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**What's In a Name?**  
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The prominence of brand names is overtly clear when roaming the aisles of a local supermarket or big box retailer. As much as we convince ourselves that a certain brand of soda or dandruff shampoo provides superior quality – the ultimate reality is that most consumer products are indiscernible from their generic equivalents when it comes to their performance characteristics. So what's in a name? Given that a well developed brand name may achieve a markup exceeding 50% of its generic equivalents, a name may be everything.

According to Business Week's listing of brand name values for 2007, Coca-Cola remains the world's most valuable brand with an estimated value of approximately \$65 billion. The value of Google's brand name was estimated at approximately \$18 billion, an increase of 44% from 2006. In regards to prominent consumer goods companies like Coca-Cola and Kellogg's, their brand name may comprise a majority of their company's total value.

The concept that a brand name may be the primary driver of a company's value is not a stretch when examining the "excess profits" that are generated by successful branding. Proctor & Gamble's "Head & Shoulders" shampoo generally retails for 25% to 50% more than generic dandruff shampoos, which have similar performance characteristics. Consequently, when assessing the value of the "Head & Shoulders" product line, one would reasonably conclude that its brand name is the product's primary contributory asset when it comes to profitability.

There are numerous factors to consider when assessing the value of a brand name including: age, use, potential for expansion, associations, connotations, timeliness, quality, profitability, related promotional expenses, means of promoting, market share, market potential, and recognition. Companies with strong brand names generally incur significant advertising and promotional expenses.

The value of brand names cannot be underestimated - especially considering the loss of fixed asset-based industries (i.e., manufacturing) in the U.S. and the increasing prominence of intangible value-based industries (i.e., branded goods, service-based industries). GBQ Consulting has extensive experience in valuing brand names and other forms of intellectual property (e.g., developed technology, customer relationships, etc.) for financial reporting and tax purposes.

Please contact GBQ Consulting at 614.221.1120 if you have questions regarding any of our valuation services.