

July 27, 2018

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To Whom It May Concern:

RE: Docket Number USBC–2018–0011, Leveraging Data as a Strategic Asset Phase 1
Comments

As the CEO of XBRL US, the nonprofit standards organization for the business reporting standard, I appreciate the opportunity to provide input to the U.S. Department of Commerce' strategies and process for achieving the Cross Agency Priority Goal: Leveraging Data as a Strategic Asset.

XBRL US is a member-driven organization, representing accounting firms, software companies, other nonprofits, data intermediaries, and service providers. The mission of XBRL US is to encourage the use of business information in a standardized format, to improve reporting between business, government and the public.

XBRL US was established as a 501C6 in 2007, and has managed several large standards implementations for regulators and industry groups. Under contract with the U.S. Securities and Exchange Commission (SEC), the organization created initial versions of taxonomies for operating companies, mutual funds, and credit rating agencies. As a subcontractor to a U. S. Department of Energy contract, XBRL US worked with subject matter experts to create a solar finance taxonomy (Orange Button¹). XBRL US has also conducted standards evaluations for the Federal Energy Regulatory Commission (FERC), and is working to develop industry-driven standards programs in the areas of corporate actions, and surety insurance. XBRL US also develops open, freely available validation rules in support of operating companies filing US GAAP financials to the SEC. In addition to development work, XBRL US conducts education, training, and awareness-building programs for creators, intermediaries and consumers of standardized financial data.

We support the objectives of the Commerce Department goals to guide development of a comprehensive long-term Federal Data Strategy to grow the economy, increase the effectiveness of the Federal Government, facilitate oversight, and promote transparency. Data standards are a critical component to ensuring transparency, accountability, and better decision-making.

¹ Department of Energy Orange Button program; <https://www.energy.gov/eere/solar/orange-button-solar-bankability-data-advance-transactions-and-access-sb-data>

The Commerce Department has the following goals for the Federal Data Strategy: 1) *Manage government data as a strategic asset; 2) enable the American public, businesses, and researchers to effectively and efficiently access and use data; 3) improve the use of data for federal decision-making and accountability, including for policy-making, innovation, oversight, and learning; and 4) facilitate the use of federal data by interested parties to enhance the accessibility and usefulness of that data through commercial ventures, or innovation, or for additional public uses.*

As a data standards organization, with extensive experience in multiple reporting domains, we make the following recommendations, which are critical to reaching the Commerce Department's stated goals:

- Adopt an open source, nonproprietary, widely used, financial data standard, that can be continuously improved, and that can adapt to changes in industry trends and reporting needs.
- Require a single data standard for all financial data reporting, from all entities, reporting to all government agencies. This will allow the government to establish a single data collection process, and will significantly ease the use of, and reduce the cost, of data for downstream users.
- Require the use of the Legal Entity Identifier for entities reporting to the Federal government.
- Designate a single government agency to build and manage the data standard; and ensure collaboration from all stakeholders. This approach has been employed in other countries² and has been proven to reduce the cost to the federal government of creating the data collection process, and of managing it on an ongoing basis.
- Ensure quality of data by requiring reporting entities to be the source of the data, and by leveraging validation rules to resolve data errors.
- Conduct periodic reviews of the data reported to ensure that quality is good and to continuously improve the validation rules employed.

The balance of this letter provides more detail and insights into these recommendations as we address questions raised in the Commerce Department Request for Comment.

Best practices to meet the four pillars for managing data

Pillar 1: Enterprise Data Governance

The Commerce Department Request states:

1. Enterprise Data Governance. Briefly describe which best practices the Federal Government should consider as it sets priorities for managing government data as a strategic asset, including establishing data policies, specifying roles and responsibilities for data privacy, security, and

² The Australian government reported savings of \$1.1 billion per year: IT News: <https://www.itnews.com.au/news/tax-office-claims-1-billion-in-savings-from-sbr-432460>

confidentiality protection, and monitoring compliance with standards and policies throughout the information lifecycle.

XBRL US Comment:

Adopt data standards as a means to ensure transparency, usability, greater timeliness, reduced cost, and quality of reported data.

Data standards have been proven to increase efficiency and improve the quality of information reporting by governments and businesses. Implemented correctly, standards transform paper-locked data into machine-readable values that can be freed from documents, easily consumed, and understood.

