

Table of Contents

| | |
|------------------------|-----|
| About the Authors..... | iii |
|------------------------|-----|

| | |
|---|----------|
| Chapter 1: Understanding Intangible Assets | 1 |
|---|----------|

By: Donald K.S. Peterson

| | |
|---|----|
| Intangible Assets and Goodwill..... | 1 |
| Assets that are Intangible..... | 2 |
| Assets that are Intellectual Property | 5 |
| Goodwill | 5 |
| Other Intangible Asset Classifications..... | 7 |
| Regulations and Organizations for Intangible Assets..... | 8 |
| Value and Value Identification for an Intangible Asset | 8 |
| Identifying and Categorizing Intangible Assets | 9 |
| A Company's Internal Audit and Search for Intangibles..... | 10 |
| Identifying an Intangible Asset..... | 13 |
| Other Helpful Organizations..... | 13 |
| Dynamic Intangible Assets..... | 14 |
| Grouping Intangible Assets into Bundles | 16 |
| Marketing Bundle | 16 |
| Computer-Related Bundle of Assets (The Software Bundle)..... | 17 |
| Technology Bundle of Assets..... | 17 |
| Other Types of Intangible Assets | 18 |
| Bundling Intangible Assets after Filing for Bankruptcy Protection | 22 |
| Inventory and Control of the Assets | 23 |

| | |
|--|-----------|
| Chapter 2: Valuation of Intangible Assets | 27 |
|--|-----------|

By: Donald K.S. Peterson

| | |
|---|----|
| Traditional Valuation Techniques for Intangible Assets..... | 31 |
| The Cost Approach to Valuing Intangible Assets | 31 |
| The Market Approach to Valuing Intangible Assets..... | 33 |
| The Income Approach to Valuing Intangible Assets..... | 34 |
| The Relief from Royalty Approach to Valuing Intangible Assets | 35 |
| The Technology Factor Approach to Valuing Intangible Assets | 37 |
| Alternative Ways to Value Intangible Assets..... | 39 |
| The Context in Which You Value Intangible Assets..... | 43 |
| Research and Financial Considerations | 44 |
| Intangible Assets Remaining Life | 44 |
| The Discount Rate | 46 |
| The Valuation Process: A Summary..... | 46 |

| | |
|--|----|
| Tests that Confirm Intangible Assets Have Value..... | 47 |
| The Triage Process: Prioritizing the Assets that You Are Valuing | 48 |
| Valuing Groups of Intangible Assets..... | 50 |
| Royalty Rates..... | 54 |
| Online Assets..... | 55 |
| Valuing Technology | 55 |
| Summary..... | 56 |

Chapter 3: Identification of Risks Associated with Intangible Asset Management59

By: Joseph J. Schwerha

| | |
|--|----|
| Cybercrime | 60 |
| Legal and Regulatory Risk | 66 |
| Lack of Information Security and Privacy..... | 71 |
| Rogue Employees | 75 |
| Maintenance of Electronically Stored Information | 77 |

Chapter 4: Third-Party Coverage.....89

By: T.R. Franklin, Marcia Sutton

| | |
|---|-----|
| Types of Insurance..... | 89 |
| Claims-Made v. Occurrence Coverage..... | 91 |
| Personal and Advertising Injury in CGL Policies | 96 |
| CGL Marketplace | 99 |
| Errors and Omissions Policies for Media, Tech and Internet..... | 99 |
| Other Policies and Coverages..... | 107 |
| Key/Typical Exclusions..... | 111 |
| Uninsurable Risks..... | 112 |
| Insurance Claims | 114 |
| Other Considerations | 119 |
| Market Trends..... | 122 |

Chapter 5: Technology and the Role of the Insurance Agent or Broker.....125

By: Ann G. Kale

| | |
|---|-----|
| Legal Difference between Agent and Broker | 125 |
| Understanding the Customer's Needs | 126 |
| Risk Management Options | 129 |
| Transfer the Risk via Noninsurance Transfer..... | 131 |
| Submitting the Applications to Underwriters | 132 |
| Negotiating Coverage | 133 |
| Evaluating Coverage..... | 134 |
| Keeping Abreast of Developments..... | 137 |

Chapter 6: What Every Business Needs to Know to Survive a

| | |
|---|------------|
| Cyber Security Event | 139 |
| <i>By: John Stephen Wurzler</i> | |
| Categorization of Information and Information Systems | 139 |
| Security Objectives | 140 |
| Potential Impact on Organizations and Individuals | 142 |
| Security Categorization Applied to Information Types..... | 143 |
| Security Categorization Applied to Information Systems | 144 |
| Five Common Myths Regarding Network Security | 146 |
| Claim Scenarios | 148 |
| The Most Important Thing to Remember When Confidential Information is Exposed or Compromised..... | 153 |
| Preparing an Effective Communications Strategy for Use in Response to Cyber Security Events | 153 |
| Selected Laws Pertaining to Intellectual Property, Cybercrime, and Computer Privacy Issues | 161 |
| <i>By: Kelly Maheu</i> | |
| Forms & Endorsements..... | 189 |