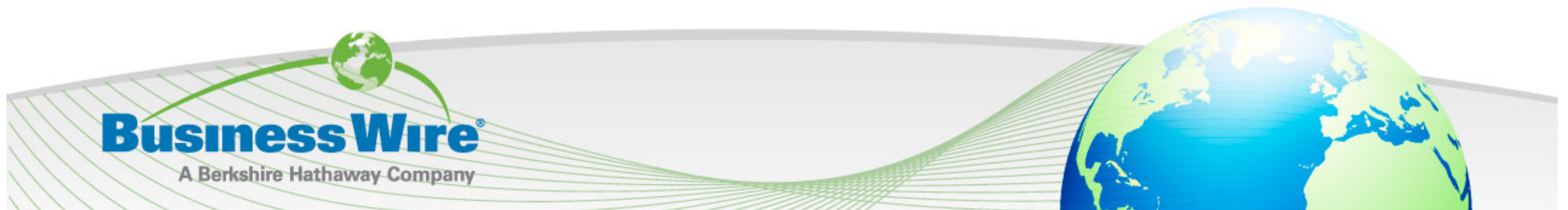


XBRL Factor:

eXtensible Business Reporting Language is Here

September 21, 2010



Speakers



Gary Purnhagen

Director of Compliance Services

Gary.Purnhagen@BusinessWire.com

212-752-9600 ext. 1313

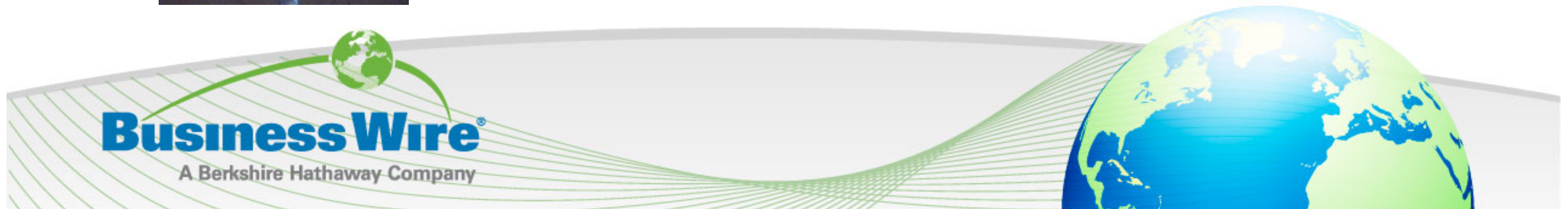


Ali Paksima

XBRL Accounting Manager

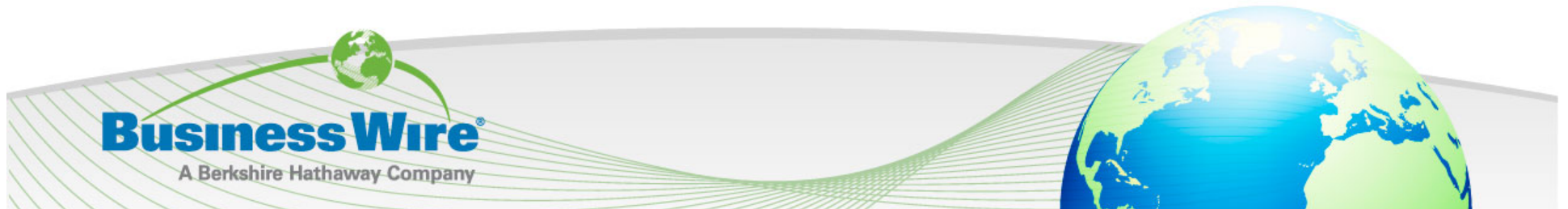
Ali.Paksima@BusinessWire.com

212-752-9600 ext. 1320



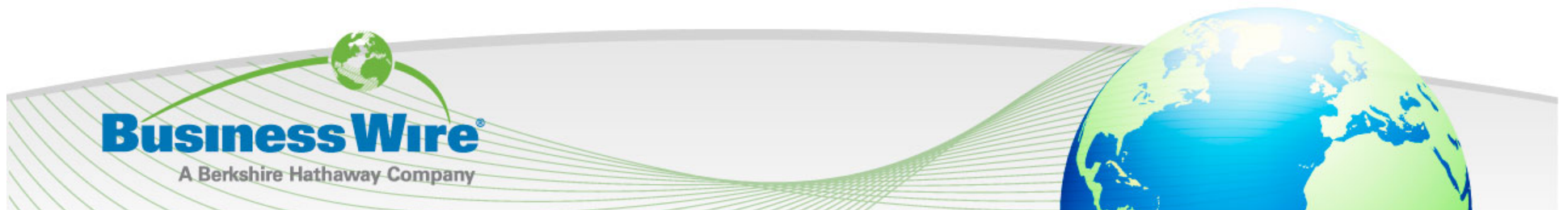
Agenda

- Overview
- SEC Rules
- Preparing for the SEC's XBRL Mandate
- XBRL Conversion Process
- Lessons Learned from the First Wave of XBRL Submissions

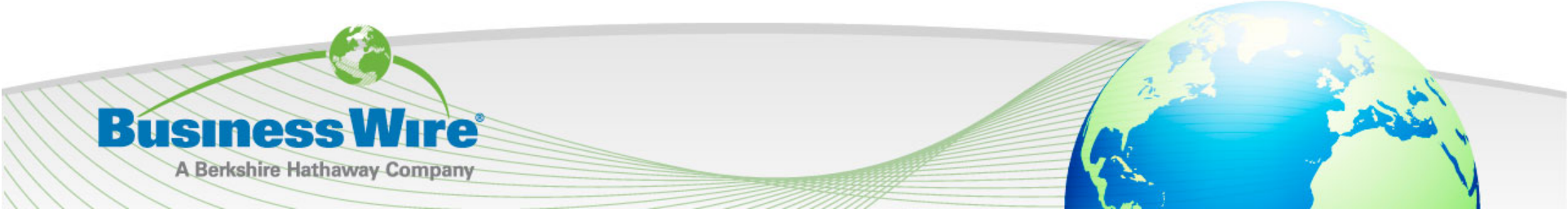
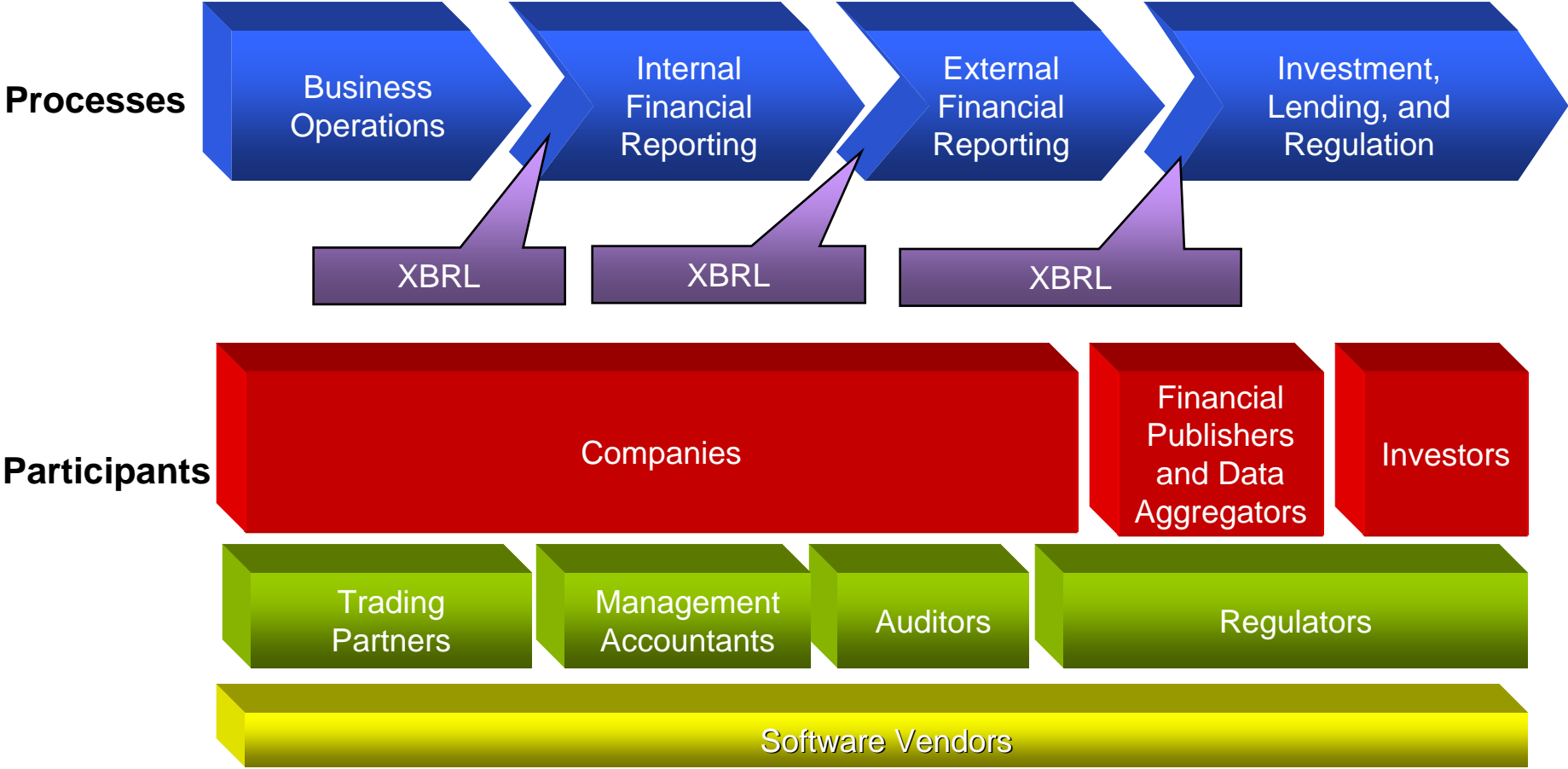


