

Welcome to Sollomon® – your IP value indicator

We're pleased to introduce the quickest and most convenient way to get a good indication of your intellectual property (IP) value – Sollomon.

Below, we have set out answers to some of the most frequently asked questions about Inngot, Sollomon and the process of IP valuation generally. However, we are always happy to deal with any other queries you may have – just email us at info@inngot.com.

Who is Inngot?

Inngot is a UK-based private limited company, specialising in the identification, assessment and valuation of IP and other intangible assets. Over a number of years, we have developed particular expertise in the use of IP to support financing. CEO Martin Brassell recently co-authored the **Banking on IP** report for the UK Government and Inngot's tools are at the heart of the new Entrepreneurial Finance Hub initiative being led by the Big Innovation Centre.

Inngot uses the web to deliver services in the form of 'tools' because this approach enables us to offer quality and consistency to large numbers of businesses at low cost. The online tools we have pioneered are now being used in four continents.

What is Sollomon?

Sollomon is the name we give to our indicative IP valuation tool. It was developed with specialist input from Grant Thornton UK LLP.

Sollomon calculates IP value using the well-established 'relief from royalty' method. Conceptually, this means we work out how much another business would have to pay in order to license your assets, which is a good way of quantifying their benefit to your company.

Relief from royalty is by no means the only IP valuation method, but it is the most frequently used and is generally considered to be the most appropriate for financing, because it looks at future as well as past income. Also, it has the advantage that it can be driven from the same business plan you will need in order to make your funding application.

How does the process work?

There are two steps to the process. Firstly, you need to create a 'profile' of the assets you own. Simply click the 'Start' link at www.inngot.com; once you have set up a login, the software will guide you through the process.

By making selections, you'll enter information on your development stage, know-how, technology benefits, markets and your registered IP and unregistered intangibles. This can be done in 15-20 minutes using our intuitive interface (and you can create more than one profile if you have distinct 'sets' of IP you wish to value).

Then, after providing a few basic details about your company, you can start the Sollomon valuation process. This asks for information on the company's investment in IP, its historical trading performance, its forecasts and its governance. If you have all the information to hand, expect this to take around 20-30 minutes.

Once you enter all the data, Sollomon will apply its algorithms to the profiling and financial data entered and assess the risk factors present. This enables a 'discount rate' to be determined which is then applied to the notional future licensing income streams, and produces a present-day indicative value range – instantly.

What information will I need?

When profiling your IP and intangibles, it is helpful to have patent and trade mark numbers and registration dates to hand, as we will ask for some information on them (though you can always log back in and add these details later, as long as you do so before you start the valuation process).

To complete the Sollomon valuation process, you'll need some high level numbers from your historical accounts, information on the investment you have made in your IP, and a business plan with your current year estimates (plus at least two further years of projections). Our website has links to our short Sollomon guide, which contains a more detailed listing of the items required to complete the process.

What will it tell me?

Sollomon gives you an indicative upper and lower value range, based on the spread of royalty rates that would typically be associated with companies in your sector. It shows you what these royalty rates are, and displays the discount rate (or Weighted Average Cost of Capital) the system has applied. This is determined by a sophisticated 30-point assessment process.

This value range is an important 'conversation starter', which will demonstrate whether there is a material amount of value in your IP and intangibles. We should stress, however, that it is *not* an offer to purchase or finance the assets at a specific value. You will also appreciate that Sollomon has to operate on the basis that the information entered is accurate and complete – so to ensure it is meaningful, your entries need to be realistic and capable of being backed up with appropriate evidence.

What support is available?

Every valuation is checked by our head office team on completion, and all registered rights are verified using official records. We'll provide you with any guidance on changes we think might be necessary in order to get the most accurate result, and give you a minimum of two extra 'passes' through the process so you can implement any changes.

You can contact us via email at any time and by telephone on 0333 800 80 90 during normal office hours. There is also an online chat facility incorporated into our website to assist you.