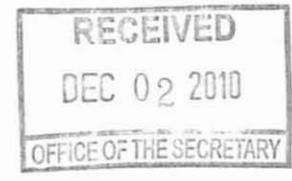




M A D R O N A V E N T U R E G R O U P

December 1, 2010



Ms. Elizabeth M. Murphy  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-9303

Re: Notice of Filing of Proposed Rule Change to Create a Listing Market on the Exchange;  
Release No. 34-62818; File No. SR-BX-2010-059

Dear Ms. Murphy:

As a managing director and founder of Madrona Venture Group, I appreciate the opportunity to comment on proposed rule change SR-BX-2010-059, filed by NASDAQ OMX BX, Inc., which seeks to create a new listing market for smaller companies. Madrona Venture Group is a venture capital firm which invests in early stage technology companies. We are currently investing our most recent \$250 million fund which we raised from institutional and other investors throughout the United States. Since our founding in 1995, we have invested in approximately 90 companies, and have had 12 IPO's, including Amazon.com and Isilon Systems, and 23 positive M&A transactions. We currently have approximately 30 non-public companies in our portfolio, several of which will be considering IPO's or other transactions to achieve liquidity in the next couple of years.

The BX listing market would be extremely helpful to young, high growth emerging companies by offering an alternative listing market for companies that wish to make an initial public offering, but do not meet the initial quantitative listing criteria of the national security exchanges. In our view, approval of this proposal would be a timely, affirmative step that could bolster our faltering capital markets and provide opportunities for the transition of small companies from private to public ownership with the benefits of being able to expand their financial resources. Unfortunately, economic uncertainty and high regulatory costs have made it much more difficult in recent years for emerging companies to have IPO's and strong follow-on trading markets. A market targeted to smaller companies, with listing requirements and listing costs tailored to their current economic reality, would open a door that has closed for many venture-backed companies.

Although fewer companies have made the transition to public companies in recent years, we can assure you that the American entrepreneurial impulse has not waned, and that abundant venture capital still seeks opportunities in which to invest. A transparent, well-regulated market like that proposed by NASDAQ OMX BX would permit many smaller companies to raise the capital they need for continued growth. And the BX Market's proposed lower quantitative

standards would attract companies and capital that would otherwise be drawn to foreign markets, where regulatory costs and litigation risks are lower. At the same time, under the proposed rules, rigorous standards for protection of investors would remain in place.

Recent studies by the Kauffman Foundation and others have concluded that two thirds of the new jobs in the United States are created by new businesses and most of those jobs come from a small number of high growth companies. We think it is extremely important to our national economy that all us, private and governmental, do all we can to support the successful creation and growth of new businesses.

For these reasons, we urge approval of the rule establishing the BX listing market.

Respectfully,



Tom A. Alberg, Managing Director and Founder