

BOWNE

XBRL

From EDGAR To (an) IDEA

business

World



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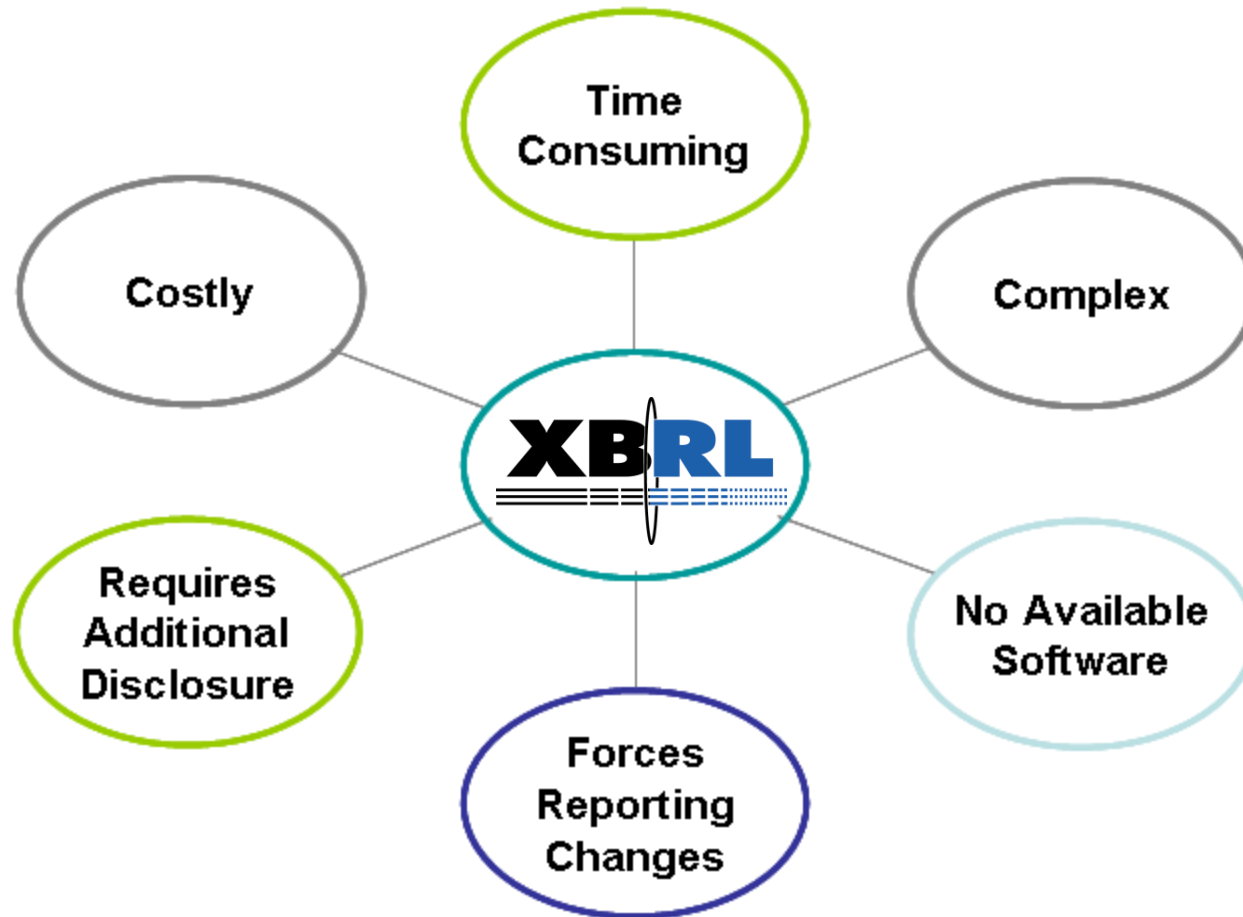


