October 29, 2009

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Comments on File No. S7-11-09, Money Market Fund Reform

Dear Ms. Murphy:

Bowne & Co., Inc. (“Bowne”)1 commends the Securities and Exchange Commission (“Commission”) for its proposals regarding money market fund reform and we strongly support the Commission’s goals of improving the safety of money market funds and enhancing disclosure. We appreciate the opportunity to comment on the proposals and in particular on the implementation of the proposed disclosure requirements.

Bowne has extensive experience in assisting in the preparation of money market fund regulatory filings. Approximately 80% of U.S. registered investment companies use our Fundsuite SX™ reporting platform to produce their portfolio statements and our FundSuite ComFiler™ reporting platform to produce their N-SAR filings. Assisting our money market fund clients has given us the opportunity to observe firsthand the range of procedures and workflows that fund companies follow to meet their public disclosure and regulatory reporting obligations. Based on our extensive industry experience, we make

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1 Bowne & Co., Inc. provides global shareholder and marketing communications services. With 2,800 employees in 50 offices around the world, Bowne provides capital markets communication services to dealmakers, regulatory and shareholder communications services to compliance professionals, and shareholder document processing and communication services to investment managers and third party fund administrators. Bowne is listed on the NYSE (BNE).
the following recommendations to enhance the proposal’s prompt and effective implementation and effectiveness to benefit fund investors:

- The Commission should provide for a 10 to 15 business day Form N-MFP filing cycle as recommended by the Investment Company Institute (“ICI”);
- The Commission should permit XBRL taxonomy to be expanded to include the N-MFP’s requirements; and
- The Commission should set a compliance date of 6 to 9 months from the time the rule is adopted and provide for a voluntary compliance period.

We also offer our views regarding the likely costs to money market funds to file Form N-MFP and comply with monthly reporting obligations.

**We Agree with a 10 to 15 Business Day Form N-MFP Filing Cycle**

We concur with the recommendation of the ICI and other commentators that a 10 to 15 business day filing cycle is appropriate. The proposal calls for Form N-MFP to be filed no later than the second business day of each month, current as of the last business day of the previous month. As the Commission is aware, money market funds currently are required to file their reports within 60 days following the end of the applicable reporting cycle. This includes the annual, semi-annual and NQ filings. The 60-day period provides funds with the time to gather report filing data from different systems administered by multiple service providers. Subadvised funds, for example, must in some cases collect and verify data from multiple advisors. In view of the complexities entailed in substantial data aggregation, shortening the reporting period to as little as 2 days may result in an inadvertent but substantial growth in reporting errors to the Commission which is not in the best interest of fund investors.

**We Recommend the XBRL Taxonomy be Expanded to Include the N-MFP’s Requirements**

We acknowledge and commend the Commission’s active initiatives to require XBRL as a useful tool for public disclosure. The Commission has already mandated that XBRL shall be the format for the Risk Return filing in 2011. The Risk Return filing taxonomy was developed in a systematic and considered manner. The Commission has also encouraged voluntary filings in the XBRL format for the Schedule of Investments based on an updated taxonomy. This new Schedule of Investments taxonomy already captures much of the information that will be required for Form N-MFP.

Based on the Commission’s long-term objectives regarding XBRL deployment, and the very substantial efforts spent and significant progress achieved toward that objective to date, we recommend XBRL be the mandated format for the N-MFP filing provided that the taxonomy can be expanded to accommodate the additional data points required by the Commission in accordance with the effective date. The effort to expand the existing XBRL Schedule of Investments taxonomy would be significantly less than the effort to build a different XML taxonomy from the ground up. In addition, firms such as Bowne
have responded to the Commission’s promotion of XBRL with technology and service solutions enabling firms to meet current and future XBRL filing requirements. The Commission’s objectives would be more easily and rapidly achieved by leveraging the XBRL experience the industry already has obtained.

