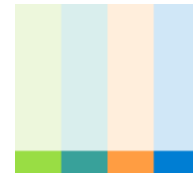




The Industry Standard for Investment Research

In this issue we highlight S & P Equity Research Associates joining the our organization, a “RIXML @” section featuring BlueMatrix, Integrity Research Associates highlighting RIXML.org in their blog, an update from our RIXML/XBRL Working Group, RIXML.org’s participation in upcoming events and a perspective from Jack Roehrig, Executive Director of RIXML.org.



Third Quarter, 2008

| Issue 10 |

RIXML.org welcomes Standard & Poor’s Equity Research Services as new Steering Member

“RIXML.org welcomes S&P ERS as a steering member. The organization is a marquee name with a proven track record. We welcome their expertise and contribution,” said Jack Roehrig, Executive Director, RIXML.org.

“We are very pleased to join the RIXML effort,” said Alex Siu, Director of Business Operations with S&P ERS. “We are looking at the RIXML standard to bring additional value to our customers.”

As a Steering Member, S&P ERS will add much value through direct participation in RIXML Technology working groups, with their fellow associate and steering members, to help develop future releases of the schema.

RIXML @ BlueMatrix

BlueMatrix is the leading software service provider to the global investment research community, offering a 100% web-based suite of tools to automate key processes of global investment research publishing. By creating easy to use RIXML-compliant authoring tools, simplifying workflows, managing distribution, and creating rich information portals we help our clients

www.RIXML.org

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Membership

Steering Committee Members

- Buy-Side
 - Fidelity Investments
 - Putnam Investments
 - MFS Investment Management

Sell-Side

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For more information please contact Katharina Tunnat, mmkatharina@bluematrix.com, 646-202-1366.

RIXML highlighted in Integrity Research Associates Blog

Authored by Sandy Bragg, Integrity Research Associates, May 20th 2008

XBRL Arrives (Finally)

—New York—The U.S. Securities and Exchange Commission adopted a rule proposal last week that will mandate interactive data filings of public companies' SEC reports, beginning this year for large cap firms. The

Bank of America
Bear Stearns & Co.,
Inc.
Citigroup
Credit Suisse
Deutsche Bank
Dresdner Kleinwort
Goldman Sachs
JPMorgan
Merrill Lynch
Raymond James
Standard & Poor's
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ICB
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Inc.
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Seventh Wave
Systems
Standard &
Poor's/Capital IQ
SNL Financial
TheMarkets.com
Thomson Financial

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new standard will have significant implications for the research industry, ranging from research techniques and processes to research distribution.

visit
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The SEC's New XBRL Requirements

The new rule will require public companies registered with the SEC to report financial statements using eXtensible Business Reporting Language (XBRL), a form of the general purpose mark-up language XML. The required tagged disclosures would include companies' primary financial statements, notes, and financial statement schedules. Initially, companies would tag notes and schedules as blocks of text, and a year later, they would provide tags for the details within the notes and schedules.

If adopted, the SEC's proposed schedule would require companies using U.S. Generally Accepted Accounting Principles with a worldwide public float over \$5 billion (approximately the 500 largest companies) to make financial disclosures using XBRL for fiscal periods ending in late 2008. The first XBRL data would be made public in early 2009. The remaining companies using U.S. GAAP would provide this disclosure over the following two years. Companies using International Financial Reporting Standards as issued by the International Accounting Standards Board would provide this disclosure for fiscal periods ending in late 2010. The disclosure would be provided as additional exhibits to annual and quarterly reports and registration statements. Companies also would be required to post this information on their websites.

Companies filing under the proposed rule that use U.S. GAAP will use upgraded data tags issued April 28, 2008,

by XBRL US, Inc. that were developed based on U.S. GAAP and on the review of hundreds of actual SEC filings. The SEC's EDGAR system will accept test filings using a February 11 version of these tags later this month, with the final April 28 version of the tags becoming usable in June. In addition, an interim system is expected to be announced shortly that will enable companies immediately to provide interactive data submissions to the SEC using the April 28 version of the tags.

XBRL & RIXML

The SEC's action will give a boost to a related initiative to implement a standard XML tagging scheme for investment research. The initiative, known as Research Information eXchange Markup Language (RIXML), is a consortium of buy-side firms, sell-side firms and vendors that have joined together to define an open standard for categorizing, tagging and distributing global investment research.

The RIXML standard provides extensive capabilities to tag any piece of research content, in any form or media with enough detail for end users to be able to quickly search, sort and filter aggregated research.

Implications

XBRL has been a long time coming. The SEC has had a pilot program in place for three years but only fifty U.S. companies used it, despite jawboning from Chairman Christopher Cox who adopted the initiative as a pet project. Although developed in the U.S., XBRL has fared better outside the U.S. For example, over 800 Chinese companies listed on the Shanghai exchange have been

using XBRL since 2005.

Despite the long gestation period, many have ignored or denigrated the initiative. This will change quickly. XBRL will have major implications for the research supply chain, as it streamlines the financial reporting process. Inefficiencies that are created by the current reporting process will be eliminated. For example, valuable information from the notes and footnotes of financial statements is currently mined by investors and by specialist research firms such as forensic accounting, earnings quality and short ideas providers. As details in the notes and footnotes get tagged, value will be harder to generate.