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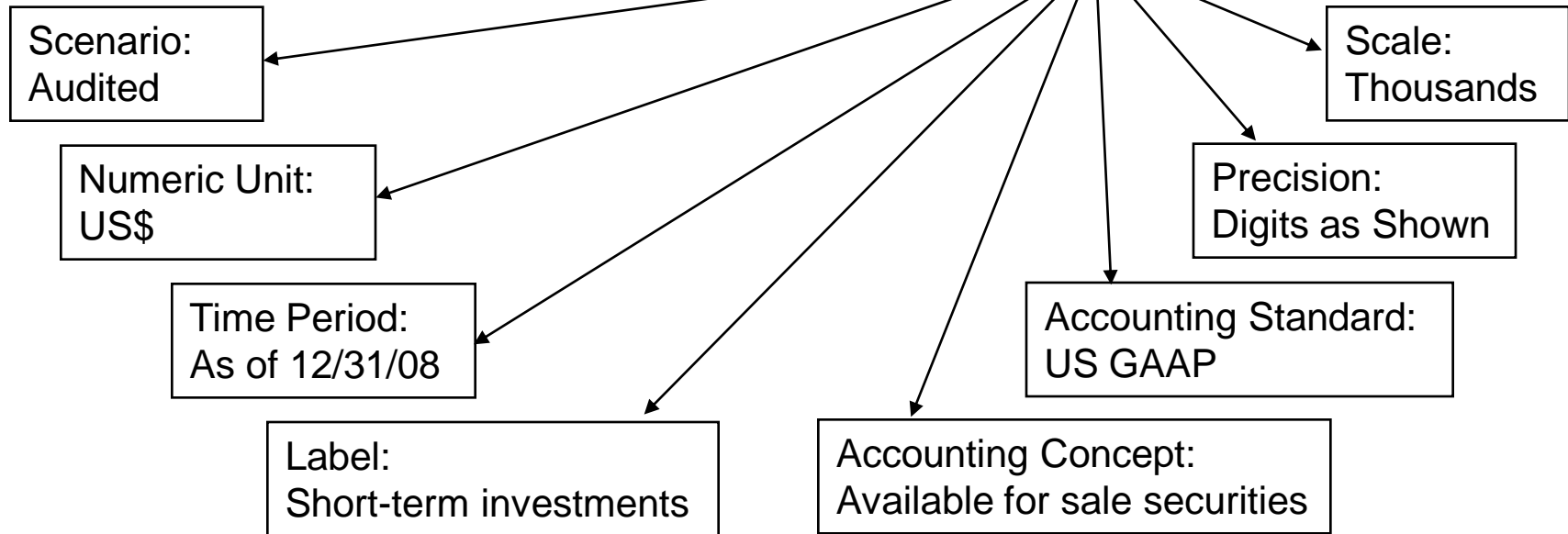


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Statement of Financial Position (audited, in thousands)	As of December 31, 2008	As of December 31, 2007
Cash and cash equivalents	1,019	991
Short-term investments	398	511



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Agenda

- ***SEC Mandate and Comment Letter Summary***
- ***Problem Statement and Value Propositions***
- ***XBRL Introduction and Overview***
- ***Demonstrations***

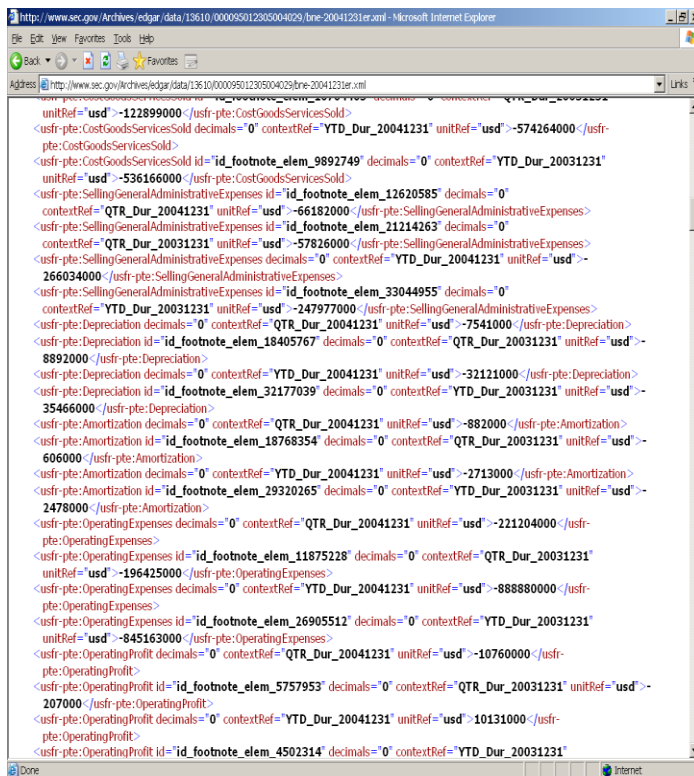
- Founding member of XBRL (1999)
- Accounting/finance degree; accountant at Big 8 firm
- Project Director for SEC US GAAP Taxonomy Project
- Led Microsoft's XBRL initiatives for 5 years
 - Created Microsoft's XBRL filings for 2 years
- Helped start Denver-based XBRL software provider
- Implemented XBRL in 7 different software applications
- Leads Bowne's software/service solutions definition, thought leadership and public relations for XBRL

