MEDIA ADVISORY

How Long Does it Take to Announce Earnings?

Calcbench Study Examines Time to Publish Earnings, File Quarterly Report

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NEW YORK (Oct. 20, 2016)—The average public company needed 31.7 days to announce its earnings in the second quarter and another four days after that to file its formal quarterly report, according to a new study from Calcbench, although disparities among companies within the study group raise interesting questions about financial reporting capabilities.

Calcbench, a financial data research firm, examined Form 8-K earnings releases and Form 10-Q quarterly reports that were filed by 3,399 companies for second-quarter 2016. The study's original question was simply to measure the time between those two filings.

That part was easy: an average of 31.7 days from end of quarter until the 8-K earnings release, and 35.7 days until filing of the 10-Q quarterly report. That means an average delay of four days.

A deeper analysis of the data, however, shows that some companies release both documents on the same day—but those companies also take more time to deliver those pronouncements. Conversely, companies that file an earnings release soon after the end of quarter take more time to file their quarterly report.

"The data shows a few different patterns of behavior," says Pranav Ghai, CEO of Calcbench. "What we meant to do here was simply to illuminate what those patterns are. Analysts can then use our data to study individual companies, and get a better sense of the logic behind their timing of financial disclosures."

For example, 12.9 percent of companies in the study filed Form 8-K earnings release within 25 days of the quarter's end—but that same group also took more time to file their subsequent quarterly report than any other sub-group of the study population: 12.9 days. (See table, below.)

Days from Qtr End to 8-K Filing	Count of Filers*	Pct. of Total*	Avg. Days From 8-K to 10-Q
0-25	440	12.9%	12.88
26	544	16.0%	5.87
27	747	22.0%	6.04
28	973	28.6%	4.99
29	1,322	38.9%	6.07
30	1,444	42.5%	3.93
31	1,459	42.9%	3.12
32	1,492	43.9%	2.34
33	1,639	48.2%	2.34
34	1,891	55.6%	1.31
35	2,156	63.4%	1.29

36	2,539	74.7%	0.97
37	2,609	76.8%	0.71
38	2,643	77.8%	0.95
39	2,683	78.9%	0.61
40	2,866	84.3%	0.40

*Statistics are cumulative; that is, all 440 filers included in 0-25 are also part of the 544 who file within 26 days, and so forth.

Does this mean that some companies rush to file an earnings release and then need extra time to capture all the necessary disclosures for a full Form 10-Q filing? Or do their financial and disclosure controls all work efficiently, but some companies prefer to delay their 10-Q filing for strategic reasons? Do companies that take more time to file their quarterly reports have any unusual difficulty with the effectiveness of their disclosure controls, as dictated by Section 302 of the Sarbanes-Oxley Act?

"All those questions deserve further analysis, and many of the answers will be company-specific," Ghai says. "But the end result of all these financial and disclosure controls are supposed to be financial reports consumed by investors, and clearly there are patterns into how and when these reports reach the public."

The data also show that companies with less time elapsed between filing their 8-K and 10-Q took more time from the end of quarter to file both documents. In other words, they took more time to drop both documents simultaneously. (See table, below.)

Days btwn 8-K and 10-Q	Count of Filers	Days from Qtr End to 10-K
0	1,392	35.3
1	562	34.3
2	153	34.1
3	89	34.8
4	94	36.3
5	100	37.2

More data is available from Calcbench upon request.

About Calcbench

Calcbench provides a completely new experience researching financial and accounting data. Covering more than 9,000 US listed public companies, we make data easier to use, faster, and in more detail than ever before.

Founded in 2011, Calcbench is the first company of its kind to fully harness the power of the new interactive data standard XBRL, yielding an unprecedented direct line into the SEC's corporate financial data repository.

Investors, financial analysts, auditors, economists, and academics instantly access, research, and share data, both online and through our Excel add-in. Our accessible and intuitive platform can aid in better understanding competitor financials, identifying potential risk areas, analyzing trends across industry sectors, or conducting more effective due diligence.

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