Today in the United States, 6,000 public operating companies report full financial statements and footnotes in machine-readable format to the SEC; 8,000 banks report full financials in machine-readable format to the Federal Deposit Insurance Corporation (FDIC). The availability of automated XBRL data for operating companies means analysis can be performed faster, and with greater accuracy. Below are some real-world case studies demonstrating how XBRL-formatted data from public operating companies improves the efficiency of analysis among stakeholders:

- Auditors were able to conduct more robust multi-company analysis including a larger volume of companies because the data no longer required manual extraction. Read more: <https://xbrl.us/research/audit-analysis-save-data-collection-time/>.
- Research analysts cut 72 hours off their analysis by using standardized data. Read more: <https://xbrl.us/research/save-time-data-collection/>
- A global data provider reduced processing time by 90%. Read more: <https://xbrl.us/research/reduce-processing-time/>

Outside the United States, in Australia³ and the Netherlands⁴, businesses report to all government agencies using financial data standards through programs called Standard Business Reporting (SBR). The Australian program was initiated in 2010. Originally, savings from the SBR program for government and business was estimated to be \$800 million per year; in 2016, the savings estimate jumped to \$1.1 billion per year. The savings were generated because, as John McAlister, assistant commissioner at the Australian Tax Authority (ATO) said, “What used to take three weeks now takes three minutes. What used to require a person to do a check of identity now is automated.”⁵

That level of savings could be roughly translated in the U.S. to \$14 billion, given that U.S. GDP is more than 14 times the size of the GDP of Australia.

³ Australian SBR: <http://www.sbr.gov.au/>; Dutch SBR: <https://www.sbr-nl.nl/english/>

⁴ Netherlands SBR: <https://www.sbr-nl.nl/english/>

⁵ IT News: <https://www.itnews.com.au/news/tax-office-claims-1-billion-in-savings-from-sbr-432460>

Adopt data standards that are most appropriate for the data reported.

The objective of implementing structured data standards is to render data machine-readable, such that a computer receiving the data knows exactly what it is receiving. Machine-readability means that data can be automatically consumed, and the meaning of each value is crystal clear.

But all standards are not the same. Financial data is complex. To understand the meaning of a reported value, consider the number “555”. On its own, that number has no meaning. But when it is considered in the context of a report like the portion of a U.S. Census Bureau form ACE-1⁶ for Annual Capital Expenditures, depicted in the red highlight box on the diagram below, a reader can visually interpret the meaning of the data. The metadata associated with that value is highlighted in orange: the name of the reported value, definition, level of precision, name of the reporting entity, data type and units, as well as time period.

The diagram shows a portion of a U.S. Census Bureau form ACE-1 for Annual Capital Expenditures. The value '555' is highlighted in a red box. Several orange callout boxes provide context for this value:

- Precision = thousands**: Points to the '555' value.
- Definition = Capital expenditures for new structures and equipment, including major additions, alterations, and capitalized repairs to existing structures**: Points to the description in Row 20.
- Name = Capital Expenditures for New Structures**: Points to the 'CAPITAL EXPENDITURES' header.
- Reporting Entity = ABC, Inc.**: Points to the '555' value.
- Data type = monetary Units - dollars**: Points to the '555' value.
- Time period = 2017**: Points to the '555' value.

ITEM 2 CAPITAL EXPENDITURES		Report the following domestic capital expenditures data for the entire company. (Refer to page 4 of Instructions)						Example: if figure is \$179,125,628.00 report →	
		Structures (1)		Equipment (1)		Other (Describe in Item 3) (3)		Total (Add columns 1+2+3) (4)	
		Mil	Thou	Mil	Thou	Mil	Thou	Mil	Thou
20	Capital expenditures for NEW structures and equipment (Include major additions, alterations, and capitalized repairs to existing structures)	183	555						
21	Capital expenditures for USED structures and equipment	79	312						
22	TOTAL capital expenditures (Add Rows 20+21)								
									Total should equal Item 1A, Row 11
ITEM 3 List the items included in "Other." Report in thousands of dollars. Furniture and fixtures, computers, capitalized computer software, and motor vehicles should be reported as equipment. Leasehold improvements should be considered structures or equipment based on what is being improved.		(1)						(2)	
Row	Description of Capital Expenditures	Mil		Thou					
30									
31									
ITEM 4 CAPITAL LEASED								(1)	
For new capital expenditures reported in Item 2, Row 20, Column (4), report the estimated cost of assets acquired under CAPITAL LEASE arrangements entered into during the year. Exclude payments for operating leases and capitalized costs of leasehold improvements. (Refer to page 5 of the Instructions)								Mil Thou	
Row									
41	TOTAL								

The value “555” is incomplete, as the form in the diagram above was also structured to capture precision - thousands and millions - based on the filer’s use of these cells. This unusual method requires the reader to synthesize (calculate) two values into a single data point. This complexity is completely unnecessary when an appropriate financial data standard is used - the level of precision for the entire value “183,555,000” is embedded in the value itself.

