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Mr. Jonathan G. Katz
Secretary
Securities and Exchange Commission
450 Fifth Street, NW
Washington, D.C. 20549-0609

XBRL Voluntary Financial Reporting Program on the EDGAR System
Commission File No. S7-35-04

Dear Mr. Katz:

We are pleased to comment on the proposal by the Securities and Exchange Commission (the Commission or the SEC) to enable registrants to voluntarily furnish through EDGAR supplemental tagged financial information using the eXtensible Business Reporting Language (XBRL). Overall, we support the proposed XBRL Voluntary Financial Reporting Program (the Program). We support and actively participate in the XBRL International and Jurisdictional Consortiums' key initiatives for the development of XBRL, and we are hopeful that registrants, users, and investors will benefit from the further implementation of XBRL. Our comments and recommendations regarding the SEC's rule proposal are discussed in detail below.

Program Participation

We believe that the Commission has proposed an appropriate approach to encourage Program participation as a result of the following elements:

- Not limiting participation by size, specific industry, or type of registrant;
- Not imposing any reporting deadlines (e.g., volunteers may furnish XBRL-Related Documents in a Form 8-K at any time subsequent to the related Exchange Act filing);
- Not requiring consistent participation by Program volunteers (i.e., volunteers would be free to submit XBRL exhibits regularly or from time to time and could stop or start as they choose);
- Not requiring a minimum level of tagging (i.e., volunteers would have flexibility in determining the extent of tagging in allowed XBRL-Related Documents);
- Not requiring a volunteer to have its management certify the XBRL-Related Documents;
- Not requiring a volunteer to have its registered public accounting firm attest to the financial information included in the XBRL-Related Documents; and
- Providing appropriate liability protections for volunteers.

If more constraints were placed on the Program, fewer registrants would likely participate. In addition, the timing and extent of voluntary participation in the Program are likely to be affected by the demands on the resources of registrants related to the reporting requirements of the SEC's rules for the implementation of Section 404 of the Sarbanes-Oxley Act of 2002 (Section 404).

Auditor Attestation and Involvement with XBRL-Related Documents

We do not believe that the Commission should mandate auditor attestation of the financial information included in the XBRL-Related Documents. Instead, volunteers should be able to choose whether or not to furnish auditor attestation reports related to XBRL-Related Documents submitted under the Program. In this manner, the Commission would promote, and be able to evaluate, the market demand for, and the related costs and benefits of, auditor attestation to XBRL-tagged information.

We concur with the Commission's recommendation to omit from any XBRL-Related Documents the audit opinions or interim review reports included with the annual or quarterly financial statements in the body of the official filing. If a volunteer were to present an audit or interim review report in its XBRL-Related Documents, we would be concerned that users may misinterpret such a report of the registered public accounting firm as providing assurance as the propriety of the tagging in the XBRL-Related Documents. In our view, an audit opinion or interim review report only should accompany financial statements that are included in the official filing. Consequently, we believe that the SEC's final rule should explicitly prohibit the inclusion of audit opinions and interim review reports in XBRL-Related Documents.

Concerns About the Definition of XBRL-Related Documents in Item 401(b)

We have concerns about certain aspects of the definition of XBRL-Related Documents in Item 401(b) Regulation S-T. As proposed, Item 401(b) of Regulation S-T states that:

XBRL-Related Documents must reflect the same information, prepared in accordance with U.S. generally accepted accounting principles, as appears in one or more of the following portions of the official version of the related filing: (1) the complete set of financial statements; (2) earnings information (whether contained in the body of the related filing or in an exhibit, and whether filed or furnished)....

In our view, XBRL-tagging under the Program initially should be limited to presentations of financial information that are subject to objective standards as to content and presentation, and which are subject to management certification. Accordingly, we believe that the Commission initially should limit XBRL-tagging to (1) the annual financial statements, (2) the interim

financial statements, and (3) management's discussion and analysis (MD&A) related to either annual or interim periods. Moreover, we recommend that the proposed Program exclude XBRL-tagging of financial amounts included elsewhere in periodic reports or in an exhibit to an Item 2.02 Form 8-K. Because there are not clear standards regarding the content and presentation of such "earnings information," we believe that it would not be appropriate, at this time, for the Program essentially to provide for the selective tagging of elements of a volunteer's financial statements. Once there is more experience with XBRL-tagging of complete presentations of financial information (e.g., financial statements and MD&A), then the Commission could consider whether to extend the Program to the XBRL-tagging of partial presentations of financial information (e.g., earnings releases, selected financial data, schedule of ratio of earnings to fixed charges, et cetera).

We are concerned that the intended meaning of "the same information" in proposed Item 401(b) of Regulation S-T is not clear and may be subject to different interpretations. In particular, we are concerned that some may interpret the proposed rule to allow XBRL-Related Documents to present partial financial presentations so long as the elements of such a presentation are "the same information" as presented in (i.e., consistent with) the complete set of annual or interim financial statements or in MD&A. As discussed above, we do not believe that the Program initially should allow the XBRL-tagging of partial presentations of financial information. Accordingly, we suggest that the SEC's final rule clarify the definition of XBRL-Related Documents to be limited to the complete presentation of information corresponding to the financial statements or MD&A included in the related official filing.

