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Letter to the Editor: Not a brand, but a rating

New York -- Derek DeCloet levels serious accusations about the quality and integrity of credit ratings (Pull The Plug On Raters' Special Status – Report on Business, May 13). His source is an uncorroborated story told by a hedge fund manager quoting an anonymous former executive of an unnamed ratings firm. Even Mr. DeCloet admits the manager has a compelling financial interest in tarnishing the reputation of the ratings firms, having consistently shorted them.

Mr. DeCloet calls the triple-A rating conferred by Standard & Poor's and others a “brand” – something it is not. A credit rating is an informed opinion of creditworthiness – nothing more, nothing less. He questions ratings firms' analytics and the quality of their assessments.

S&P's criteria are publicly available and consistently applied, our process is completely transparent, and we are in constant dialogue with market participants to help promote a better understanding of credit ratings and the role they play in the capital markets.

Vickie Tillman
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