＜論 説＞

Brands Valuation in the Equitization of Vietnamese State-Owned Enterprises

Tran Thi Thuong

Abstract

After the war against France in 1954, State-owned enterprises (SOEs) of Vietnam was quickly established through nationalizing the existing privately owned enterprises and setting up new SOEs (Vu, 2002). To date, the Vietnamese SOEs have operated under the guidelines of the Law of Enterprises No.68/2014/QH13. The Law identifies that SOEs are the enterprises where the Vietnamese State still owned more than 50% of the shares. In 1992, Vietnamese government started to implement the equitization process of SOEs. In Vietname, this equitization of SOEs is not a process of privatization, but rather a process of diversification of ownership in enterprises. After more than 20 years implemented equitization progress, Vietnam has gained some achivements such as rearangement and shrinking the number of SOEs and increasing revenue and profit (Le, 2016). Particularly, this study described two approaches of the brand valuation in Vietnamese SOEs equitization process, namely, asset approach and discounted cash flow approach (MOF, 2014). However, actually, almost valuation organization has used asset approach to determine the value of equitized Vietnamese SOEs (Le, 2016). According to Le (2016), currently in Vietnam, brand valuation in the process of equitization SOEs is still not yet exactly in accordance with asset approach. Meanwhile, in accordance with International Valuation Standard No.210 (IVS 210) - Intangible asset and International Organisation for Standardisation 10668 (ISO 10668) - Brand Valuation - Requirement for monetary brand valuation, there are three approaches to determine the value of brand, namely, market approach, cost approach and income approach. Specially, both standards emphasize that income approach is the most suitable method to identify the brand valuation. Therefore, the current brand valuation approach of Vietnam is not yet symmetrical system for the purpose of integration. In order to improve the equitization of Vietnamese SOEs process, the study is designed to evaluate the valuation regulations of brand value of SOEs in Vietnam as compare to international standard such as IVS 210 and ISO 10668.

Main contents

Keywords

Brand valuation, State-owned enterprise, Vietnamese, equitization, International Valuation Standard

1. Introduction

After the war against France in 1954, State-owned enterprises (SOEs) of Vietnam was quickly established through nationalizing the existing privately owned enterprises and setting up new SOEs (Vu, 2002). In 1986, at the Sixth Communist Party Congress, the Communist Party of Vietnam decided to implement the "Doi Moi" Program, to abolish the "bureaucratic centralized management" system and replace it with a market-oriented economy. On April 20th 1995, the Vietnamese National Assembly progulmated the first Law on SOEs No.39-L/CTN to guide the operation of SOEs. After that, this Law was replaced by the second Law of SOEs No.14-2003-QH11. Notably, to date, the operation of SOEs has been adjusted by the instructions of the Law of Enterprises No.68/2014/QH13. Under this new Law of Enterprises, the SOEs are acknowledged enterprises which the State owned more than 50% of the shares.

To improve the effectiveness of SOEs' operation, Vietnamese government has implemented equitization for SOEs since 1992 by Decision No.202-CT dated June 8th 1992 of the Minister's Council (currently called as Prime Minister). After that, Vietnamese government has continued to issue new decrees to guide regulations about the equitization for SOEs. According to the report of the Steering Committee for Enterprise Renovation, there were about 6,000 SOEs and 1,369 SOEs in the whole country in 2001 and 2011 respectively. According to the Central Institute for Economic Management (CIEM), it found that 478 enterprises were equitized in period 2011-2015. By the end of October 2016 there were still 718 SOEs. In accordance with Decision No.58/2016/QD-TTg of the Prime Minister (dated December 28th 2016) there are 240 SOEs during period 2016-2020. 103 SOEs are held 100% of charter capital by the state; 4 equitized SOEs are held over 65% of charter capital by the state; 27 equitized SOEs are held from 50% to 65% of charter capital by the state; and 106 equitized SOEs are held less than 50% of charter capital by the state. As a result, Vietnam has 137 equitized SOEs in the period 2016-2020 and there will be only 134 SOEs at the end of 2020.

During the equitization of SOEs, brand valuation plays important role to identify the value of enterprises. To date, Ministry of Finance (MOF) enacted Circular No.127/2014/TT-BTC (dated September 5th 2014), the guidelines for financial handling and determination of enterprise values when transfering a SOE (100% state-owned) to a joint-stock company was mentioned. This circular introduced two approaches to identify the value of company or the value of brand which consist of asset approach and discounted cash flow approach. However, currently in Vietnam, the valuation of the brand in SOEs equitization is still inadequate, and this is the weakest stage in the equitization process (Le, 2016). Actually most of valuation organization only has used asset approach to determine the value of equitized Vietnamese SOEs (Le, 2016). As a result, in many SOEs equitization processes, the values of intangible assets such as brand are often valuated not yet exactly (Brand Finance, 2016). These results lead losses to the state in the process of SOEs equitization. Meanwhile, there are two international standards which introduced the valuation approaches of intangible assets, namely, International Valuation Standard No.210 (IVS 210) - Intangible asset by International Valuation Standard Council (IVSC) and International Organisation for Standardisation 10668 (ISO 10668) - Brand Valuation - Requirement for monetary brand valuation by the International Organization for Standardisation (ISO). Both standards indicate three approaches to determine the value of brand, such as, market approach, cost approach and income approach.

Therefore, this study aims to review and analyse the history and development of Vietnamese SOEs in section 2. After that, this study recapitulates the equitization process of Vietnamese SOEs in section 3. Section 4 describes concerning

the brand valuation regulations in Vietnamese SOEs equitization process. Section 5 presents concerning about the brand valuation approaches in International Valuation Standard. The last section is showed as the conclusion of study.

2. History and development of Vietnamese State-owned enterprises

According to Nguyen (2015), before 1986 Vietnamese economy model was influenced strongly by the Soviet Union's economy model. This economy focused on four main targets, namely, (1) totally removing private ownership, (2) creating the socialist public ownership which includes state ownership and collective ownership, (3) completely eliminating market mechanisms and (4) setting the management system of the centrally subsidized, planned economy. That is why, in the economy, there were three major economic units, namely, SOEs, factories and cooperatives. Product distribution was based on a plan of the state (from established to implemented and coordinated stages), and did not follow the basic rules of market economy, like the rule of value, the rule of supply and demand. It was called in-kind economy through the "allocation - submition".

An SOEs of Vietnam was quickly established through nationalizing the existing privately owned enterprises and building new SOEs since ending the war against France in 1954 (Vu, 2002). The same author also indicated at that time, the Vietnamese SOEs model was built in accordance with Soviet Union economic model. These SOEs were controlled and managed directly by line ministries of the central government or different departments of local governments (Le, 2015). The author also mentioned the tasks of SOEs were to receive and conduct five-year plans formulated by the various government ministries and departments.

After liberating the South for national reunification in 1975, Vietnam embarked on developing the economy through developing the industrial SOEs sector (Vu, 2002). The same author also indicated that there were 650 SOEs by early 1978. Particularly, Vietnamese Government issued Decree No.25/CP dated January 21st 1981 to develop and enhance the efficiencies of the SOEs sector's operations under three plans. Vu (2002) describes clearly about three plans of SOEs:

"The first plan was mandatory and the government supported inputs. Outputs of this plan were centrally priced and must be transferred to trading SOEs. Profits under the first plan must also be transferred to the State budget. When the enterprise had surplus capacity, this enterprise could formulate a second supplementary plan. In the second plan, the enterprise had total freedom in purchasing inputs but it could only produce the products specified in the first plan. Outputs of the second plan, in principle, had to be sold to trading SOEs but the enterprise could also dispose of them in free markets. The third plan was non-mandatory and the enterprise built by itself. Under the third plan, the enterprise also had total freedom in buying inputs and selling outputs in free markets. Profits from the second and third plans could be retained by the enterprise in a predefined proportion" (p.5).

