



3 Times Square
New York, NY 10036

July 29, 2008

VIA ELECTRONIC MAIL (rule-comments@sec.gov)

Ms. Florence Harmon
Acting Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

Re: File Number S7-12-08, Interactive Data for Mutual Fund Risk/Return Summary

Dear Ms. Harmon:

Lipper appreciates the opportunity to comment on the Securities and Exchange Commission ("Commission") proposal ("Proposed Rule")¹ to require mutual funds to supply risk/return summary information in an interactive data format using the eXtensible Business Reporting Language (XBRL).

Lipper, bolstered by the resources and knowledge of our parent company Thomson Reuters, provides independent insight on global collective investments, including mutual funds, to the investment management and media communities worldwide. As a leading collective investment research and analysis organization, Lipper tracks more than 188,000 collective investment share classes in 57 markets worldwide, representing more than \$29.4 trillion in Total Net Assets (TNA).² Lipper delivers premium-quality data, fund rankings, analytical tools and commentary through specialized product offerings. Lipper content reaches millions of investors everyday through newspapers, financial publications and the Internet.

Lipper commends the Commission's continued progress towards implementing interactive data filings. It is Lipper's opinion that interactive data will facilitate the mining of mutual fund data to the benefit of investors. Furthermore, Lipper supports the Commission's recommendation to require interactive disclosure of risk/return summary data. The comments presented below suggest rule enhancements which will facilitate the use and effectiveness of mutual fund risk/return data in an interactive format.

¹ *Interactive Data for Mutual Fund Risk/Return Summary*, [Release Nos. 33-8929, 34-57942, 39-2457, File Number S7-12-08] ("Proposed Rule").

² As of 30 June 2008.



July 29, 2008
Lipper Comment Letter

Linking Risk/Return Data to Series and/or Classes

Investors would benefit from clear identification of risk/return data in filings containing more than one Series and/or Class. The Proposed Rule, continuing in the tradition of existing filing procedures, only provides for Central Index Key (CIK), Series and Class tags in the file header.³ This is not sufficient to associate specific risk/return data with a Series and/or Class in an automated fashion. Rather, Series- and/or Class-specific information, such as expenses and performance, should be identified in such a manner that these data elements are clearly associated with the appropriate Series and/or Class when filed in an interactive format.

Daily Updates to CIK, Series & Class Identifiers

CIK, Series and Class numbers are used to identify a Specific investment series or Class; however, these identifiers can change. Interested parties can look up individual numbers through the Commission's website⁴ but a comprehensive list of identifiers is not available. The availability of daily updates to CIK, Series and Class numbers in bulk download format (e.g., CSV, TXT, XLS, XML) will make interactive risk/return summary information more useful.

Concordance among Amendments to Traditional and Interactive Filings

In order to preserve the integrity and value of interactive data filings, it is important that the Proposed Rule mandate that any amendments to risk/return data in traditional filings be reflected in interactive data filings. A lack of concordance between traditional and interactive filings will exist if risk/return amendments are not reflected in the interactive data format. This can lead to investor harm and reduced confidence in interactive data filings.

Footnotes

Footnotes often contain information which is of particular relevance to the investing public. For example, data elements such as Net Expense Ratio and Amount of Waivers are sometimes found in footnotes. As such it is important that the Proposed Rule establish a mechanism to link footnotes to a specific Series and/or Class when appropriate. Footnotes that are Series and/or Class specific need to be tagged to pertain to that specific Series or Class. Not all XBRL viewers associate footnotes with the corresponding Series and/or Class. When using the SEC viewer⁵, for example, footnotes are not clearly numbered

³ See *Extension of Interactive Data Voluntary Reporting Program on the EDGAR System to Include Mutual Fund Risk/Return Summary Information*, [Release Nos. 33-8823; IC-27884; File Number S7-05-07] and *EDGAR Filer Manual*.

⁴ See <http://www.edgarcompany.sec.gov/>.

⁵ See <http://a.viewerprototype1.com/viewer>.



July 29, 2008
Lipper Comment Letter

with regards to the relationship of the Series and/or Class to the footnote. This could be especially confusing where a company submits risk/return data for a number of funds in the same filing.

The Proposed Rule is intended to make risk/return data easier for investors to analyze. Lipper suggests that additional standardized quantitative data elements be added to the risk/return section of the Prospectus, thus reducing the need for footnotes. Replacing or augmenting narrative content with standardized quantitative information which can receive an XBRL tag will facilitate data analysis and will increase the benefit of interactive data. Without proper tags, these data elements may go unnoticed by investors. Applying interactive data tags to data elements in footnotes or moving the items to the Expense Table would make for more effective and useful disclosure.

Minor vs. Major Filing Errors

Per the Proposed Rule, if a filing contained a major error, then the interactive data exhibit would be held “in suspense” until it was revised.⁶ Minor errors would not prevent the interactive data from being accepted and disseminated; however the term minor error is not clear. Investors are being asked to trust interactive data to make investment decisions while the filings may contain some errors. Investors would have additional comfort if the Commission were to define or provide examples of minor errors.

Lipper looks forward to participating in the Commission’s interactive data initiatives with regard to the mutual fund industry and would be happy to discuss the above comments and suggestions at the Commission’s convenience.

Sincerely,

Darren Duffy
Vice President
Global Head of Content & Production

⁶ Proposed Rule, II, F, 2, ¶11.