

Company Survey Johnson & Johnson

Instructions: The Part 4 Company Survey contains five sections: Company Capsule, Financial Data, Company Culture, Investor Info, and In the News. Complete the questions and activities for each section as you study Part 4 of the textbook. Each section offers specific instructions and research tips.

Company Capsule

Instructions: Fill in the following chart with information about Johnson & Johnson. Use the Johnson & Johnson Web site (www.jnj.com) and Hoover's Online (www.hoovers.com) to locate this basic company data.

Research Tips: Use the "Our Company" links on the Johnson & Johnson Web site to locate basic company data. On the Hoover's Online site, use the "Companies & Industries" link and then search for Johnson & Johnson using the **Search** function.

Corporate Headquarters Address:	
Phone:	
Year Incorporated	
Most Widely Recognized Johnson & Johnson Product	
Number of Employees	
Current CEO	
Number of Members on the Board of Directors	
Top Competitors (list three)	
Types of Products/Services Offered. Name three product divisions.	

Financial Data

Instructions: Answer the following questions about Johnson & Johnson financial data.

Research Tips: Use the 2001 Johnson & Johnson Annual Report and the Johnson & Johnson Web site to answer the following questions.

1. What gross sales were reported in 2001? Does this figure represent an increase or decrease over prior year sales? By what percentage?
2. Review the balance sheet for 2001. If merchandise inventories were found to be \$2,798 million at year-end 2002, what adjusting entry would be necessary? Assume that no merchandise inventory adjustments have been made during fiscal 2002.
3. What net earnings were reported for 2001? For 2000?
4. What types of non-current assets are listed on the 2001 balance sheet?
5. Prepare a postclosing trial balance for Johnson & Johnson based on the 2001 balance sheet.
6. What reversing entry might be required for salaries, wages and commissions on January 1, 2002?

Company Culture

Instructions: Answer the following questions related to Johnson & Johnson's company culture, work environment, and social responsibility.

Research Tips: Use both the "Our Company" and "In The Community" links on the Johnson & Johnson Web site to find answers to the following questions.

1. Describe one philanthropic initiative or program sponsored by Johnson & Johnson in each of these areas:
 - a. Children's health
 - b. Access to health care
 - c. Professional development
2. Discuss the work and family programs that Johnson & Johnson provides to help its employees balance home and work life. Explain what features you might appreciate in this work environment. What other benefits would you require as an employee?
3. As a manufacturer of consumer and pharmaceutical products, what environmental factors do you think Johnson & Johnson must be sensitive to?

4. Use the “Careers” link on the Johnson & Johnson Web site to identify the finance-related jobs available with Johnson & Johnson or any of its affiliate companies. Describe the job that most interests you. Where is the job located? What education does the position require? What work experience does the position require? What are the central responsibilities of the job?
5. What U.S. health care issue most concerns you today? How do you think a company like Johnson & Johnson could effect change to this problem or concern? Explain your answer.

Investor Info

Instructions: Answer the following questions about investment options in Johnson & Johnson.

Research Tips: Use the “Investor Relations” links on the Johnson & Johnson Web site to research answers to these questions.

1. What is the current stock price for Johnson & Johnson common stock?
2. What dividend was last paid to stockholders of record? On what date was the dividend paid?
3. Many investors use ratio analysis to evaluate the financial condition of a company. Using the 2001 Annual Report, compute the current ratio for Johnson & Johnson.
4. Calculate the inventory turnover for 2001.
5. Are these calculations positive indicators of the health of the organization? Why or why not?

In the News

Instructions: Use the Yahoo Business Web site (biz.yahoo.com/n/y/y0022.html) to locate a recent news article about Johnson & Johnson. Enter the company symbol “JNJ” to search for articles. You may wish to focus on drug innovations, finance, legal proceedings, or health care reform. Review the company press release archive to see if the company offered any response to the article or to the news issue. Deliver a brief oral presentation to your class about the article. Ask for impressions and responses from your classmates.