

Intangible Asset Valuation

MAXIMIZING VALUE THROUGH KNOWLEDGE™

Companies today realize that a substantial portion of value is associated with intellectual property and intangible assets such as patents, trademarks, brand names, non-compete agreements, and technological know-how. With today's growing service and technology markets, intangible assets can be the most significant value driver in a company. Typically, intangible assets are categorized as follows:

- Marketing related - trademarks, patents, brand names.
- Technology related - proprietary technology, technical expertise.
- Contract related - non-compete agreements, licenses.
- Human capital related - skilled workforce, workforce in place.
- Customer related - customer and referral relationships.
- Computer related - software, development tools.
- Goodwill related - going-concern and synergistic value.

Adams Capital's professionals have significant experience valuing intangible assets for the following purposes:

- Transactions - for the sale, purchase, or license of the intangible asset, purchase price allocation (ASC 805), and assessment of business value.
- Financial Reporting - for purchase price allocation (ASC 805) and goodwill impairment testing (ASC 350).
- Financing - to securitize or collateralize asset-based lending or cash flow lending.
- Taxation - to comply with regulations regarding intangible asset amortization deductions, abandonment loss deductions, intangible asset transfer, charitable giving, and federal and estate tax planning.
- Bankruptcy - to value an estate in bankruptcy, debtor-in-possession financing, refinancing, and restructuring.
- Litigation - to support value in divorce, infringement, fraud, lender liability, and breach of contract cases.
- Management planning - to support and aid in general strategic planning.

Intangible asset valuation is a detailed process that requires the complete understanding of a business and the intangible asset's impact on the business. We analyze the future income stream associated with the specific asset, the market price of comparable assets, and the current cost to re-create or duplicate an asset. Please call us to discuss the benefits of intangible asset valuation.