

574004-40

RECEIVED  
S/11 5/27  
2006 JAN 30 PM 1:36  
CHAIRMAN'S  
CORRESPONDENCE UNIT

Gene L. Finn Ph.D.  
1236 Battery Ave.  
Baltimore Md. 21230  
Tel 410-659-0613  
glrfinn@Yahoo.com

Honorable Christopher Cox  
Chairman,  
Securities and Exchange Commission  
450 Fifth Street NW  
Washington, DC 20549

January 23, 2006

Dear Chairman Cox;

The Commissioners' recently reported determination to improve the access of individual investors to corporate financial information prompts me to send you this letter regarding the current and potential future obstruction of small investor access to real-time quotation information.

In my letter to you dated August 5, 2005, (copy enclosed), I renewed my plea to The Commission for the elimination of discriminatory NYSE & NASDAQ market data access fees that obstruct, unnecessarily, the online access of millions of small online investors to real-time last sale and NBBO quotations information. Such non-professional access fees, selectively imposed upon online investors, are unreasonably discriminatory, obstructive of small investor access to information and extremely bad economic policy.

The access of at least one-half and probably more of the tens of millions of online investors to essential market data is obstructed by these non-professional, online investor subscriber fees. Furthermore, the fees are shockingly anti-competitive.

The response, that I received from the SEC staff, merely attempted to rationalize the Exclusive Processors' discriminatory nonprofessional fees as supported by a differential quality of access service provided by online brokers to their customers (as compared to access services provided by non-line brokers). The costs of exclusive processors are unaffected by the differential quality of services provided by brokers to their customers and in return for the nonprofessional subscriber fee there are no direct services provided by exclusive processors to the small online investors upon whom the Exclusive Processor fees are imposed.

What would be immensely worse than the continued SEC approval of these fees would be the approval of the NYSE and NASDAQ takeover of ECN's whose real-time quotation information is provided free to all the public through Yahoo finance.

The Yahoo service is, of course, competition's way of protecting small investors from monopolistic practices by forcing economic efficiency to prevail in the labyrinth of conflicting government regulations.

While INET is the only ECN still publishing real-time quotations and trade reports through Yahoo, (Archipelago and Knight Capital Group ceased for some reason or another), the value to small investors of this competitive source of information is immense.

Please, do not allow the Exchanges to expand their monopolistic control over the publication of real-time quotation information and the further restriction of small investor access to such essential information.

Do not approve mergers that eliminate competition in the distribution of real-time quotation information to individual investors managing and/or monitoring activities in their own accounts.

With the exchanges and NASDAQ converted to for-profit, privatized monopolies, the impact of their anti-competitive practices requires either SEC or Department of Justice (DOJ) continuing review.

Unfortunately, such review has fallen between the cracks.

Respectfully yours,

  
Gene Finn

(Enclosure)

Gene L. Finn Ph.D.  
1236 Battery Ave.  
Baltimore Md. 21230  
Tel 410-659-0613  
glrfinn@att.net

Honorable Christopher Cox  
Chairman,  
Securities and Exchange Commission  
450 Fifth Street NW  
Washington, DC 20549  
August 5, 2005

Dear Chairman Cox;

Your recently expressed determination to protect the millions of individual investors prompts me to send you these past communications that I have sent to the Commission pleading for the elimination of discriminatory market data access fees that obstruct, unnecessarily, the online access of millions of small online investors to realtime last sale and NBBO quotations information.

Of the many comments that I have sent to the SEC, DOJ, and the oversight committees respecting these discriminatory fees, the attached three letters dated July 24 1997, December 10 2001 and June 15 2005 pretty much sum up my arguments as to why the NYSE/NASDAQ/OPRA non-professional access fees, selectively imposed upon online investors, are unreasonably discriminatory, obstructive of small investor access to information and bad policy.

The access of at least one-half and probably more of the 15-20 million online investors to essential market data is obstructed by these non-professional, online investor subscriber fees. Furthermore, they are anti-competitive.

With the exchanges and NASDAQ being converted to for profit privatized monopolies, this discrimination simply becomes even more damaging to the small investor.

Respectfully yours,

Gene Finn