We Recommend a 6 to 9 month Compliance Date from Rule Adoption

We believe that the Commission should establish a compliance date 6 to 9 months from the time the rule is adopted. This period will allow the industry time to design, develop, and test the processes to obtain and accurately report the additional data required by the Form N-MFP and meet the Commission’s objectives. During the latter portion of this 6 to 9 month period, the Commission should encourage voluntary compliance to enable money market funds, investors in the funds, and the Commission to gain valuable experience with the new rule.

As the Commission is aware, the additional data to be obtained, aggregated and reported include a large number of items not currently required by the Schedule of Investments. These new items include: (a) name and CIK number of the issuer; (b) certain valuation information on whether the inputs used in determining the value of the security are Level 1, Level 2 or Level 3; (c) current credit ratings of the issuer and the requisite NRSROs giving the ratings; (d) maturity date as determined under Investment Company Act Rule 2a-7; (e) whether the maturity date is extendable; (f) whether the instrument has certain enhancement features; (g) the identity of the enhancement provider; (h) the current credit rating of the enhancement provider; (i) the fund’s risk characteristics; (j) the fund’s dollar weighted average maturity of its portfolio; and (k) the fund’s 7-day gross yield.

We expect that the additional information to be reported is currently housed within the funds’ record keeping systems. The applications that currently extract data from these systems, however, will need to be substantially revised and enhanced to include the new data points. In establishing an appropriate compliance date, the Commission, by analogy, may wish to consider the time frame for implementation of the Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157 (“FAS 157”). Implementation of FAS 157 also required obtaining significant new data for each fund.

We suggest that the Commission encourage voluntary filings prior to the industry-wide compliance date. This will assist the Commission, fund investors, and the industry, to gain experience with the filing mechanics and to assure that the Commission’s compliance date will be fully achieved. This approach was adopted with respect to the Commission’s summary prospectus rule and would be useful for this rule as well.

We Estimate that the Costs to File Form N-MFP and Conduct Monthly Reporting Are Likely To be Greater Than Envisioned

As discussed above, the substantial benefits that are the objectives of the proposed rule will entail substantial costs. The costs of such efforts, however, are likely to be greater than envisioned, as described in the next paragraph.
Implementation will entail substantial costs incurred by the fund information technology personnel, including database administrators. During the initial compliance period, we believe that the major costs will be incurred in extracting information from the various systems managing the data points and preparing the information for tagging and filing applications. Although the cost analysis provided in the proposal appears to include these substantial efforts, costs incurred to review and validate the information prior to submission are material and should be considered as well. We agree that it is highly likely the required information is currently maintained by money market funds pursuant to other regulatory requirements or in the ordinary course of business. It has been our experience in working with administrators, however, that this data will require some level of preparation for disclosure. For example, it is quite common for the issuer name within a firm’s data systems to contain abbreviations, which must be revised for proper presentation within a schedule of investments or similar disclosure. These changes to the data along with requisite review of such changes would need to be performed for each filing period and represent an additional burden resulting from adoption of Form N-MFP.

In conclusion, the Commission can more efficiently and effectively achieve successful compliance with the proposed rule, enhance fund investor disclosures, and assist fund industry professionals to comply with this initiative with certain modifications. As discussed above, we recommend modification to the filing time cycle, reaffirmation and commitment to the introduction of XBRL taxonomy, and providing an adequate compliance time frame. We would be pleased to assist the Commission in connection with this initiative. Please feel free to contact the undersigned if you have any questions concerning the above.

Very truly yours,

Erika Craven
President,
Bowne Investment Management

cc:  The Honorable Mary L. Schapiro
     The Honorable Kathleen L. Casey
     The Honorable Elisse B. Walter
     The Honorable Luis A. Aguilar
     The Honorable Troy A. Paredes
     Andrew J. Donohue
     Robert E. Plaze
     C. Hunter Jones
     Penelope W. Saltzman