

MEMO# 4487

February 8, 1993

NEW WALL STREET JOURNAL FUND TABLES

February 8, 1993 TO: BOARD OF GOVERNORS NO. 11-93 MARKETING POLICY COMMITTEE NO. 6-93 DIRECT MARKETING COMMITTEE NO. 10-93 INDUSTRY STATISTICS COMMITTEE NO. 2-93 PUBLIC INFORMATION COMMITTEE NO. 9-93 RESEARCH COMMITTEE NO. 4-93 SALES FORCE MARKETING COMMITTEE NO. 11-93 SHAREHOLDER COMMUNICATIONS COMMITTEE NO. 8-93 RE: NEW WALL STREET JOURNAL FUND TABLES

As you know, the Wall Street Journal began publishing their expanded new mutual fund tables last week. As we previously reported to you, the Journal's original new format was modified to accommodate some of our concerns (such as reducing their emphasis on short term performance, providing more long term performance numbers and providing load and expense ratio information on the same day rather than on separate days) after these were communicated to the Journal in discussions involving Institute staff and members. We are pleased that the changes agreed to following those discussions have been retained, and we feel that on balance the increased visibility and attention to funds represented by these new tables are definitely a positive development for the fund industry. Unfortunately, there seems to be a good deal of confusion being generated by the new A through E rankings which are based on only ten investment objective categories. This is the one new component of the tables which was not discussed with us in advance of publication. A number of you have been in touch with us to express your concerns about this particular feature, which appears every day except Monday. Erick Kanter has discussed these concerns with John Prestbo, who is the Wall Street Journal editor in charge of this project. According to Prestbo, he and others at the Journal will compile the various comments and complaints which they receive for a week or two, and will then meet with their top people to decide whether any modifications are needed. If you are among those who feel that changes are called for, the best approach in Page Two February 8, 1993 New Wall Street Journal Fund Tables the near term is to write a letter to Prestbo with clear examples and explanations of what you think is wrong and why, as well as providing any evidence you may have that your shareholders are calling in to express their confusion. The primary component that might possibly be changed is the letter ranking system within the current overly broad investment objective categories, as that is the only major area that Journal editors did not discuss with us in advance. Therefore comments in this area may be more productive than in others, although there may also be other points that are important to make in any communication with Prestbo. Phone calls may also be useful, but if you call it will be helpful to also write a letter so that your specific points will more readily be passed on to people above Prestbo. The address and phone are as follows: John Prestbo, Markets Editor, The Wall Street Journal, 200 Liberty Street-- Tower A, New York, NY 10281, (212/416-3162). Please be sure to send a copy to of any letter you write to Erick Kanter. If you wish to discuss with Erick, his direct number is 202/955-3530.

C. Richard Pogue Executive Vice President

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