



November 15, 2004

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Via e-mail: rule-comments@sec.gov

U.S. Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, DC 20549-0609

Attention: Jonathan G. Katz, Secretary

Re: File No. S7-36-04

Ladies and Gentlemen:

Bloomberg L.P. (“Bloomberg”) appreciates the opportunity to respond to the request of the Securities and Exchange Commission (the “Commission”) for comments on its proposal to use tagged data in certain filings under the Securities Exchange Act of 1934 (the “Exchange Act”) and the Investment Company Act of 1940 (the “Company Act”) as described in Exchange Act Release No. 50454 (the “Concept Release”).

I. INTRODUCTION

The Commission has published for comment an accompanying release (Exchange Act Release No. 50453; File No. S7-35-04) proposing rule amendments to enable registrants voluntarily to submit supplemental tagged financial information using the eXtensible Business Reporting Language (XBRL) format as exhibits to specified EDGAR filings under the Exchange Act and the Company Act. In connection with these initiatives, the Commission also has formed a task force to assess the implications of tagged data for filers, investors and other market participants, as well as for the Commission itself.¹

Data tagging using standard definitions may enhance the ability of investors and other market participants more efficiently and effectively to analyze data from different sources and automatically exchange financial information across various software platforms. At the same time, we believe the Commission is rightly concerned that the use of tagged data could result in investors receiving less detailed disclosure.

¹ See Exchange Act Release No. 50453 in text after n. 22.

II. COMMENTS

A. If adopted as a data tagging standard for filings with the Commission, XBRL must remain an open standard available on a royalty-free basis not only for software developers and providers but also for redistributors of XBRL tagged data.

The current version of XBRL is an open standard. It is available on a royalty-free basis allowing developers and providers of software to use the XBRL specifications to develop XBRL-related products. The XBRL standard also will likely present new opportunities for third-party aggregators and financial information redistributors to provide new and more innovative value-added services to their customers by combining, reformatting and redistributing data tagged to XBRL specifications.

We believe it important that the Commission ensure XBRL remains open and royalty free, not only with respect to the development of related software products but also with respect to the redistribution of XBRL tagged data. Keeping the standard royalty free would encourage innovations in software products and varieties of value-added redistributed data. Such innovations would benefit investors and the market as a whole by facilitating access to and dissemination of vital financial information. In contrast, the ability of any entity to impose royalties on these processes would raise the cost of doing business, stifle innovation and ultimately reduce access for investors to essential information.

As a condition to adopting the XBRL data tagging standard, we believe the Commission should require that XBRL International provide an express commitment and undertaking, binding on its successors, that current and succeeding versions of XBRL specifications and taxonomies be and remain available on a royalty-free basis both for the development of related software products and for the redistribution of XBRL tagged data.

B. Revisions to the XBRL standard should be submitted for full public comment and review under the auspices of the Commission and should be subject to Commission approval.

Currently, XBRL International does not have a required notice and comment period for changes and revisions to the standard and is not bound to consider comments it receives. While XBRL International's current practice is to solicit limited comment from its members, the Commission itself notes that even this limited review provision is subject to change. To the extent XBRL becomes the data tagging standard for filings submitted to the Commission, proposed changes to XBRL's specifications and taxonomies could have a significant impact on investors and other market participants. As with rule changes for SROs, therefore, Bloomberg believes it would be appropriate to subject such changes to public comment, oversight and approval under the auspices of the Commission before Commission adoption of proposed changes.

C. The Commission should not adopt a data tagging standard that results in a reduction of the amount of financial information available to investors and other market participants.

The most important benefit to be gained by adopting a data tagging standard for Commission filings is that tagged data could improve transparency and enhance analysis of financial information essential to investors and other market participants. The Commission acknowledges, however, that the use of tagged data could result in investors receiving less detailed disclosure. For registrants to continue to provide detailed disclosure using XBRL, the XBRL tagged data standard must be comparatively inexpensive to implement, easy to use and readily extensible to subcategories that can accommodate the full range of financial information.

We think it particularly important that both XBRL International and the Commission's task force monitor the ease of use and ease of extensibility of the proposed data tagging standard with a particular focus on whether adoption of XBRL will entail a reduction in the information submitted to the Commission. Consistent with the goals of the Exchange Act, the adoption of a data tagging standard should lead to greater transparency, comparability and flexibility in analyzing financial information. Those fundamental goals would be compromised if adopting a data tagging standard provided investors with easier access but reduced the amount of available information.

* * *

We hope our comments prove useful to the Commission and its task force.

Sincerely yours,

Richard D. Kemp by E.J.F.

Manager
Information Products

cc (w/att): The Hon. William H. Donaldson, Chairman
The Hon. Paul S. Atkins, Commissioner
The Hon. Cynthia A. Glassman, Commissioner
The Hon. Harvey J. Goldschmid, Commissioner
The Hon. Roel C. Campos, Commissioner
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Paul F. Roye, Director,
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