What is XBRL?

- **Business Reporting Language**
 - Software can understand the content of business reports
- **Document format mandated by SEC**
 - New exhibits with financial statements, footnotes and schedules
- **Open global standard**



Business Reporting Supply Chain



XBRL is based on XML

- Gary Purnhagen
- 324 Broadway
- NY
- NY 10001
- USA
- 1 212 991 8679
- Birthdate: ##/##/##



Just plain, ordinary information

```
<presenter>
  <name>Gary Purnhagen</name>
  <address>
    <number>324</number>
    <street>Broadway</street>
    <city>NY</city>
    <state>NY</state>
    <country>USA</country>
    <postcode>10001</postcode>
  </address>
  <telephone>1 212 991 8679 </telephone>
  <birthdate>##/##/####</birthdate>
</presenter>
```

Metadata

Metadata: information about information

Financial Statement

STATEMENTS OF CONSOLIDATED INCOME

(Thousands of Dollars Except Per Share Data)

	Year ended December 31,		
	2001	2000	1999
Net sales	\$ 5,060,000	\$ 4,800,000	\$ 4,600,000
Cost of goods sold	2,838,279	2,532,889	2,375,489
Gross profit	2,219,629	2,307,611	2,248,514
Percent to net sales	43.8%	44.3%	44.9%
Selling, general and administrative expenses	1,729,855	1,740,367	1,673,449
Percent to net sales	34.1%	33.4%	33.4%
Impairment of long-lived assets	-	-	21,000
Operating income	489,774	575,065	556,065
Percent to net sales	9.7%	11.5%	11.5%
Interest expense	54,627	61,168	61,168
Interest and net investment income	(4,087)	(5,761)	(5,761)
Other expense - net	14,785	29,540	29,540

Mapping

Tagging

XBRL Taxonomy

```

</element>
<element id="usfr-pt_CostGoodsSoldOverhead" name="CostGoodsSoldOverhead" type="xb
substitutionGroup="xbri:item" xbrli:balance="debit">
- <annotation>
<documentation>Amount of indirect costs allocated to the production of products.</do
</annotation>
</element>
- <element id="usfr-pt_CostGoodsSoldOther" name="CostGoodsSoldOther" type="xbri:mone
substitutionGroup="xbri:item" xbrli:balance="debit">
- <annotation>
<documentation>Other costs incurred in the production of products.</documentation>
</annotation>
</element>
- <element id="usfr-pt_CostGoodsSoldDirectMaterials" name="CostGoodsSoldDirectMaterial
substitutionGroup="xbri:item" xbrli:balance="debit">
- <annotation>
<documentation>Inventory consumed directly in the production of products.</docume
</annotation>
</element>
- <element id="usfr-pt_CostGoodsSoldDirectLabor" name="CostGoodsSoldDirectLabor" type=
substitutionGroup="xbri:item" xbrli:balance="debit">
- <annotation>
<documentation>Labor incurred directly in the production of products.</documentation
</annotation>
</element>
- <element id="usfr-pt_CostGoodsSoldDepreciation" name="CostGoodsSoldDepreciation" ty
substitutionGroup="xbri:item" xbrli:balance="debit">
- <annotation>
<documentation>That part of depreciation related directly to the production of produc
</annotation>
</element>
    
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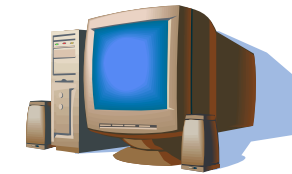
XBRL Instance Document

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<e:CommonStock numericContext="c31">206309</e:CommonStock>
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<d:CostGoodsSold numericContext="c0">2846276</d:CostGoodsSold>
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<a:PercenttonetsalesGrossProfit numericContext="c22">0.443</a:PercenttonetsalesGrossProfit>
<a:PercenttonetsalesGrossProfit numericContext="c26">0.449</a:PercenttonetsalesGrossProfit>
<d:ImpairmentLongLivedAssetsCertainIntangibles numericContext="c3">352040</d:ImpairmentLongLivedAssetsCertainIntan
<d:SellingGeneralAdministrativeExpenses numericContext="c0">1729855</d:SellingGeneralAdministrativeExpenses>
<d:SellingGeneralAdministrativeExpenses numericContext="c3">1740367</d:SellingGeneralAdministrativeExpenses>
<d:SellingGeneralAdministrativeExpenses numericContext="c23">1673449</d:SellingGeneralAdministrativeExpenses>
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<a:PercenttonetsalesSellingGeneralandAdmin numericContext="c26">0.334</a:PercenttonetsalesSellingGeneralandAdmin>
    
```

Consumed

Rendered



STATEMENTS OF CONSOLIDATED INCOME

(Thousands of Dollars Except Per Share Data)

	Year ended December 31,		
	2001	2000	1999
Net sales	\$ 5,060,000	\$ 4,800,000	\$ 4,600,000
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Gross profit	2,219,629	2,307,611	2,248,514
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Interest expense	54,627	61,168	61,168
Interest and net investment income	(4,087)	(5,761)	(5,761)
Other expense - net	14,785	29,540	29,540