- **Public Company**
 - First company to submit XBRL documents to SEC (2005)
- **Community Involvement**
 - Began monitoring XBRL (1999)
 - Member of XBRL International (2001)
- **EDGAR Filings**
 - Largest EDGAR filer
 - First to submit client's XBRL prospectus risk/return (Hancock Funds)
 - First to submit client's XBRL IFRS filing (Reuters)
- **Solution Provider**
 - Bowne Interactive XBRL Viewer
 - Bowne GCom² FundSuite (mutual funds)
 - Bowne Fundalign/Smartapps (mutual funds)

BOWNE

From EDGAR to IDEA

Input



XBRL

Output

The screenshot shows a financial statement for BOWNE & CO., INC. (NYSE: BNE) titled 'Condensed Consolidated Statements of Operations'. The table displays financial data for the years 2001, 2002, 2003, and 2004. The data is presented in a structured format with columns for the years and rows for various financial categories. The categories include Revenue, Expenses, Operating Income, and Net Income. The values are presented in thousands of dollars.

	2001	2002	2003	2004
Revenue	\$ 210,444	\$ 194,219	\$ 209,221	\$ 247,034
Expenses:				
Cost of revenue	(841,131)	(132,899)	(174,264)	(156,368)
Selling and administrative	(66,182)	(17,826)	(246,094)	(247,377)
Depreciation	(7,241)	(8,802)	(32,121)	(15,466)
Amortization	(982)	(906)	(2,713)	(2,418)
Share sale of building	---	---	896	---
Restructuring, integration and asset impairment charges	(1,665)	(5,227)	(14,664)	(17,124)
	(912,201)	(159,422)	(399,956)	(349,353)
Operating (loss) income	(10,757)	(207)	16,131	2,473
Interest expense	(2,222)	(2,475)	(16,789)	(1,369)
Loss on extinguishment of debt	(9,111)	---	(8,322)	---
Other expense, net	(961)	(712)	(1,183)	(1,367)
Loss from continuing operations before income taxes	(23,051)	(2,284)	(19,161)	(10,263)
Income tax benefit (expense)	10,456	(2)	1,813	722
Loss from continuing operations	(12,595)	(2,286)	(17,348)	(9,541)
Income from discontinued operations, net of tax	1,119	766	4,110	1,805
Share sale of discontinued operations, net of tax	31,022	---	31,022	---
Net income (loss)	\$ 19,546	\$ 540	\$ 17,592	\$ 1,805
Loss per share from continuing operations:				
Basic	\$ (0.31)	\$ (0.11)	\$ (0.23)	\$ (0.23)
Diluted	\$ (0.31)	\$ (0.11)	\$ (0.23)	\$ (0.23)
Earnings per share from discontinued operations:				
Basic	\$ 0.91	\$ 0.02	\$ 0.99	\$ 0.05
Diluted	\$ 0.91	\$ 0.02	\$ 0.99	\$ 0.05
Total earnings (loss) per share:				
Basic	\$ 0.56	\$ (0.09)	\$ 0.76	\$ (0.23)
Diluted	\$ 0.56	\$ (0.09)	\$ 0.76	\$ (0.23)

HTML/PDF's

Users

Analysts



Integrated Models

Investors



Management Reports

BOWNE Mandated Schedule of Adoption

2009

- **Large Accelerated Filers**
(~500 companies)

- Greater than \$5B public equity float
- Detail tagging of financials
- Block tagging of notes/schedules

2010

- **All other Large Accelerated Filer**
(~1,200 companies)

- Detail tagging of financials
- Block tagging of notes

- **Large Accelerated Filers**

- Detail tag statements and notes/schedules

2011

- **All remaining Filers**
(~7,200 companies)

- Statements in detail
- Notes/Schedules in block tagging

- **All other Large Accelerated Filers and Large Accelerated Filers**

- Detail tag statements and notes/schedules

2012

- **All companies**
(~8900 companies)

- Detail tag statements and notes/schedules

- **All mutual funds**
(~8000 companies)

- Detail tagging of prospectus risk/return information

- **All mutual funds**
(~8000 companies)

- Detail tagging of prospectus risk/return information

- **All mutual funds**
(~8000 companies)

