




**Cost of Capital Navigator  
Frequently Asked Questions:  
Subscriptions**

## Question 1: How do subscriptions to the Cost of Capital Navigator work?

Subscribing to the Cost of Capital Navigator is easy. Each subscriber gets a license to access the Cost of Capital Navigator and its data for a period of one year from the date of purchase.

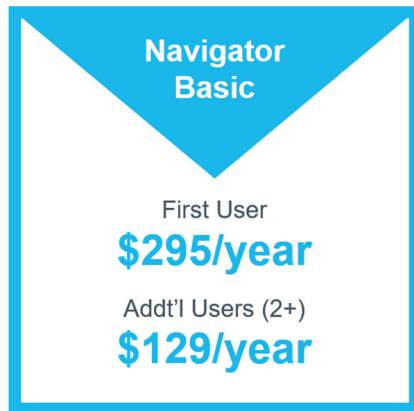
There are three subscription levels (“Basic”, “Pro” and “Enterprise”). Enterprise pricing is available for firms that have 16 or more Pro users. These options are summarized below.

	Basic		Pro		Enterprise
	First User	Additional Users	First User	Additional Users	16+ Pro Users
 2019 Pricing	\$295	\$129	\$595	\$299	Contact Us
<b>Data Years Included*</b> (CRSP Deciles Size Study & Risk Premium Report Study)	2018–2019		1999–2019		1999–2019
<b>Intra-year Updates*</b>	2018–2019		2014–2019		2014–2019
Theory, Methodology & Examples	✓		✓		✓
Full Size Premia Tables (new)	✓		✓		✓
Excel Add-in (new)	✓		✓		✓
Estimate WACC (new)	✓		✓		✓
U.S. Industry Snapshot (new)	✓		✓		✓
Enhanced Outputs (PDF and Excel) (new)	✓		✓		✓
Personal Training and Onboarding Assistance					✓

\*2019 Data Year includes year-end 2018 data (delivery in February, 2019), plus intra-year updates.

## Cost of Capital Navigator Basic

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The graphic is a blue-bordered box with a white background. At the top, a blue downward-pointing triangle contains the text "Navigator Basic" in white. Below this, the text "First User" is centered, followed by "\$295/year" in a large, bold, blue font. Underneath, "Add'l Users (2+)" is centered, followed by "\$129/year" in a large, bold, blue font.

- Cost of Capital Navigator “Basic” provides a one-year license to access the two most recent years of valuation data
- The first seat of the Basic subscription is **\$295**
- An unlimited number of additional seats can be purchased for **\$129** each

As of the February 2018 launch of the Cost of Capital Navigator, the “two most recent years of valuation data” are last year’s 2017 data (data through December 31, 2016), and the new 2018 data (data through December 31, 2017). The intra-year quarterly updates (March, June, and September) are also included with the Basic subscription, at no additional cost.

When the 2019 data is released in mid-February, a Navigator Basic subscription will include the 2018 data-year (data through 12/31/17), and the 2019 data-year (data through 12/31/18).

## Cost of Capital Navigator Pro

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**Navigator  
Pro**

First User  
**\$595/year**

Add'l Users (2-15)  
**\$299/year**

- Cost of Capital Navigator “Pro” provides a one-year access to all available years of valuation data from 1999–present
- The first seat of the Pro subscription is **\$595**.
- Additional seats can be purchased for **\$299** each (up to a total of 15 seats)

As of the February 2018 launch of the Cost of Capital Navigator, “all available years of valuation data from 1999–present” is 1999 data (with data through December 31, 1998) and all years up to and including the new 2018 data (data through December 31, 2017). All available intra-year quarterly updates (March, June, and September) are also included with the Pro subscription, at no additional cost.

When the 2019 data is released in mid-February, the Pro subscription will include all available data years from 1999–2019.