Busine

A Berkshire Hathaway Company

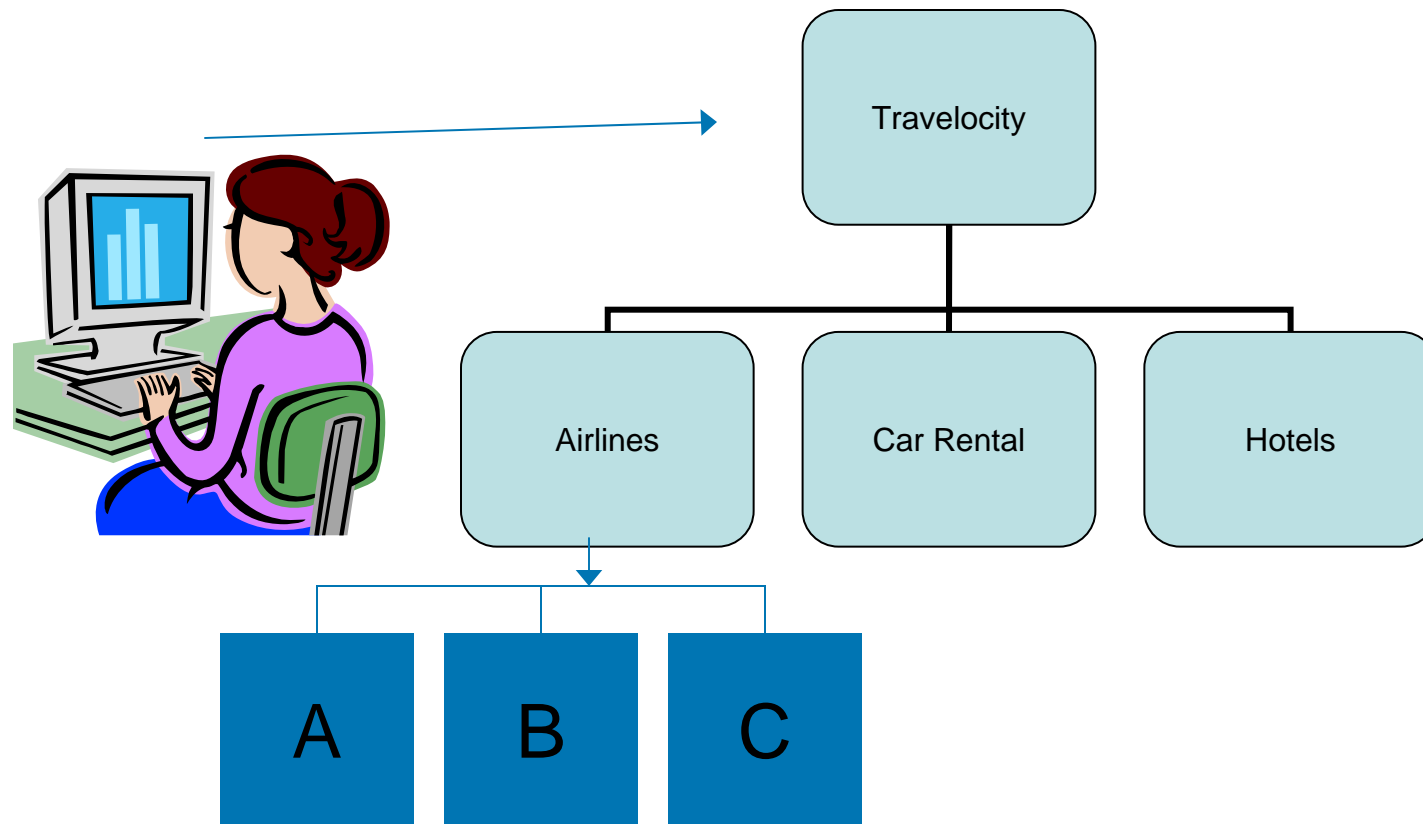
Benefits Beyond the SEC's Mandate

After the language is embedded in your internal process

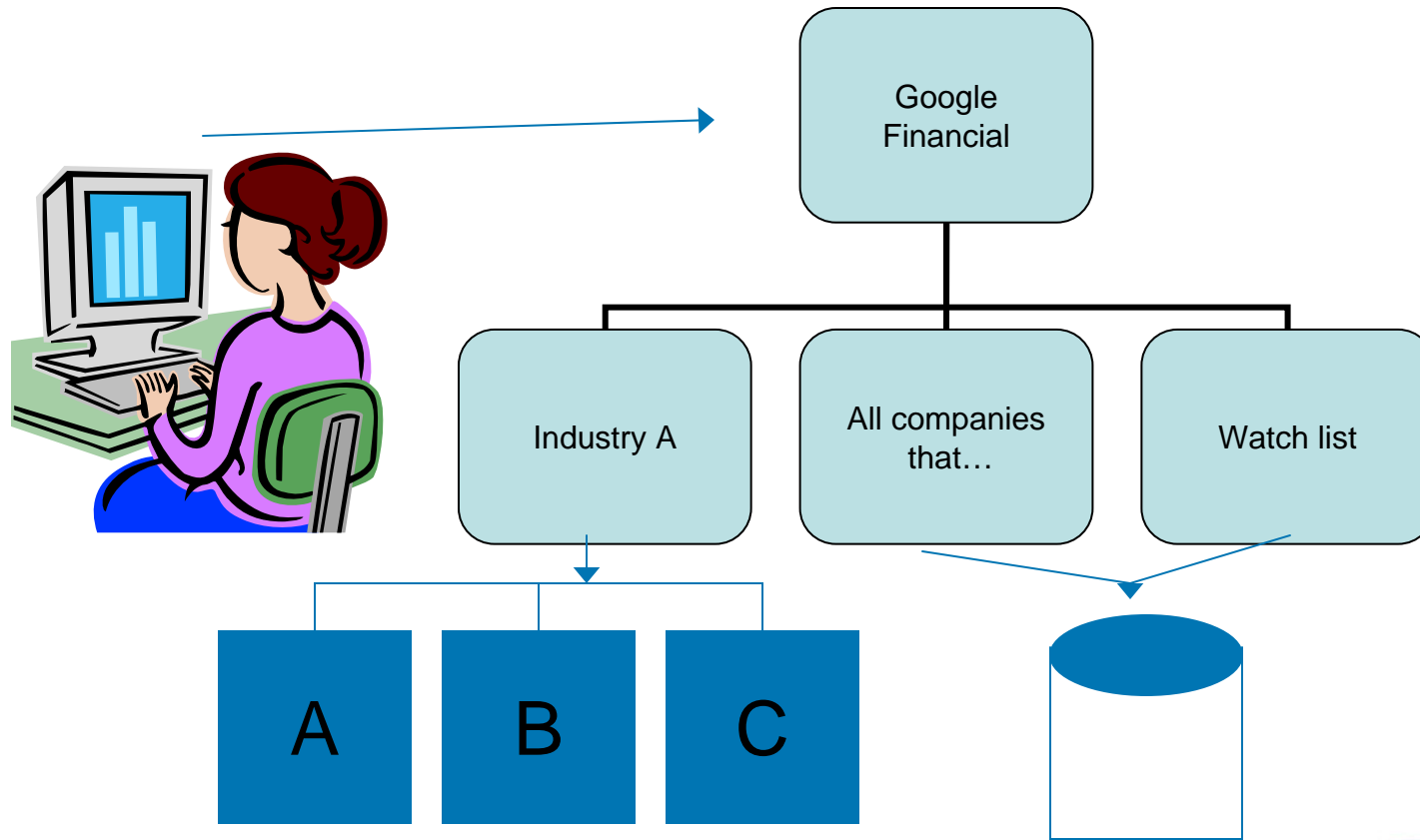
- Lower cost of producing information
- Lower cost of consuming information
- Faster access to information
- More timely and accurate data for decisions
- Enhanced analytical capabilities
- Enhanced functionality
- Ease of access to definitions to enhance comparability



Implications to financial analysis

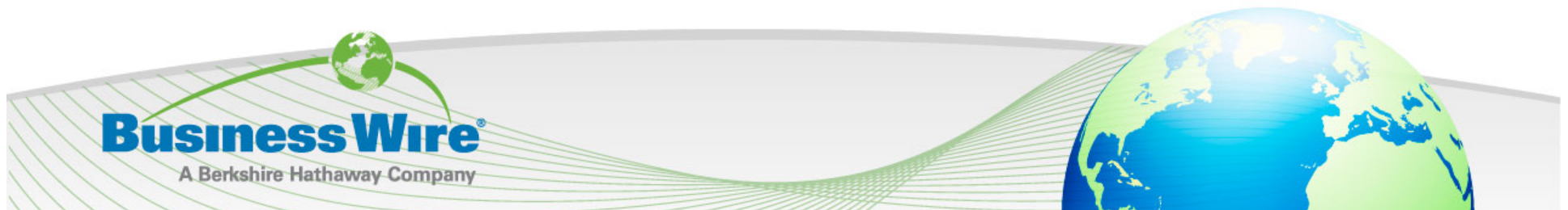


Implications to financial analysis



Summary of SEC Rules

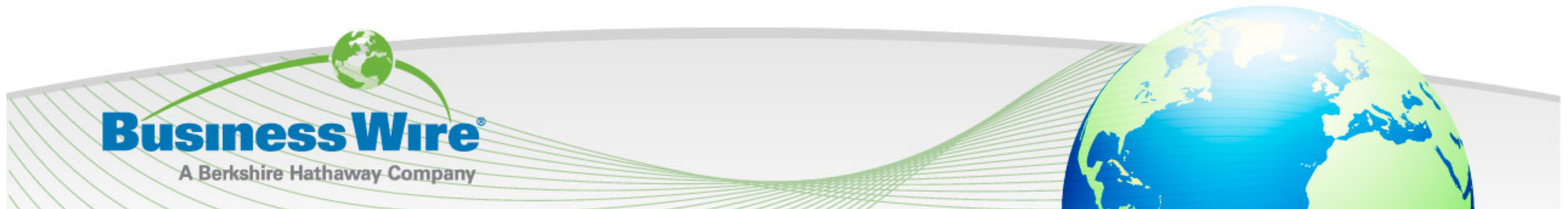
- Requires companies to provide financial statements in interactive data format using XBRL
- Applies to domestic and foreign companies using U.S. GAAP and to foreign private issuers using IFRS (as issued by IASB) in 2011
- Tagged disclosure includes companies primary financial statements, notes and financial statements schedules
- XBRL exhibits supplement HTML or ASCII documents
- Limited liability protection within 24 months of the time the filer is first required to submit XBRL.
- XBRL data does not need to be audited at this time



