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Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

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

Dear Secretary,

We would like to take this opportunity to comment on the Proposed Rule, *Interactive Data to Improve Financial Reporting*. We appreciate the Commission's efforts to improve financial reporting through the concept of interactive data to aid in the comparability and analysis of financial data; however, we have significant concerns regarding the proposed implementation for the following reasons:

- Requiring registrants to file in both the EDGAR (HTML) and XBRL formats creates duplicative efforts and does not lead to more reliable financial reporting. A single reporting process should be developed for registrants that includes XBRL technology and allows for only one source of financial reporting. No change should be made until the SEC is prepared to convert from EDGAR to a single new process.
- Public filings are readily available to all investors and easy to access within minutes of filing. XBRL provides only a very limited incremental benefit to investors (i.e., electronic downloads into spreadsheets for comparison), but at an additional cost to registrants; and coincidently will result in a profit to the members of the XBRL Consortium, other vendors, and consultants if the Proposed Rule is adopted.
- The accelerated adoption timeline does not allow enough time for companies to identify and allocate the proper resources, both financial and human, to successfully implement XBRL, as well as enough time for software companies to properly develop effective applications.
- Deeming a registrant "not current" is too harsh of a penalty for companies who have filed their form timely in EDGAR (HTML), but not in XBRL because XBRL does not provide any additional or enhanced information.

1. 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? Should schedules to the financial statements be tagged? What are the principal factors that should be considered in making these decisions? Is it useful to users of financial information to continue to have, in addition to interactive data, duplicate, human-readable financial statements in ASCII or HTML format?

> The requirement to file financial information in both the current format and the interactive data format is duplicative, time consuming, and costly. We believe users of

financial information will continue to need and demand human-readable financial information. A comprehensive filing format that includes interactive data would be more useful instead of rushing to implement some partial form of interactive data. Only one format should be required based on the existing HTML format, which is familiar and easy to read, and would also incorporate tagging of the financial statements, footnotes and financial schedules. We believe more time and consideration should be taken to develop a format that is a hybrid of HTML and XBRL which would eliminate the need to file in both formats and promote greater comparability. This approach would meet the needs of the financial statement users and not place undue burden and costs on the preparers by requiring duplicative efforts.

Under the current rules, the dissemination of a registrant's SEC filings is broad, efficient, and timely. The addition of XBRL does not enhance this dissemination. Currently, investors have access to free services that will provide them with real-time updates of when a registrant has submitted an SEC filing. These updates can even be sent to a mobile phone. Our experience is that within a few minutes of filing a report with the SEC, investors can easily retrieve the complete report on websites such as www.sec.gov or www.yahoo.com. There are also several services that offer the capability to download reports into Excel for ease of comparison and for a nominal price. Public filings are already readily available and easy to access. Any limited incremental benefit from XBRL is at too high a cost for registrants; while coincidently the members of the XBRL Consortium, other vendors, and consultants will profit if the Proposed Rule is adopted.

If the Proposed Rule is adopted, a permanent, not a temporary, exception for detailed tagging of financial statement footnotes should be allowed due to the volume of information in the footnotes, the complexity of the information, and the required time it would take to properly tag that information. The footnotes require more extensions to the taxonomy than the financial statements because they are less uniform and more complex which would lead to more costs and time for analysis and tagging. In addition, achieving comparability in footnote tagging will be impossible due to the many variations. For example, the pension footnote would require hundreds of tags and there would be no practical way to ensure that every tag is comparable, let alone for extremely complicated footnotes such as stock-based compensation. If XBRL is adopted, we propose that footnotes should be permanently block tagged based on subject matter and not detailed tagged.

2. Do commenters agree that compared to reports using ASCII and HTML, interactive data would require less manually-transferred data? If so, do commenters believe that the proposed rules would result in less human error and therefore contribute to reduced costs?

No, we believe the requirement to submit interactive data requires more manually-transferred data, a greater potential for human error, and additional costs. Emerson is a large, international company that has a complicated and intricate reporting system. Information must be gathered from multiple areas, processed, and reviewed in order to produce the external consolidated financial statements. As a result, the supplemental requirement to present the consolidated financial statements, footnotes and financial schedules in XBRL would generate additional time for information gathering, tagging and review. Due to our structure, this type of information cannot be "linked" as suggested and would instead result in reporting the same financial information twice (HTML and XBRL), thus leading to increased time, costs, and exposure to error.

