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CITY BAR**

**COMMITTEE ON
FINANCIAL REPORTING**

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VIA EMAIL TO RULE-COMMENTS@SEC.GOV
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Subject: File Number S7-11-08

Ladies and Gentlemen:

This letter is submitted on behalf of the Committee on Financial Reporting of The Association of the Bar of The City of New York (the "Committee") in response to Release No. 33-8924, Interactive Data to Improve Financial Reporting (the "Release") of the Securities and Exchange Commission (the "Commission"). Our Committee is composed of lawyers with diverse perspectives on financial reporting matters, including members of law firms and counsel at major corporations, financial institutions, public accounting firms and institutional investors. A list of members of the Committee is attached as Annex A to this letter¹.

Our Committee supports the Commission's efforts to improve the timeliness and accuracy of financial disclosure and analysis of filings with the Commission through the use of interactive data. The Commission's voluntary filer program started in 2005 has been particularly beneficial in permitting issuers to develop and test their use of interactive data tagging prior to it being mandated. It has also allowed investors to familiarize themselves with interactive data as an analytical tool. The roundtables hosted by the Commission on the topic of interactive data in financial reporting also have helped identify the issues with mandatory use of interactive data and the challenges associated with its implementation.

However, our Committee believes that many reporting companies are not currently prepared to meet the aggressive timetable for implementation proposed by the Commission

¹ This letter does not necessarily reflect the individual views of each member of the Committee or of the institutions with which they are affiliated.

without the expenditure of an amount of time and other resources that would outweigh the benefit to investors. With this in mind, we offer the following suggestions, which we believe will not unduly delay the implementation of mandatory interactive data, but will result in a more orderly and cost effective implementation.

Phase-In Schedule

Some members of our Committee expressed support for an incremental phase-in schedule, by permitting the initial interactive data file submitted to relate to interim Quarterly Reports on Form 10-Q prior to requiring the submission with the more complex and complete Annual Reports on Form 10-K. However, a majority of our Committee members felt that it would be more productive to initially complete the process for the Annual Report, even though this would present the greatest initial challenge; this is because most of the issues faced with Quarterly Reports would already have been addressed in the course of preparing the interactive data file for the Annual Report. However, we believe starting with the Annual Report will require a greater initial effort and suggest the Commission extend the one-time initial filing grace period to 60 days rather than the 30 days proposed by the Commission. Similarly, we suggest that the second year footnote tagging requirement, which will involve a significantly greater incremental effort, also have an even longer 90-day initial filing grace period.

Foreign Private Issuers

Our Committee believes all foreign private issuers that are to be subject to the requirement that they produce interactive data should be treated equally and required to furnish interactive data only in the third year of the phase-in period. Many foreign private issuers that are filing US GAAP financial statements also prepare their primary financial statements in accordance with local GAAP or IFRS and file these with local exchanges or regulatory authorities and distribute to shareholders. We do not believe that these foreign private issuers, regardless of size, should be required to undertake the additional burden of preparing and furnishing interactive data until the third year. Therefore, we suggest that the Commission clarify that the first two phase-in periods would only apply to foreign private issuers that prepare their primary financial statements in accordance with US GAAP.

Furthermore, we believe that the development of the IFRS list of tags' content by the International Accounting Standards Committee Foundation and collaboration with XBRL U.S. and other parties to align practices and technology have not progressed to a point where a definitive compliance date should be set by the Commission. We suggest that the Commission encourage foreign private issuers preparing their financial statements in accordance with IFRS to join the voluntary filer program, but delay any firm effective date.

Initial Public Offerings

The Commission has proposed that, subject to the phase-in period, all registration statements filed under the Securities Act, including initial public offerings, be required to include interactive data when financial statements are included directly in the registration statement, rather than being incorporated by reference. Our Committee requests that the Commission reconsider this position. In connection with the implementation of Section 404 of Sarbanes-