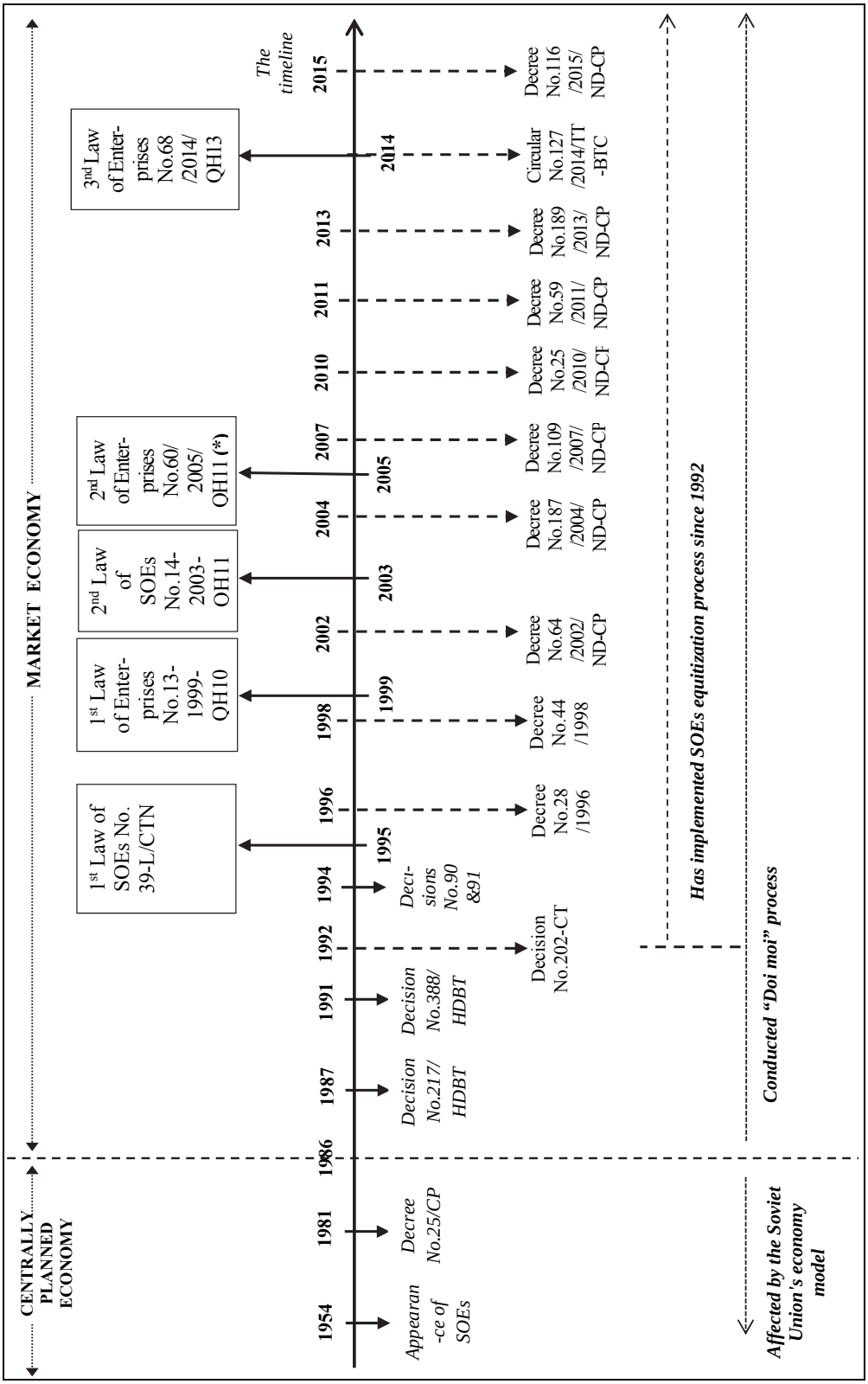
However, the Decree No.25/CP created a "loophole" which enabled SOEs participate in input trading activities in the free markets for windfall profits. As a consequences, SOEs ignored the main production plans and sold inputs in free markets to get profits. In the research of Do (1994), in that time, the industrial production of the SOEs sector decreased significantly, and then this issue led directly to the reduction in State budget revenue and a corresponding increase in the State budget deficit. To cope this problem, the Government decided to print money, causing severe inflation (Le, 2015). Do (1994) indicated the amount of money in circulation increased by 70% in 1984 compared with that in 1981, and the price increased by nearly 800% in 1986. The negative macroeconomic effect of this hyperinflation lead the next wave of reform in the

second half of 1980s (Vu, 2002).

In 1986, at the Sixth Communist Party Congress, the Communist Party of Vietnam decided to implement the "Doi Moi" Program to abolish the "bureaucratic centralized management" system and replace it with a market-oriented economy. Particularly, the shift from a centrally planned to a state regulated and market-oriented economy has modified and created new policies and strategies on economic fields (Tran, 2015). The main objectives of the "Doi Moi" program were restruction of SOEs and reviving the private sector. Hence, since 1986, the private enterprises and the non-state businesses were recorgnized as a part of economy. Notably, the apperance of the Law on Foreign Investment in 1987 and the Law No.47-LCT/HDNN8 in 1990 created a legal basis for the establishment of limited liability and shareholding companies (Le, 2015). Meanwhile, the Decision No.217/HDBT replaced the Decree No.25/CP in November 1987 and marked the change in development strategy of SOEs. This decision allowed SOEs to build and implement their own operating plans based on guidelines of the Government (Le, 2015). The research of Vu (2002) mentioned the improvement points of Decision No.217/HDBT. Particularly, the government did not support inputs, and the output can be sold to other trading enterprises or consumers directly. There were two kinds of selling price such as non-price-controlled product by bargaining with buyers and price-controlled products by the government. However, there were few products which had been price-controlled. Profits were separated into two parts, one part was compulsory transfers to the State budget, the other part was kept and used by the enterprise.

To improve the operation business of SOEs, on 20th November 1991, the Council of Ministers issued Decree No.388/HDBT on the regulations for establishment and closing down of SOEs. In detaily, an SOE to be dissolved or merged with another if this SOE was assessed inefficient operation or lacking capital or technology or did not have sufficient market demand for their outputs. As a result, the number of SOEs decreased dramatically from 12,297 to 6,264 during period 1991-1994 (Vu, 2002). Moreover, the SOEs sector was continued to reorganise in accordance with the issuance of Decisions No.90 and No.91 in 1994 on establishment of General Corporations, namely General Corporations 90 and 91. The establishment of the Corporation 91 is decided by the Government decition. The management board of the Corporation 91 consists of 7 to 9 members who were appointed by the Prime Minister and must have legal capital of at least 1,000 billion VND. Unlike the Corporation 90, the Corporation 91 could operate in multiple sectors and is required to pursue one key business sector. Meanwhile, the establishment of the Corporation 90 is decided by the Ministers' Council (currently called as Prime Minister) and Provincial People's Committees. The Corporation 90 must have at least five member-units which have relation to each other in terms of technology, finance, development investment programs, services of supply, transportation, consumption, information and training. Additionally, the Corporation 90 must have a legal capital of over 500 billion VND, however, for some corporations in specific industries, the legal capital may be lower but not less than 100 billion VND.

On April 20th 1995, the Vietnamese National Assembly progulmated the first Law on SOEs No.39-L/CTN. In accordance with Article 1 of the first Law on SOEs of 1995, an SOE is an economic entity of which the State invests capital, establishes, and administratively manages its commercial activities or public activities for the purpose of carrying out its socio-economic objectives directed by the State. Under this law, SOEs were classified into three catergories, namely, (1) independent enterprises, (2) general corporations and (3) member enterprises of general corporations. These SOEs have operated in commercial and public benefits (Le, 2015).



(Source: Own Contribution, 2017)

(*)This Law replaced to 2nd Law of SOEs and 1st Law of Enterprise

Figure 1. The timeline of regulations and Law system for Vietnamese SOEs

Especially, in accordance with this law, all SOEs have legal status and are legally equal to each other. It means that these SOEs are allowed to do business freely with each other and with non-SOEs (Vu, 2002). After that, to develop the economy, Vietnam actively participated in economics associations in the world such as becoming an official member of the Association of South East-Asian Nations (ASEAN) in 1995, participating in the Asia-Pacific Economic Cooperation (APEC) in 1998, signing a Bilateral Trade Agreement (BTA) with the United States in 2001 and becoming a member of World Trade Organzation in 2007. These economics associations required Vietnam to ensure an equitable competitive environment for all economic sectors in market economy (Le, 2015). As results, Vietname issued the Law on Enterprises of 1999 No.13-1999-QH10 and enacted the Law on SOEs of 2003 No.14-2003-QH11 to replace the Law on SOEs of 1995. The Article 1 of the Law on SOEs No.14-2003-QH11 described the SOE as an economic organization in which the State owns the entire charter capital or holds the controlling shareholding or controlling capital contribution, and which is organized in the form of a state company, shareholding company or limited liability company. In the research of Le (2015) cited that, the second definition opened widely the scope of the definition of SOEs and recognized the part ownership of the State.