SEC Mandate

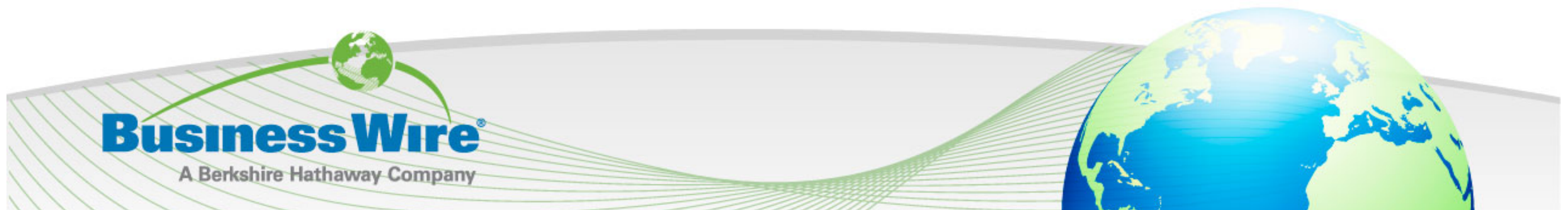
3 Year Phase-In Schedule

- **2009** – Domestic and foreign large accelerated filers with a worldwide public float above \$5 billion that use US GAAP, starting with their 10-Q or Form 20-F or Form 40-F containing financial statements for a fiscal period ending on or after June 15, 2009
 - *Approx. 485 companies*
- **2010** – All other domestic and foreign large accelerated filers using US GAAP
 - *Approx. 1500 companies*
- **2011** – *All remaining filers*, incl. smaller reporting companies, and all foreign private issuers that prepare their financial statements in accordance with IFRS (as issued by the IASB)



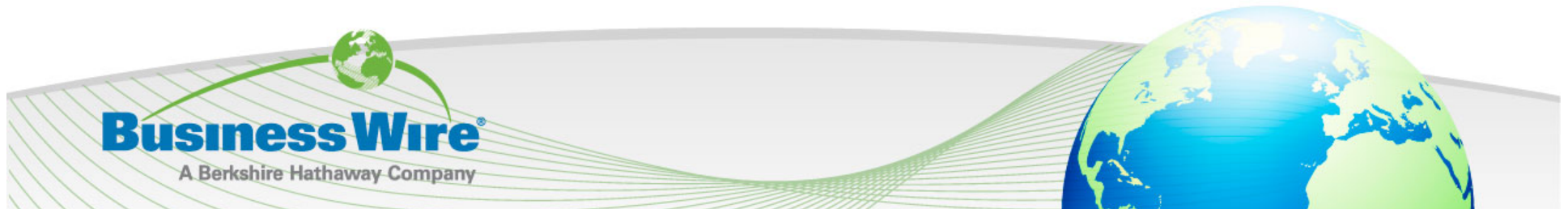
Submission Format

- XBRL exhibits will be required with a company's annual and quarterly reports, transition reports and Securities Act registration statements:
- Forms under the '34 Exchange Act:
 - 10-Q/A, 10-K/A, 8-K, 20-F/A, 6-K 40-F and 10
- Forms under the '33 Act Securities Act:
 - S-1, S-3, S-4, S-11, F-1, F-3, and F-10
- Forms 8-K and 6-K when they contain updated interim financial statements or financial statements that have been revised to reflect the effects of certain subsequent events



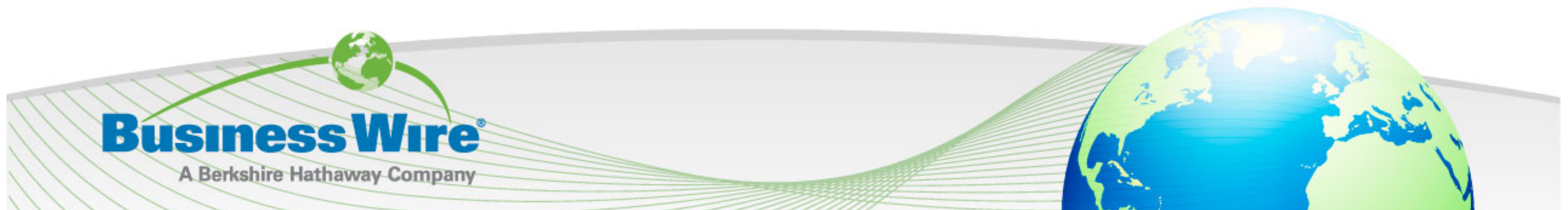
Data Tagging Details

- **First Year** (beginning with first filing)
 - Financial statements need to be completely tagged (every line item)
 - 1. Each complete footnote and schedule are tagged as a single block of text: *Block tagging*
Average number of tags – 150
- **Second Year and beyond** – *Detailed tagging* for footnotes and schedules.
 - 2. Each significant accounting policy within the significant accounting policies footnote is tagged as a single block of text
 - 3. Each table within each footnote tagged as a separate block of text
 - 4. Within each footnote, each amount (i.e. monetary value, percentage, and number) is required to be separately tagged
 - **Average number of tags – 600**



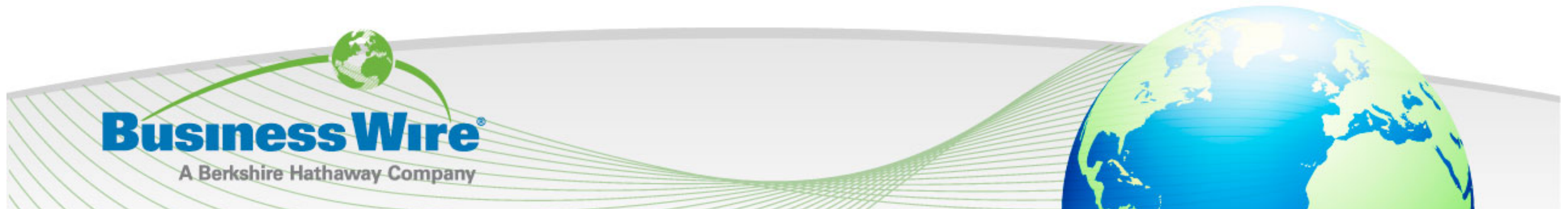
Overview of Requirements

- 1st year set up:
 - Selecting the appropriate taxonomy element to tag line items in your consolidated financial statements
 - Notes & Schedules – block tagging
- 2nd year set up:
 - Selecting the appropriate taxonomy elements to tag the details within the Notes and Schedules
- On-going:
 - Maintenance of company's taxonomy (schema)