## Cost of Capital Navigator Enterprise

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- Cost of Capital Navigator “Enterprise” provides a one-year access to all available years of valuation data from 1999–present for 16 or more Pro users.
- Enterprise pricing is available for Pro subscriptions only and can provide even greater savings per seat.
- Contact us for pricing:  
[costofcapital.support@duffandphelps.com](mailto:costofcapital.support@duffandphelps.com)

## Question 2: How many licenses do I need?

Subscribing to the Cost of Capital Navigator is easy. What level of subscription you need, and how many licenses (i.e., sometimes called “Seats”) are right for you or your firm depends on just a couple simple criteria:

Approximating the number of licenses needed is as follows:

- A. How many of your company’s offices have staff completing valuations?
- B. How many of your staff analyze the cost of capital in doing valuations?

The larger of the answers to “A” and “B” is the recommended number of licenses to purchase.

For example, a subscription for a single license is intended for an individual/sole proprietor providing valuation services. Firms with many project teams and analysts that need access to the data would subscribe to a multi-license subscription. The number of licenses needed for a multi-license subscription is based on the “benefitting group”, not the overall size of the firm. For more information about the benefitting group, please see the attached document by clicking [here](#).

Each subscriber gets a license to access the Cost of Capital Navigator and its data for a period of one year from the date of purchase.

### **Question 3: In the Cost of Capital Navigator, if your saved estimate is older than 2 years and you have a basic subscription, will you still be able to view it?**

A Cost of Capital Navigator “Basic” subscription provides the licensee with access to, and use of, the most recent two years of valuation data for a period of one year, and of course this can be renewed from year to year. A great feature of the Cost of Capital Navigator is that the Analyst can save each estimate, and go back to them later to review, modify, or update it, as long as the Analyst’s subscription is maintained.<sup>1</sup> If the valuation date of the estimate is more than 2 years old, and the user has a Basic subscription, they will be able to view the old estimate in a “read only” format, but will not be able to modify or update the old estimate. If the Analyst’s subscription has lapsed, the Analyst will *not* be able to access the Cost of Capital Navigator to review, modify, or update previous estimates.

“Pro” users will always be able to view and modify old estimates for *all* years (1999 to present), as long as they maintain their subscription. If the Analyst’s “Pro” subscription has lapsed, the Analyst will *not* be able to access the Cost of Capital Navigator to review, modify, or update previous estimates.

#### **In any case:**

The Cost of Capital Navigator provides a comprehensive, auditable summary of your cost of equity capital estimate, and the inputs, assumptions, and sources used in your analysis. All of this is exportable to a PDF document or Excel spreadsheet, and these can be saved to your local computer along with all of any other work documents associated with your valuation analysis, for your review at any time, even if the subscription has lapsed.

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<sup>1</sup> To learn more, see: FAQ – Data/Functionality

**Question 4: Will the price of a subscription to the Cost of Capital Navigator increase once the other three *Valuation Handbooks* are added to it? <sup>2,3</sup>**

The information and data from the *Valuation handbooks* is offered in “modules” in the new Cost of Capital Navigator online platform.

In the initial launch in February 2018, the information from the first book (the *Valuation Handbook – U.S. Guide to Cost of Capital*) is “Module 1” in the Cost of Capital Navigator:

- **Module 1:** U.S. cost of capital data (this is what is included in the Cost of Capital Navigator “Basic” and Cost of Capital Navigator “Pro” subscriptions).

The other three *Valuation handbooks* are scheduled to be added to the Cost of Capital Navigator in 2019, and the Analyst or firm can add any of these additional three modules (for an additional charge):<sup>4</sup>

- **Module 2:** U.S. Industry Data (data from the *Valuation Handbook – U.S. Industry Cost of Capital*)
- **Module 3:** International Cost of Equity Capital Data (data from the *Valuation Handbook – International Guide to Cost of Capital*)
- **Module 4:** International Industry Data (data from the *Valuation Handbook – International Industry Cost of Capital*)

The Analyst or firm can purchase subscriptions to any combination of modules.

Each module is priced separately.