The Law on Enterprises of 2005 No.60/2005/QH11 was promulgated on November 29th 2005 with effective on July 1st 2006 to replace the Law on Enterprises of 1999 and the Law on SOEs of 2003. It means that all Vietnamese enterprises regardless of their ownership (private or state-owned, domestic or foreign-investor-owned) were governed under the Law on Enterprises of 2005 (Le, 2015). The definition of SOEs in the Law on Enterprises of 2005 has changed significantly as compare to the SOEs' definition in the Law on Enterprises of 2003. Accordingly, the Article 4 Paragraph 22 of the Law on Enterprises of 2005 prescribed SOE means an enterprise in which the State owns more than fifty percent (50%) of the charter capital. In this case, enterprise means an economic organization having its own name, having assets and stable transaction office, and having business registration in accordance with law for the purpose of conducting business operation (The National Assembly, 2005). Under Article 166 of the Law on Enterprises of 2005, the SOEs which registered business license under the Law on SOEs 2003 will be conversed into either a shareholding company or a limited liability company (including one member and/or two or more members) not later than July 1st 2010. Simultanously, to conduct this strategy, Vietnamese Government continued to enacte some decrees in converting ownership of SOEs. For example, Decree No.25/2010/ND-CP (dated March 19th 2010) on transfering SOEs into a one-member limited liability company, Decree No.59/2011/ND-CP (dated July 18th 2011) on converting a 100% SOEs into a shareholding company, Decree No.189/2013/ND-CP (dated November 20th 2013) on revising and implementing some articles of Decree No.59/2011/ND-CP and Decree No.116/2015/ND-CP (dated November 11st 2015) on revising, implementing and deleting some articles of Decree No.59/2011/ND-CP and Decree No.189/2013/ND-CP.

The Law on Enterprises of 2005 No.60/2005/QH11 was replaced by the Law on Enterprises of 2014 No.68/2014/QH13 dated December 8th 2014. The Law on Enterprises of 2014 officially added one new chapter titled SOEs comprising 22 articles on SOE structures, management, the appointment of executives and their rights and obligations. To date, by type of business enterprise, the Vietnamese SOEs include four types, namely, (1) a one-member limited company of which Vietnamese State owns more than 50% of the charter capital, (2) a limitedliability company with two or more members of which Vietnamese State owns more than 50% of the charter capital, (3) a shareholding company of which Vietnamese State owns more than 50% of the

charter capital and (4) a group of corporations of which Vietnamese State owns more than 50% of the charter capital (Le, 2015). In conclusion, currently, SOEs are the enterprises which the State still owned more than 50% of the shares.

3. The equitization process of Vietnamese State-owned enterprises

According to Tran et al. (2010), since 1980s, some countries (in the world) have begun to narrow and reform the SOEs sector (known as equitization SOEs). The United Kingdom and the United States were the first nations to conduct this strategy, followed by Nordic countries, the former socialist regions of Eastern Europe and the Soviet Union. In the Asian countries such as India, China, Japan, South Korea and Singapore performed similar steps in reformance of SOEs. By the early 2000s, more than 100 countries had implemented privatization policies. The total value of privatized state-owned assets has reached over one trillion USD, of which more than 75% belongs to Organization for Economic Co-operation and Development (OECD) member countries. The same author also indicates six aims of privatized process in OECD countries consist of (1) tightening fiscal discipline and controlling public expenditure and public debt, (2) attracting more investment from various sources, (3) improving the performance of SOEs, (4) creating a competitive environment in some monopolies, (5) towarding the development of capital markets and (6) towarding political goals. Recapitulation, the equitization SOEs progress is madatory development trend of SOEs.

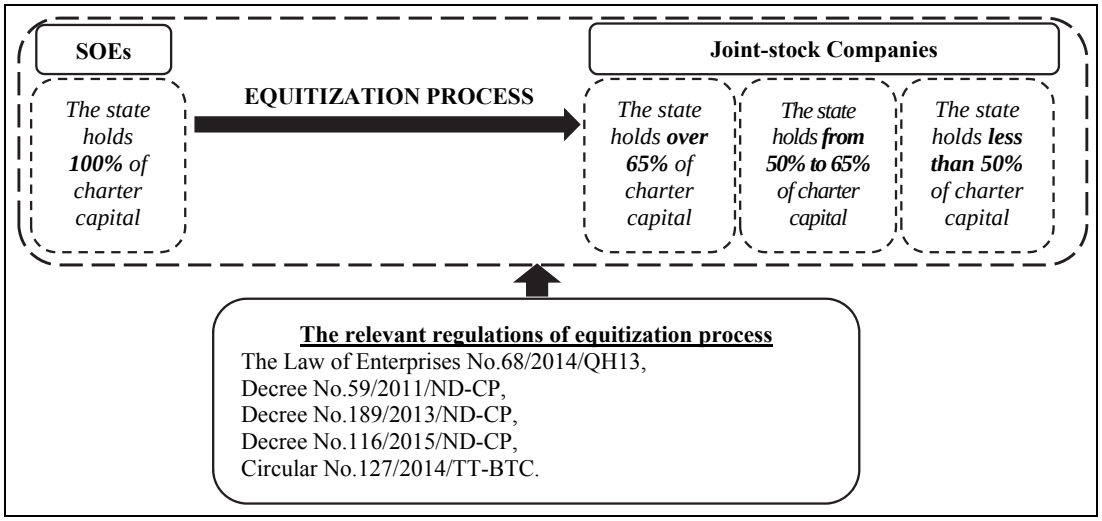
In the case of Vietnam, the equitization SOEs process is necessary. Because SOEs operated inefficiently; and many enterprises are faced risk of bankruptcy. This leads budget deficit and high inflation in long periods. Therefore, equitization is the sole method of SOEs reform in Vietnam (Tran et al., 2006). SOEs equitization is the transformation progress of ownership from state-owned into a shareholding company owned by many shareholders. Actually, equitization of SOEs is the selling a part or all of SOEs through the sale of shares of enterprises. The share-purchasers are often employees and workers in the enterprise and shareholders outside the enterprise such as economic organizations, social organizations, citizens and foreigners residing in Vietnam (Le, 2015). Remarkably, the assets of equitized SOEs have not been transferred to only one private entity. SOEs equitization process aims to mobilize capital for the entire society to invest in technological renewal, improve the effectiveness and competitiveness of equitized SOEs (Le, 2015). Thus, equitization of enterprises is not only a process of privatization, but also a process of diversification of ownership in enterprises.

In Vietnam, the SOE equitization process was first mentioned in 1992 through Decision No.202-CT dated June 8th 1992 of the Minister's Council (currently called as Prime Minister) and followed by Decrees No.28/1996 and No.44/1998 of the Government. However the equitization process was slow, as of early 1998, there were only 18 SOEs that were equitized (Le, 2015). According to the report of the Steering Committee for Enterprise Renovation in 2001, there were about 6,000 SOEs in the whole country. After that, on June 19th 2002, Decree No.64/2002/ND-CP was issued to guide the transformation of SOE into joint-stock company. Additionally, Vietnamese government continued to promulgated Decree No.187/2004/ND-CP (dated November 16th 2004) which replaced Decree No.64/2002/ND-CP. On June 26th 2007, Decree No.109/2007/ND-CP (Decree 109) was enacted to instead of Decree No.187/2004/ND-CP. Particularly, Decree No.25/2010/ND-CP (dated March 19th 2010) on transfering SOEs into a one-member limited liability company; Decree No.59/2011/ND-CP (dated July 18th 2011) on converting SOEs with 100% state capital into joint-stock companies; Decree No.189/2013/ND-CP (dated November 20th 2013) on revising and implementing some articles of Decree

No.59/2011/ND-CP; and Decree No.116/2015/ND-CP (dated November 11st 2015) on revising, implementing and deleting some articles of Decree No.59/2011/ND-CP and Decree No.189/2013/ND-CP. Besides that, to serve the equitization progress, MOF promulgated Circular No.127/2014/TT-BTC dated September 5th 2014 which introduces guidelines for financial handling and determination of enterprise values when transfering a SOE (100% state-owned) to a joint-stock company. By 2011, there were 1,369 SOEs. According to The Central Institute for Economic Management (CIEM) found that 478 enterprises were equitized in period 2011-2015. By the end of October 2016, there were still 718 SOEs. The Deputy Prime Minister Vuong Dinh Hue said that up to 2017, there were 96.5% of SOEs which have been equitized but the total equitized capital was only 8%, thus there were 92% of the state capital which has not yet been equitized. This means that the fields which the state does not need to hold have not yet attracted the private funds. Therefore, localities, ministries and sectors must ensure that state capital must be sold, better divested and improve the administration of enterprises. In accordance with Decision No.58/2016/QD-TTg of the Prime Minister (dated December 28th 2016) there are 240 SOEs during period 2016-2020. 103 SOEs are held 100% of charter capital by the state; 4 equitized SOEs are held over 65% of charter capital by the state; 27 equitized SOEs are held from 50% to 65% of charter capital by the state; and 106 equitized SOEs are held less than 50% of charter capital by the state. As a result, Vietnam has 137 equitized SOEs in the period 2016-2020 and there will be only 134 SOEs at the end of 2020. Under Appendix 1st of this decision, there are 11 sectors which Vietnamese government still keep 100% charter capital, as followed:

(1) Mapping services for national defense and security;
(2) Manufacture and sale of industrial explosives;
(3) Electricity distribution, national electricity system dispatching, management of electrical grids, multipurpose hydropower and nuclear power playing a significant role in socio-economic development, and national defense and security;
(4) Management of national and State-invested municipal railroad infrastructure, coordination of State-invested national and municipal railroad traffic;
(5) Air traffic services, aeronautical information services, and search and rescue services;
(6) Maritime safety (excluding dredging and maintenance of public navigable channels);
(7) Public postal services;
(8) Lottery business;
(9) Publishing (excluding printing and publication);
(10) Printing and manufacture of notes and gold bullion and golden souvenir;
(11) Credit instruments for socio-economic development, services for banking system and credit institution safety.