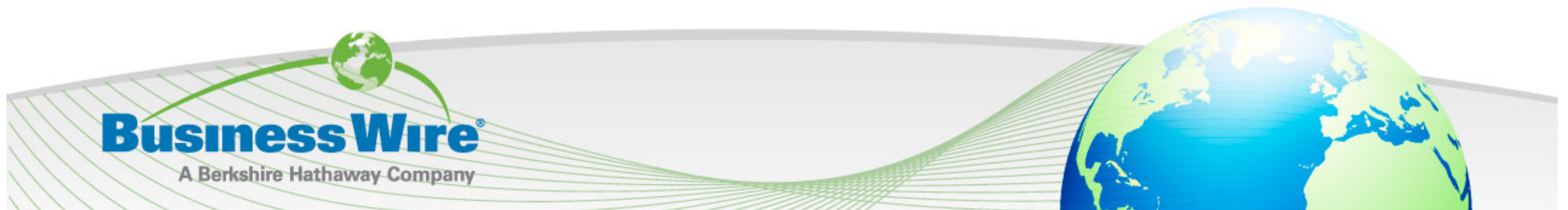
Company Website

- XBRL files are required to be posted on the company's corporate web site (if it maintains one) every time XBRL Exhibits are submitted to the SEC .
- XBRL files to be posted on the same calendar day as the filing
- The XBRL files are required to be posted for at least 12 months on the issuer's website
- A hyperlink to the SEC's EDGAR website is not allowed
- Post XBRL files individually, not as a zip file
- No requirement to provide rendering of XBRL files



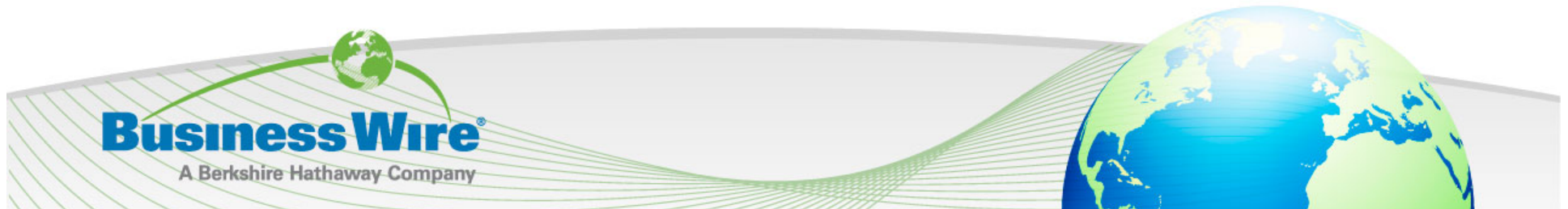
Potential Expansion of Requirements

- Audit requirement
- MD&A
- CD&A
- Earning Releases
- Corporate Actions
- Eventually all business information will be tagged with XBRL

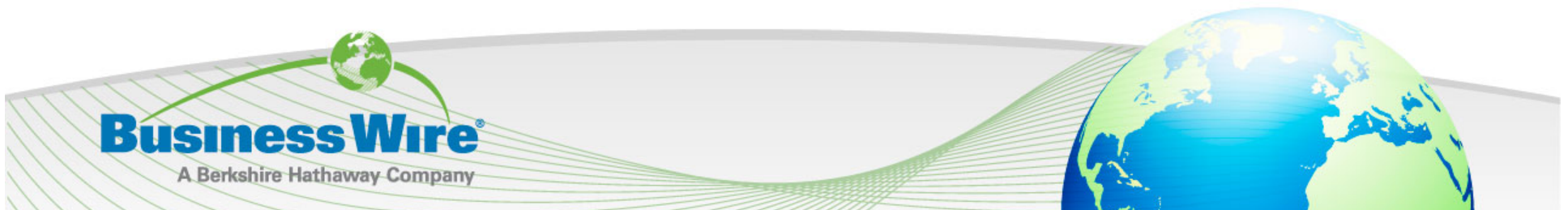


Current Status

- Roughly 475 companies have submitted XBRL exhibits for 5 reporting cycles
 - Over 75 % - outsourced
 - Less than 25 % - doing it themselves
- Validation issues
- Rendering issues – SEC’s viewer for XBRL files
- Now required to submit detailed tagging of footnotes and schedules
- Not much analysis of the data happening yet



XBRL Process Flow



Mapping and Review



ASSETS	
Current assets:	
	Cash and cash equivalents
→	Accounts receivable, net of allowance of \$80 in 2009 and \$57 in 2008
	Prepaid expenses
	Income tax receivable
	Deferred income taxes

http://viewer.xbrl.us/#tax~(id~22*v~22)lcon~(id~233581)lnet~(a~363*l~1

Taxonomy ▾

Network Browser

Network: Presentation ▾ Lang: en-US ▾

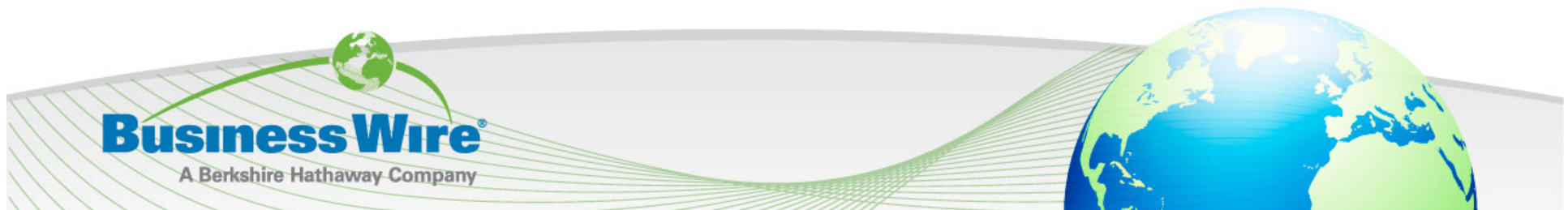
- 104000 - Statement - Statement of Financial Position, Classified
 - Statement of Financial Position [Abstract]
 - Statement [Table]
 - Statement, Scenario [Axis]
 - Class of Stock [Axis]
 - Statement [Line Items]
 - Assets [Abstract]
 - Assets, Current [Abstract]
 - Cash, Cash Equivalents, and Short-term Investments [Abstract]
 - Receivables, Net, Current [Abstract]
 - Accounts, Notes, Loans and Financing Receivable, Net, Current
 - Accounts Receivable, Net, Current [Abstract]
 - Accounts Receivable, Gross, Current
 - Allowance for Doubtful Accounts Receivable, Current
 - Accounts Receivable, Net, Current, Total
 - Notes, Loans and Financing Receivable, Net, Current [Abstra

Mapping and Review



| Properties | |
|--------------------|-----------------------------------|
| Property | Value |
| Name | AccountsReceivableNetCurrent |
| Namespace | http://xbrl.us/us-gaap/2009-01-31 |
| Data Type | xbrli:monetaryItemType |
| XBRL Type | monetaryItemType |
| Substitution Group | xbrli:item |
| Period Type | instant |
| Abstract | false |
| Nilable | true |
| Balance | debit |

| Labels | | |
|----------------|-------|---|
| Type | Lang | Label |
| Standard Label | en-US | Accounts Receivable, Net, Current |
| Documentation | en-US | Amount due from customers or clients, within one year of the balance sheet date (or the normal operating cycle, whichever is longer), for goods or services (including trade receivables) that have been delivered or sold in the normal course of business, reduced to the estimated net realizable fair value by an allowance established by the entity of the amount it deems uncertain of collection. |
| Total Label | en-US | Accounts Receivable, Net, Current, Total |



Mapping and Review

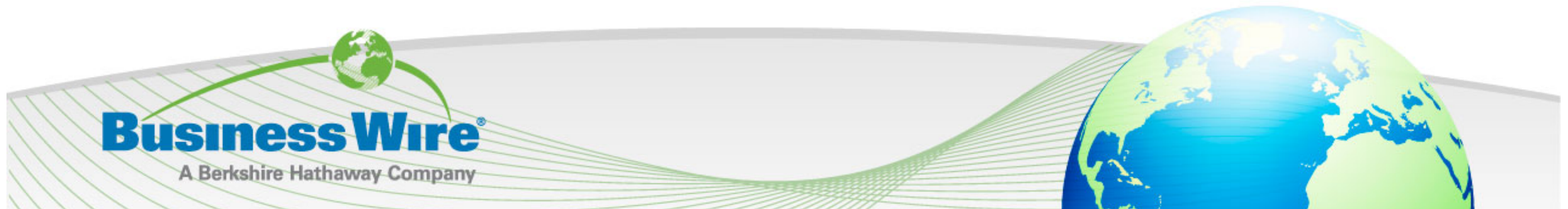


- Reviewed by Controller's group
 - Financial Reporting Manager
 - Assistant Controller
- If in-house, need to be very familiar with the Taxonomy

