

DATA TRANSPARENCY COALITION

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Data Transparency Coalition Calls on SEC to Adopt Structured Data Strategy

Lawmakers Seek Committee Approval to Roll Back XBRL Open Data at SEC

SEC and CFTC Commissioners to Address Data Transparency at Coalition Breakfast

WASHINGTON, DC – The Data Transparency Coalition submitted a formal [comment](#) yesterday on the U.S. Securities and Exchange Commission's (SEC) draft strategic plan, urging the agency to adopt a comprehensive data strategy that would complete its stalled transformation from disconnected documents to structured, open data in financial disclosures.

The Coalition's comment on the SEC's plan was submitted as Representatives Robert Hurt (R-VA) and Terri Sewell (D-AL) announced new legislation, known as the Small Company Disclosure Simplification Act ([H.R. 4164](#)), which would exempt publicly-traded companies with revenues under \$250 million – over sixty percent of the U.S. public capital market – from existing requirements to file financial statements with the SEC in the eXtensible Business Reporting Language (XBRL) structured data format.

"By allowing companies to avoid reporting financial results in the SEC's standardized language, companies will be left out of the computerized screens that investors like my company use to search for new investments," said Alfred Berkeley, former president of the NASDAQ stock market, in reaction to news of the bill's introduction. "Being left out of search mechanisms is akin to being left out of a search engine on the web: you will not be discovered by many investors. As a result, costs of capital will increase, not decrease. The bill is fraught with unintended consequences."

The House Committee on Financial Services will [consider](#) H.R. 4164 on Thursday, March 13.

"Investors, regulators and citizens deserve access to clear, reliable data from public corporate filings," said Hudson Hollister, Executive Director of the Data Transparency Coalition. "By exempting over 60% of U.S. publicly traded companies from the requirement to file financial statements as structured data, this bill turns back the clock to a document-based system where bad data likes to hide. Congress should instead direct the SEC to improve data quality to make structured data filings more useful to analysts and investors."

These issues will be discussed at the Coalition's Data Transparency Breakfast on Tuesday, March 18, at the 1776 tech incubator in Washington, DC. SEC Commissioner Michael Piwowar will join Commissioner Scott O'Malia of the Commodity Futures Trading Commission (CFTC) and a panel of data leaders from the SEC, the CFTC, the U.S. Treasury Department, and the Financial Industry Regulatory Authority (FINRA). Full details and registration are available at datatransparencybreakfast.eventbrite.com.

Members of the media may contact zack.pesavento@datacoalition.org for complimentary press access to the breakfast.

About the Data Transparency Coalition

The Data Transparency Coalition advocates on behalf of the private sector and the public interest for the publication of government information as standardized, machine-readable data. Members include tech sector leaders such as Teradata Corporation, WebFilings, and PwC, and smaller start-ups such as Level One Technologies and BrightScope. For more information, visit <http://datacoalition.org/>.

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