
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

April 24, 2012

Re: File Reference Number 2012-100

Duff & Phelps Corporation (NYSE: DUF) appreciates the opportunity to provide comments on the Exposure Draft of the Proposed Accounting Standards Update: Intangibles—Goodwill and Other (Topic 350) - Testing Indefinite-Lived Intangible Assets for Impairment.

We would be pleased to further discuss our comments with the Board and staff. Please direct any questions to Paul Barnes at 215-430-6025.

Sincerely,



Paul F. Barnes
Managing Director
Global Leader - Valuation Advisory Services

General D&P comment:

We support the Board's efforts to simplify impairment testing and introduce consistency in the existing impairment testing framework in U.S. GAAP. However, we note that not all indefinite-lived intangibles will readily lend themselves to a qualitative assessment, as the valuation of some requires multiple inputs and the use of more complex models. Examples include IPR&D assets typically valued by a multi-period excess earnings method (MPEEM), and franchises valued using an MPEEM or a Greenfield approach, which can also be described as a variation of the MPEEM. In both of these instances, it may be difficult to qualitatively assess the impact of multiple inputs and factors on the valuation, including probabilities and economic charges, which have to reflect current facts and circumstances. Thus, in certain cases, a qualitative assessment may not be a cost- or a time-saving option. At the other end of the spectrum, indefinite-lived intangibles valued by a relief from royalty approach may lend themselves relatively more easily to a qualitative impairment assessment. Further, there are specific circumstances in which the qualitative option may be more workable, including a recent fair value determination which remains relevant at the assessment date.

However, the fact that there is an unconditional option at any time to bypass the qualitative assessment and proceed directly to a quantitative test mitigates the above concerns, and would provide entities with flexibility in deciding the best course of action in the circumstances.

Finally, from a practical standpoint we observe that similar to the qualitative goodwill impairment assessment option, the implementation of the qualitative impairment assessment for indefinite-lived intangibles may involve significant judgment and uncertainty, rigorous documentation requirements, as well as the need for a positive assertion about the conclusion reached, which may limit its effective use.

Question 1: Please describe the entity or individual responding to this request. For example:

- a. Please indicate whether you primarily are a preparer, user, or auditor of financial statements or, if other, please specify.
- b. If you are a preparer of financial statements, please indicate whether your entity is public or nonpublic and describe your primary business and its size (in terms of annual revenue, the number of employees, or other relevant metric). In addition, include a description of the type of indefinite-lived intangible assets held by your entity.
- c. If you are an auditor, please describe the size of your firm (in terms of number of partners or other relevant metric) and indicate whether your practice focuses primarily on public entities, nonpublic entities, or both.
- d. If you are a user of financial statements, please indicate in what capacity (for example, investor, analyst, or rating agency) and where in the capital structure you are most focused (for example, debt or equity).

D&P response:

Duff & Phelps LLC is a global independent financial advisory and investment banking services firm.

Question 2: For preparers, do you believe that the proposed amendments will reduce overall costs and complexity compared with existing guidance? If not, please explain why.

D&P response:

NA

Question 3: For preparers, do you expect that your entity will choose to perform the qualitative assessment proposed in the amendments, or will your entity choose to proceed directly to performing the quantitative impairment test? Please explain.

D&P response:

NA

Question 4: For auditors, do you believe that the proposed amendments will reduce overall costs and complexity compared with existing guidance? If not, please explain why. Does your response differ based on whether the entity is public or nonpublic?

D&P response:

NA

Question 5: For users, how do you believe that the optional qualitative approach for evaluating indefinite-lived intangible assets for impairment will affect the timing of the recognition of impairment losses? Additionally, will the optional qualitative approach affect how you evaluate indefinite-lived intangible assets reported in the financial statements? If yes, please explain.

D&P response:

While the empirical evidence may suggest that the effect of impairments is incorporated in the price of publicly traded entities before the announcement of an impairment or a write-off, we believe that balance sheets should timely reflect such information to the best extent possible. This is consistent with the objective of financial reporting of providing decision-useful information to investors and other users of financial statements.

Question 6: Do you agree that the examples of events and circumstances in paragraph 350-20-35-3(a) through (e) are helpful in assessing whether significant inputs to the fair value

measurement have changed significantly to indicate that it is more likely than not that an indefinite-lived intangible asset is impaired? If not, what additional examples of events and circumstances do you suggest?

D&P response:

We agree with the proposed list of factors for consideration as the list is intended to be and stated to be not all-inclusive. We understand that the factors provided are high-level and principles-based. However, with respect to IPR&D intangible assets it may be helpful stating that a significant decrease in any related contingent consideration liability may be a more specific example of such factors.

Question 7: Do you agree that nonpublic entities should be exempt from disclosing quantitative information about significant unobservable inputs used in measuring the fair value of an indefinite-lived intangible asset as required in paragraph 820-10-50-2(bbb), as amended by Accounting Standards Update No. 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs? If not, please explain why.

D&P response:

We agree in light of simplifying some aspects of reporting for non-public entities. Further, the exemption in this case is limited to disclosures about fair value measurements of indefinite-lived intangible assets.

Question 8: Do you agree with the proposed effective date provisions? If not, please explain why.

D&P response:

We agree with the proposed effective date given the optional nature of the qualitative assessment.