

April 13, 2026



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Vanessa Countryman  
Secretary  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549-1090

Dear Ms. Countryman:

RE: Reforming Regulation S-K - File Number CLL-15

We appreciate the opportunity to provide feedback regarding Commission plans to reform Regulation S-K. We support the objectives of balancing investors' need for material information for the proper functioning of the capital markets, with the work required on the part of the issuer in preparing disclosures.

U.S. capital markets are generally considered the most robust in the world, as characterized by size, liquidity, and transparency. U.S. equity markets represent nearly half of global market capitalization (49.1% in 2024), according to the [SIFMA Capital Markets Fact Book](#), which suggests a high degree of investor confidence in the accessibility and transparency of U.S. equities. While efficiency and reporting burden reduction are important, the disclosure regime established and maintained by the SEC is an important factor in the strength of U.S. markets compared to those in the rest of the world.

XBRL US is a nonprofit data standards organization, with a mission to improve the efficiency and quality of reporting in the U.S. by promoting the adoption of business reporting standards. XBRL US is a jurisdiction of XBRL International, the nonprofit consortium responsible for developing and maintaining the technical specification for eXtensible Business Reporting Language (XBRL), which is a free and open data standard widely used around the world to report quantitative and qualitative information.

While we generally do not comment on the content of disclosure requirements, this letter was prepared to demonstrate our agreement with the Commission's support over the last 17 years for requiring that disclosures be prepared in machine-readable, digital format using open data standards, and to encourage the SEC to continue this approach to the benefit of all capital market stakeholders.

XBRL is not a product or service. It is an open, freely available standard that improves the transparency and accessibility of information by rendering it machine-readable. XBRL is technology-neutral. It represents the semantic data model and today it can be used with multiple technology formats including XML, JSON, CSV, and XHTML. XBRL is designed to adapt to technological advancements over time. Millions of public and private companies, banks, governments, and utilities report in XBRL to more than 130 regulators worldwide (see [XBRL Project Directory](#)).

The SEC is tasked with balancing the need for disclosure regulations to support the investment community and other data consumers, and the burden of reporting on corporate filers. Machine-readable, digital data offers critical benefits to both.

## Data consumers

Access to structured, standardized data is more useful for investors than data reported in non-digital format (text, HTML, PDF) as extraction and analysis of structured, digital data can be automated; data quality is often higher given the ability to automate validation when data is structured and standardized; and standardization ensures more consistent, transparent information available for citizens and investors. Standardization and structure enable economies of scale that reduce the cost of data collection, access, and analysis.

Data aggregators like London Stock Exchange Group (LSEG), FactSet, S&P Global, and Morningstar, among others, source XBRL as-reported data in their investment analytics products because digitized data is machine-readable, and therefore more timely, less prone to error, and less expensive to access and process. Most institutional investors are not aware that they are using XBRL-formatted data because it comes to them through third-party providers. With the availability of XBRL as-reported data from the SEC, data and analytics providers can serve up data that is more timely and granular; and small company data can be provided at the same time as large and mid-cap company data because extracting data about thousands of companies requires the same effort as extracting data from 10 companies.

Academic researchers have conducted various studies to better understand what value XBRL can bring. Researchers at Penn State<sup>1</sup> found that XBRL prepared data was better able to predict accounting anomalies and future stock returns. A separate paper<sup>2</sup> authored by researchers at the Singapore Management University School of Accountancy found that when firms began filing 10-Ks in XBRL format, investment-price sensitivity fell, consistent with lower information-processing costs for investors. A third study<sup>3</sup> published in Accounting Horizons found that Inline XBRL

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<sup>1</sup> Smeal College of Business, Penn State University, Are XBRL data better at predicting future stock returns? <https://xbrl.us/xbrl-better-at-predicting/>

<sup>2</sup> Singapore Management University School of Accountancy, March 2025: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=5162197](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5162197)

<sup>3</sup> Accounting Horizons, Initial Evidence on the Market Impact of the iXBRL Adoption, March 2023: <https://publications.aaahq.org/accounting-horizons/article-abstract/37/1/143/278/Initial-Evidence-on-the-Market-Impact-of-the-iXBRL?redirectedFrom=fulltext>

adoption lowered stock return drift and helped get information incorporated into prices more quickly with reduced information asymmetry in the long term.

These advantages align with descriptions of XBRL data in regulatory rules. For example the most recent final rule from the Federal Energy Regulatory Commission (FERC) adopts the XBRL-CSV standard, noting, “...the XBRL-CSV standard will make information easier for Sellers to submit, while also decreasing the costs, over time, of preparing the necessary data for submission and complying with future changes to the Commission’s filing requirements,” and noting that it will “...enable Sellers to detect errors through the publicly available taxonomies and validations.”

In 2021, FERC finalized a separate rule requiring utilities to report in XBRL-XML format. FERC was able to select the technological format that best fits the data being reported while maintaining the same semantic data structure and benefits that XBRL makes possible. This illustrates the flexibility and technology-neutral aspect of XBRL which allows it to adapt to change over time and ensures that regulators do not get locked into a set technology.