⁶ <https://www2.census.gov/programs-surveys/aces/technical-documentation/questionnaires/2005/2005-ace-1s.pdf>

Data standards ensure the consistency and accuracy of the metadata associated with financial information. XBRL, is one such standard, which stands for eXtensible Business Reporting Language. The XBRL standard was developed specifically to handle the characteristics of financial information such as time period, precision and data type as noted in the diagram above.

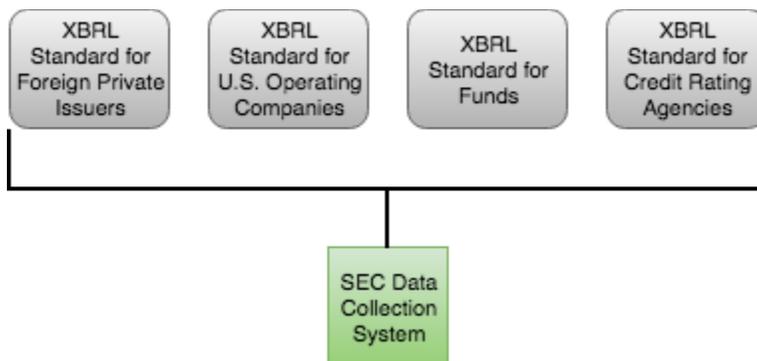
XBRL also has a structure to handle dimensional data, for example, if Revenues are broken down by business segment or region, XBRL has an efficient method to handle these disaggregations.

This consistency in the structure of XBRL allows any data collection system, or software application that creates, extracts and analyzes XBRL data from one type of entity, to work with XBRL data from any reporting entity. Thus, a data collection system for operating companies that report in XBRL format, can also collect data from mutual funds that report in XBRL format. Very different kinds of reporting entities, reporting very different data, but all financial in nature and all structured in the same fashion.

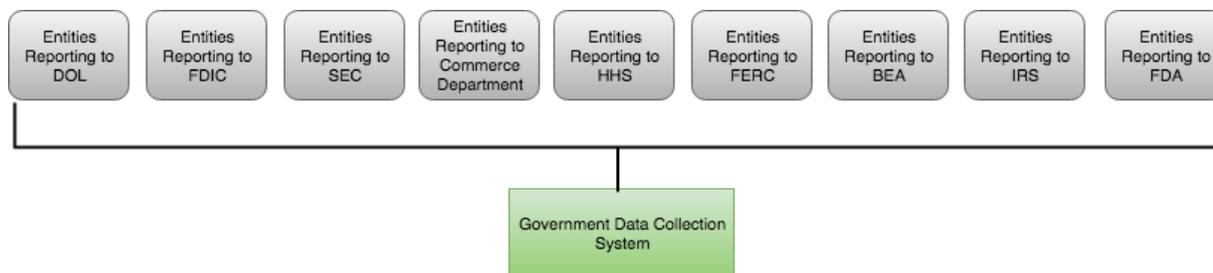
Adopt ONE data standard for similar kinds of data.

Implementing multiple “standards” is, by definition, ***not establishing a standard***, and will not allow the government or other stakeholders of government data to recognize the critical economies of scale that only standardization can bring.

The diagram below shows how the SEC has been able to establish a single data collection system for data submitted by foreign private issuers, funds, and credit rating agencies. Because all of that data is in XBRL format.



The SEC however, is a single agency. We recommend that *all* financial data, reported by *all* entities, to *all* government agencies, be reported using a consistent standard that makes data interchangeable across agencies. With this approach, the economies of scale across government can be tremendous. A single data collection system would encompass all entities and all agencies, as shown in the diagram below.



