DATA
COALITION

May 16, 2017

Mr. Brent J. Fields, Secretary
Securities and Exchange Commission
100 F Street NE
Washington DC 20549-1090

Re: File No. S7-03-17, Release Nos. 33-10323; 34-80133; IC-32518
        Inline XBRL Filing of Tagged Data

Dear Mr. Fields:

The Data Coalition[1] (the "Coalition") appreciates the opportunity to submit this comment to the Securities and Exchange Commission (the "Commission") in on the Commission's proposal to require the use of the Inline XBRL format for the submission of operating company financial statement information and mutual fund risk/return summaries.[2]

In 2012, I founded the Data Coalition. We represent thirty-seven tech and consulting companies, employing over two hundred thousand Americans. Fifteen of our members are startups founded within the last decade. Ten are public companies, with a combined market capitalization exceeding $1.5 trillion.

We support this proposal because it takes a significant step toward transforming the Commission's disclosure system from disconnected documents into open data. Open data is much easier than documents for capital markets, investors, and the technology companies serving them to parse, extracting useful information.[3]

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[1] www.datacoalition.org.

[2] Release Nos. 33-10323; 34-80133; IC-32518; File No. S7-03-17.

[3] *See, e.g.,* Morningstar, Inc., Letter to Securities and Exchange Commission Regarding Business and Financial Disclosure Required by Regulation S-K, July 20, 2016, *available at* https://www.sec.gov/comments/s7-06-16/s70616-179.pdf ("[I]t can take us up to 5 days to process HTML filings from smaller companies and display this data for our clients, whereas aggregating XBRL data is nearly instantaneous, as long as the data is high-quality").

Under the Commission's current system, public companies file current and periodic reports containing their financial statements as documents, then also file the same financial statement information as open data, using the XBRL open data format. XBRL uses electronic tags to separately identify each piece of financial information, so that software can automatically recognize the components of the financial statement and how they relate to one another.

Inline XBRL eliminates the need to file two separate submissions with the same information, because it allows the company to insert open data directly into a document. This eliminates the danger that a company's document-based financial statement might not match a separate open data version.

Inline XBRL does more than eliminate a duplicative filing requirement. It takes a step toward fully-electronic financial reporting. The U.S. Chamber of Commerce and other industry groups have long supported the idea of a "company file," in which public companies are no longer required to file document-based forms, but only update whatever data fields have changed within an electronic record maintained by the Commission.[4]

The only way to move toward a "company file" system is to separate the forms the Commission collects into their component data fields. By adopting Inline XBRL for financial statements, the Commission will accomplish this for most of the content contained in the forms that include financial statements. In the future, the Commission should adopt standardized data fields for the rest of these forms, such as cover page information and narrative disclosure.[5] As a step toward this broader modernization,

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[4] *See* U.S. Chamber of Commerce Center for Capital Markets Competitiveness, "Corporate Disclosure Effectiveness: Ensuring a Balanced System that Informs and Protects Investors and Facilitates Capital Formation" (July 29, 2014), *available at* http://www.sec.gov/comments/disclosure-effectiveness/disclosureeffectiveness-11.pdf.

[5] We described the need for the Commission to transform its whole disclosure system from disconnected documents into open data in our comment to the Commission on business and financial information required by Regulation S-K. *See* Data Coalition, Letter to Securities and Exchange Commission Regarding Business and Financial Disclosure Required by Regulation S-K, July 21, 2016, *available at* https://www.sec.gov/comments/s7-06-16/s70616-299.pdf. In November 2016, organizations representing over two thousand technology companies joined together to call for the Commission and other regulatory agencies to transform all reporting requirements into open data. *See* Letter to Chairman Jeb Hensarling and Ranking Member Maxine Waters, House Financial Services Committee, November 18, 2016, *available at* http://www.datacoalition.org/wp-content/uploads/2016/11/FinServ-Industry-Letter-for-distribution-11.18.2016.pdf; *see also* Data Coalition, "Fintech Leaders: Time to Modernize Financial Reporting" (media release), November 18, 2016, https://www.datacoalition.org/press-releases/fintech-leaders-time-to-modernize-financial-reporting/.

Inline XBRL has earned support from Members of Congress of both parties and both chambers.[6]

We look forward to continuing to work with the Commission and its staff on the modernization of its disclosure system.

Best regards,

/s/ Hudson Hollister

Hudson Hollister, Executive Director
Data Coalition

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[6] *See* Letter from Sen. Mark Warner and Sen. Mike Crapo to Chair Mary Jo White, July 15, 2015, *available at* http://www.datacoalition.org/wp-content/uploads/2015/07/Warner-Crapo-letter-on-XBRL.pdf; Letter from Reps. Randy Hultgren, Carolyn Maloney, and Darrell Issa to Acting Chairman Mike Piwowar, April 27, 2017, *available at* https://www.sec.gov/comments/s7-03-17/s70317-1723091-150684.pdf.