Mapping and Review



- 2009 US GAAP Taxonomy
 - 16,590 Elements, of which 5,930 are us-gAAP, non-abstract, monetary concepts
 - 2,954 with “instant” period type, of which 1,616 are debits, 1,336 are credits and 2 have no balance type
 - 2,976 with “duration” period type, of which 1,407 are credits, 1,476 are debits and 93 have no balance type
 - 1,120 dimension members



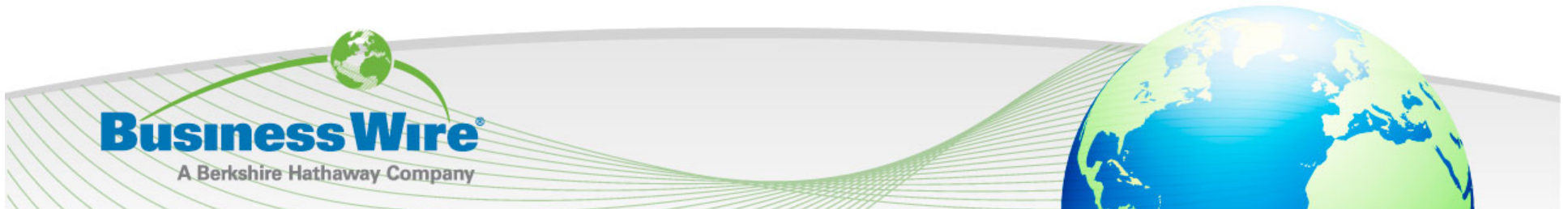
Exhibits and Rendering



- “Tagging”

```
<us-gaap:AccountsReceivableNetCurrent decimals="-3" contextRef="Pri_20081231" unitRef="USD">6188000</us-gaap:AccountsReceivableNetCurrent>
```

- Creating company specific extensions



Exhibits and Rendering



- “Block Tagging” – Year 1 and 2

NOTE 5. INCOME TAXES

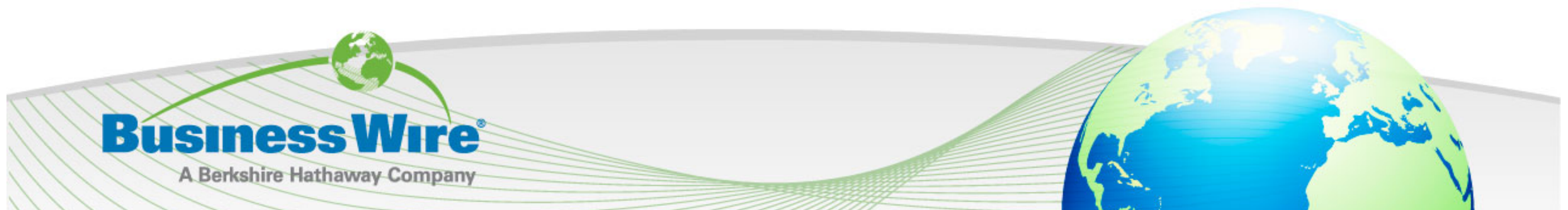
The Company recorded a tax provision of \$50 million, an effective income tax rate of 10.5%, for the quarter ended August 31, 2009 and recorded a tax provision of \$130 million, an effective income tax rate of 40.0%, for the quarter ended August 31, 2008.

<Income Taxes> - *beginning tag*

NOTE 5. INCOME TAXES

The Company recorded a tax provision of \$50 million, an effective income tax rate of 10.5%, for the quarter ended August 31, 2009 and recorded a tax provision of \$130 million, an effective income tax rate of 40.0%, for the quarter ended August 31, 2008.

</Income Taxes> - *ending tag*



Exhibits and Rendering



- “Detailed Tagging” – Year 2

NOTE 5. INCOME TAXES

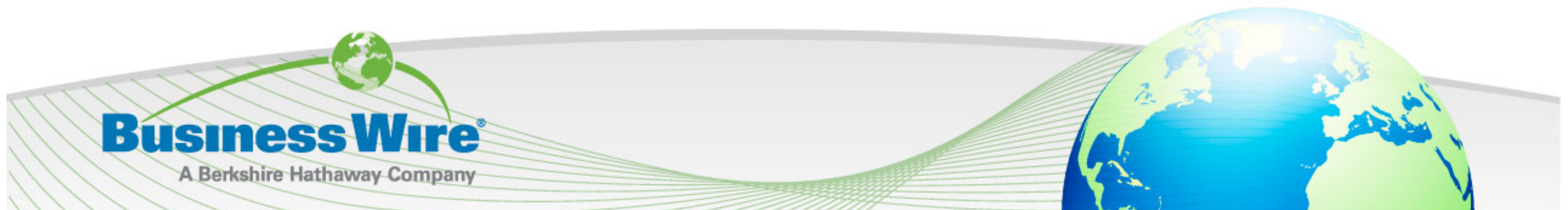
The Company recorded a tax provision of \$50 million, an effective income tax rate of 10.5%, for the quarter ended August 31, 2009 and recorded a tax provision of \$130 million, an effective income tax rate of 40.0%, for the quarter ended August 31, 2008.

<Income Taxes> - *beginning tag*

NOTE 5. INCOME TAXES

The Company recorded a tax provision of <\$50 million>, an effective income tax rate of <10.5%>, for the quarter ended August 31, 2009 and recorded a tax provision of <\$130 million>, an effective income tax rate of <40.0%>, for the quarter ended August 31, 2008.

</Income Taxes> - *ending tag*

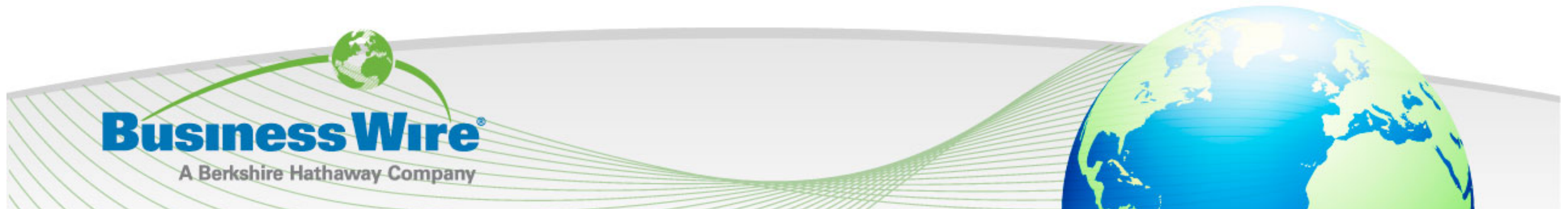


Exhibits and Rendering



- Exhibits

| Data Files | | | | |
|------------|---|----------------------|------------|---------|
| Seq | Description | Document | Type | Size |
| 8 | XBRL INSTANCE DOCUMENT | abc-20090930.xml | EX-101.INS | 1116206 |
| 9 | XBRL TAXONOMY EXTENSION SCHEMA | abc-20090930.xsd | EX-101.SCH | 17269 |
| 10 | XBRL TAXONOMY EXTENSION CALCULATION LINKBASE | abc-20090930_cal.xml | EX-101.CAL | 39750 |
| 11 | XBRL TAXONOMY EXTENSION LABEL LINKBASE | abc-20090930_lab.xml | EX-101.LAB | 117931 |
| 12 | XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE | abc-20090930_pre.xml | EX-101.PRE | 74870 |
| 13 | XBRL TAXONOMY EXTENSION DEFINITION DOCUMENT | abc-20090930_def.xml | EX-101.DEF | 55725 |



Exhibits and Rendering



- Rendering

| | | | |
|------------------------------------|--|---------------|---------------|
| Document Information | Consolidated Balance Sheets (USD \$) | | |
| Entity Information | In Thousands | | |
| <u>Consolidated Balance Sheets</u> | | Sep. 30, 2009 | Dec. 31, 2008 |
| Consolidated Balance Sheets | Current assets: | | |
| Parenteticals | Cash and cash equivalents | \$ 63,788 | \$ 47,714 |
| Consolidated Statements of Income | Accounts receivable, net of allowance of \$680 in 2009 and \$537 in 2008 | 8,427 | 6,188 |
| Consolidated Statements of Cash | Prepaid expenses | 2,393 | 2,156 |
| Flows | Income tax receivable | 3,806 | 1,306 |
| Nature of the Business | Deferred income taxes | 1,235 | 640 |