Note: FDIC=Federal Deposit Insurance Corporation; SEC=Securities and Exchange Commission; HHS=Health and Human Services; FERC=Federal Energy Regulatory Commission; BEA=Bureau of Economic Analysis; DOL=Department of Labor; IRS=Internal Revenue Service; FDA=Federal Drug Administration

A standards implementation for government financial reporting means establishing a single taxonomy for all government reporting, managed by a single government entity, but with input from all agencies.

We recognize that this is not a simple task and will require the collaboration of all agencies that collect financial data from businesses. This involves significant upfront planning, and the benefits to all members of the supply chain, from reporting entities to intermediaries to consumers of data, will take time. But the benefits, as shown by the savings recognized in Australia, are significant and difficult to ignore.

Pillar 2: Access, Use and Augmentation

The Commerce Department Request for Comment states:

2. Access, Use, and Augmentation. List a few best practices that the Federal Government should consider as it develops policies and practices to enable interested parties to effectively and efficiently access and use data assets by: (1) Making data available more quickly and in more useful formats; (2) maximizing the amount of non-sensitive data shared with the public; and (3) leveraging new technologies and best practices to increase access to sensitive or restricted data while protecting privacy, security, and confidentiality, and the interests of data providers.

XBRL US comment:

Leverage standards to make data machine-readable and automatable.

Data in PDF, Word or Excel documents is not computer-readable, and requires data users to manually extract and review before analysis can begin. Data submitted by the reporting entity using a data standard like XBRL, is computer-readable, and immediately available for analysis. Government needs to transition from a “document-centric” view to a “data-centric” view based on a single financial reporting data standard suited to the purpose. This focus will ensure that data produced is more functional, less expensive to process, and widely available on a more timely basis.

Adopt open, freely available standards for data and identifiers.

Proprietary standards such as DUNS identifiers increase costs for users and limit the ability to continuously build on the standard. If a commercial entity “owns” and manages the standard, all parties creating and using the data are forever tied to that entity and at the mercy of its business interests. Many commercially owned standards require payment to the owner, which increases the costs to reporting entities and users, and poses a significant long-term impediment to adoption.

The Legal Entity Identifier (LEI)⁷ is an open standard that is widely used, managed by an international standards organization, and should be used for reporting by U.S. entities to the federal government.

Choose data standards that continuously improve and keep up with industry and technological changes.

Data standards managed by non-profit standards bodies are able to be continuously adapted and changed as new technologies emerge. XBRL International, for example, maintains multiple specifications that comprise the XBRL standard. While the original specification was established in 2000, the standard has expanded. Originally XBRL was based on an XML format; now XBRL can be used with JSON, and with CSV. These formats are used by many newer software applications. This practice of continuous improvement is important to keep up with changing marketplace demands.

Pillar 3: Decision-Making and Accountability

The Commerce Department Request states:

3. Decision-Making and Accountability. Which best practices should the Federal Government consider to improve the use of data assets for decision-making and accountability? Specifically, list best practices for:

- *Providing high quality and timely information to inform decision-making and learning;*
- *facilitating external research on the effectiveness of government programs and policies which will inform future policy making; and,*
- *fostering public accountability and transparency by providing accurate and timely spending information, performance metrics, and other administrative data.*

XBRL US comment:

Obtain data in standardized format.

To improve the accuracy of reported data, require the reporting entity to prepare it in standardized format. Government agencies should not accept data in a paper-based format (Excel, Word, PDF), then convert it to a standard format. This approach tasks the resources of the regulator, and even more importantly, results in significant translation and data quality errors, limiting the usefulness of reported data.

⁷ Legal Entity Identifier: <https://www.gleif.org/en/about-lei/introducing-the-legal-entity-identifier-lei>

Agencies seeking to reduce the burden on reporting entities by “doing the work for them” will not be effective at meeting the Commerce Department’s goals. Standards can be implemented in such a way as to minimize the burden on parties submitting data to the government. For example, the FDIC works with FDIC-approved commercial software providers that adapt their applications to convert data reported by 8,000 banks to XBRL format. The data is prepared and submitted by the bank, and the approved software automatically performs the conversion. Other options are available to reduce the burden and should be explored.

Use validation rules and guidance to improve the quality of data

Automated validation checks should be used to check potential errors such as whether a reported value should be positive or negative; if data is missing; if data calculates correctly, etc. These checks can be performed by the preparer of the data before submission, to correct for errors. Clear and unambiguous rules reduce the burden over traditional paper-based collection processes thus make the preparation process easier and reducing the need for specialists to perform reporting.