- Detail tagging of prospectus risk/return information

➤ **Filings Impacted**

- Annual and quarterly (10-K, 10-Q, 20-F)
- Registration statements (i.e. IPO)
- Transition reports, restatements

8-K Earnings and
40-F's excluded

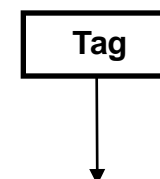
➤ **Filing Timeframes**

- Year 1 Filing 1 and Year 2 Filing 1: 30-day grace period
 - Earlier of submitted or due date
- All other filings: Concurrent
- Must also be maintained on company web site

➤ **Audit/Attest/PFO Certification**

- Not required

- “Block” Tagging
 - One tag for each note



Note 11. Debt

The components of debt at September 30, 2007 and December 31, 2006 are as follows:

	September 30, 2007	December 31, 2006
Convertible subordinated debentures.....	\$ 75,000	\$ 75,000
Other.....	1,926	2,509
	<u>\$ 76,926</u>	<u>\$ 77,509</u>

There were no borrowings outstanding under the \$150 million, five-year senior, unsecured revolving credit facility, which expires in 2010 and is described more fully in Note 11 of the Notes to Consolidated Financial Statements in the Company’s annual report on Form 10-K for the year ended December 31, 2006. The terms of the revolving credit agreement provide certain limitations on additional indebtedness, liens, restricted payments, asset sales and certain other transactions. Additionally, the Company is subject to certain financial covenants based on its results of operations. The Company was in compliance with all loan covenants as of September 30, 2007 and based upon its current projections, the Company believes it will be in compliance with the quarterly loan covenants for the remainder of fiscal year 2007. The Company is not subject to any financial covenants under the convertible subordinated debentures.

The Company also has various capital lease obligations which are included in long-term debt.

➤ Detail Tagging

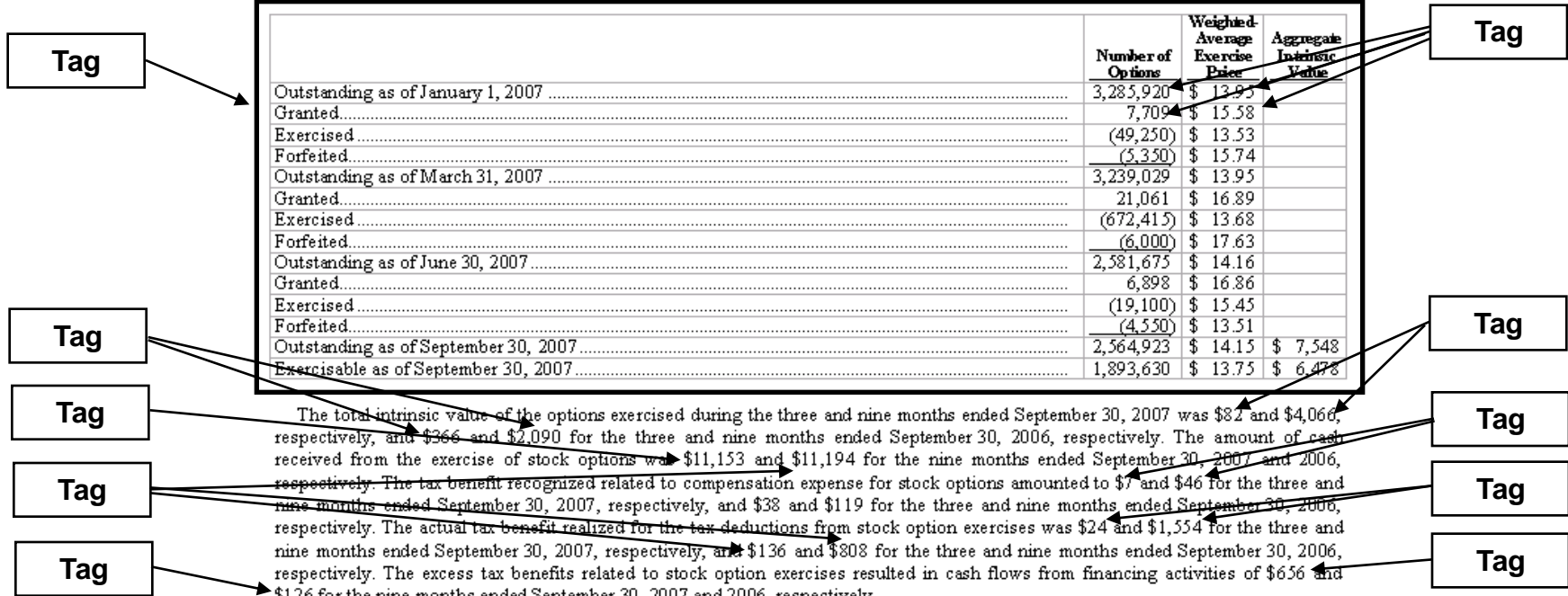
- One tag for each note (just like Year 1)
- One tag for each accounting policy
- “Block” tag for each table
- One tag for each amount (monetary, percent, number)
- One tag for each GAAP required disclosure (i.e. FIFO/LIFO)

