



July 30, 2008

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Dear Christina

On Friday, August 1, 2008 the Securities and Exchange Commission Advisory Committee on Improvements to Financial Reporting (“the Advisory Committee”) will release its final report. Among other things, the report will include a recommendation on key performance indicators as follows:

IV. Disclosures of KPIs and Other Metrics to Enhance Business Reporting

*Recommendation 4.3:* The SEC should encourage private sector initiatives targeted at best practice development of company use of key performance indicators (KPIs) in their business reports. The SEC should encourage private sector dialogue, involving preparers, investors (including analysts), and other interested industry participants, such as consortia that have long supported KPI-like concepts, to generate understandable, consistent, relevant and comparable KPIs on relevant activity and, as appropriate, industry-specific, bases. The SEC also should encourage companies to provide, explain, and consistently disclose period-to-period company-specific KPIs. The SEC should consider reiterating and expanding its interpretive guidance regarding disclosures of KPIs in MD&A and other company disclosures.

The members of the Enhanced Business Reporting Consortium (“EBRC”) made a presentation to the Advisory Committee and engaged several members in a dialogue about the need for disclosure of KPIs. We provided copies of the Society for Knowledge Economics (“SKE”) report *Submission to the Enhanced Business Reporting Consortium for the U.S. Security Exchange Commission’s Advisory Committee on Improving Financial Reporting*, dated January 25, 2008 to all members of the Advisory Committee and to the SEC support staff. The SKE report contributed significantly to EBRC’s efforts to educate the Advisory Committee and to convince them of the importance of KPIs to decision-making in the capital markets.

On behalf of the members of the EBRC (American Institute of Certified Public Accountants, Grant Thornton LLP, Microsoft Corporation and PricewaterhouseCoopers LLP), I want to thank SKE for

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its contribution. I also want to offer my personal thanks to the authors; you, Professor James Guthrie and Professor Jan Mouritsen for your efforts.

I now look forward to working with the SKE and the other members of the World Intellectual Capital Initiative ("WICI"); the EBRC, European Federation of Financial Analysts Societies, Ministry of Economy, Trade and Industry (Japan), Organization for Economic Cooperation and Development, University of Ferrara (Italy) and Waseda University (Japan) in our global collaboration to develop an international business reporting framework and related XBRL taxonomies.

Finally, as I mentioned in my July 29 email to you and the other WICI members, the International Cooperate Governance Network ("ICGN") has committed to developing five or six KPIs for some key industries by the time of their next annual conference in Sydney in July 2009. This conference could be used as an unveiling of KPI work done by members and friends of WICI. The Australian Council of Superinvestors ("ACSI") is organizing the ICGN 2009 annual conference. WICI is committed to work with you to ensure that ACSI is in synch with SKE initiatives. I believe there is a wonderful opportunity for SKE and ACSI to collaborate on developing some KPIs for perhaps Extractive Industries for a presentation at ICGN conference in Sydney. I look forward to discussing this with you in much more detail. And I certainly hope to see you in Sydney in July 2009!

Kindest personal regards,

A handwritten signature in black ink that reads "Michael P. Kyser". The signature is written in a cursive style with a long horizontal flourish at the end.

President

Enhanced Business Reporting Consortium