

# Services and Software Solutions



IP-Valuation GmbH

1.

Intangible Assets

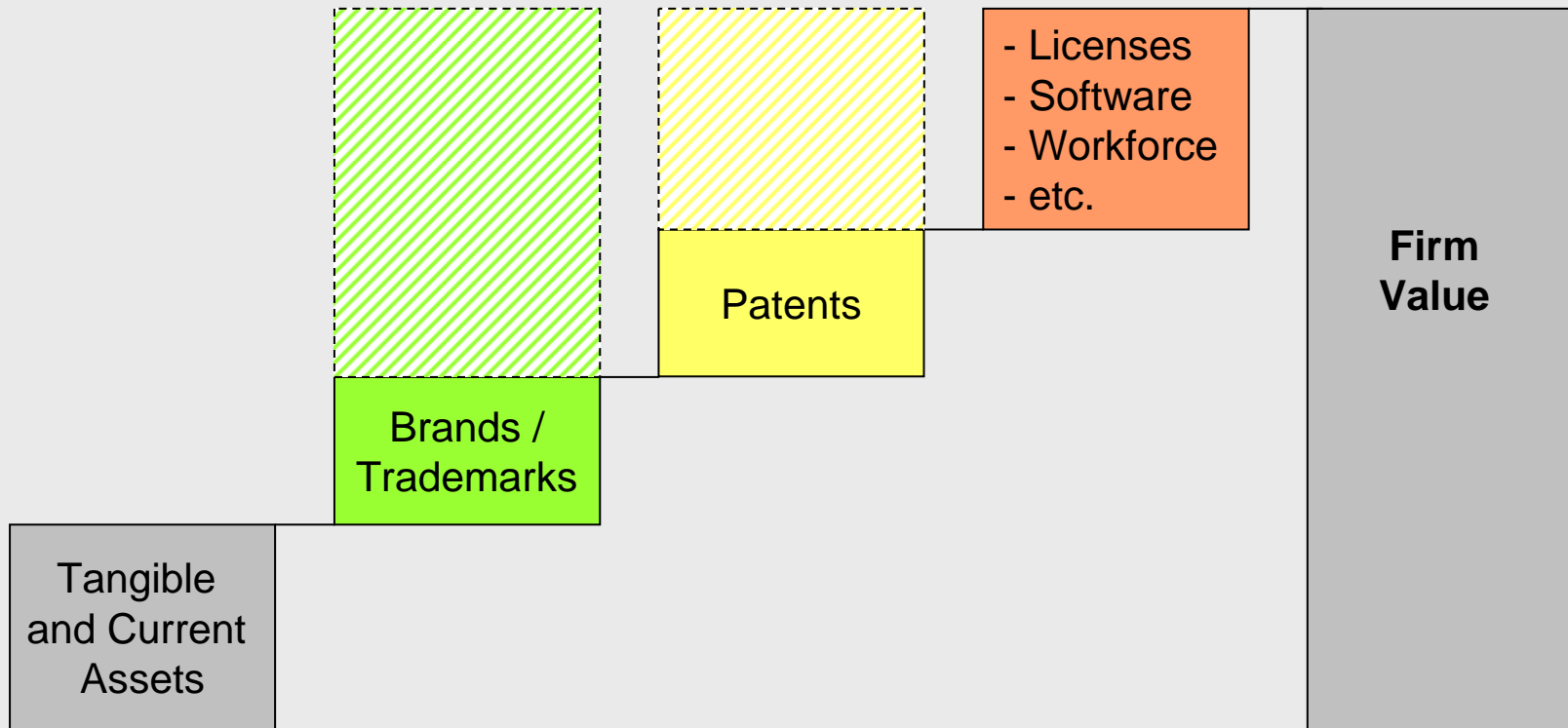
2.

Consulting Services of IP-Valuation

3.