Pursuant to Decree No.59/2011/ND-CP dated July 18th 2011, the equitisation process of Vietnamese SOEs encompasses the eleven following steps. (Step 1) The issuance of a decision by the SOE concerning its proposed equitisation and the establishment of an Equitisation Steering Committee (ESC). (Step 2) The preparation and dissemination of an equitisation plan. (Step 3) The preparation of an application dossier, the selection of consultants and auditors and the completion of all financial obligations of the enterprise and an auditing report in connection with the equitisation process. (Step 4) The restructuring of the SOE to facilitate the equitisation, such as transferring or selling any bad debts and/or transferring non-core businesses or assets to a third party, subject to receipt of approval from the MOF. (Step 5) Determining the enterprise value of the SOE and preparing an evaluation report for approval by the Prime Minister of Vietnam, applicable Ministries, applicable provincial People's Committees and/or the Board of Management of



(Source: Own Contribution, 2017)

Figure 2. The framework of equitization Vietnamese SOEs

the SOE. (Step 6) The preparation of any applicable employee share plan. (Step 7) The preparation of a business plan and a draft Charter. (Step 8) Verification and approval of the equitisation plan by the Prime Minister of Vietnam, applicable Ministries, applicable provincial People's Committees and/or the Board of Management of the SOE. (Step 9) Execution of the equitisation plan via (i) an Initial Public Offering (IPO) through a public auction, underwritten share offer or direct negotiation, (ii) the sale of shares to employees and/or (iii) the sale of shares to a strategic investor by closed tender or direct negotiation. (Step 10) Conducting the first general meeting of shareholders. The last step (Step 11), obtaining an Enterprise Registration Certificate for the new enterprise.

In conclusion, after more than 20 years implemented equitization progress, Vietnam has gained some achivements such as rearangement and shrinking the number of SOEs and increasing revenue and profit (Le, 2016). Particularly, during equitization, no SOEs have fired workers and the salary of employees have increased after equitization (Le, 2016). However, the result of SOEs equitization process in Vietnam has not yet really successful. In the research of Le (2015), there are some reasons for this result, as follows:

"The first reason, equitization was directed by the Management Board of SOE Equitization, which mostly included government officials and simultaneously worked for both SOE equitization and their administrative authorities. The second reason, some SOE managers received many privileges associated with managing the SOE and resisted changes that made them accountable to new owners with tougher demands" (p.18).

In accordance with the research "Equitization Large-scale SOEs in Vietnam" of Phan (2017) and Decree No.59/2011/ND-CP, there are three forms of equitized SOEs, namely, (i) keeping the value of existing state-owned capital in the enterprise, issuing shares to attract additional capital for the enterprise's development, (ii) selling part of the value of existing state-owned capital in the enterprise and (iii) selling all existing state-owned capital in the enterprise to converse into a joint-stock company. To date, the regulatory system of the equitization SOEs process as followed the regulations of Decree No.25/2010/ND-CP, Decree No.59/2011/ND-CP, Decree No.189/2013/ND-CP, Decree No.116/2015/ND-CP and Circular No.127/2014/TT-BTC.

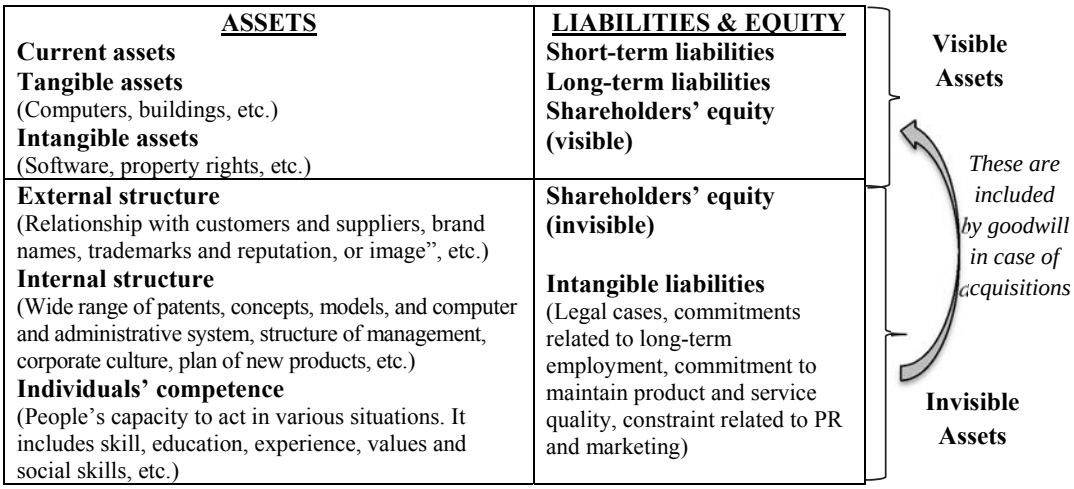
4. Concerning the brand valuation regulations in Vietnamese State-owned enterprises equitization process

The equitisation process of Vietnamese SOEs encompasses the eleven steps. In which, step 5 (Determining the enterprise value of the SOE and preparing an evaluation report for approval by the Prime Minister of Vietnam, applicable Ministries, applicable provincial People's Committees and/or the Board of Management of the SOE) is the most important step in accounting perspective. Meanwhile brand is one of important intangible asset in enterprise and difficult to evaluate. Therefore, this section will introduce detaily the enterprise valuation and brand valuation regulation in Vietnamese SOEs equitization process.

In accordance with the historical perspective, brands were evolved "from focusing on ownership to emphasizing quality" of product (Yang et al., 2012) and the information which embodies the origin of the product (Moore and Reid, 2008). At the beginning time (the year 2000 BC), brands have been used to distinguish their livestock by using a hot iron seal and imprinting the back of each animal to assert their ownership (Briciu and Briciu, 2016). According to ISO (2010), "*the term brand is defied as a marketing-related intangible asset including, but not limited to, names, terms, signs, symbols, logos and designs, or a combination of these, intended to identify goods, services or entities, or a combination of these, creating distinctive images and associations in the minds of stakeholders, thereby generating economic benefits/values*" (p.1). Thus, generating brand is not only serving for instant sales purpose but also providing an opportunity to make added value for products and services (Brand Finance, 2016). As a result, stronger brands brings higher revenues than the same kind of products or services. Therefore, brand investment is same as investing for the future and leads to a sustainable development of business.

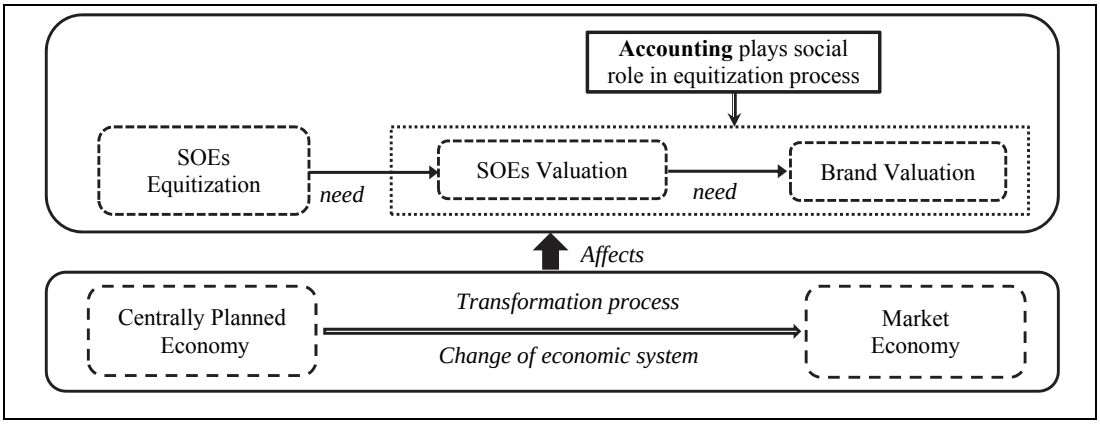
Brand Finance indicated that intangible assets play an important role to generate value of enterprise in their research in 2016. The Global Intangible Finance Tracker (GIFT™) is the most extensive study on intangible assets. This project covers more than 160 jurisdictions, more than 57,000 enterprises, with focusing on helping enterprises understand brand strength and value. This project has been taken since 2001 by Brand Finance. In accordance with the report of GIFT™ 2016, the total enterprise value of these enterprises accounts $89 trillion, of which $46.8 trillion embodied net tangible assets, $11.8 trillion reflected intangible assets (including goodwill) and the other represented "undisclosed value" on their financial statements. Hence, Brand Finance (2016) separates the total enterprise value into four components, namely, (1) tangible net assets, (2) disclosed intangible assets, (3) disclosed goodwill and (4) undisclosed value. The undisclosed value is the difference between the market value of the company and the company's book value, as known the surplus book value. In the research of Zambon (2005), generally 75% of the company's value is not presented on its Balance sheet. As same perspective, Boda and Szlávik (2007) showed the structure of expanded balance sheet (Figure 3). The same co-authors divided the company value into two parts which consist of visible assets (is presented on its balance sheet) and invisible assets (is not yet described on its balance sheet). The reseach also indicated that invisible assets can be transferred to visible assets through form of goodwill in case of acquisition.