Other Considerations

Eligible XPRL Taxonomies

We concur that the Program should be limited to standard taxonomies finalized by XBRL International following due-process procedures, including the broad distribution of the taxonomy for public comment. Initially, this may limit the Program to the four specified U.S. GAAP financial reporting taxonomies. However, as additional taxonomies are finalized, we encourage the Commission to expand the scope of the Program. For instance, when a non-U.S. GAAP standard taxonomy (e.g., the International Financial Reporting Standards (IFRS) Taxonomy) meets XBRL specification 2.1 and has been broadly distributed for public comment, we believe that the Commission should allow foreign private issuers to participate in the Program using such a non-U.S. GAAP standard taxonomy. Similarly, as additional U.S. GAAP standard taxonomies meet XBRL specification 2.1 and have been broadly distributed for public comment, we believe that the Commission should allow volunteers who would use those taxonomies to participate in the Program.

Amendments to XBRL-Related Documents

We concur with the Commission's recommendation that would require a volunteer to amend the XBRL-Related Documents it previously submitted if the XBRL-Related Documents did not reflect the same financial information that appeared in the corresponding portion of the volunteer's official EDGAR filing (e.g., this may relate to differences that existed at the time the XBRL-Related Documents were submitted or arose later as a result of an amendment to the related official EDGAR filing). However, we believe that the Commission should require the volunteer to furnish the amended XBRL-Related Documents within a short period of time from the date that management determines a difference exists (e.g., 5 business days). As an alternative, the Commission could allow a Program participant to "withdraw" a furnished XBRL exhibit in the event that the registrant concludes that the exhibit is inconsistent with the official EDGAR filing for any reason. This approach would help maintain consistency between the official EDGAR filing and any corresponding furnished XBRL-Related Documents to the benefit of the users of XBRL-tagged data.

As Program participants gain experience with XBRL, they may wish to refine the extent to which they tag information or use file extensions. As a result, the SEC also should allow a Program participant to amend any previously furnished XBRL-Related Document solely with respect to the nature and extent of data tagging. This approach would allow Program participants to maintain consistency with respect to the tagging of XBRL-Related Documents related to various fiscal periods to the benefit of the users of XBRL-tagged data.

Recommendations for Adopting Release

Disclosure Considerations

Although we concur that a volunteer's CEO and CFO should not be required to directly certify the XBRL-Related Documents, we believe that management should be encouraged to acknowledge responsibility for such information and provide users with both informative and cautionary information related to the XBRL-Related Documents. We suggest that the SEC encourage volunteers to disclose the following information at the time they submit any XBRL-Related Documents:

- Management is responsible for ensuring that the financial information in the XBRL-Related Documents is appropriately tagged;
- The source of the tagged information (e.g., the financial statements, MD&A);
- The extent of tagging used, including whether there have been any changes in the extent of tagging or the use of extensions as compared to XBRL-Related Documents furnished for previous fiscal periods;
- Whether any extensions meet the XBRL International technical specification; and

- Although the XBRL-Related Documents reflect the same information appearing in the corresponding portion of the official version of the filing to which they relate, investors and others should continue to rely on the official version of the filing rather than the XBRL-Related Documents.

We believe that these disclosures would ensure that management is taking responsibility for the tagged data as well as enable users and investors to better interpret and use the tagged data.

Taxonomy and Technology Issues Related to XBRL-Related Documents

As previously stated, we concur with the Commission that a minimum level of tagging should not be imposed on volunteers. However, because many volunteers might not be familiar with XBRL, we suggest that the Commission provide guidelines and expectations in its adopting release relating to the extent and type of tagging. Further, the Commission should consider warning that it may not be practical for a registrant to volunteer to participate in the Program if tagging its financial statements will require a considerable use of extensions relative to the standard taxonomy. In this manner, voluntary participation in the Program from inception would more likely involve registrants whose participation and extent of data tagging would promote the objective of evaluating the usefulness of XBRL-tagged data.

Section 404

We believe that the Commission should clarify in its adopting release that XBRL-tagged data and the furnished XBRL-Related Documents fall outside the scope of the assessment and reporting on internal control over financial reporting as required by the SEC's rules that implement Section 404. This view would be consistent with the SEC staff's recently released response to Question 23 in its FAQ, *Management's Report on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports*, in which the SEC staff concluded that, for the time being, the preparation of supplementary information required by GAAP need not be encompassed in management's assessment of internal control over financial reporting. Such a clarification could promote Program participation by alleviating any uncertainty, and the related concerns, of potential volunteers in regards to the applicability of Section 404 to their voluntary efforts.

Conclusion

We support the Commission's efforts to consider a method of enhancing and modernizing financial reporting by implementing the XBRL Voluntary Financial Reporting Program. Because XBRL is a relatively new technology, we believe that the Program must balance both flexibility, in order to encourage maximum participation, and structure, in order to ensure that information of sufficient quality and consistency is submitted for evaluation by interested parties.

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We would be pleased to discuss our comments with the Commission or its staff at your convenience.

Very truly yours,

Ernst + Young LLP