SEC FILINGS FOR HUMANS

FILINGS STREAM   EXPLORE FILERS   DATA EXPORT

Back to the Drawing Board

The Securities and Exchange Commission began developing the Electronic Data Gathering, Analysis and Retrieval (EDGAR) system in 1983. The volume of filings being submitted was through the roof, and some enterprising folks at the agency had recognized that the only road forward was paperless. Their goal was revolutionary and threefold:

A fully-automated system that

I.

received filings electronically,

II.

facilitated the timely dissemination of filings to the public, and

III.

'tagged' data within each filing, allowing for the automatic screening and selection of filings for review (freeing both investors and Commission staff from tedious hunting and gathering).

Those were the heady days, now long since past! Over the next decade, filers electronically submitted the first hundred thousand filings on EDGAR.   But progress thereafter stalled; in fact the SEC actively opposed it.   Access to EDGAR filings was available only through a government contractor, for a mere $240 to $360 per hour.   Multiple campaigns to broaden public access to the data were ignored.

So in 1993, when the SEC cited a lack of American interest and excessive costs in resisting repeated calls from Congress to publish EDGAR filings online, rogue archivist Carl Malamud stepped in. Under an NSF grant two orders of magnitude smaller than the SEC's quote, Malamud bought back the data the SEC wouldn't give and put EDGAR online himself. Two years, one massive grassroots lobbying effort and several about-faces by the SEC later, Malamud's system was officially donated to and adopted by the SEC. Groundbreaking! Government agencies worldwide began to follow suit, publishing public data for the public.

But in the twenty years since, despite hundreds of millions invested in rounds of contracted EDGAR modernization efforts and interactive data false starts, the SEC's EDGAR has remained almost untouched.   In 2014, the SEC is quite literally doing less with SEC filings than their predecessors had planned for 1984.   Data tagging is the red-headed stepchild of the Commission -- out of hundreds of forms, only about a dozen are filed as structured data -- and the first program to automate the selection of SEC filings for review, the Division of Economic and Risk Analysis (DERA)'s 'Robocop', has been 'aspirational' for years. The academics in the division responsible for the SEC's interactive data initiatives write papers about information asymmetry, using EDGAR data they repurchase in usable form for millions each year, but do nothing to fix it.   Companies are chastised for insufficient and inefficient disclosure, while the SEC fails to help retail investors navigate corporate disclosures at all.

Once again, the SEC is ignoring repeated calls to action from Congress and the public to further the fundamental goals of the laws and rules they have written that mandate the public disclosure of financial information.   In 2013 alone, they received criticism from the House Oversight Committee, Congressional appropriators, the SEC's Investor Advisory Committee, the Center for Excellence in Accounting and Security Analysis at Columbia Business School, former SEC DERA staff at the Data Transparency Coalition and former SEC DERA staff at WebFilings. This project is another attempt by a former SEC DERA staff member to rouse the SEC and the division in particular into service:

Rank and Filed gathers data from EDGAR, indexes it, and returns it in formats meant to help investors research, investigate and discover companies on their own. I started googling 'How to build a website' seven months ago. The SEC has web developers, software developers, database administrators, XBRL experts, legions of academics who specialize in SEC filings, and all this EDGAR data already cached in the cloud. The Commission's mission is to protect investors, maintain fair, orderly and efficient markets, and facilitate capital formation.   Why did I have to build this?

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