
**Brand valuation — Requirements
for monetary brand valuation**

*Evaluation d'une marque — Exigences pour l'évaluation monétaire
d'une marque*



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Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

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Introduction

Intangible assets are recognized as highly valued properties. Arguably the most valuable but least understood intangible assets are brands. However, reliable values need to be placed on brands. This International Standard provides a consistent, reliable approach to brand valuation, including financial, behavioural and legal aspects.

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Brand valuation — Requirements for monetary brand valuation

1 Scope

This International Standard specifies requirements for procedures and methods of monetary brand value measurement.

This International Standard specifies a framework for brand valuation, including objectives, bases of valuation, approaches to valuation, methods of valuation and sourcing of quality data and assumptions. It also specifies methods for reporting the results of such valuation.

2 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

2.1

asset

legal right or organizational resource which is controllable by an entity and has the capacity to generate economic benefits

2.2

brand

marketing-related intangible asset including, but not limited to, names, terms, signs, symbols, logos and designs, or a combination of these, intended to identify goods, services or entities, or a combination of these, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefits/values

2.3

intangible asset

identifiable non-financial asset with no physical substance

2.4

monetary brand value

brand value

economic value of the brand in transferable monetary units

NOTE The result obtained can be either a single economic value or a range of values.

2.5

premise of value

assumption regarding the most likely set of circumstances that can be applicable to the subject valuation

2.6

present value

current discounted worth of a future monetary amount

2.7

stakeholder

person whose decision making is, or might be, affected by a brand

NOTE Common stakeholders are customers, consumers, suppliers, employees, potential employees, opinion leaders, shareholders, investors, governmental authorities and non-governmental organizations.