Review and Approval

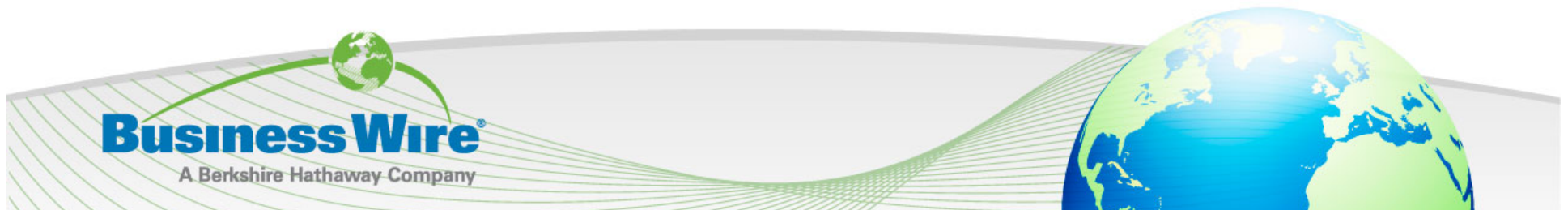


- Compare HTML (EDGARized) document to Rendering
 - Labels
 - Values
 - Know the reason for any differences

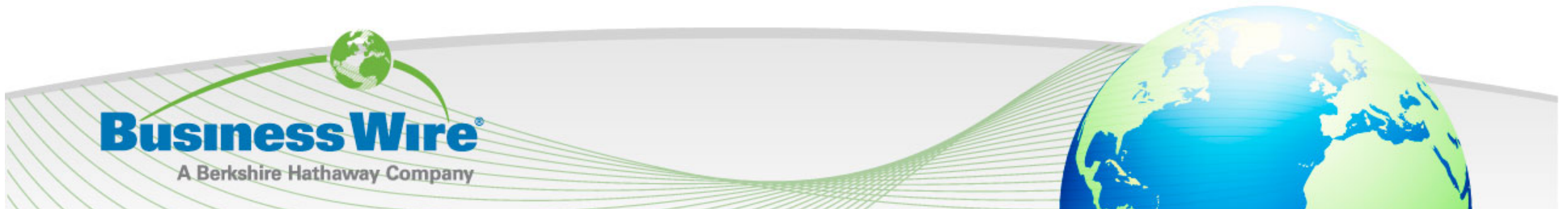
Update and Final Changes



- Now that the “shell” has been created, update during live filing period
 - New elements
 - New calculation relationships
 - Labels
 - Values
 - Period

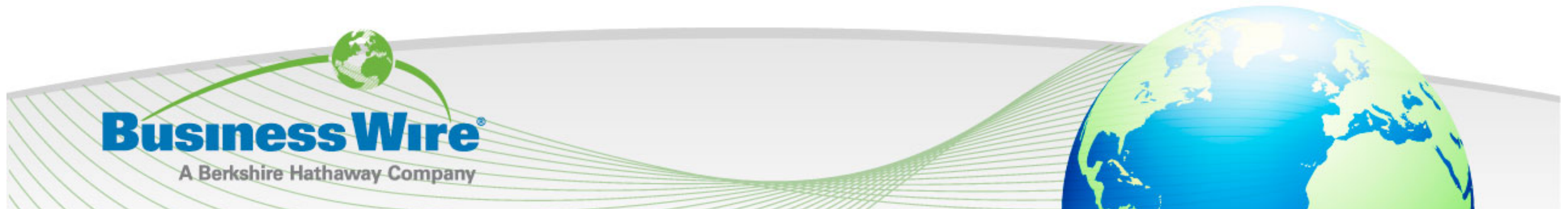


File and Post



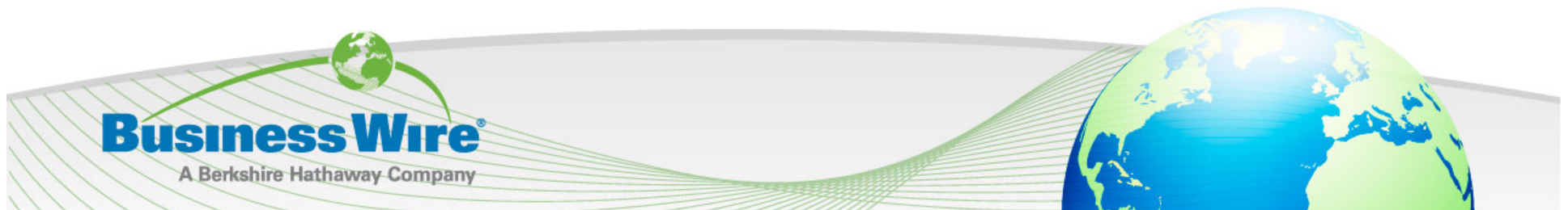
Recommendations

- **Start early**
 - Best practice - six months prior to official filing day
- **Trial run**
 - Quarter prior to official filing – without actually filing
- **Leave ample time for review during official filing period**
 - Finalize significant changes (e.g., changes to elements, periods, etc.) well in advance of the official filing date.



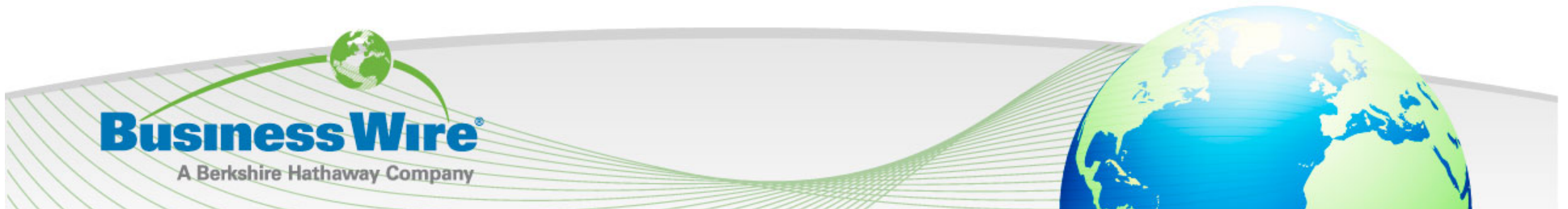
Recommendations (continued)

- **Detailed review – throughout the process**
 - Of inputs (elements, reporting period, decimals, value type) and outputs (rendering and validation results).
 - Validation – manual and automated
 - XBRL rules – see XBRL US Preparers guide
 - SEC rules – see EDGAR Filer Manual
- A common mistake is to view the XBRL conversion process as merely an extension of the EDGARization process. Rather, XBRL conversion should be viewed as a blending of both the financial reporting process and the EDGARization process.



Recommendations (continued)

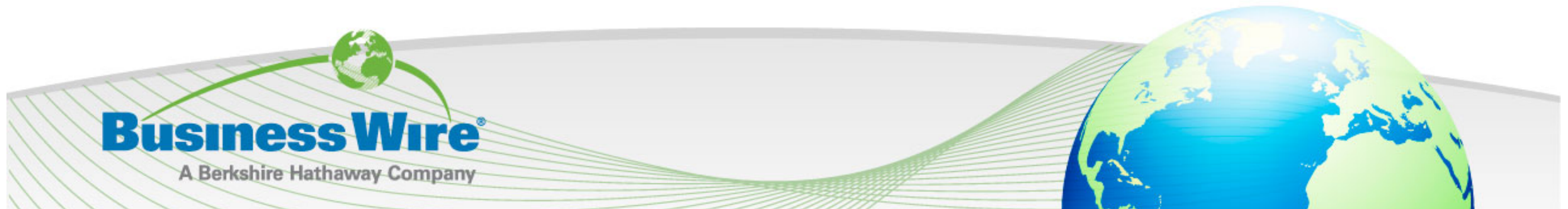
- The XBRL structure is more important than the presentation
- IR should be involved with company efforts. *Who will be asked about it?*



