



RIXML.org

Quarterly Update

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RIXML Standards Committee



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Executive Director
Jack Roehrig

Standards Committee
Salvatore Restivo

RIXML.org
c/o Jordan & Jordan
5 Hanover Square, 21st. Floor
New York, NY 10004

Office: 212-655-2948
Fax: 212-422-8570

rixml@jandj.com
www.rixml.org

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Emerging Technology Committee

There were three calls since our last Quarterly Meeting – on February 7th, March 7th, and April 4th. Richard Brandt led the March and April calls, while Jack Roehrig filled-in for Richard in February. Topics of discussion mostly followed the activities of our two active working groups – Componentization and Social Media. We also spent some time talking about Big Data and how RIXML might make a positive impact on that space.

Componentization Working Group

The group met for another in-person workshop on March 11th at J&J. Richard Brandt led the discussion. We welcomed Bob Hecht from Moody's, who led a conversation about CrossRef.org.

Overall, our plan for Componentization remains as follows:

1. Achieve critical mass on the list of component types. We've had contributions from several members and we believe we have a viable set of types with which to work.
2. Create documentation describing the organization's guidelines for componentization and leveraging HTML5. We must demonstrate clarity of purpose via our documentation, and light the path for implementing teams. This is the outline we envision:
 - a. Business issue, mission, and purpose.
 - b. Proposed solution and details.
 - c. Itemized component type list, describing the meaning of each type and referring to related terms.
 - d. Limitations.
 - e. FAQ (after pilot program).
 - f. HTML5 example.
 - g. Use-cases, both production and consumption. For example, conference books, Year Ahead across sectors and regions, Morning Call, Ratings, Valuation Survey, etc..
3. Pursue a pilot program with one or more member firms to model our approach. This will provide some grounding to what we expect to accomplish, and generate some "Ah, ha!" moments.
4. Productize the documentation artifacts via Deirdre Goldenbogen. Artifacts should follow the design principles Deirdre established for our RIXML v2.4 release in 1Q13.
5. Implement a production release of the RIXML Componentization results.
6. Arrange an eSeminar to spread awareness. We've had some success with this format in the past, and we feel it's a good vehicle for this introduction.

Given this plan structure, we still think a target completion date in the second quarter is reasonable.

Social Media Working Group

RIXML is embracing social media in two distinct work streams. First, we are exploring how investment research tagging can aid publishing content to social media channels. Sara Noble leads this work stream. Second, the organization is enhancing its brand presence on-line and in social media contexts via a specific marketing and communication strategy. Jack Roehrig is partnering with Deirdre Goldenbogen to lead this work stream. Deirdre issued a one-pager called "Marketing RIXML via Social Media", which outlined the organization's goals and first steps toward improving our on-line presence.

The March 11th workshop at J&J also covered Social Media topics. Sara Noble led the discussion according to this agenda:

1. Perspectives on Distribution vs. Engagement.
 - a. Distribution: Research publishers using social media platforms as another distribution channel. One-way communication from publishers to consumers of content.
 - b. Engagement: Two-way communication between publishers and consumers of content that fosters meaningful discussions of analyst ideas.
2. Compliance-related issues (i.e. auditing and analytics).
3. The ROI of being social, particularly via the Engagement model.
4. Event-driven tagging (trending).

The group noted that there's lots of energy in this space, and that there is already overlap with Big Data. Some firms are applying Bid Data methods to social media feeds in order to identify trends and company sentiments.

Some fund managers are already leveraging social media, such as American Century, Wells Fargo, and Fidelity. Wells Fargo has even set up a command center, through which they work with 3rd parties on data mining and other activities to derive market messages from social media streams. Our observation is that capital market distribution arms are not yet as focused.

Big Data

Michael Mayhew's "Equity Research Industry Outlook" presentation during our January Quarterly Meeting introduced the group to the notion of Big Data as a trend to watch (page 10). Michael pointed out that in the past year or two institutional investors have been seeking market insights via Big Data analyses. The interest from institutional investors has given rise to research,

"Big Data" is the term for a collection of data sets so large and complex that it becomes difficult to process using on-hand database management tools or traditional data processing applications. The challenges include capture, curation, storage, search, sharing, transfer, analysis, and visualization. The trend to larger data sets is due to the additional information derivable from analysis of a single large set of related data, as compared to separate smaller sets with the same total amount of data, allowing correlations to be found to spot business trends, determine quality of research, prevent diseases, link legal citations, combat crime, and determine real-time roadway traffic conditions. [http://en.wikipedia.org/wiki/Big_data]

software, and analytics providers that generate actionable investment signals via the analysis of large volumes of both structured and unstructured data through "Big Data" methods. See also the second part of this posting on the *Integrity Research* site, titled "Two Visions for the Future of Research":

<http://www.integrity-research.com/cms/2014/01/22/two-visions-for-the-future-of-research/>

This trend could be a positive influence on the increased adoption and utilization of the RIXML standard. We, as an organization, are looking into this trend and attempting to identify ways in which we can encourage rich and effective tagging that strengthen the end results.

Social Media and Big Data and other important topics under review will likely be woven together to great effect by industry leaders. Some guidance will be very useful for us to understand this process and the surrounding issues. We need to understand how information is enriched and how value is driven, as well as how analysts can use the power of Big Data to provide new ideas and new products. Michael's introduction in January, followed by today's presentation by Gabriel Lowy from Tech-Tonics Advisors is great start. Gabriel has a research background and will be discussing how Big Data is used on the buy-side.

New approaches typically take on a new name, such as “Big Data”, and gain a new life. Social Media as a concept is much broader than we typically think. Twitter, Facebook, and LinkedIn dominate, but the idea of Social Media can be much bigger and broader. This is a fascinating time in which to see these capabilities evolve and to think about how they will impact the research space.

In spite of all the possibilities, the RIXML organization needs to ground itself by focusing on how we can provide meaningful input to that evolution and add value to the marketplace. As the picture clarifies in our minds, we can better determine how to invest our time and action our working groups accordingly. We’ve added Big Data as an agenda topic for our Emerging Technology Committee, and will continue to report on findings here.