Alternative Research from wRatings Now Available on the Capital IQ Platform

HERNDON, VA – (BusinessWire) – August 20, 2009 – The wRatings Corporation announced today that their alternative research is available on Capital IQ, a Standard & Poor’s business and the leader in web-based professional financial information services.

Created by Harvard Business Review author and persuasion expert Gary A. Williams, wRatings data is the only structure-based metrics that analyzes the customer performance of stocks. Through consumer and business panels, the patented system continually monitors how well companies meet customer expectations across 17 needs. Customer scores are blended with financial strength calculations, and each company rating is ranked relative to the other 1,200+ stocks in the wRatings coverage.

This common framework allows investors to compare any company’s customer metrics – such as quality, leadership, brand, uniqueness, trust or pricing power – to any other in the database. wRatings collects data at the business segment level, and calculates a composite score for the stock based on segment revenue contribution. Using wRatings data, investors can originate and validate their investment ideas. For example, investors can see how DELL might perform against RIMM in the smart phone market, or how WMT stacks up to AMZN or EBAY as future competitors for market growth.

The wRatings system also serves as a filtering system for portfolio stock selection throughout a fiscal quarter. According to the firm’s analysis, the 5W tier of highest ranked stocks has outperformed an S&P 500 index (Rydex ETF Trust RSP) by 43.8% from January 2006 through May 2009. The 1W tier of lowest ranked stocks underperformed by -30.2%, while the other tiers fell in between.

Rick Frazier from hedge fund Diamondback Advisors CT LLC, says, “We’ve been able to eliminate buying data from other sources because wRatings provides us with a deeper and better assessment on our portfolio companies. Their ability to quantify projections on the future performance of a broad base of companies adds to our information advantage.”

Robert McCormack, partner at private equity firm Pasadena Angels, adds, “With wRatings, you can immediately see which companies are best positioned to out-maneuver their rivals and build market share. The guesswork is gone.”

Started in 1998 initially as a sales strategy research firm exclusively for CEOs, the privately held firm began correlating its customer data with financials in 2003. Its rolling five-year studies identified patterns in customer responses that hold them captive, allowing the business to generate an unfair share of profits. Those 9 patterns, or moat barriers, provide a leading indicator to whether a company is building or losing its competitive strength. To produce calculations of economic profit, wRatings licenses Compustat® database, also from Standard & Poor’s.
Gary A. Williams, CEO and founder of wRatings, says, “After years of helping CEOs build competitive strength and create premium pricing, we are excited to be providing the same level of data and insights to the investment community. Investors now have unprecedented visibility into the real-time customer performance of their stocks.”

The complete library of standard, in-depth W Reports™ can be found on the Capital IQ Platform available to buy-side investors with a wRatings professional subscription.

About Capital IQ and Standard & Poor’s

Capital IQ, a Standard & Poor's business, provides comprehensive fundamental and quantitative research solutions to over 2,700 investment managers, investment banks, private equity funds, advisory firms, and corporations worldwide. Its solutions are based on the Capital IQ Platform, Compustat, ClariFI, SystematIQ, and Directories products, and offer an array of powerful applications for desktop research, screening, real-time market data, back-testing, portfolio management, financial modeling, and quantitative analysis. For more information, please visit Capital IQ's web site at www.capitaliq.com.

Standard & Poor’s, a subsidiary of The McGraw-Hill Companies (NYSE:MHP), is the world’s foremost provider of financial market intelligence, including independent credit ratings, indices, risk evaluation, investment research and data. With approximately 10,000 employees, including wholly owned affiliates, located in 23 countries and markets, Standard & Poor’s is an essential part of the world’s financial infrastructure and has played a leading role for more than 140 years in providing investors with the independent benchmarks they need to feel more confident about their investment and financial decisions.

Source: wRatings Corporation