

DISTRESSED RETAIL SUMMIT

Turnarounds, Restructurings,
Bankruptcies & Distressed Investing

October 15-17, 2008 | Digital Sandbox | New York, NY

Pre-Summit Workshop
Wednesday, October 15, 2008
1:00 PM – 4:30 PM

Workshop Agenda

Understanding the Value in Retail IP

Instructors:

Margaret Birlem, *Principal*, Streambank LLC

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1:00 – 1:45 **Overview of Intellectual Property and Intangible Assets**

An introduction to retail intangibles. Learn about all of the intangible assets beyond the store name. Presentation will include information on how to track down and secure these assets from a retailer.

- Trademarks
 - Store names
 - Proprietary brands
 - Licensed brands
- Patents
 - Product patents
 - Process patents
- Data
 - Customer files
 - Merchandise data
 - AP files
 - Store Performance data

1:45 – 2:30 **Valuing Retail Brands and other Intangible Assets**

Valuation of brands and other intangible assets for firms in distress is very different than for healthy going concerns. This session will examine methodology, factors influencing value, and how to preserve value. Also included will be examples of “brand-only” transactions and how these influence lenders.

- Context and Methodology

- Going Concern
- Liquidation
- Factors Influencing Value
 - Extensibility
 - Royalty Rates
 - Cost of Capital
- Securitization Requirements
 - Loan covenants
 - UCC Filings
 - Licensing Restrictions

2:30 – 3:00 *Refreshment Break*

3:00 – 3:45 **Turnaround: Using IP to Improve Cash Flow and Liquidity**

Successful turnarounds require deep appreciation for the underlying brand. As a steward of the brand, management can often find new areas for financial leverage as well as creating comfort with lenders that their collateral is in good hands.

- Cash-flow improvement
- Liquidity enhancement (Brand as collateral/valuation)

3:45 – 4:30 **Liquidation: Preserving/ Maximizing IP Value in a Liquidation**

In liquidation the intangible assets can perish quickly. Learn how to seize brand value and turn it into cash. This session will explore both sale and licensing options for retail brand assets as well as discuss ways to sell off non-traditional IP assets.

- How early key decisions impact value maximization
- Taking a long-term view on IP
- How to choose a liquidation strategy
 - When to walk away
 - When to have an auction
 - When to engage in direct sale strategy