

## MasterClass: Licence Valuation

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### Program

This one day MasterClass provides a comprehensive overview of license valuation concepts. Often license agreements are reached based on royalty rates determined by comparison with similar transactions taken from compiled databases. This MasterClass will look behind such comparisons to the basis on which valuations are made. Topics covered include:

- ▶ Basic valuation; Net Present Value; discount rates
- ▶ Excel spreadsheet license models; exclusive and non-exclusive licenses
- ▶ Risk adjusted NPV; Monte Carlo simulation
- ▶ Calculation of royalty rates based on risk share models
- ▶ Valuation of license milestones and options
- ▶ Sources of royalty data

Palisade's @Risk will be used for Monte Carlo simulations and Precision Tree for option valuations. A life science case will be used to illustrate valuation models, which are generic to other technologies.



The vast majority of patents are better off licenced

*Michael Dalrymple*  
*MRC Technology*

### Who Should Attend

This MasterClass is appropriate for those who need a basic understanding of valuation methods presented in a non-mathematical format. Those with more experience will benefit from an introduction to more advanced methods such as Monte Carlo simulation of risk and use of decision trees to value options. The MasterClass will be helpful to patent lawyers and agents, university TTOs, consultants and other professional advisors, CEOs, FDs and business development directors of SMEs, as well as early stage investors. Familiarity with Excel spreadsheets is assumed.

### MasterClass Leader: Michael Brand



- ▶ Trained over 500 executives in technology valuation
- ▶ Former Director of International Licensing, Occidental Chemical Corporation
- ▶ Speaker on Monte Carlo simulation models and Real Option valuation methods
- ▶ PhD Imperial College, London; MBA MIT Sloan School of Management

### Registration

Advanced registration is required; MasterClasses are often oversubscribed Register on-line at [www.captum.com](http://www.captum.com).

(Options require) flexibility to react in different ways...so that a new set of outcomes is achieved

*Michael Rees*  
*Financial Modelling in Practice (2008)*