"Undisclosed value" or "unidentified intangible assets" are sometimes acknowledged as internally generated goodwill or internal brand. This is the difference between the market value of a company and the book value of its identifible net assets. According to IAS 38, internal brand and internal goodwill can not be recognized as an intangible assets on the balance sheet. However, through merged and acquisition, the internal brand or internal goodwill is recognized as purchased brand



(Source: Boda and Szlávik, 2007)

Figure 3. The structure of expanded balance sheet



or purchased goodwill on the acquirer's balance sheet. Therefore, in the perspective of Brand Finance (2016), it is necessary to measure all their tangible and intangible assets (including internally-generated intangibles such as brands and patents) and liabilities, especially, to present internally generated brands on the balance sheet.

During the SOEs equitization, determining the exact value of equitized SOE is very important. Brands is one kind of assets of equitized SOE, therefore, brand valuation is also very important (Le, 2016). The author also indicated some reasons to illustrate his opinion. Firstly, the contribution ratio of brand on the total value of the enterprise has been growing. Secondly, the brand valuation also helps the enterprise to understand their brand clearly. Thirdly, brand valuation of the enterprise improves their prestige with partners. According to Article 32 of Decree No.59/2011/ND-CP, a value of goodwill of an equitized enterprise includes a value of its brand and its development potential. However, in many SOEs equitization processes, the values of intangible assets such as brand are often valuated not yet exactly (Brand Finance, 2016). The low valuation brand leads to lose state-owned capital in equitization process. This brings a big disadvantage for SOEs that had made many efforts in generating brands. The limitation of this practice is due to the fact that evaluation of brand is still a new concept in Vietnam (Brand Finance, 2016). To

serve the equitization process, MOF promulgated Circular No.127/2014/TT-BTC, the guidelines for financial handling and determination of enterprise values when transfering a SOE (100% state-owned) to a joint-stock company was mentioned. This Circular introduced two approach to value equitized enterprise, namely, asset approach and discounted cash flow (DCF) approach. Asset approach refers to the method of valuing a business based on actual value of all tangible and intangible assets of such business at the time of valuation. DCF approach refers to a method of valuing a business based on its future profitability regardless of the enterprise's asset value. However, the Circular also indicated that, besides these approaches, the consultancy may select other approaches to determine value of the enterprise. Other approaches must show scientificity, reflect actual value of a business and be internationally adopted and straightforward. However, to date, the application of the other approaches is still limited.

The Section 2 of Chapter 3 in Circular No.127/2014/TT-BTC presented detaily the asset approach. Value of the enterprise stated in accounting books is the total asset value in the enterprise's balance sheet. Meanwhile, actual value of the equitized enterprise is value of the enterprise's existing total assets at the time of equitization. Moreover this value will be accepted by sharing buyers and sellers. Actual value of the equitized enterprise includes value of land use right as prescribed in Clause 6, Article 1 of Decree No.189/2013/ND-CP and goodwill as prescribed in Article 32 of the Decree No.59/2011/ND-CP. Under the asset approach, *"the brand value is determined on the basis of actual expenses for building and protection of the brand, trade name during the operation of the enterprise five years before the time of valuation, including expenses for business establishment, staff training, advertising and propaganda at home and abroad; website construction"* (MOF, 2014, p.29).

Meanwhile, the Section 3 of Chapter 3 in Circular No.127/2014/TT-BTC embodied detaily in accordance with the DCF approach. Equitized enterprises can apply this method only if the enterprise satisfies two legal conditions. The first condition, the enterprise has at least five years of operation before the time of valuation. The other condition, the ratio of an average post-tax profit to state capital in the last five years preceding the time of valuation higher than interest rates of five-year term government bonds which is issued at the time closest to the time of valuation.

The DCF approach is more superior than the asset approach, however, actually, most of valuation organization has used asset approach to determine the value of equitized Vietnamese SOEs (Le, 2016). The first reason is the complexity of the DCF method, and the another reason is the perspective of SOEs' managers. They think that, if the value of SOEs is overestimated, it will be difficult to sell shares and become disadvantage in distribution of preferential shares within the enterprise. Thus, according to Le (2016), currently in Vietnam, brand valuation in the process of equitization SOEs is still not yet exactly based on asset approach. For example, in case of Vietnam Feature Film Studio One Member Company Limited (VFS) equitization, its brand was valued at zero. The other evidence is the audit results of the state auditing. The state auditing re-assessed the valuation of SOEs for equitization in seven SOEs in 2016, as a result, the state-owned capital was increased 4,625 billion VND in six SOEs as compare to results of independent valuation. Recapitulatly, asset approach only focuses on evaluating enterprises in "static state" and sometimes ignore the value of intangible assets, hence, this leads to a reduction in the value of assets, distortes the value of SOEs and affects the benefits of the state. As such, the valuation of SOEs for equitization is not yet complete with only two approaches, whereas there are five methods to value SOEs in international practice (ISO, 2010).

In this study, the equitization process of VFS

Table 1. The results of the valuation of VFS at 0h00 September 30th 2014

Unit: VND

NO.	ITEM	BOOK VALUE	REVALUATION VALUE	DIFFERENCE
(A)	(B)	(1)	(2)	(3)=(2)-(1)
I	**Fixed assets and Long-term investment**	**6,746,015,070**	**13,587,593,714**	**6,841,578,645**
1	**Fixed assets**	**6,728,515,070**	**13,570,093,714**	**6,841,578,645**
A	Buildings and architecture	352,403,677	6,008,598,869	5,656,195,192
B	Machinery and equipment	5,645,469,627	6,589,957,248	944,487,622
C	Means of transport	730,641,766	891,655,928	161,014,162
D	Other fixed assets	-	79,881,670	79,881,670
4	**Long-term prepaid expenses**	**17,500,000**	**17,500,000**	**-**
II	**Current assets and Short term investment**	**69,952,374,386**	**78,125,986,715**	**8,173,612,329**
1	**Cash**	**14,158,110,136**	**14,159,766,055**	**1,655,919**
A	Cash in the fund	7,270,910,844	7,270,910,844	-
B	Bank deposit	6,887,199,292	6,888,855,211	1,655,919
3	**Receivables**	**3,219,492,477**	**8,504,146,967**	**5,284,654,490**
A	Customers receivables	575,757,670	575,757,670	-
B	Prepayments to suppliers	1,904,534,180	1,904,534,180	-
C	Other receivables	739,200,627	6,023,855,117	5,284,654,490
4	**Inventory**	**30,254,341,452**	**33,141,643,372**	**2,887,301,920**
A	Materials	72,463,866	72,463,866	-
B	Tools	-	2,887,301,920	2,887,301,920
C	Production costs, unfinished business	30,181,877,586	30,181,877,586	-
5	**Other current assets**	**22,320,430,321**	**22,320,430,321**	-
A	Short-term prepaid expenses	37,425,435	37,425,435	-
B	Value added tax is deducted	123,938,085	123,938,085	-
C	Advance payment	22,159,066,801	22,159,066,801	-
	Total assets	**76,698,389,455**	**91,713,580,429**	**15,015,190,974**
	Debt actually paid	**73,045,454,876**	**72,055,051,876**	**(990,403,000)**
	State-owned equity	**3,652,934,579**	**19,658,528,553**	**16,005,593,974**

(On March 2016, Exchange rate from Vietcombank 1USD = 22,330VND, Availabled at https://www.vietcombank.com.vn/ExchangeRates/)

(Source: VFS, 2016)

is introduced. VFS was established in 1953 by Vietnamese Government and operated under the Ministry of Culture, Sports and Tourism. This is a SOE which responsed producing revolutionary and artistic films. In 2014, VFS started to implement the equitization process. The company selected form of equitization "combined with the sale of part of state capital and enacting new shares to increase charter capital". Before the equitization process, the value of VFS was revaluated through the asset approach by independent valuation organization. The results of valuation of VFS at September 30th 2014 was shown in Table 1.

