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3 January 2001

Jonathan G. Katz, Secretary
U.S. Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0609

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2001 JAN -3 PM 2:49

Re: File Nos. SR-DTC-00-10 and 600-32

Dear Mr. Katz:

On behalf of the shareholders of GSTP AG, I write to express our comments and thoughts in regard to the proposed rule change by The Depository Trust Company ("DTC") (File No. SR-DTC-00-10) and exemptive order application filed by The Global Joint Venture Matching Services – U.S., LLC ("GJV") (File No. 600-32).

As a global utility focused on the cross border securities transactions space we have a profound interest in how the GJV is regulated and its ongoing relationship with DTC, which is the dominant factor in the U.S. market for depository and settlement services. Cross border transactions ultimately impact more than 70% of U.S. firms either as a counterparty to or as a beneficiary of a transaction. Access on a fair and equal basis to the U.S. market settlement system is essential to our success. We cannot be placed in the position where the GJV or DTC has any unfair advantage that would interdict U.S. market access for our participants.

Any regulatory approval without a formal structured resolution of interoperability is premature and could result in the GJV and DTC being in a position of total control of U.S. market access.

Specifically our concerns include:

U.S. Market Access

DTC, the major central securities depository for the U.S. marketplace, has a unique position as an industry owned utility with a controlling position in terms of U.S. market access to depository and settlement services. The creation of a commercial enterprise combining that utility with Thomson has the potential to create a monopoly that could operate to deny other market entrants into matching services equal access to the U.S. market.

Pricing

Any pricing that GSTP AG charges its participants will be impacted by GSTP AG's cost for U.S. marketplace access. While GSTP AG controls its own pricing, it has no visibility as to pricing between DTC and the GJV and more importantly between either of these entities and GSTP AG and other market entrants. The issue of whether the GJV will have a preferential pricing from DTC is a concern.

Were DTC and the GJV to achieve regulatory approval without these issues being addressed, it could place U.S. and other competitors in the position of being priced out of the largest market in the world, a marketplace where a significant number of our participants trade.

Interoperability

We note that the GJV has represented that it will "develop fair and reasonable linkages" with other matching services. However, true interoperability is much more than just technical connectivity or "linkages." An understanding of the dimensions and granularity of interoperability are essential. The key here is that all these issues should be addressed by the Commission and concluded before regulatory approval is given in order to maintain a fair and level playing field.

The issues associated within the topic of interoperability require addressing potential barriers around:

Pricing – Access to the U.S. marketplace must be based on a level playing field. The GJV cannot have any better priced access to DTC settlement and depository services than GSTP AG or any other market entrant into matching services. The GJV should not establish prices that are not economically supported.

Access – This also applies to the type of connectivity, access device, and channel. As an example, GSTP AG's access to DTC's settlement services, either directly or through the GJV, should not be relegated to only a low volume channel. Further, access must be given through DTC to settlement agents.

Intellectual property considerations – The standards for access must be vendor neutral industry standards. Participants should not be forced to use a proprietary channel, access device or terminal that would have any preference over those offered by GSTP AG or other market entrants.

Customer Service, Sales and Marketing – DTC, as a part of its unique position in the U.S. market, has a virtual monopoly in terms of essential sales, marketing, and customer service to U.S. market participants. DTC has several decades of client relationships, history and service that will be hard for GSTP AG or any new market entrant to counter. The key point is that it appears that this industry “relationship asset” is being transferred from DTC to the GJV. GSTP AG needs firewall protection and some means of achieving parity with the GJV when the former DTC sales and customer force deals with participants. This is a subtle but essential characteristic of interoperability that will spell the difference between success and failure for any marketplace entrant.

Timing:

DTC should not be allowed to offer functionality or access to the GJV in such a way or manner as to disadvantage GSTP AG or any other market entrant.

GSTP AG has made a significant investment over the last several years in preparing and launching its utility which will serve global investors, many of whom are U.S. institutions. While we are prepared to assume any commercial risk in our undertaking, we do not believe the Commission should approve the creation of a commercial monopoly that could deprive other market entrants into the matching services business of a level playing field.

We hope that the members of the Commission and its staff will take our comments and concerns into consideration in their review of the aforementioned filings.

If you have further questions or we can be of further service, please contact C. Steven Crosby at 203-406-8326.

Sincerely,



Burkhard H. Gutzeit
Chairman
GSTP AG



C. Steven Crosby
Acting Chief Executive Officer
GSTP AG