Trademark Valuation Software BrandValue

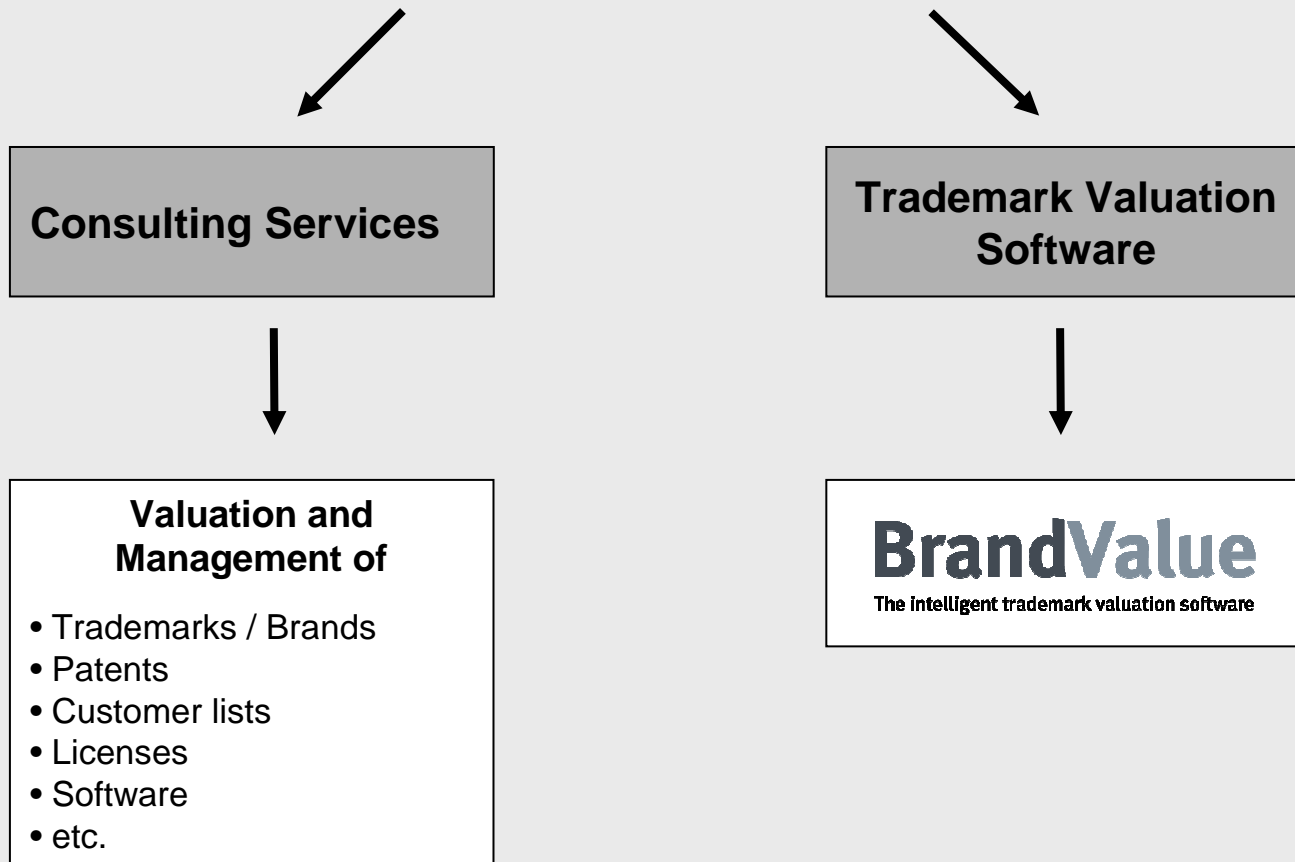
## Importance of Intangible Assets



## Valuation Purposes

- Purchase or sale of intangible assets and M&A activities
- In-house reporting
- Loan security (Basel II) / Sale-and-lease-back
- Calculation of royalty rates for intangible assets
- Litigation
- Intangible asset management, e.g. brand management
- Accounting for intangible assets according to IFRS and US-GAAP
  - ➔ Annual impairment test
  - ➔ Accounting for intangible assets after mergers & acquisitions

## Business Segments of IP-Valuation GmbH



1.