As such, the total actual value of VFS at 0h00 on September 30th 2014 was 91,713,580,429 VND. Actually, during the operation period from 1953-2013, the VFS had produced 325 films, in which, 23 films that had achieved Vietnamese and international great prizes. However, the value of these films are also not evaluated to identify the value of VFS. As such, in this case, the value of VFS's brand equaled to zero under the perspective of the independent valuation organization. However, VFS is the company which operates in the field of art, hence the valuation method of this company has to differentiate with other manufacturing companies and the asset method is not yet suitable in this case. In addition, the brand value of VFS has not yet mentioned in valuation process which is unreasonable.

5. Concerning the brand valuation approaches in International Valuation Standard

On March 6th 2014, the International Valuation Standards Council (IVSC) and the International Financial Reporting Standards (IFRS) Foundation signed the statement of protocols for co-operation on IFRSs and IVSs. They are independent, not-for-profit and private sector organisations. The IVSC aims to develop a single set of high quality globally accepted IVSs and to strengthen the valuation profession by setting codes of conduct and competency benchmarks for valuation professionals. Meanwhile, the IFRS Foundation focuses on development a single set of high quality, understandable, enforceable and globally accepted IFRSs through its standard-setting body, the International Accounting Standards Board (IASB). The IVSC and the IFRS Foundation have a same interest in guaranting IVSs which is developed by the IVSC. The purpose of these standards is how to measure fair value which is consistent and appropriate with IFRS and is comprehensive and well-developed. Particularly, the IVSC promulgates guidance on fair value and other valuation measurement and facilitates collaboration and co-operation among its member organisations to help ensure consistent application. Simultanously, the IASB has enacted IFRS13 (Fair Value Measurement) on May 2011 to sets out the principles for measuring fair value when it is required to be used in IFRSs. Recapitulatly, there are close relationship between IFRSs and IVSs.

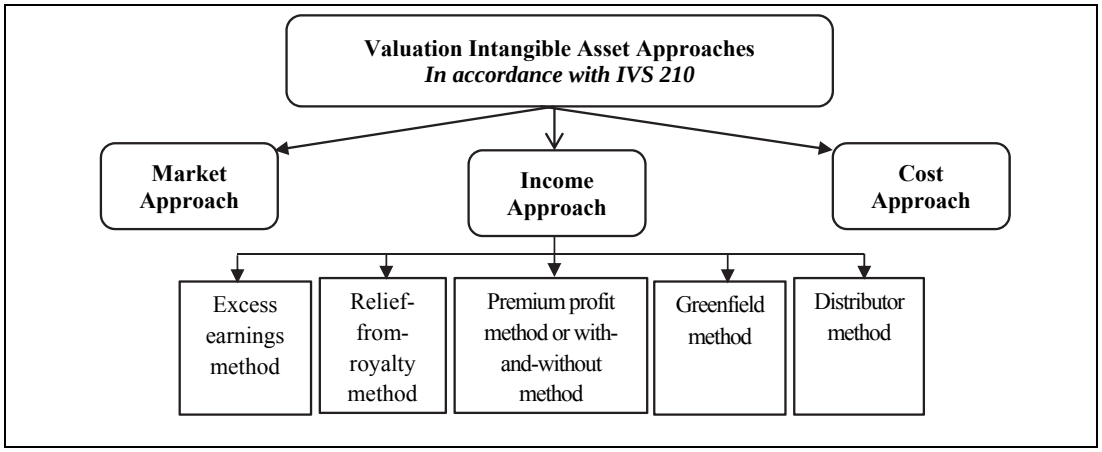
IVSs 2017 was issued by IVSC. This version includes general standards and asset standards. The general standards focus on the conduct of all valuation assignments including establishing the terms of a valuation engagement, bases of value, valuation approaches and methods and reporting. There are five general standards, namely, IVS 101 (Scope of Work), IVS 102 (Investigations and Compliance), IVS 103 (Reporting), IVS 104 (Bases of Value) and IVS 105 (Valuation Approaches and Methods). The asset standards mention the valuation requirements related to specific types of assets. The asset standards consist of certain background information on the characteristics of each asset type that affect value and additional asset-specific requirements on common valuation approaches and methods utilized. There are six asset standards, such as, IVS 200 (Business and Business Interests), IVS 210 (Intangible Assets), IVS 300 (Plant and Equipment), IVS 400 (Real Property Interests), IVS 410 (Development Property) and IVS 500 (Financial Instruments). However, this study only focused on research the guidelines of IVS 210 (Intangible Assets) on valuations of intangible assets and an intangible assets component.

In accordance with paragraph 50 of IVS 210, there are three basic approaches of intangible assets valuation which are composed of market approach, income approach and cost approach. Under the market approach (Paragraph 50 of IVS 210), the value of an intangible asset is determined by reference to market activity, such as transactions involving identical or similar assets. The valuers should only apply this approach to value intangible assets if both following criteria are satisfied *"(1) information is available on transactions involving identical or similar intangible assets on or near the valuation date and (2) sufficient information is available to allow the valuer to adjust for all significant differences between the subject intangible asset and those involved in the transactions"* (IVS 210, paragraph 50). However, it is difficult to find the similar or equivalent intangible assets on the market, hence, this approach has been used limited.

In accordance with the cost approach (IVS 210, paragraph 70), the value of an intangible asset is estimated by the replacement cost of a similar asset or an asset providing similar service potential or utility. This method often use to determine the value of intangible assets like (a) acquired third-party software, (b) internally-developed and internally-

used, non-marketable software and (c) assembled workforce. However, the cost approach can be applied when no other approach is able to be used. There are two detail cost approach, namely, replacement cost and reproduction cost. Actually, the replacement cost is most commonly applied to the valuation of intangible assets because most of intangible assets do not have physical form.

According to paragraph 60 of IVS 210, the income approach estimates the value of an intangible asset based on the present value of income, cash flows or cost savings attributable to the intangible asset over its economic life. There are five detail income approach methods, namely, (1) excess earnings method, (2) relief-from-royalty method, (3) premium profit method or with-and-without method, (4) greenfield method and (5) distributor method. The excess earnings method estimates the value of an intangible asset as the present value of the cash flows relative to the subject intangible asset after excluding the proportion of the cash flows that are relative to other assets required to generate the cash flows. Three key steps in applying an this method are (1) forecast the amount and timing of future revenues created by the subject intangible asset and related contributory assets, (2) forecast the amount and timing of expenses that are required to generate the revenue from the subject intangible asset and related contributory assets, (3) adjust the expenses to exclude those related to creation of new intangible assets that are not required to generate the forecasted revenue and expenses. The relief-from-royalty method mentions that the value of an intangible asset is estimated by reference to the value of the hypothetical royalty payments which would be saved through owning the asset as compared with licensing the intangible asset from a third party. Following the with-and-without method, the value of an intangible asset is estimated by comparing the case of the enterprise using the subject intangible asset and the case of the enterprise not using the subject intangible asset (however, all the other factors are kept constant). This method can be done in two ways. In the first way, valuaters calculate the value of the business under each case, as a result, the difference between two enterprise values is the value of the intangible asset. The other way focuses on calculating the difference between the profits in the two cases for each future period. Then, the present value of those amounts is used to estimate the value of the intangible asset. In order to the greenfield method, the value of the intangible asset is based on cash flow projections with one assumption that the subject intangible is the only asset of the enterprise at the valuation date. Simultanously, this method assumes the owner of the subject asset would have to build, buy or rent the contributory assets. This method has similar concept with the excess earnings method. The greenfield method is often used to estimate the value of "enabling" intangible assets like franchise agreements and broadcast spectrum. It is the basic theory of the distributor method that enterprises consisted of various functions are expected to creat profits associated with each function. It means that the distributors often only perform functions related to distribution of goods to customers rather than development of intellectual property or manufacturing, hence, information on profit margins earned by distributors is used to estimate the excess earnings attributable to customer-related intangible assets. Thus, this method is often used to value customer-related intangible assets. IVS 210 also indicates that the income approach is the most suitable method applied to the valuation of intangible assets which include (a) technology, (b) customer-related intangibles (like backlog, contracts, relationships), (c) tradenames/trademarks /brands, (d) operating licenses (like franchise agreements, gaming licenses, broadcast spectrum) and (e) non-competition agreements. As such, the income approach is the most effective method to valuation the value of brands.