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<sup>2</sup> The “other three” *Valuation handbooks* are: (i) the *Valuation Handbook – U.S. Industry Cost of Capital*, (ii) the *Valuation Handbook – International Guide to Cost of Capital*, and (iii) the *Valuation Handbook – International Industry Cost of Capital*.

<sup>3</sup> In 2019, the “other three” *Valuation Handbooks* will still be offered in physical book format, just like in past years. However, later in 2019 and in 2020, the data from these three books will be moved to online to the Cost of Capital Navigator. Those who purchase hardcover versions of the three remaining *Valuation Handbooks* in 2019 will automatically be given access to the corresponding modules in the Cost of Capital Navigator as soon as they become available (free access is time-limited to 2019 data-years; a subscription will be required in 2020).

<sup>4</sup> To learn more, see: FAQ – General



## Question 5: Why would I need additional Cost of Capital Navigator data “Modules”?

Across the four *Valuation handbooks*, some of the data is designed to be “complementary”, and some of the data is “supplementary”. For example, many Analysts use the U.S. size premia, equity risk premia, industry risk premia and other valuation data through the Cost of Capital Navigator (previously published in the *Valuation Handbook – U.S. Guide to Cost of Capital*) to develop cost of equity capital estimates for U.S. companies. Data from the *Valuation Handbook – U.S. Industry Cost of Capital* could then be used to benchmark, augment, support, and strengthen the Analyst’s own custom analysis of the industry in which a subject business, business ownership interest, security, or intangible asset resides.<sup>5</sup> This is a “complementary” use of the data.

So, a natural pairing of data “modules” for many Analysts and firms might be Modules 1 and 2:

- **Module 1:** U.S. cost of capital data (this is what is included in the Cost of Capital Navigator “Basic” and Cost of Capital Navigator “Pro” subscriptions).
- **Module 2:** U.S. Industry Data (data from the *Valuation Handbook – U.S. Industry Cost of Capital*)

Alternatively, some Analysts and firms primarily perform valuations in “international” locales (i.e., non-U.S. locales).

For these Analysts, a natural pairing of data “modules” might be Modules 3 and 4:

- **Module 3:** International Cost of Equity Capital Data (data from the *Valuation Handbook – International Guide to Cost of Capital*)
- **Module 4:** International Industry Data (data from the *Valuation Handbook – International Industry Cost of Capital*)

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<sup>5</sup> The *Valuation Handbook – U.S. Industry Cost of Capital* provides industry-level cost of capital estimates (cost of equity capital, cost of debt capital, and weighted average cost of capital, or WACC), plus detailed industry-level statistics for sales, market capitalization, capital structure, various levered and unlevered beta estimates (e.g., ordinary-least squares (OLS) beta, sum beta, peer group beta, downside beta, etc.), valuation (trading) multiples, financial and profitability ratios, equity returns, aggregate forward-looking earnings-per share (EPS) growth rates, and more. Over 300 critical industry-level data points are calculated for approximately 170 U.S. industries (depending on data availability). Industries are organized by standard industrial classification (SIC) code. The *Valuation Handbook – U.S. Industry Cost of Capital* can be used to benchmark, augment, and support the Analyst’s own custom analysis of the industry in which a subject business, business ownership interest, security, or intangible asset resides.

However, many Analysts and firms have a need for *both* U.S. and international data. For those Analysts and firms, a subscription to all four modules would be a *powerful* combination that provides the comprehensive data and flexibility they need:

- **Module 1:** U.S. cost of capital data (this is what is included in the Cost of Capital Navigator “Basic” and Cost of Capital Navigator “Pro” subscriptions).
- **Module 2:** U.S. Industry Data (data from the *Valuation Handbook – U.S. Industry Cost of Capital*)
- **Module 3:** International Cost of Equity Capital Data (data from the *Valuation Handbook – International Guide to Cost of Capital*)
- **Module 4:** International Industry Data (data from the *Valuation Handbook – International Industry Cost of Capital*)

The Analyst or firm can purchase subscriptions to any combination of modules.

Each module is priced separately.