Intangible Assets

2.

Consulting Services of IP-Valuation













3.

Trademark Valuation Software BrandValue

### Consulting Services of IP-Valuation

- **Valuation of intangible assets**
  - Valuation of various types of intangible assets, e.g. brands, patents, etc.
  - Preparation of detailed and transparent valuation reports
- **Value-based management of intangible assets**
  - Identification of the value proposition of IP within your business model
  - Optimization of your IP-investments and your IP-controlling
- **Corporate financing with intangible assets**
  - Brands and patents can be used as valuable financing instruments for investor negotiations, loan security, rating-optimisation (Basel II) or sale-and lease-back
- **Licensing and accounting of intangible assets**
  - Determination of robust and defensible royalty rates for intangible assets
  - Impairment-tests of intangible assets

### Advantages of IP-Valuation

Problems of external valuations		Solutions IP-Valuation GmbH	
	Duration: 6-14 weeks	Duration: 2-5 weeks	
	Customer is strongly involved (much time and effort necessary)	Highly time-efficient	
	Very expensive	Cost-efficiency	
	Numerous subjective parameters and indicators	High degree of standardization and objectivity	
	Black box	Detailed and transparent valuation reports	
	Accounting standards are not fulfilled	National / International accounting standards are fully complied with	

### German Institute of Certified Accountants (IDW)

Requirements of the valuation standard IDW S 5 – <i>Principles of valuing intangible assets</i>	IP-Valuation GmbH
Consideration of the legal protection of the asset	✓
Determination of future asset-derived earnings / cash flows	✓
Use of net present value techniques	✓
Asset specific discount rate	✓
Traceability and transparency	✓

### **IFRS-Certificate of Prof. Dr. Claus-Peter Weber\***

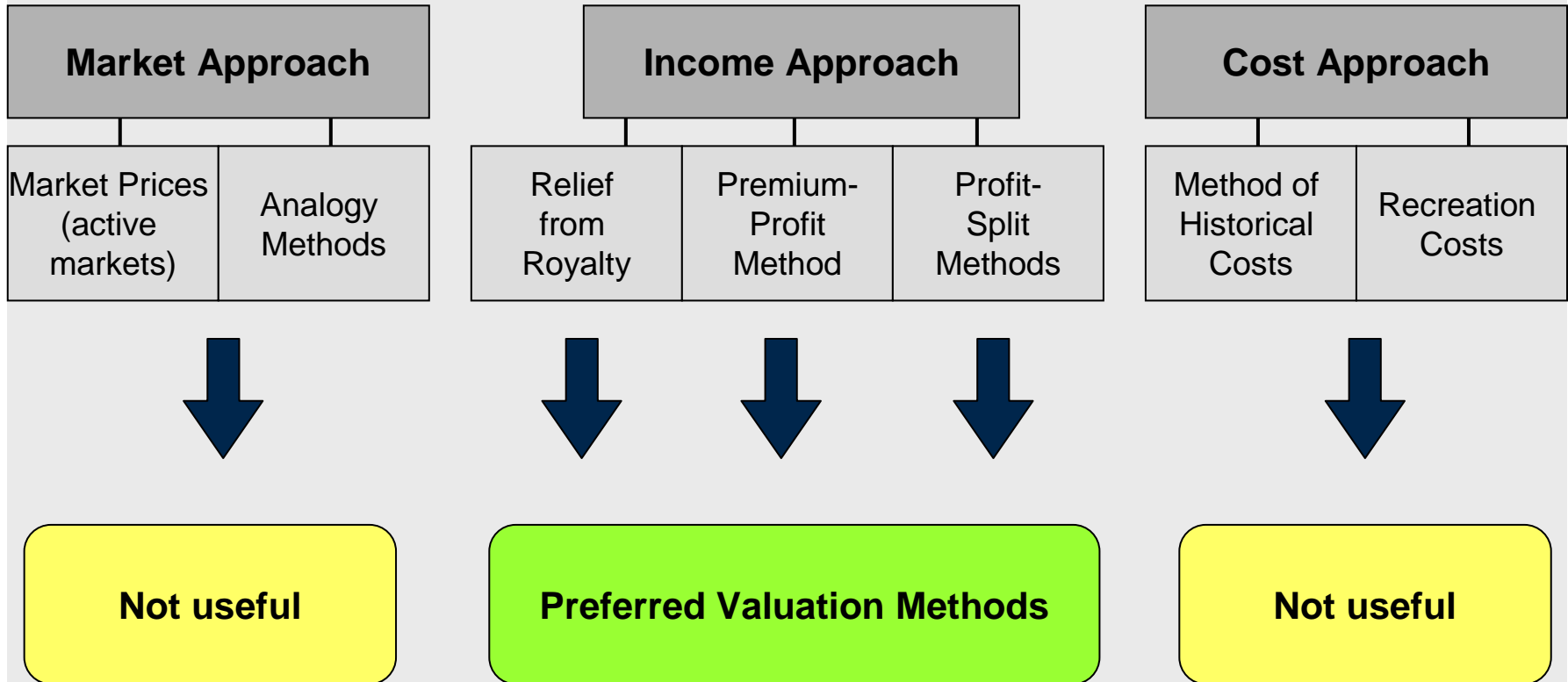
Extract from Prof. Dr. Claus-Peter Weber's report:

*„IP-Valuation GmbH's trademark valuation method „BrandValue” is a very good method for determining trademark value for all kinds of financial valuation purposes.“*

*"The trademark valuation method designed by IP-Valuation GmbH is, as a market-oriented valuation, a suitable and accurate method of carrying out a fair value acquisition-valuation of trademarks in accordance with IAS 38 and IFRS 3."*

*"For the subsequent valuation the trademark valuation method is, as a market-oriented valuation, a suitable way of calculating the fair value for the prescribed impairment test in accordance with IAS 36."*

### Valuation Methods for Intangible Assets



### Two ways of valuing intangible assets

**Net present value  
of market-oriented  
earnings  
or royalties  
of the  
intangible asset**

**Market-oriented  
Value**

**Net present value  
of company-specific  
earnings  
or royalties  
of the  
intangible asset**

**Company-oriented  
Value**

**Net present value  
of market-oriented  
earnings  
or royalties  
of the  
intangible asset**

**Market-oriented  
Value**

- Perspective of an external buyer who buys only the intangible asset and no other assets like real estate, production facilities, etc.
- Based on peer group data

→ Valuation Purposes:

Purchase or sale of intangible assets,  
Fair value (US-GAAP und IAS/IFRS),  
Loan security,  
etc.

- Determines the value of intangible assets to owners
- Based on owner-specific cost and capital structures

→ Valuation Purposes:

Internal reporting,  
Management of intangible assets,  
etc.

A large green arrow pointing downwards, containing the text 'Net present value of company-specific earnings or royalties of the intangible asset'.

**Net present value  
of company-specific  
earnings  
or royalties  
of the  
intangible asset**

A green rectangular box with a black border, containing the text 'Company-oriented Value'.

