

September 21, 2007

Mr. Robert Pozen
Chairman
SEC Advisory Committee on Improvements
to Financial Reporting
United States Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549

Dear Chairman Pozen:

PR Newswire Association LLC submits this letter in response to the discussion paper on the proposed topics of consideration for the Securities and Exchange Commission's Advisory Committee on Improvements to Financial Communication.

PR Newswire applauds the SEC for creating this committee, and we believe that you have done an outstanding job in outlining the areas in need of review and potential revision. PR Newswire is deeply committed to the constant improvement of the way investors receive and use financial information. At this time, when the committee is about to embark on a process of discovery into the financial disclosure process, we would like to provide background on how the corporate reporting chain currently works and why we believe it is effective. We will also sharing our concerns about certain aspects of the reporting system such as the usability and uniformity of financial information.

PR Newswire has a unique view into financial disclosure as we provide public companies with the disclosure vehicle which ensures that timely, market-moving information about their business is disseminated as fairly and broadly as possible. Today, more than 97% of companies trading on the New York Stock Exchange, NASDAQ and the American Stock Exchange choose a commercial newswire, such as PR Newswire, to distribute material news. During peak financial reporting periods, PR Newswire processes more than 1,000 time-critical press releases per day. Our unique insight into financial disclosure serves as the backdrop for the comments in this letter.

Newswires and Reg FD

Currently, the release of material information by public companies is governed by Regulation Fair Disclosure. Reg FD was written to address the issue of selective disclosure of material non-public information. Reg FD helps individual investors to make their own informed, timely investment decisions, increases transparency and has created more and better communication between companies and the many different types of people who invest in them.

Virtually all public companies fulfill Reg FD in part by releasing material information in the form of a press release through organizations like PR Newswire. A press release distributed over PR Newswire is sent over a vast Internet-based network *simultaneously*

to tens of thousands of news media outlets worldwide. Reporters at Dow Jones Newswires, Reuters, Bloomberg News and The Associated Press scramble to interpret the press release the minute it is issued, and deliver snap headlines. CNBC producers relay key items to their on-air talent. Radio business reporters include relevant local headlines on their reports. PR Newswire also distributes the release to more than 85,000 registered journalists, and over 4,000 websites, which include major consumer and investor portals, online publications and news sites, and equities trading and industry-specific sites with a cumulative audience of more than 100 million monthly. The equities terminals and financial portals such as Thomson Financial, Bloomberg, Dow Jones and Reuters, publish the full-text release and actively push the news to millions of professional investors where it is often commingled with other analytics to facilitate sifting through vast quantities of information that are necessary in making day-to-day investment decisions. Individual investors are actively alerted to corporate news through the media but also through their own direct access to many heavily trafficked portals like Yahoo!Finance, Google Finance and MSN Money, as well as more specialized investment sites like Motley Fool, MarketWatch, E-Trade and Schwab's Active Trader; and news sites like CNN.com, WSJ.com and DallasNews.com, which all carry the PR Newswire feed.

It is this broad dissemination that represents newswires' greatest contribution to Reg FD. We push information out to the widest possible audience, allowing even the most unsophisticated investors to access data from multiple places. Doing so helps to address the imbalance between institutional and individual investors and creates a more level playing field.

There has been some discussion of allowing companies to use blogs or company websites as the sole means of disclosing financial information. Knowing what we do about the process of gathering and disseminating information, we have serious questions about these proposals. Requiring investors to proactively search out company announcements puts the advantage squarely back on the side of those investors who have the resources to scour the web for new postings to company websites. Asking investors to sign up with a corporation to receive their news alerts raises serious privacy questions.

For more than 53 years PR Newswire has been privileged to assist publicly owned corporations fulfill not only the letter of their disclosure obligations, but the "spirit" of disclosure as well. Taking away a longstanding and accepted vehicle for accessing information seems to us to be a violation of the spirit of Reg FD.

Areas in need of improvement – the usability and uniformity of information

One particular aspect of disclosure that concerns PR Newswire and the investment community is the usability and uniformity of financial information. While buy- and sell-side institutions employ research staffs to build and update financial models with corporate financial information, the average individual investor cannot compete. Thus, PR Newswire strongly supports the Committee's stated goal to leverage a technical solution such as eXtensible Business Reporting Language (XBRL) to even the playing field and make analysis of corporate financial reporting easier.

From day one, our business has been directly tied to advancements in technology. It is a mission of ours to continually look for new and better ways to deliver our customers' news and information to audiences wherever they are and through whatever platforms they use. We run a complex and technologically advanced network through which a vast amount of information is processed daily and posted to the Internet for public consumption. Innovation is the touchstone of our company. It is through the development of new products and better ways of servicing our clients that we compete with other newswires to win business. That competition serves well our customers, the investment community and the financial markets themselves.

In summary

As this committee considers how to improve financial communication, we ask that you look carefully at the benefits of the current system. We ask that you try to distinguish between change for change's sake, and change that will actually increase transparency and the public's access to information. We ask that you keep in mind the needs and rights of those investors including senior citizens and others who may have limited or no access to, or understanding of new technologies.

PR Newswire would be happy to provide any assistance we can in helping the committee gain a better understanding of the current system of disclosure. Of special interest may be our technology experts, who are developing the next generation of information dissemination technology. In addition, we also encourage the committee to reach out to those with a deep understanding of the needs of the individual investor to ensure that those needs are fully articulated.

We look forward to being a part of this process moving forward, and to the eventual findings of the committee. Please feel free to contact PR Newswire at any time and with any questions.

Sincerely,

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