Neal Hannon, Editor

XBRL Alliances: Shall We Dance?

BY NEAL J. HANNON

In the XBRL (eXtensible Business Reporting Language) community, software companies have achieved a certain level of success. From participation in the FDIC call report program (see "Making Clean Deposits," February 2006) to the Bank of Spain's recent efforts to convert data collected from businesses into XBRL, vendors who specialize in XBRL have demonstrated that it can be the centerpiece in a major business project to reduce costs and improve reportability.

Recently, a number of XBRL-focused firms have entered into alliances with other companies to ensure that customer needs are being met. This alliance activity is a signpost on the road to business maturity. For example, consider Rivet™ Software. According to Robert Rohan, Rivet's executive vice president, "2006 has definitely seen an increase in activity around XBRL from both a user and partner perspective….Rivet has signed three new partners this year in the first four months of the year (AICPA, CCH, Thomson Creative Solutions), and we expect this trend to continue as software vendors look to provide a best-of-breed XBRL solution to meet increased user demand." Rivet understands the power of reaching customers with XBRL solutions by leveraging existing customer relationships through established vendors. See Table 1 for a sample list of XBRL vendors and the partnerships they have announced since November 2005.

What's in It for You?

As XBRL matures, the need for a customer-focused approach to addressing specific needs becomes apparent. According to Rohan, "As a direct result of the increase in XBRL attention in the marketplace, more and more software vendors are looking to add XBRL support to their products to meet increasing user demands. Partnering with companies who offer XBRL solutions allows vendors to get XBRL functionality to market rapidly to meet this increased demand." This market-driven approach to XBRL solutions clearly signals that customers are asking for specific solutions that can best be met by the combination of corporate capabilities.

These thoughts are echoed by Teresa Mackintosh, vice president of marketing for Thomson Creative Solutions. "Years ago, we came out with XBRL in our reporting software," Mackintosh says, "but we saw a distinct advantage as the technology progressed to have someone closely tied with the consortium take over the XBRL capabilities for Creative Solutions."

Another twist on the partnership theme is having an XBRL vendor partner with major stock exchanges to improve global market liquidity. An example of this is EDGAR Online, Inc. and its partnership with the Shanghai Stock Exchange (SSE) and the Shenzhen Stock Exchange (SZSE) of China. EDGAR Online is a leading provider of value-added global business and financial infor-

mation. They make financial information and a variety of analysis tools available via online subscriptions and licensing agreements to professionals in financial institutions, corporations, and law firms. The advantage of this partnership is that the marketplace can now compare financial information from U.S. companies to Chinese companies in granular detail in ways never before possible.

IMA Participates in Call to XBRL for Abu Dhabi Securities Market

On May 9, 2006, the Abu Dhabi Securities Market (ADSM) became the first stock exchange in the Middle East to encourage XBRL growth by recommending that all listed companies in the United Arab Emirates use it to facilitate analysis, improve the quality of financial information that companies distribute to the market, and enhance transparency.

Participating on behalf of IMA and XBRL International were Liv Watson and Neal Hannon. The meeting was held inside the Central Bank of the United Arab Emirates in Abu Dhabi. More than 150 representatives from the UAE and surrounding countries participated as delegates in the one-day conference arranged by Kurt Ramin, chair of XBRL International.

Speaking at the opening session of the ADSM XBRL seminar, Rashed Al Baloushi, acting director general of ADSM, said, "We are delighted that XBRL has agreed to award a provisional jurisdiction to the UAE, and we are honored that it is the first in the Middle East. XBRL will bring a huge number of cost, efficiency, and accuracy benefits not just to the listed companies that use it, but also to

Table 1. List of XBRL vendor partnerships announced since November 2005

PricewaterhouseCoopers LLP and Hitachi America, Ltd., a subsidiary of Hitachi, Ltd.

The Thomson Corporation and Rivet™ Software

AICPA and Rivet Software

CCH and Rivet Software

Software AG and Rivet Software

Microsoft and Rivet Software

Microsoft and EDGAR Online, Inc.

Cartesis and EDGAR Online, Inc.

R.R. Donnelley and EDGAR Online, Inc.

EDGAR Online, Inc., Business Objects, and Ipedo

Rivet Software and EDGAR Online, Inc.

CoreFiling and Adobe, Inc.

Fujitsu® and Deloitte Consulting LLP

Fujitsu and DynAccSys

Fujitsu and Sybase

Fujitsu and Zynium

investors, analysts, and all those who have an interest in the UAE financial markets. XBRL complements ADSM's program to adopt international best practice standards of regulation and governance throughout the UAE markets. It will give investors better access to a company's financial information, allowing them to make more informed decisions efficiently. It also strengthens transparency in the market—an issue which ADSM is always looking to develop."

This event is further evidence of the worldwide influence of XBRL and the active participation of IMA members on the international scene.

Learn More about XBRL

The July 2006 "Inside Talk" webinar will focus on XBRL. Please look for your "Inside Talk" e-mail from IMA for further details. Additional information about XBRL also can be found at the Centre of Excellence section of www.imanet.org. ∎

Neal Hannon is an accounting lecturer for the Barney School of Business at the University of Hartford. Author of two books and numerous articles, he is IMA's representative to the XBRL International consortium. Hannon is a former member of the XBRL-US steering committee and former chair of XBRL International's Education Committee.