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August 1, 2008

Ms. Nancy M. Morris, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

VIA EMAIL: [rule-comments@sec.gov](mailto:rule-comments@sec.gov)

Re: File Number S7-11-08 Proposed Rule on *Interactive Data to Improve Financial Reporting*

Dear Ms. Morris:

Cisco Systems, Inc. ("Cisco") appreciates the opportunity to comment on the Securities and Exchange Commission's (the "Commission") Proposed Rule on *Interactive Data to Improve Financial Reporting* (the "Proposed Rule").

#### Overview and Summary

We support the Proposed Rule because we appreciate how interactive data will improve the usefulness of financial statements to investors and analysts. In the spirit of improving the Proposed Rule and its implementation, on Attachment A to this letter, we have noted several of our concerns and provided our detailed comments and responses to selected questions posed by the Commission in the Proposed Rule. In particular, we would highlight the following:

- We believe the Commission should delay the first required interactive data submission by large accelerated filers based on the expected timing of when the Proposed Rule will be made final by the Commission.
- We believe the Commission should take additional time to evaluate whether there is sufficient demand by investors and analysts for detailed tagging of the footnotes to be provided in interactive data format.

We thank the Commission for the opportunity to comment on this. If you have any questions regarding our letter or would like to discuss our views in further detail, please feel free to contact me directly at (408) 527-0448.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan Chadwick".

Jonathan Chadwick  
Senior Vice President, Corporate Controller  
and Principal Accounting Officer  
Cisco Systems, Inc.

**Attachment A**  
Responses to Specific Questions set forth in the Proposed Rule Release

*Questions for comments (page 26): Should we adopt rules that require each filer's financial statements to be provided in interactive data format? If we do so, should we include a phase-in period or temporary exception for detailed tagging of the financial statement footnotes?*

While we believe that investors and analysts will find the interactive data format useful for basic financial statements, we believe that the Commission should include a phase-in period or temporary exception for detailed tagging of the financial statement footnotes for the purpose of, among other things, enabling the Commission to conduct further field testing with users to evaluate whether or not there is sufficient demand for this information to be provided in interactive data format to justify the complete phase-in of the requirements of the Proposed Rule. Additionally, we encourage the Commission to continue to evaluate prior to the complete phase-in of detailed tagging of the financial statement footnotes, whether or not providing financial statement footnote data in interactive data format without the context of words would be meaningful to investors and analysts. Also, since few companies have prepared financial statement footnotes with detailed tagging, we believe the initial filings will be challenging and time consuming. A sufficient phase-in or temporary exception period will allow companies time to, among other things, secure resources to assist with the initial set-up required to perform the detailed tagging of the financial statement footnotes, and develop and implement systems and procedures to review any outsourced tagging processes. In addition, a phase-in period or temporary exception would give companies more time to consider the most appropriate tag for each data element and to develop company-specific extensions where appropriate. The phase-in period or temporary exception may also allow for further enhancements to the taxonomies.

*Questions for comments (page 36): Is the proposed schedule for implementation of interactive data tagging appropriate? Should we delay the first required interactive data submissions until the second half of 2009 or later? What benefits would there be to advancing or delaying implementation of the proposed rules?*

We believe the Commission should delay the first required interactive data submission by large accelerated filers, with a worldwide public common equity float above \$5 billion, until no earlier than in the filer's quarterly report on Form 10-Q (in the case of domestic issuers) for quarters ending after June 15, 2009. This is necessary, in our opinion, based on the timing of when the Proposed Rule will be made final by the Commission. We believe such timing will allow registrants more time to, among other things, develop and implement information technology system enhancements and/or arrange internal and external resources to facilitate compliance with the Proposed Rule. If adopted, we expect that there would be significant demand among registrants for external resources to facilitate compliance with the Proposed Rule, and delaying the implementation of the Proposed Rule would allow more time for registrants to address their resource constraints and for third-party service providers and software developers to address such demand, possibly reducing costs to the registrants. This additional time would allow registrants to gain experience and, as a whole, to be better prepared when the requirements become effective.



*Questions for comments (page 37): Should the initial submission required by the proposed rules be a periodic report? If so, should it be a Form 10-Q for domestic issuers? Would this be an easier report for companies to prepare, or would it be best for companies to begin providing interactive data with respect to the fiscal year end financial statements?*

For domestic issuers, we believe the initial submission should be on a Form 10-Q. Given that Form 10-K disclosures are more comprehensive and administratively challenging than Form 10-Q disclosures, preparation of a Form 10-Q in interactive data format would require less initial set-up than a Form 10-K filing and would allow registrants to devote more attention to the task, possibly improving compliance with the Proposed Rule. With the benefit of experience, we expect that registrants will be better able to prepare their first Form 10-K filing in interactive data format.

*Questions for comments (page 47): Should the proposed rules require interactive data submissions for a filer's financial information provided under Form 8-K and 6-K, such as earnings releases or interim financial information? Does financial information provided under Form 8-K or 6-K, such as earnings releases, present additional burdens compared to other forms that would warrant excluding them from the proposed rules?*

While the information furnished with the Form 8-K for an earnings release is generally a subset of the information filed in the Form 10-Q or Form 10-K, investors and analysts may benefit from having this information available in interactive data format at the time of the earnings release, which typically precedes the filing of the Form 10-Q or Form 10-K. While we do not believe that providing the interactive data in connection with an earnings release would be overly burdensome, we note that many companies provide earnings guidance, non-GAAP financial measures, and other non-financial metrics such as units or market share data in their earnings releases, and therefore we believe the rules must be sufficiently clear to prescribe exactly what information is required to be tagged. We believe that the taxonomy may need further development to enable registrants to provide this information in interactive data format, and particularly in a format that could enable a reasonable degree of comparability among companies. For this reason, and to allow registrants additional time to arrange internal and external resources to facilitate compliance with the Proposed Rule, we believe there should be a phase in-period or temporary exception period for providing the information contained in the Form 8-K in interactive data format.

*Question for comments (page 69): Should the proposed rules eliminate the requirement that the financial information be submitted in traditional format, in addition to interactive data format?*

We agree with the Proposed Rule as it pertains to the requirement to continue to file the financial information in the traditional HTML or ASCII format. We believe that many investors and analysts will prefer accessing and viewing the financial information presented in the traditional format, and that presenting financial information in this format will continue to serve a useful purpose.