### **Optimizing artificial intelligence**

Structured, standardized data is better for analysis and data extraction, but it is also a significantly more reliable resource for machine-learning tools which are increasingly incorporated into everyday workflow.

Financial data files in text, HTML or PDF are text-searchable but cannot be reliably interpreted without manual review. Machine-learning tools can translate some information from text or HTML-based financial statements but not consistently or with a degree of certainty high enough to be used with financial information. AI tools are increasingly more and more sophisticated, but they need context to gauge the meaning of data accurately. A recent academic study<sup>4</sup> found that error rates were significantly higher when extracting data from HTML and text SEC financial filings, when compared to extracting data from XBRL-prepared SEC financial filings.

The contextual nature of structured, standardized data makes it a richer, more reliable source for artificial intelligence platforms. AI tools can improve the ability of investors to quickly identify risk factors, financials, and other information for investment decision-making.

AI-ready business data opens up a world of possibilities for regulators, investors, and analysts. The SEC Director at the Division of Investment Management noted in a Feb 3, 2026 speech, “Today, a direct-sold mutual fund adviser communicates with retail investors through a massive prospectus, filled with risk factors, financials, biographical data, and investment process descriptions. ...imagine the retail investor interacting, not with a 200-page document, but with a fund- or adviser-provided AI agent... trained on the library of fund documents and then answer...”

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<sup>4</sup> Can AI be trusted with financial data? [Marcelo Farr](#), Universidad Adolfo Ibanez; [William C. Johnson](#), University of Massachusetts Lowell - The Robert J. Manning School of Business; [Ariel J. Markelevich](#), Suffolk University - Department of Accounting; [Alexis Montecinos](#), Sawyer Business School - Suffolk University: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=5316518](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5316518).

*questions like: What do you invest in? What fees will I pay? How do I redeem my shares? Do you hold short positions? And what is a short position, anyway? Do you have conflicts of interest? What benchmarks do you think are useful performance comparisons? Can you generate some comparison charts?*

*This kind of tool could be a tremendous bridge between investors and the disclosures that all too often are misunderstood or – even worse – go unread.”*

Data generated following the same semantic data model is also interoperable which means that data prepared by one regulator can be shared, inventoried, and comingled with data prepared by a different regulator collecting data from different entities.

## **Issuers**

Public companies and investment management companies have been reporting in XBRL format since 2009 and have the infrastructure established (workflow process, internal team, software) to manage XBRL preparation. Many companies use disclosure management tools today which embed XBRL preparation into their overall reporting process and the use of these tools is expected to grow.

As AI continues to become a standard part of everyday workflow, it has already begun increasing efficiencies and making it easier to prepare XBRL structured financials.

It is also important to note that issuers and the accounting firms that support them are also data users. Access to their own and peer data in XBRL format makes it easier to perform more robust, faster, and less expensive analyses to support their work.

Furthermore, the dialogue between company management with shareholders and prospective investors is enhanced when data is more accessible and answers can be quickly found within data-heavy corporate prospectuses or financial reports using AI tools.

Reforming the disclosure regime, as proposed in SEC Chairman Atkins statement of January 13, 2026, calls for refining what’s required to be reported but should ensure that disclosures are modern and able to adapt to the rapidly changing technologies enabled by AI.

A step backwards to paper-based disclosure submissions like HTML, text, or PDF would dramatically reduce the usefulness of corporate disclosures, which is not the intent of the Commission’s reform of Reg S-K. Eliminating XBRL preparation for smaller issues, as proposed by one commenter, rather than reducing the burden on small companies would harm companies by ensuring that their financial fundamentals cannot be compared with other entities. A “small company carve out” would make it less likely for these entities to be highlighted in screening tools, classifying them as “second-class citizens” in the capital markets.

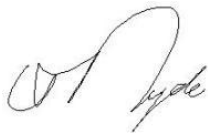
During the Regulation S-K reform process, the Commission may wish to consider requiring machine-readable formatting for certain text data that today is not prepared in XBRL format.

Management's Discussion & Analysis and Risk Factors, as well as qualitative sections in the proxy statement, would be more useful for investors and other data consumers, in structured, machine-readable format. Because companies have processes in place already to manage XBRL preparation, there would be minimal, if any, burden in formatting additional data points which would be far outweighed by the improved use of the reported disclosures. Text blocks of data are more reliably and efficiently extracted than unstructured text, in AI tools.

By continuing the Commission's commitment to modern, digital disclosures to perform better, more cost-effective analysis, and to optimize the ability to use the plethora of new AI-powered tools available to regulators, issuers, and investors, the SEC and other policy setters, we encourage the Commission to support existing digital (XBRL) reporting requirements, and to ensure that future disclosure requirements carry digital mapping as well.

We appreciate the opportunity to provide feedback on the Commission's reforms to Regulation S-K. Do not hesitate to engage us in your discussions and questions related to standards. I can be reached at (917) 582 – 6159 or [Campbell.Pryde@xbrl.us](mailto:Campbell.Pryde@xbrl.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Campbell Pryde". The signature is fluid and cursive, with the first name being more prominent.

Campbell Pryde  
President and CEO, XBRL US