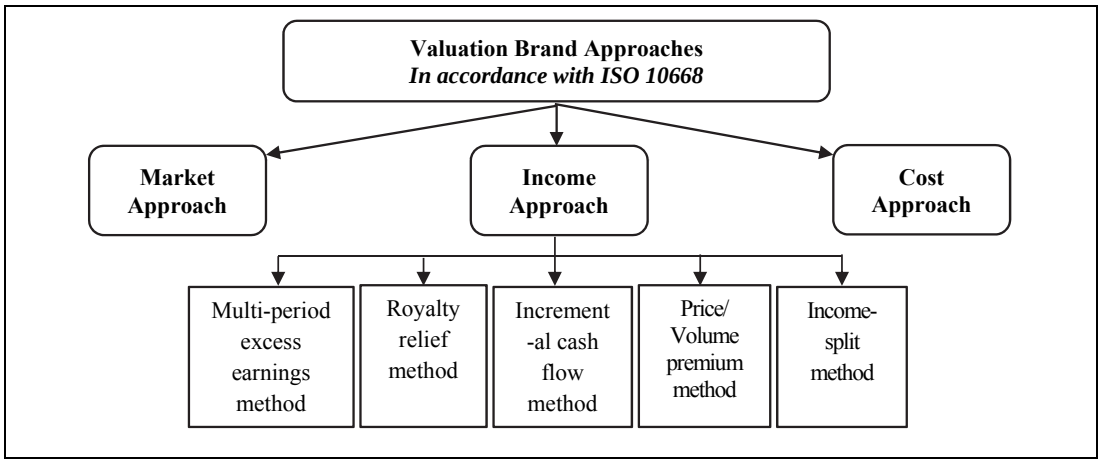
(Source: IVSC, 2017)

Figure 4. The framework of intangible assets valuation approaches

As the same perspective of IVS 210, the ISO gave the detail method to estimate brands valuation of enterprises through the standard ISO 10668 - Brand valuation - Requirements for monetary brand valuation. ISO 10668 was published for the first time in September 2010 (as known ISO 10668:2010(E)). This standard introduces a brand valuation framework which consists of objectives, bases of valuation, approaches to valuation, methods of valuation and sourcing of quality data and assumptions (Yuan and Shaw, 2014). This standard cited that brands are valued by applying three approaches, namely, income approach, market approach or cost approach. The standard also mentioned that depending on the purpose of the valuation, the value concept and the characteristics of the brand being valued, the approach will be chosen to compute the value of a brand.

Under the income approach, the brand valuation is measured by reference to the present value of the economic benefits expected to be received during the remaining useful economic life of the brand. Especially, the income approach will consider the discount rate to reflect risks that are not already embodied in future cash flows. In this case, the weighted average cost of capital is often used as discount rate. There are some basic steps in applying the income approach, namely, forcasting the expected after-tax cash flow streams attributable to the asset over its remaining useful economic life, and converting these after-tax cash flow streams to present value through discounting with an appropriate discount rate. In accordance with the income approach, there are five detail methods which include (1) multi-period excess earnings method, (2) royalty relief method, (3) incremental cash flow method, (4) price/volume premium method and (5) income-split method.

Following the multi-period excess earnings method, the valuation of brand is the present value of the future residual cash flow after deducting returns for all other assets required to operate the enterprise. If there are some intangible assets creating cash flow in the enterprise, a valuation of each individual group of intangible assets is required to compute the cost of capital relative to each of intangible assets. This method has the same concept with the excess earnings method of IVS 210. Meanwhile, the royalty relief method will value the brand as the present value of expected future royalty payments. This method assumes that the brand is not owned but licensed. It means that the value of brand equals to the present value of the royalty payments saved through the ownership of the brand. In which, the royalty rate is calculated by analysis of available data from



(Source: ISO, 2010)

Figure 5. The framework of brand valuation approaches

licensing arrangements for comparable brands and an appropriate share of brand earnings between licensor and licensee. Especially, these referenced brands should have the same characteristics and size as the brand subject to valuation. The royalty relief method is built as the same with the relief-from-royalty method of IVS 210. The incremental cash flow method determines the cash flow generated by a brand in an enterprise through comparison with a comparable enterprise without such brand. Notably, in this case, the cash flows are created through increased revenues or decreased costs. This method has similar perspective with the with-and-without method of IVS 210. The next method is price/volume premium method which is the same as the greenfield method of IVS 210. This method is separated into the price premium method and the volume premium method. In accordance with the price premium method, the brand valuation will be identified by reference to the price premium that it creates. Specifically, the market price of products/services with a certain brand will preferably be compared with the market price of an unbranded product. Meanwhile, under the volume premium method, the value of brand will be determined through reference to the volume premium that it generates. In this method, additional cash flows generated by a volume premium which will be identified following on an analysis of market shares. The additional cash flow created by the brand is the operating cash profit related to the excess market share. However, the price premium method and the volume premium method are often used together to determine the value of brand. The last method of income approach is income-split method. Under this method, the value of brand is the present value of the portion of the economic profit attributable to the brand. This method will use the results of behavioural research to determine the contribution of the brand to increase earnings or decrease costs of the enterprise. As such, this method and the distributor method have the same concept.

The market approach estimates the value of brand according to what other buyers in the market have paid for similar or equivalent asset (as known a comparative brand) with the subject brand. Applying this approach will lead an estimation of the expected price if the brand is sold on the market. The paid price data of comparable brand is gathered and adjusted to compensate for the differences between the comparable brand and the subject brand. However, this method is not widely used since a brand is often unique and it is difficult to find a comparative brand.

Under the cost approach, the value of a brand is the cost invested in setting up the brand or its replacement or reproduction cost. This method was built with the assumption that a prudent investor would not pay more for a brand than the cost to replace or reproduce the brand. In this case, a comparison will be done between the past expenditure and the awareness of the brand created by such expenditure. This method can be implemented when the other valuation approaches cannot be utilized and especially there is reliable data to identify the cost. However, this approach is also not commonly used. The reason is that the value of brands is rarely equal to the terms of brand's invested costs (or brand's replaced cost or brand's reproduced cost).

As such, based on the view of IVS 210 and ISO 10668, the value of brand is derived from the ability to creat higher profits for the enterprise that owns the brand, and to date, the income approach is a widely used and accepted as the brand valuation method.

6. Conclusion

This study has summarized briefly history and development of Vietnamese SOEs from 1954 to present. To date, the Vietnamese SOEs have operated under the guidelines of the Law of Enterprises No.68/2014/QH13. The SOEs are the enterprises which the Vietnamese State still owned more than 50% of the shares. Additionally, this study also describes the equitization process of Vietnamese SOEs. The objective of equitization process is improving the effectiveness of business operation of SOEs. Specifically, equitization process makes diversity of ownership structures of SOEs which leads to renovate the structure and mechanism of interests distribution and responsibilities closely linking with the results of business operation. Therefore, this study also described the role of accounting during the equitization process of SOEs. Specifically, accounting has played important role in SOEs valuation process which was includes valuation all kinds of assets in SOEs like tangible assets, intangible assets, etc. Hence, accounting has made social consensus during equitization process of SOEs; and accounting has contributed directly to the success of this equitization process in Vietnam. To date, there are three forms of equitization SOEs, which compose of (i) keep the value of existing state-owned capital in the enterprise, issue shares to attract additional capital for the enterprise's development, (ii) sell part of the value of existing state-owned capital in the enterprise and (iii) sell all existing state-owned capital in the enterprise to converse into a joint-stock company (The Government, 2011). Moreover this study also emphasized that the transformation process from the centrally planned economy to the market economy leads SOEs equitization process and the appearance of brands in Vietnam. Particularly, this study analyzed the relationship between the equitization process and the valuation of brands. Additionally, this study also indicated that brand valuation is one of the important components to value enterprise. After more than 20 years implemented equitization progress, Vietnam has gained some achivements such as re-arangement and shrinking the number of SOEs, increasing revenue and profit (Le, 2016). This study described two approaches of the brand valuation in Vietnamese SOEs equitization process, namely, asset approach and DCF approach (MOF, 2014). Notably, in Vietname, the study shows the popular approach to identify the value of brand is the asset approach. The study also indicates currently, brand valuation in the process of equitization Vietnamese SOEs are still not yet exactly in accordance with the asset approach (Le, 2016). Simultaneously, the study presents the brand valuation approaches in accordance with IVS 210 and ISO 10668. Both standards indicates that there are three approaches to determine the value of brand, namely, market approach, cost approach and income approach.

Specially, both standards emphasize that income approach is the most suitable method to identify the brand value. Therefore, to improve the brand valuation approach of Vietnam, MOF must stipulate that applying at least two methods when valuing an enterprise (one main method and one method of examination and comparison). In which, the result of the value determination based on asset approach will be the minimum value (floor value).

REFERENCES

Boda, G. and Szlávik, P. (2007). 'Alternative Accounting to Manage Intellectual Capital', *Electronic Journal of Knowledge Management*, Vol. 5, Issue 1, pp. 7 – 18.

Brand Finance, (2016). 'The Brand Finance Top 50 Vietnam Brands Report 2016 on Vietnam's intangible assets and brands', Available at: http://brandfinance.com/images/upload/20160911_bf_vietnam_2016_en.pdf.