Stock Option Plans

The details of the stock option activity for the nine months ended September 30, 2007 is as follows:

	Number of Options	Weighted-Average Exercise Price	Aggregate Intrinsic Value
Outstanding as of January 1, 2007	3,285,920	\$ 13.95	
Granted	7,709	\$ 15.58	
Exercised	(49,250)	\$ 13.53	
Forfeited	(5,350)	\$ 15.74	
Outstanding as of March 31, 2007	3,239,029	\$ 13.95	
Granted	21,061	\$ 16.89	
Exercised	(672,415)	\$ 13.68	
Forfeited	(6,000)	\$ 17.63	
Outstanding as of June 30, 2007	2,581,675	\$ 14.16	
Granted	6,898	\$ 16.86	
Exercised	(19,100)	\$ 15.45	
Forfeited	(4,550)	\$ 13.51	
Outstanding as of September 30, 2007	2,564,923	\$ 14.15	\$ 7,548
Exercisable as of September 30, 2007	1,893,630	\$ 13.75	\$ 6,478

The total intrinsic value of the options exercised during the three and nine months ended September 30, 2007 was \$82 and \$4,066, respectively, and \$366 and \$2,090 for the three and nine months ended September 30, 2006, respectively. The amount of cash received from the exercise of stock options was \$11,153 and \$11,194 for the nine months ended September 30, 2007 and 2006, respectively. The tax benefit recognized related to compensation expense for stock options amounted to \$7 and \$46 for the three and nine months ended September 30, 2007, respectively, and \$38 and \$119 for the three and nine months ended September 30, 2006, respectively. The actual tax benefit realized for the tax deductions from stock option exercises was \$24 and \$1,554 for the three and nine months ended September 30, 2007, respectively, and \$136 and \$808 for the three and nine months ended September 30, 2006, respectively. The excess tax benefits related to stock option exercises resulted in cash flows from financing activities of \$656 and \$126 for the nine months ended September 30, 2007 and 2006, respectively.



➤ **HTML vs. XBRL**

- HTML=Filed; official filing of record
- XBRL=Furnished; supplemental filing (1/2009-12/2012)

➤ **Liabilities**

- Similar to traditional filings (Section 18, Section 10(b), Rule 10b-5) for presentation of XBRL on SEC viewer
- Proposed rule 405 and 406 “Good Faith and Reasonable Effort” correction provisions

➤ **Penalties**

- Deemed not current with Exchange Act reporting requirement
- Ineligible for short forms and resale exemption safe harbor restrictions

- Delay/Modify Detailed Note Tagging Requirements
- Provide Additional Grace Periods
- Allow 8-K-based Grace Period Filings
- Start mandated filings on 10-Q vs. 10-K
- Clarify legal status
- Break Group 3 into smaller groups

- The computer language for the electronic communication of internal and external business report information
- International supply chain standardization effort backed by over 800+ organizations being adopted by regulators/companies across the world
- Cross-platform, technology-agnostic, Internet-friendly global standard based on XML...eXtensible Markup Language
- Replaces manual process steps with automation
- Applicable all types of business information: Financial, non-financial, fules, formulas, controls, processes, resources



**Bar-coding financial
information**

STATEMENTS OF INCOME

(Unaudited)

	Three Months Ended <u>June 30, 2007</u>	Three Months Ended <u>June 30, 2006</u>	Cumulative Period from April 6, 2005 (inception) to <u>June 30, 2007</u>
Interest on cash and short-term investments held in trust	\$ 716,477	\$ 173,590	\$ 2,985,237
Operating costs	<u>60,282</u>	<u>16,250</u>	<u>398,943</u>
Income before taxes	656,195	157,340	2,586,294
Provision for income taxes	<u>249,353</u>	<u>59,790</u>	<u>1,055,353</u>
Net income	<u>\$ 406,842</u>	<u>\$ 97,550</u>	<u>\$ 1,530,941</u>