Research processes will also change dramatically. The sell side outsources much of its junior analytic work to teams in India. These requirements will be dramatically reduced once financial data is tagged and easily (and quickly) incorporated in financial models. There are similar implications for information companies such as Bloomberg, Thomson Reuters, Factset, etc, some of which were slow to embrace the changes, but now paying close attention to both the XBRL and RIXML initiatives.

We also expect to see new categories of research providers spring up, designed to help investors utilize the new capabilities unleashed by XBRL and RIXML. We'll cover this more extensively in a future blog posting.

The public comment period on the proposed rule will extend 60 days after publication in the Federal Register. The SEC's press release can be viewed at:

<http://www.sec.gov/news/press/2008/2008-85.htm>.

This entry was posted by Sanford Bragg on Tuesday, May 20th, 2008 at 4:50 am. You can follow any responses to this entry through the [RSS 2.0](#) feed. You can [leave a response](#), or [trackback](#) from your own site.

An update from the RIXML/XBRL Working Group

Sara Noble, Chairperson

There has been great momentum with XBRL over the past few months. After the XBRL filing mandate by the SEC, we have seen increased interest within the analyst community around XBRL. One of the most important benefits for analysts, as Campbell Pryde pointed out early on in this discussion, is the increased ability to draw a direct comparison between a company's reported numbers and an analyst's numbers. The clear definition of these numbers provides not only greater transparency, but new opportunities to build premium products.

This quarter, Mike Willis provided his valuable insight into the direction of XBRL and the impact of the SEC mandate, and Walter Hamscher helped to shed some light on some of those topics by speaking at one of our working group discussions. Some key points addressed were: The SEC announcement of the '21st Century Disclosure' Initiative in which the SEC examines the ways it acquires information from public companies and makes that information available to investors (See [link](#) for the full press release), the formation of a new XBRL Best Practices Board, and the announcement of the upcoming XBRL International Conference which will take place in Washington, D.C. this year. We are actively looking for ways in which the RIXML organization can participate in XBRL initiatives to re-enforce the power of

XBRL for the analyst community and to identify how RIXML's concerns can be best represented.

We are also excited about the recent SavaNet press release announcing SavaNet's partnership with Auerbach Grayson to offer XBRL-based research. We look forward to hearing more about the practical uses of XBRL for analyst content. These milestones help us to demonstrate the value of XBRL and to provide some tangible examples of how XBRL can be used to offer new solutions in this space.

We'd love to have your participation as we continue to move forward. If you are interested in participating in our working group, please contact Sara Noble at snoble@bloomberg.net to have your email address added to our distribution list.

RIXML.org Upcoming Events

RIXML.org to participate in September 26th, [SIFMA Research Conference](#) in NY

Our organization will participate as a sponsor at this year's SIFMA Research Management conference, to be held at the Grand Hyatt in New York on Friday, September 26th, 2008. We will sponsor the morning general session and have a display table for the duration of the conference.

Perspective from Jack Roehrig, Executive Director, RIXML.org

The summer months have brought a great deal of attention and focus to ensuring our tagging structure, schema and feeds processing are supported within a "best practices" framework. At our June quarterly members meeting, there was consensus that our highest priority is to bring greater cohesion and consistency to the Research feed structure, ultimately, ensuring greater benefits to buy-side consumers of

Research. The need for “content in context” (credit for that phrase goes to Dan Magarino of CapitalIQ) is only heightened by the economic pressures facing our industry, where, value-added content must be structured(tagged), priced and paid for within a commercial construct.

This RIXML standards “best practices” effort looks to address content structure at the grass roots level. Since our June meeting, Technical Standards Working Groups have been formed among the Sell-Side/Publishers and Associates/Vendors, respectively. The intent is for each group to highlight the most glaring feeds quality and verification issues and to jointly move forward with solutions. This exercise, which is being conducted in the same spirit in which “RIXML Level One” of the schema was achieved, will put us on better footing and help to hasten Adoption among existing members and also carve out a more useful “RIXML Getting Started” guide for prospective members. At the risk of sounding like a “broken record” (for those of us that actually remember LP vinyl records---I understand they are making a comeback!), ***Adoption remains the highest priority for RIXML.org.***

I would like to recognize and thank several of our members for their leadership in this effort. Sal Restivo from Credit Suisse for Chairing our Standards Committee, Martin Latowsky from Citi for Chairing our Sell-Side/Publishers best practices group, Suzanne Szur from Bloomberg for Chairing our Associates/Vendor best practices group and Alan Francis from FactSet for his extensive and creative input to this effort. We look forward to seeing the fruits of their labor come to bear

in the coming months.

In this very difficult business environment, our membership ranks continue to grow and we welcome the expertise S & P Equity Research Services brings to our organization. To our members, in your day-to-day discussions with buy-side, sell-side and vendor associates, I encourage you to mention your membership in RIXML.org and speak to its benefits. Of course, I welcome any introduction to prospective members as appropriate.

"Summer is a promissory note signed in June, its long days spent and gone before you know it, and due to be repaid next January."

- Hal Borland

