

ICI Details Project to Extend XBRL to Key Investor Information, June 2006

ICI Details Project to Extend XBRL to Key Investor Information

Institute Urges SEC to Update Mutual Fund Disclosure for 21st Century

Washington, DC, June 12, 2006 – The Investment Company Institute today [announced the start of a major project](#) to link the power of interactive data to the information that mutual fund investors most need and use when deciding which funds to buy.

ICI will develop a system to use eXtensible Business Reporting Language (XBRL) to “tag” data in the risk/return summary that is included in the front of every mutual fund prospectus. When this tagging system – known as an “XBRL taxonomy” – is generally adopted, fund investors or their advisers will be able to easily summon up and compare information on dozens or hundreds of funds.

ICI President Paul Schott Stevens described the project today at the [Securities and Exchange Commission’s Interactive Data Roundtable](#), which was [webcast live by the SEC](#). “Widespread use of this new taxonomy will introduce millions of investors and their advisers to the benefits of XBRL,” Stevens told the SEC. “XBRL tagging can help turn the risk/return summary into an even more powerful tool than the Commission envisioned when it adopted it in 1998 as a way to help investors compare one fund to another.”

The risk/return summary includes the fund’s investment objectives, principal investment strategies, principal risks, and historical fund performance, along with the standardized fund fee table.

ICI has engaged PricewaterhouseCoopers to help develop this tagging system. The Institute has also formed a working group of mutual fund professionals and other interested parties to guide the effort. ICI expects to complete the tagging system in the first quarter of 2007 and then will launch an educational

effort to encourage fund complexes to apply these XBRL tags to their EDGAR filings.

Stevens also called upon the SEC to start bringing fund disclosure into the 21st Century by allowing funds to deliver a “clear, concise disclosure document” to investors, either on paper or electronically. That document would instruct investors on how to obtain detailed disclosures, such as the prospectus, electronically or on paper. This “win-win system” would give all investors vital information in a form they’re likely to use, Stevens said, while making detailed data available for those investors and market participants who want it.

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete.
Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.