STATEMENTS OF CASH FLOWS

(Unaudited)

	Three Months Ended <u>June 30, 2007</u>	Three Months Ended <u>June 30, 2006</u>	Cumulative Period from April 6, 2005 (inception) to <u>June 30, 2007</u>
Weighted average shares outstanding-basic			
Weighted average shares outstanding-diluted			
Net income per share-basic			
Net income per share-diluted			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 406,842	\$ 97,750	\$ 1,530,941
(Increase) in prepaid expenses	(69,126)	(96,450)	(86,626)
Increase (decrease) in accrued expenses and income tax payable	<u>(561,949)</u>	<u>(122,792)</u>	<u>253,236</u>
Net Cash (Used in) Provided by Operating Activities	<u>(224,233)</u>	<u>(121,492)</u>	<u>1,697,551</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) in cash and securities held in trust fund	<u>293,860</u>	<u>(56,623,590)</u>	<u>(57,824,869)</u>
Net Cash (Used in) Investing Activities	<u>293,860</u>	<u>(56,623,590)</u>	<u>(57,824,869)</u>

Real Example

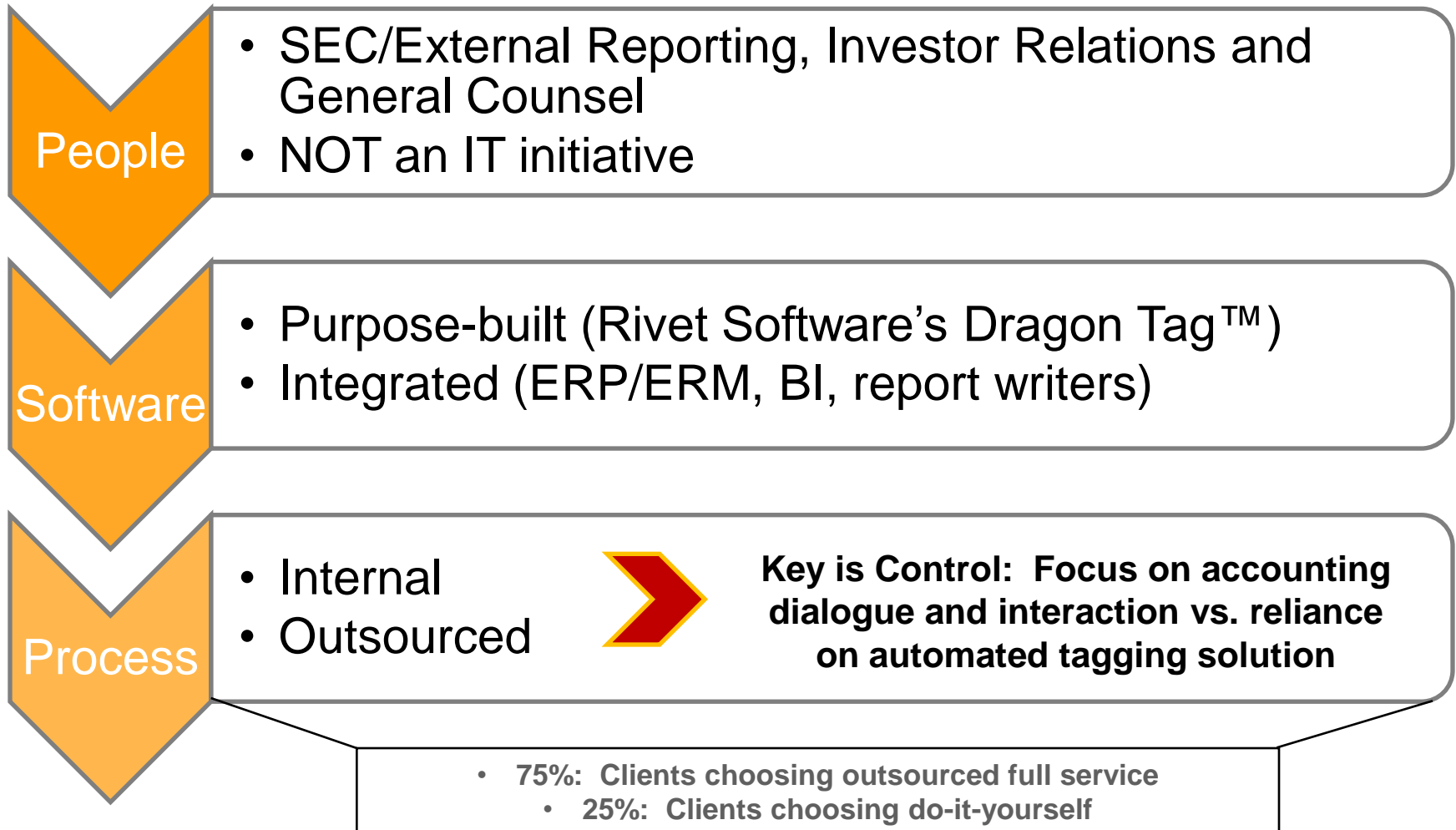
Gross Profit		36,032	33,018	30,284
Expense and Other Income:				
Selling, general and administrative	q	19,384	17,852	18,738
Research, development and engineering	r	5,673	5,077	4,750
Intellectual property and custom development income		(1,169)	(1,168)	(1,100)
Other (income) and expense		(23)	238	227
Interest expense	k & l	139	145	145
Total Expense and Other Income		24,004	22,144	22,760
Income from Continuing Operations Before Income Taxes		12,028	10,874	7,524
Provision for income taxes	p	3,580	3,261	2,190
Income from Continuing Operations		8,448	7,613	5,334
Discontinued Operations:				
Loss from discontinued operations	c	18	30	1,755
Net Income		\$ 8,430	\$ 7,583	\$ 3,579

