is now only one of five remaining AAA-rated companies) – all the while raising the bar for social and environmental standards.

The company has been added to both the Dow Jones Sustainability Index and the FTSE4Good Index. In the past two years, Newsweek has named it one of the world’s most environmentally responsible companies, and the Boston College Center for Corporate Citizenship has designated it one of the world’s most socially responsible companies.

The foundation of J&J’s strong ethics is its Credo, written in 1943 by Chairman Robert Wood Johnson. Its famous opening words are: “We believe our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services.” Many companies have fine-sounding missions, but J&J’s Credo remains a living document. Weldon travels around the world to talk to employees moving into leadership positions, asking them bluntly how they plan to apply the Credo.

The J&J Credo doesn’t mention shareholder return until the final sentence. And it makes no grand promises: “When we operate according to these principles, the stockholders should realise a fair return.” Weldon has himself emphasised this point, saying the company is committed to “not necessarily the absolute best return we could deliver, but a fair return”.

Yet by following that humble philosophy, J&J has produced some of the best long-term shareholder returns in all of global business. J&J’s market value is greater than that of Toyota, Chevron, Berkshire Hathaway and many other top performers. At 10.5%, its compound annual growth rate over the past hundred years has been remarkable.

Behind Johnson & Johnson’s success is the inspired leadership of William Weldon, who demonstrates that modern business excellence demands social and environmental excellence. For this, he is the winner of the 2009 Inspired Leadership Award.

Geoff Colvin
Senior Editor at Large at Fortune Magazine
Chair of the Inspired Leadership Award Committee

About the ILA Criteria

The Performance Theatre Foundation established the Inspired Leadership Award in 2006 to celebrate global business pioneers – exemplary leaders who are helping to steer the world to a better future.

ILA winners are:

- leaders of businesses with a **global impact**
- **visionaries**, with an ability to anticipate trends on the horizon and meet their challenges
- driven by values and the **highest moral and ethical standards**
- **outstanding performers**, with a track record of delivering environmentally sustainable growth

Past recipients:

Ratan Tata, Chairman of Tata Group (2008)
Lars G. Joseffson, President and CEO of Vattenfall (2007)
Sir Richard Branson, Chairman of Virgin (2006)

About the ILA Committee

The recipient is chosen by unanimous vote by an international committee. The committee's current members are:

Geoff Colvin (committee chair), author and Senior Editor at Large at Fortune Magazine

Dr Osvald M. Bjelland, Chairman of The Performance Theatre Foundation

Professor Wangari Maathai, founder of the Green Belt Movement and Nobel Peace Prize laureate

Michael Nobel, Chairman of the Nobel Charitable Trust

Vladimir Pozner, President of the Russian Television Academy

Nan Richards, Deputy CEO of Phorm

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