Briciu, V.-A. and Briciu, A. (2016). 'A brief history of brands and the evolution of place branding', *Bulletin of the Transilvania University of Braşov. Series VII: Social Sciences Law*, Vol. 9(58), Issue 2, pp. 137-142.

Do, H. N. (1994). 'Industry in a Process of Economic Restructuring'. *In Vietnam's Economic Reform: Results and Problems* (in Vietnamese), Hanoi: Social Science Publishing House.

IASB (International Accounting Standards Board), (2011). 'International Financial Reporting Standard No.13 (IFRS 13) - Fair value measurement', Available at http://www.frascanada.ca/international-financial-reporting-standards/resources/unaccompanied-ifrss/item71725.pdf

IASB (International Accounting Standards Board), (2014). 'International Accounting Standard No.38 (IAS 38) – Intangible Assets', Available at http://www.moretele.org.za/Data/Access/8.0.1%20IAS%2038%20PDF%20doc.pdf.

ISO (International Organization for Standardisation), (2010). 'International Organization for Standardization 10668 (ISO 10668) - Brand valuation – Requirements for monetary brand valuation', Available at http://farsi.tpo.ir/uploads/iso[1].pdf.

IVSC (International Valuation Standard Council) and IFRS Foundation, (2014). 'Statement of protocols for co-operation on International Financial Reporting Standards and International Valuation Standards between the International Valuation Standards Council and The IFRS Foundation on March 6th 2014', Available at: http://www.ifrs.org/-/media/feature/around-the world/memoranda/ivsc-protocol.pdf.

IVSC (International Valuation Standard Council), (2017). 'International Valuation Standard No.210 (IVS 210) - Intangible assets', Available at http://www.cas.org.cn/docs/2017-01/20170120142445588690.pdf.

Le, D. L. (2016). 'Brand valuation with equitization of SOEs', *Asia-Pacific Economic Review* (in Vietnamese), Vol. 473, pp. 101-103.

Le, T. A. N. (2015). 'SOE Reforms in the TPP Negotiation: Is it a win-win for Vietnam?', *RIETI Discussion Paper Series 15-E-092*, Available at http://www.rieti.go.jp/jp/publications/dp/15e092.pdf.

MOF (Ministry of Finance), (2014). 'Circular No.127/2014/TT-BTC dated September 5th 2014 instructions on financial settlement and business valuation in transformation of wholly SOEs into joint-stock companies' (in Vietnamese).

Moore, K. and Reid, S. (2008). 'The Birth of Brand: 4000 Years of Branding History', *Munich Personal RePEc Archive, No. 10169*, Available at: https://mpra.ub.unimuenchen.de/10169/1/MPRA_paper_10169.pdf.

Nguyen, X. H. (2015). 'Overview of Vietnamese Accounting System Since 1975 and the Process

of Vietnam's Convergence to IFRS', *Journal of Modern Accounting and Auditing*, Vol. 11, Issue 5, pp. 260-268.

Phan, T. T. L. (2017). 'Equitization Large-scale SOEs in Vietnam', *Doctoral dissertation* (in Vietnamese), Institute for research central economic management, Available at http://www.ciem.org.vn/Content/files/tailieu/2_%20Tom%20tat%20Thuy%20Linh%20V.pdf.

The Chairman of the Ministers Council, (1987). 'Decision No.217/HDBT dated November 14th 1987 on promulgating policies for renewing plans and social-economic accounting for SOEs' (in Vietnamese).

The Chairman of the Ministers Council, (1992). 'Decision No.202-CT dated June 8th 1992 on continuing experimentally transformation some SOEs into joint-stock companies' (in Vietnamese).

The Government, (1981). 'Decree No.25/CP dated January 21st 1981 on some policies and measures to improve the proactiveness in business operation and finance of SOEs' (in Vietnamese).

The Government, (2002). 'Decree No.64/2002/ND-CP dated June 19th 2002 on guidelines the transformation of SOE into joint-stock company' (in Vietnamese).

The Government, (2004). 'Decree No.187/2004/ND-CP dated November 16th 2004 on conversion of SOEs into shareholding companies' (in Vietnamese).

The Government, (2007). 'Decree No.109/2007/ND-CP dated June 26th 2007 on conversion of enterprises with 100% state-owned capital into shareholding companies' (in Vietnamese).

The Government, (2010). 'Decree No.25/2010/ND-CP dated March 19th 2010 on transfering SOEs into a one-member limited liability company' (in Vietnamese).

The Government, (2011). 'Decree No.59/2011/ND-CP dated July 18th 2011 on transformation of enterprises with 100% state capital into joint-stock companies' (in Vietnamese).

The Government, (2013). 'Decree No.189/2013/ND-CP dated November 20th 2013 on revising and implementing some articles of Decree No.59/2011/ND-CP' (in Vietnamese).

The Government, (2015). 'Decree No.116/2015/ND-CP dated November 11st 2015 on revising, implementing and deleting some articles of Decree No.59/2011/ND-CP and Decree No.189/2013/ND-CP' (in Vietnamese).

The Ministers Council, (1991). 'Decree No.388/HDBT dated November 20th 1991 on the regulations for establishment and closing down of SOEs' (in Vietnamese).

The National Assembly, (1987). 'Law on Foreign Investment No.04-HDNN8 dated December 29th 1987 on foreign investment in Vietnam' (in Vietnamese).

The National Assembly, (1990). 'Law on Limited company and Joint-stock company No.47-LCT/HDNN8 dated December 21st 1990 on limited company and joint-stock company' (in Vietnamese).

The National Assembly, (1995). 'Law on SOEs No.39-L/CTN dated April 20th 1995 on the first guidelines the operation of SOEs' (in Vietnamese).

The National Assembly, (1999). 'Law on Enterprises No.13-1999-QH10 dated June 12nd 1999 on enterprise' (in Vietnamese).

The National Assembly, (2003). 'Law on SOEs No.14-2003-QH11 dated November 26th 2003 on the second guidelines the operation of SOEs' (in Vietnamese).

The National Assembly, (2005). 'Law on Enterprises No.60/2005/QH11 dated November 29th 2005 on enterprise' (in Vietnamese).

The National Assembly, (2014). 'Law on Enterprises No.68/2014/QH13 dated November 26th 2014 on enterprise' (in Vietnamese).

The Prime Minister, (2016). 'Decision No.58/2016/

QD-TTg dated December 28th 2016 on the criteria for classification of SOEs, enterprises which state hold a part of capital, and the list of SOEs which will be re-arranged during period 2016-2020' (in Vietnamese).

Tran, D. T., Dinh, T. M., Nguyen, T. D. and To, T. T. (2010). 'Restructuring SOEs: Bottlenecks and solutions', *The macro economic policy project of the Economic Commission* (in Vietnamese), Availbale at http://dl.ueb.vnu.edu.vn/bitstream/1247/9293/1/19_Tai%20co%20cau%20DNNN_Cac%20diem%20nghen%20va%20giai%20phap%20thuc%20day.pdf.

Tran, T. C., Dung, B. V., Trung, P. D., Anh, N. K., Ha, N. T. L., Luyen, N. T. and Chieu, T. D. (2006). 'Vietnamese SOEs after Equitization: Performance, Emerging Issues, and Policy Recommendations', *Vietnam Economic Management Review*, Vol.1, pp. 20-30, Available at http://unpan1.un.org/intradoc/groups/public/documents/apcity/unpan031906.pdf

Tran, T. T. (2015). 'The economics of onion storage in Kinh Mon district, Haiduong province, Vietnam', *Unpublished Master's Thesis*, Department of Agricultural and Applied Economics, College of Economics and Management, University of the Philippines Los Banos.

VFS (Vietnam Feature Film Studio One Member Company Limited), (2016). 'Initial public offering announcement information of VFS', Available at https://www.apec.com.vn/Handler/WS.Data/GetAttachment.ashx?Id=3cfb3d6f.

Vu, Q. N. (2002). 'The SOE Reform in Vietnam: Process and Achievements', *Visiting Reserchers Series No.4 (2002)*, Institute of Southeast Asian Studies, ISSN 0219-3582.

Yang, D., Sonmez, M. and Li, Q. (2012). 'Marks and Brands: Conceptual, Operational and Methodological Comparisons', *Journal of Intellectual Property Rights*, Vol. 17, pp. 315-323.

Yuan, D. H. and Shaw, R. K. (2014). 'The Concept of Brand Insecurity & Its Measurement for ISO 10668 Valuations', *Journal of Financial Risk Management*, Vol. 3, pp. 177-184.

Zambon, S. (2005). 'Intellectual assets and value creation: Exploring the black link', *International Policy Conference*, Ferrara, Italy, 20-22 October.

http://www.apec.org/aboutus/about-apec/member-economies.aspx.

http://www.usvtc.org/trade/bta/text/.

http://wto.org/english/thewto_e/countries_e/vietnam_e.htm.