Use standards to make data usable to the public immediately.

Data that is not computer-readable, has a significant time delay before it is available for use, because it must be processed, compiled and manually reviewed prior to publishing. This substantially impairs the value of the data. Delays mean data is outdated and may not accurately reflect the current state of the reporting entity.

Use data standards for facilitating external research on the effectiveness of government programs.

Data that is in a standardized format significantly reduces research costs. The same data extraction programs can be used across all government data sets when they are in a standardized format. In addition, Government data can be stored in standardized databases without the need to define and build separate database structures for different data sets. This represents a massive cost reduction and time saving for the government and users of the data.

In addition, new data representing new government programs, can be acquired rapidly, as the infrastructure is already in place to collect it. This leads to much faster analysis and more effective policy setting. A practical example of this was the use of XBRL data to analyze the tax impact of the tax overhaul on government revenues. Because this data was available in XBRL, the impact of the tax policy on companies and government could be easily assessed.

Second, standardization of data also allows for re-use of data analysis infrastructure across multiple domains. Government data is increasingly being made available via APIs⁸, which allow users to automatically extract data from government systems without the need for human intervention. However today, every Government agency makes their own APIs available. This means that to analyze Government data, users of the data need to understand and build interfaces that communicate with each Government agency's API. If a user wants to extract data from the Federal Reserve or Department of Commerce, the APIs to extract this data will be different, even if the underlying data is the same.

With an underlying standard in place for data across all agencies, these APIs can be standardized as well. This enables a user to use a single data infrastructure to request data from different agencies. A user could then pull data into a spreadsheet automatically from different agencies using the same spreadsheet plugins.

Third, analysis based on a standard allows for easy reproduction of research results. Because, the data used for research is clearly defined and is consistent across agencies, the details of the data used for the research can be published and reproduced in an automated fashion, without the need to manually re-create the analysis.

Pillar 4: Commercialization, Innovation, and Public Use.

The Commerce Department Request states:

4. Outline best practices that the Federal Government should consider to facilitate the use of Federal Government data interested parties to enhance the accessibility and usefulness of the data through commercial ventures, or innovation, or for additional public uses. Of particular interest are examples of how the Federal Government can promote data use by the private sector and scientific and research communities, by state and local governments for public policy purposes, for education, and in enabling civic engagement.

XBRL US Comment:

Engage subject matter experts, agency stakeholders, software providers, and the public in the development of standards through public review

Getting stakeholders involved is the best tool to encourage early adoption of standards and usage of data. Engage software providers early on in the taxonomy development process, giving them access to the taxonomy, sample documents, and documentation, so that they can provide input to the development process and ensure that the taxonomy is adopted as quickly as possible.

⁸ An application programming interface (**API**) is a set of subroutine definitions, communication protocols, and tools for building software. In general terms, it is a set of clearly defined methods of communication between various components.

Use an open, freely available, nonproprietary data standard that is widely used.

An open, widely used standard is most likely to be quickly adopted as there are no licensing fees or other hurdles to use.

Make public data available in a single, openly accessible repository which can be accessed through free and open APIs, posted datasets.

The SEC today makes XBRL-formatted data available through an RSS feed and datasets on their own web site; XBRL data is also available through Google BigQuery which encourages general use of the data by the public. XBRL US has developed open (free) application program interfaces (APIs) which can be used with any kind of XBRL-formatted data to extract, process, and analyze data. An API is a set of subroutine definitions, protocols, and tools for building software.

Government Data Use Cases for Public & Private Sector

The Commerce Department Request asks for examples of how government data helps public and private sector users in the following ways:

- *How enabling external users to access and use government data for commercial or additional public purposes spurs innovative technological solutions and fills gaps in government capacity and knowledge; and*
- *how supporting the production and dissemination of comprehensive, accurate, and objective statistics on the state of the nation helps businesses and markets operate more efficiently.*

XBRL US comment:

High quality and highly functional government data is critical to supporting analytical needs by the private and public sector. Here are a few examples:

- Investors in corporations and in municipal bonds need accurate, usable data to identify opportunities and to monitor the value of investments.
- Economists at commercial entities, nonprofits, academic institutions, need government data to identify trends that may impact their business or their mission; government economists use government and business data to set policies, for example the SEC uses data it collects from public companies to monitor trends, identify fraudulent activities, and gauge the health of American businesses.
- Commercial businesses, both public and private, use corporate data collected by the SEC to identify business opportunities, conduct peer analysis.
- Commercial businesses' use government data to identify opportunities, e.g., health trends that can be used to identify areas where new drugs are needed; demographic data that can be used to identify target audiences for marketing; government spending data to identify business opportunities.