Real Example

Gross Profit		36,032	33,018	30,284
Expense and Other Income:				
Selling, general and administrative	q	19,384	17,852	18,738
Research, development and engineering	r	5,673	5,077	4,750
Other (income) and expense		(1,192)	(930)	(883)
Interest expense	k & l	139	145	145
Total Expense and Other Income		24,004	22,144	22,760
Income from Continuing Operations Before Income Taxes		12,028	10,874	7,524
Provision for income taxes	p	3,580	3,261	2,190
Income from Continuing Operations		8,448	7,613	5,334
Discontinued Operations:				
Loss from discontinued operations	c	18	30	1,755
Net Income		\$ 8,430	\$ 7,583	\$ 3,579

Chairman Cox: "28+% error rate in analyzing as-filed data"

- **Impacts both operating and investment management companies**
- **Compliant Today**
 - US GAAP
 - International Financial Reporting Standards (IFRS)
- **Future Compatible**
 - Global GAAP
 - FASB Codification
 - FAS160
- **Global Adoption**
 - Mandate: China, Singapore, Japan, US (banks)
 - In Process: UK, Netherlands, Canada, Australia, Norway, Sweden, EU, South Africa, Ireland



Getting Started

- Executed service agreement
- Clearly defines expectations and clients role in process

Initial tagging

- Bowne creates initial tagging to present to client
- Standard turnaround 3-5 days