**Company-oriented  
Value**

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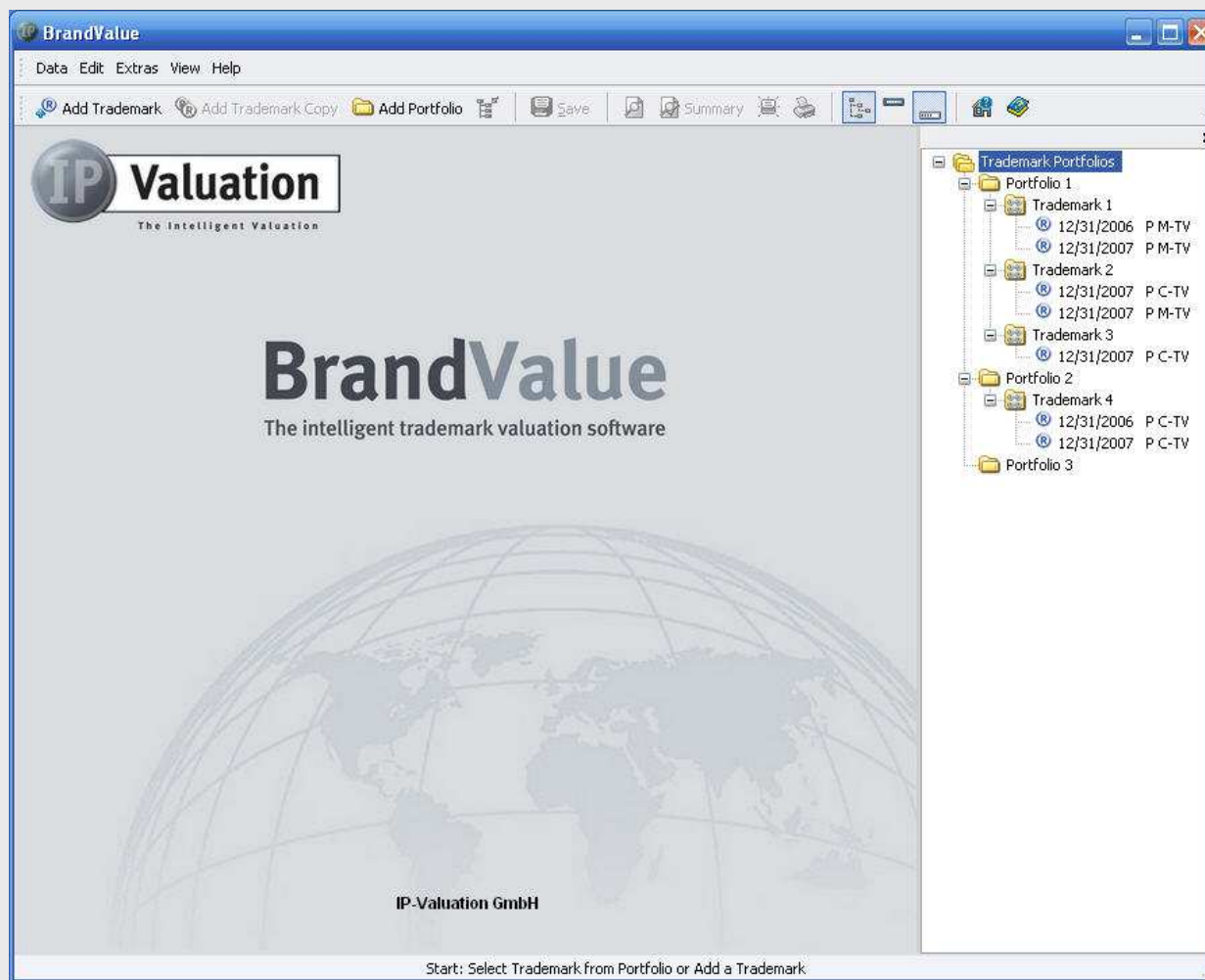
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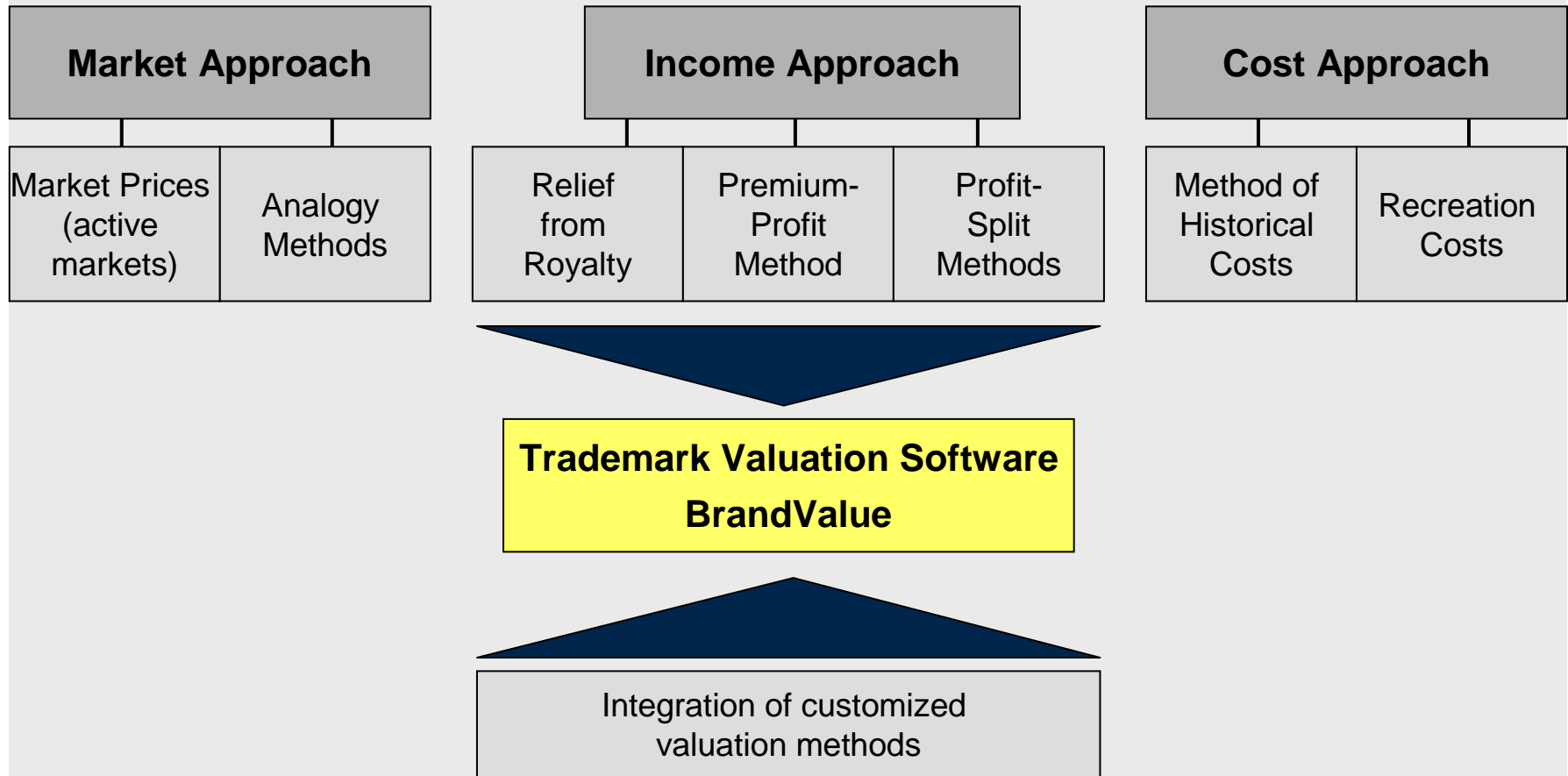
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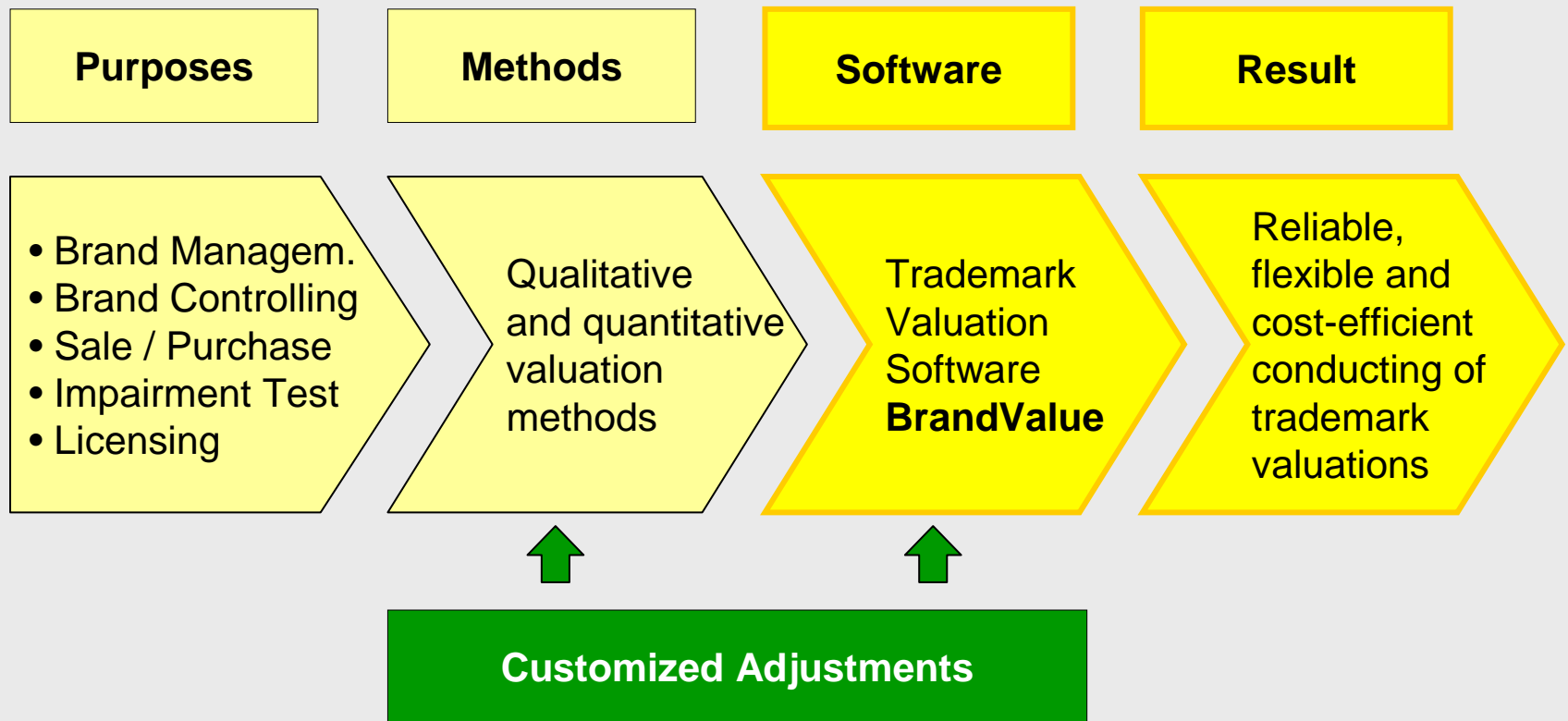
# 3. Trademark Valuation Software



## Trademark Valuation Methods



## Trademark Valuation Software BrandValue



### Software BrandValue - Advantages

- Flexible and independent trademark valuation
- Easy realization of scenario and sensitivity analyses
- Select between different valuation approaches
- Detailed and transparent valuation reports available as pdf, excel, or word files
- Effective management of trademark values in separate portfolios
- Access to numerous databases incl. updates
- Cost-efficiency
- National and international accounting standards are fully complied with

### **TÜV-Certificate according to ISO-Standard**

**TÜV Product Service GmbH**  
TÜV SÜD Group

The trademark valuation software BrandValue was certified according to the ISO-Standard 12119 by the TÜV Product Service GmbH in 2009

**ISO / IEC 12119:**

„Information technology – Software packages – Quality requirements and testing“

# Thank you



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