XBRL Limitations

Limitations

- Rendering – SEC Viewer
 - Differences between HTML/ASCII and XBRL financial statements:
 - Column headings, Abstracts, Underlining, Formatting, Parenthetical information, Column/Row layout
 - Improvements made with update:
 - Different currencies
 - Nil concept



XBRL Considerations

Considerations

- Segments / Dimensions – When appropriate to use, Impact on elements
- FASB (as of February 5, 2010):
 - New Taxonomies
 - FAQ's / Guidance on elements
- SEC:
 - New guidance
 - Staff Observations
 - Validation rules (Chapter 6 of the EDGAR Filer Manual)



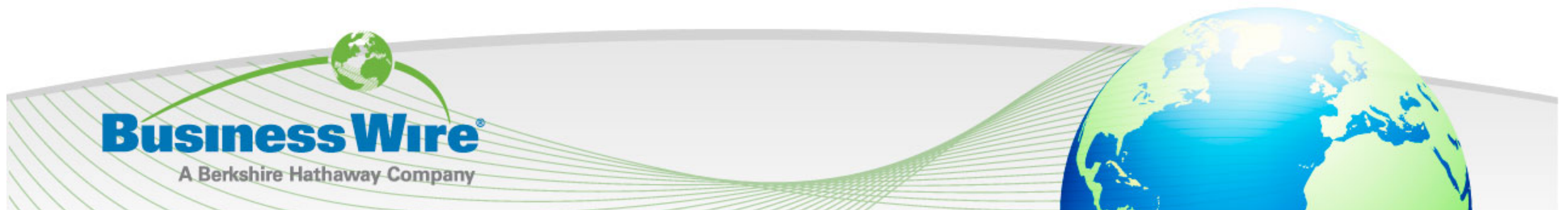
XBRL Complexities



Be aware of the complexities:

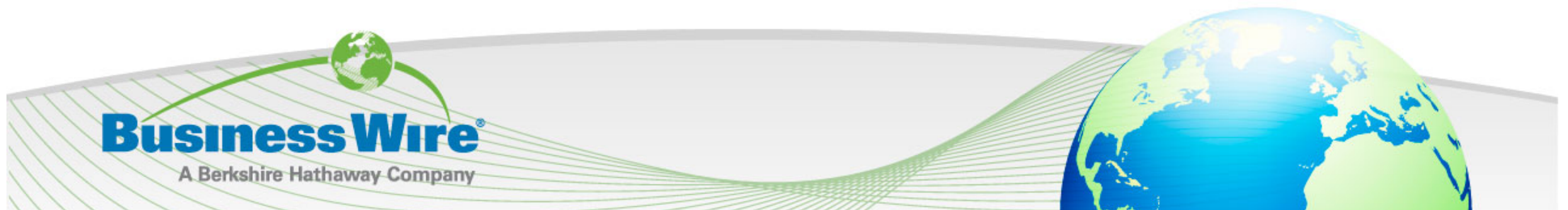
- Selecting the right element
- Label roles
- Positive or negative sign balances
- Calculation inconsistencies
- When rendering is an issue

In-House vs. Outsourcing



Reasons for Performing Work In-House

1. You know your financials better than anyone else
2. Cost containment
3. Will need to learn the language sooner or later
4. Corporate culture



You Know Your Financials Better Than Anyone Else

- True, but learning XBRL is a significant undertaking
- Surveys indicate that it takes companies on average over 120 hours
- An ideal approach is to work *with* a service provider to ensure proper taxonomy element selection



Cost Containment

- **Internal cost:**

- Time to learn XBRL, map and tag financials to taxonomy...
- Software cost
- Freeing up personnel
- SEC estimates
 - Year One - \$76,860 - \$146,240
 - Year Two - \$ 93,925 to \$173,970

External cost:

- Market is charging considerably less



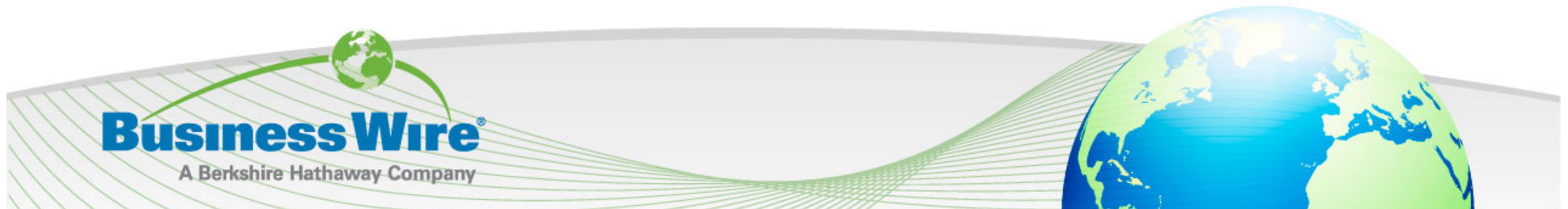
Will Need to Learn the Language Sooner or Later

- Applications will not require you to learn XBRL
- Orbitz, Travelocity, Amazon are all based on XML. We don't need to know that language to operate these applications
- Unfortunately, this is not the case with XBRL software



Corporate Culture

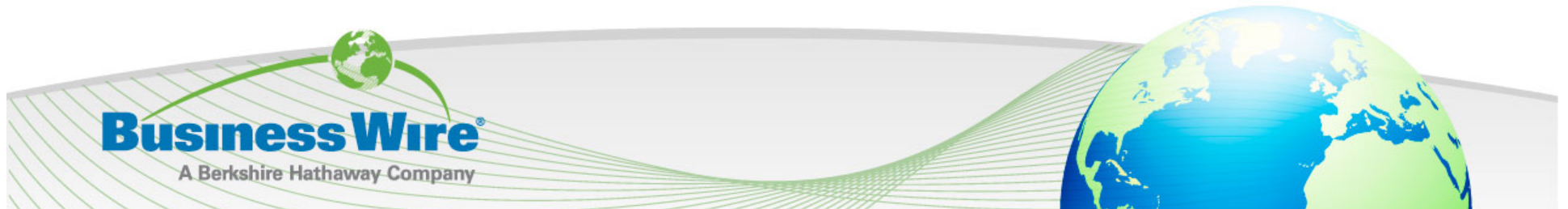
- Typically, convert and submit SEC filings in-house
- Plan accordingly:
 1. Expertise
 - XBRL US GAAP Taxonomy Preparers Guide
 - SEC EDGAR Filer Manual
 2. Software
 3. Time
- Valid strategy: outsource for first two years then take XBRL work in-house
 - Taxonomy selection complete
 - Software will be improved



Recommendations

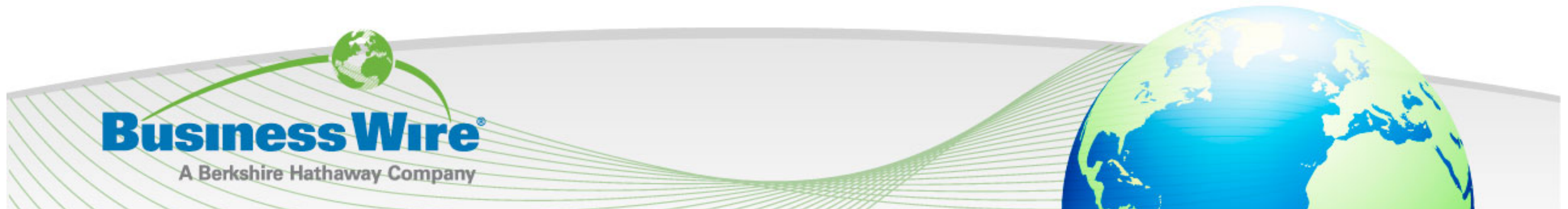
- Work with a service provider that has expertise with:
 - Financial reporting & US GAAP
 - EDGAR & XBRL
- Collaborate with a service provider that works directly with your financials in selecting the taxonomy elements

Best practice – assigned taxonomists



Business Wire

- Leading EDGAR filer
- Offering XBRL services since 2005
 - XBRL and EDGAR work performed in-house
 - Companies work directly with dedicated taxonomist
- Leading provider of Investor Relations Services
- Global market leader in commercial news distribution
- *A trusted partner for all of your Disclosure requirements*



Questions ?



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