Input on Federal Data Strategy Principles

The Commerce Department asks for input on the principles noted below:

Principle 1: Stewardship

- 1. Exercise Responsibility: Practice effective data stewardship and governance by maintaining modern data security practices, protecting individual privacy, and maintaining promised confidentiality.*
- 2. Uphold Ethics: Consider, monitor, and assess the implications of federal data practices for the public and provide sufficient checks and balances to protect and serve the public interest.*
- 3. Promote Transparency: Articulate purposes for acquiring, using, and disseminating data and comprehensively document processes and products to inform data users.*

XBRL US Comment:

XBRL US strongly supports the principles of stewardship and data governance as noted in the Commerce Department strategy. Data is a valuable tool that is necessary for analysis, evaluation, and decision-making. Standards, properly implemented, can ensure that data is timely, accurate, functional, transparent, and affordable for all users.

Principle 2: Quality

- 4. Integrate Intentionality: Create, acquire, use, and disseminate data deliberately and thoughtfully, considering quality, consistency, privacy, value, reuse, and interoperability from the start.*
- 5. Ensure Relevance: Validate that data are high quality, useful, understandable, timely, and needed.*
- 6. Create Value: Coordinate and prioritize data needs and uses, harness data from multiple sources, and acquire new data only when necessary.*

XBRL US Comment:

Ensure real, long-term benefits by taking a long-term approach to data use.

We appreciate the Commerce Department emphasis on the “thoughtful” and “deliberate” use of data. Establishing data standards is a long-term process that requires significant upfront work and planning. Benefits to members of the supply chain will take time and may not accrue to all members at the same time. Government agencies seeking short-term gains from a less-than-comprehensive approach that attempts to minimize the workload on data submitters required to disclose information, will perpetuate a ‘siloes’ data landscape. Creating work-arounds or short-cuts is not an effective path to achieving the benefits of enterprise-wide data reporting. This type of short-term approach will only increase the burden over the long-term, and minimize any savings and efficiencies that could have been recognized.

We have seen that over time the use of standards reduces data preparation costs⁹. This is because software vendors have a large market over which to spread development costs and the market for data preparation solutions becomes more competitive. If data collection is siloed, then specialty software is required for each collection initiative on an agency by agency basis. This is expensive because the market size is small, and the software development costs are concentrated to a small market pool.

Consider the needs of end users and adopt a data standard that can adapt to changing requirements.

XBRL US agrees with the Quality principles as noted. Quality must be considered throughout the data collection process. When requesting disclosures from the public and business, government agencies must consider how the data is to be used by each stakeholder. Questions including but not limited to the following must be considered:

- Will multiple entities be compared?
- Will high volume screening of data be employed?
- What level of granularity is needed by data users?
- Are data needs likely to change over time?
- How important is timeliness?
- What tools are available to extract and analyze the data?
- Do end consumers of data rely on data intermediaries?
- What technologies are in use today that can be leveraged to use with the data?
- Can the data standard adapt to new technology advances over time?

The XBRL standard is designed to adapt to changing reporting needs, and to changing technology needs. Today, 6,000 public companies report to the SEC every quarter using an XBRL standard. Each year, their reporting requirements may change, as industry, investor need, company accounting policies, and accounting standards change. These companies are able to make the transition to a new release of the US GAAP Financial Reporting Taxonomy with minimal disruption each year, because of the structure of the XBRL standard.

Separately, the XBRL standard is managed by a nonprofit, global, standards organization, called XBRL International¹⁰. As noted earlier in this document, this standards body continuously improves upon the standard and keeps pace with technology changes. For example, XBRL was originally designed to work in XML, today it has evolved so that there are versions of XBRL in both JSON and CSV. This ability to adapt to technology changes, is critical for a data standard adopted by government agencies.

⁹ AICPA and XBRL-US Cost Survey. See URL : <https://www.aicpa.org/content/dam/aicpa/interestareas/frc/accountingfinancialreporting/xbrl/downloadabledocuments/xbrl-costs-for-small-companies.pdf>

¹⁰ XBRL International: <https://www.xbrl.org/>

Government agencies must also consider the nature of the data reported and how that will impact data quality. Are the reporting requirements flexible or inflexible? Can the public or business create their own custom line items to report? As noted earlier, the standards program managed by the FDIC does not allow custom extension line items.

