

15 May 2009

Our Ref:

Marianne Tissier
IVSC
12 Great George Street
LONDON
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Dear Marianne,

Re Consultation on Intangible Asset Guidance Notes 4 and 16.

Please let me apologise for the late arrival of our response. We trust you will accept it anyway.

RICS have noted with interest the two consultation papers relating to intangible assets and welcome the opportunity to make comments.

The draft guidance was considered by a standing working group in the RICS that is considering the wider implications of RICS members undertaking this type of valuation activity. Their remit covers not only technical guidance but also the development of specific technical training and the ability to qualify as a valuer of intangible assets.

The group has in its membership representatives from Messrs Ernst and Young and it has had the benefit of seeing the response to both consultation papers prepared by that firm. Rather than reiterate their comments, we consider it more appropriate to confirm that we agree with and support the comments made in that response.

There are three additional points we should wish to make all related to GN 4:

1. Within para 4.3 of GN 4 we believe that 'a market price' in line 4 should be 'market value';
2. In para 6.6 we suggest that the introductory line should end after the word 'available'. Thus delete 'for a brand'; and
3. We believe that the comment relating to reliability of data on comparable transactions appears to contradict the reference to comparable transactions in para 6.9.1 which suggests that comparison with other market transactions is the most reliable method of valuation.

Yours sincerely



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