3. Should we delay the first required interactive data submission until the second half of 2009 or later? What benefits would there be to advancing or delaying implementation of the proposed rules? How much lead time do large accelerated filers need to familiarize themselves with interactive data and the process of mapping financial statements using the list of tags for U.S. financial statement reporting or IFRS financial reporting?

> Yes, XBRL, if adopted at all, should be delayed until at least the end of 2009. The accelerated adoption timeline does not provide enough time for companies to identify and allocate the proper resources, both financial and human, to successfully implement XBRL. Due to the size of the taxonomy and the difficulty associated with implementing new technology, the effective date does not allow sufficient time for proper training and for the resolution of potential roadblocks that inevitably occur when something of this magnitude is completed for the first time. This accelerated adoption period would be especially challenging for calendar year-end companies who would be required to file their Form 10-K, which is a more comprehensive document than the Form 10-Q, as their first XBRL document. Further, a delayed adoption would provide software companies with additional time to develop more effective applications for financial statement preparers and analytical tools for financial statement users.

4. Should we permit interactive data information to be provided later than the related filing for the first year, rather than just the first filing? Should we provide a grace period for the first filing as to which the issuer is required to tag financial statement footnotes in detail? Is a grace period not needed?

> Yes, the 30-day grace period should be extended to incorporate all filings during the first two years of any implementation (to include the initial tagging and the detailed footnote tagging). For a company with a non-calendar year-end, the first filing would most likely be the Form 10-Q, which is significantly less complex than the Form 10-K. When that company has to file their Form 10-K for the first time they are likely to encounter unforeseen obstacles and the 30-day grace period should continue to be in place to allow sufficient time to overcome those obstacles. In addition, due to the plethora of new accounting adoptions, including XBRL, many of which are very complex and time consuming to implement, we believe the 40-day deadline for the Form 10-Q should be permanently extended to 45 days in order to accommodate this large influx of new accounting disclosure requirements as well as the adoption of XBRL.

5. Do the standards we propose for tagging (footnotes) provide clear enough guidance for preparers so that we can expect to achieve consistency among filers?

> Due to the complexity in financial statement footnote disclosures and the wide range of disclosure formats not only across different industries, but also within the same industry, it is hard to imagine how anything beyond the very basic footnotes would be consistent among filers. Financial statement formats are much more uniform than footnote disclosures. Because companies have the option to create extensions and customize footnote tagging, consistency and comparability are likely to be very difficult to achieve. The time and cost associated with tagging the footnotes, along with reduced consistency, outweighs any perceived benefit.

6. Should the proposed rules treat companies that do not comply as not current? Should the proposed rules provide similar treatment whether the failure to comply relates to interactive data submission, or to corporate Web site posting?
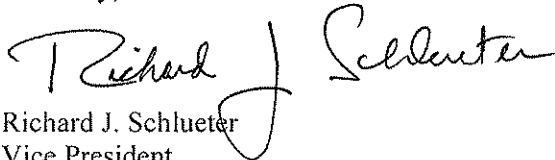
No, absolutely not, if a company has filed their report timely in the existing HTML format they should be considered current. The severity of this consequence seems to greatly outweigh the offense as the XBRL format does not provide additional or enhanced information compared to the HTML format. We believe this further highlights the need to rethink the fast track approach to XBRL and instead develop one comprehensive application that would require only one document that provides the benefits of both HTML and XBRL. In addition, if the SEC moves forward and requires an XBRL filing separate from the HTML filing, the SEC should continue to limit potential liability from the XBRL information by treating it as "furnished" and not as "filed."

Conclusion

Overall, we believe the Proposed Rule leads to duplicative efforts that cause more manually-transferred data, increased exposure to error, and increased costs. No change should be made until the SEC has developed one system to replace EDGAR that has XBRL technology built-in. Due to the time and complexity involved, if the Proposed Rule is approved, we strongly suggest delaying the adoption date until at least the end of 2009 and extending the 30-day grace period to all filings within the first two years. We believe the Commission's proposal to delay detailed tagging of footnotes and financial statement schedules should be permanent, however, at a minimum, the delay should be at least until the second year of implementation. Finally, a company should be considered current as long as the HTML format report was filed timely, even if the XBRL filing is furnished past the deadline.

We appreciate the opportunity to respond to the working draft and trust that our comments will be seriously considered in future Commission deliberations on this issue.

Sincerely,

Richard J. Schlueter
Vice President
& Chief Accounting Officer

cc: Walter J. Galvin
    Senior Executive Vice President
    & Chief Financial Officer