Client Review

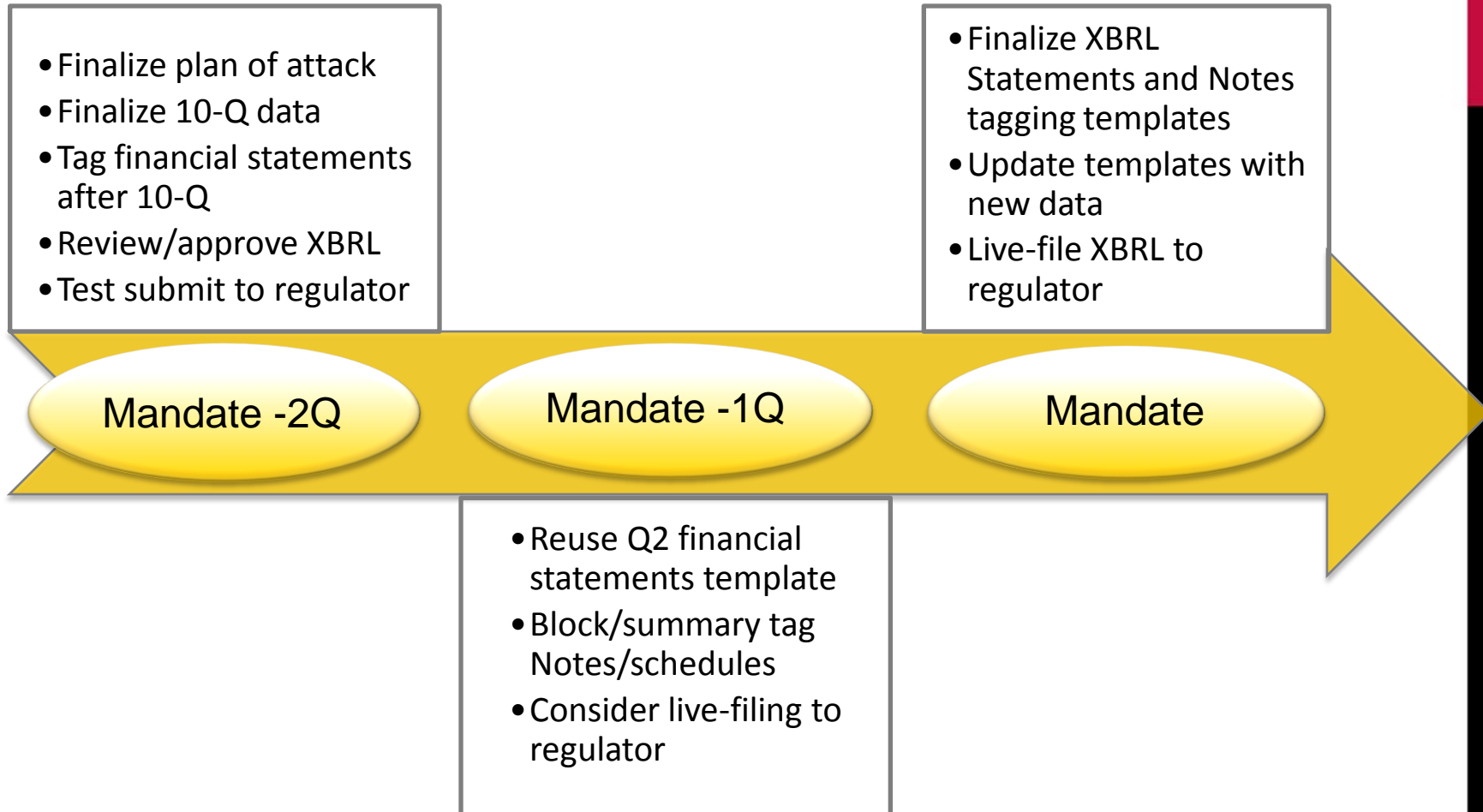
- Client reviews and validates XBRL tags
- Average client feedback time 2 weeks

Collaboration

- Bowne accounting experts and client work together to review and validate tags
- Insure extension taxonomies are applied appropriately

Filing

- Bowne files client approved XBRL file
- Validates file has been successfully received by SEC



Product Demonstrations

SEC “Spotlight On...” XBRL

SEC Viewers

Tagging Demonstration

Bowne Interactive XBRL Viewer

- <http://www.bowne.com/xbri>
 - Blog, white paper, Interactive XBRL Viewer, XBRL news, calendar of events
- <http://www.xbri.org>
 - XBRL International consortium main page
- <http://xbri.us>
 - New US GAAP taxonomies
- <http://www.sec.gov/spotlight/xbri.shtml>
 - All things XBRL at the SEC

The screenshot shows a Windows Internet Explorer browser window displaying the Bowne XBRL page. The address bar shows the URL <http://www.bowne.com/xbrl/>. The browser's menu bar includes File, Edit, View, Favorites, Tools, and Help. The page features a navigation bar with links for SERVICES, LOCATIONS, ABOUT BOWNE, INVESTOR RELATIONS, CAREERS, and SECURITIES CONNECT. The main content area is titled "BOWNE for xbrl" and includes a search bar and links for Request Info, Contact Us, and Site Map. A left sidebar lists navigation options: "here's how" (with sub-links for Overview, Corporate Finance, and Investment Management), "technology tools" (with sub-links for Interactive XBRL Viewer, Smartapps, Dealtrans, and XBRL Support), "xbrl - blog" (with sub-link for Out of the Clouds and Into Reality: XBRL for the Business User), and "events". The main content area has three columns: "interactive xbrl viewer" (with a description and a "here's how" link), "xbrl white paper" (with a description and a "here's how" link), and "xbrl - blog" (with a description and a "here's how" link). Below these columns is a "discover xbrl" section with a process flow: learn -> participate -> create -> view -> file -> analyze. To the right of this flow is a "interactive Bowne XBRL White Paper" section with a "more" link. The browser's status bar at the bottom shows the URL <http://www.bowne.com/careers/>, the Internet icon, and a 100% zoom level.