Use validation rules to improve quality.

Use automated validation rules that can be implemented by the preparer of the data so that errors can be corrected before the data is used. Make validation rules openly available to ensure they are used to prepare and process data.

Establish guidelines and policies for data preparation.

Clear, consistent guidance on how to work with the standards is important to ensure that all parties know how to create good quality data. For example, if custom extensions are allowed, all parties should have guidance on how to create them effectively.

Principle 3: Continuous Improvement

7. Demonstrate Responsiveness: Improve data sharing and access with ongoing input from users and other stakeholders.

8. Prioritize Best Practices: Model, assess, and continuously update best practices throughout the data lifecycle.

9. Invest in Learning: Promote a culture of continuous and collaborative learning with data and about data.

10. Practice Accountability: Audit data practices, document and learn from results, and make changes as needed based on findings.

XBRL US Comment:

Regularly review the data collected.

Solicit input from data creators, intermediaries and users about the usefulness of the data reported. Is it consistent? Is it good quality? Are there items missing? Is it usable? Translate findings into validation rules and guidance that can be submitted back to reporting entities to continuously improve the usefulness of the data.

Choose a data standard that can be easily updated.

For example, for financial data, the XBRL standard can be updated easily through a single “golden source” taxonomy. Today, the FASB manages the annual development and public review process of US GAAP Financial Reporting Taxonomies and the SEC approves the release and updates its EDGAR system to accept filings using the FASB-published taxonomy release. The XBRL standard is designed such that new releases can be produced with minimal disruption in process for reporting entities, data processors and data users. 6,000 public companies, dozens of different

service and tool providers, and thousands of data consumers, are able to seamlessly transition to a new release of the taxonomy every year.

When making revisions to reporting requirements, get input from the market.

- Conduct annual public review and comment periods to collect feedback from software providers, reporting entities, data processors, and data users.
- Provide artifacts (such as the taxonomy, sample standardized data, documentation) to software providers in advance of finalizing new reporting requirements so that they can test their software and prepare for final adoption.
- Provide significant notice of changes to the market so that vendors and reporting entities can be ready before compliance dates.

Use cases for the Data Incubator Project

The Commerce Department Request asks for use cases that should be considered when developing the Federal Data Strategy.

6. Call for Use Cases. What Use Cases should the Federal Government consider in developing the Federal Data Strategy?

XBRL US comment:

Use cases that should be considered include:

- Data users (public policy advocates, government, business, investors, regulators, data creators and the public) conducting comparative analysis of government data sets.
- Data users performing in-depth analysis on Government data sets.
- Reporting entities which are required to report to multiple government agencies.

Recommendations on engaging stakeholders

The Commerce Department Request asks for recommendations on how to engage stakeholders when developing the data strategy.

Stakeholder Engagement 7. What are the best mechanisms for engaging stakeholders in the development of the data strategy? What platforms and processes are both comprehensive and efficient for collecting stakeholder feedback on interim work products and input on next steps?

XBRL US Comment:

Involving stakeholders is critical to ensure that the data strategy meets the needs of all members of the information supply chain. Some strategies that we have found effective include the following:

- Establish a stakeholder group, with representation from creators, intermediaries, data consumers and software providers, that is regularly involved in updates and that has

access to the data standards being developed, documentation, sample documents, with periodic conference call updates.

- Conduct a public review for a 60-90 day period to gather feedback from the general public, supported by a communications program to ensure widespread participation.
- Suggested platforms to enable efficient review include GitHub, a web-based service which is free for open source projects, to post technical materials and work products.

We are strongly supportive of the goals of the Federal Data Strategy being developed by the Department of Commerce. To meet these goals will require using standards to ensure the creation of good quality, consistent, timely, granular data that is needed by regulators, investors, reporting entities, the media, and other users, when making decisions.

Adopting a single approach across all government agencies, for all reporting entities, is the best method to meet these goals, and will result in the greatest efficiencies and savings for all involved.

We appreciate the opportunity to provide our recommendations and are available to respond to any questions the Department of Commerce may have. I can be reached at campbell.pryde@xbrl.us or (917) 582-6159.

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, Inc.