

ability to correctly choose and assess all relevant points. Furthermore, the more often the SIM is applied, the more accurate the respective benchmarks will become, since data from previous valuations can be utilised.⁵⁹⁹ Hence, influence of auxiliary calculations and subjectivity will decrease the more often the SIM is applied.

4.2.2 Widespread Acceptance

Given the fact that the SIM is presented in detail here for the first time, it cannot have gained widespread acceptance yet. Time will have to prove whether this will be the case in the future.

In the light of its comprehensive yet systematic and transparent nature, the SIM has the potential to become widely accepted. The fact that it yields end results in monetary terms, is applicable to all types of brands and intellectual property assets and in the course of all forecasting valuations is likely to be beneficial in this regard.

4.2.3 Manageable Output

As a management tool, the SIM needs to bring about manageable output. This means it must meet the requirements of future orientation and comparability of results.

4.2.3.1 Future Orientation

As elaborated above, one can recognise a good strategic valuation methodology in how successfully it is able to, amongst others, deal with future-related uncertainties and risks.⁶⁰⁰ For purposes of managerial decision making, which is per se future oriented, it is of central importance to apply a valuation tool which makes allowance for this.

The Systematic Integrated Methodology has been specifically developed as a business tool for forecasting valuations. As already specified, it is suitable for all future-related valuations and therefore meets the requirement of future orientation.

⁵⁹⁹ Cf. 4.1.2.2.2.

⁶⁰⁰ Cf. e.g. 1.2.

4.2.3.2 Comparability of Results

Ideally, a valuation methodology shall provide for both absolute and relative, i.e. comparative, valuations. An absolute valuation result can be obtained by means of single application of any valuation method. However, contrary to such a single valuation, it is not until the valuation result is comparable to others that it is considerably more meaningful and useful.⁶⁰¹

Such increased usefulness by means of comparability of valuation outcomes is achieved by the SIM mainly in two aspects: valuation object and time.⁶⁰²

Comparability of results as to the valuation object results from the fact that the SIM is applicable for all types of IP rights and brands.

In addition, the Systematic Integrated Methodology, if applied consecutively, enables value comparison or tracking over time. For example, a brand's value development can thus be made transparent. Although other valuation tools can also be applied repeatedly over time, the SIM can, in addition, be easily adapted to new or changed circumstances and is fully transparent. This provides for relatively better quality of the value outcomes and thus of the comparison itself.

4.2.4 Findings

The above details have shown that the SIM meets all mandatory requirements in a satisfactory way (save widespread acceptance which can only be proven in the future since the SIM is newly introduced here). However, this shall not belie the fact that it needs to be fine-tuned over time. Only then can its strengths fully develop and show.

601 See above at 1.4.3.2.

602 In theory, a third aspect, the reason for valuation, also belongs in this category. As the SIM is applicable for all forecasting valuations, the outcome reached in the course of a licensing valuation could be compared to the value obtained for marketing controlling purposes. However, this is a theoretical rather than practical possibility as such comparison would probably not be demanded. In fact, it is a specific valuation motive, for example resource allocation, which triggers the need to compare valuation outcomes over time and/or from asset to asset.