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August 16, 2005

Jonathan G. Katz
Secretary
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Re: SR-NASD-2005-051, Enterprise License for TotalView

Dear Mr. Katz:

The Nasdaq Stock Market, Inc. ("Nasdaq") welcomes the largely supportive comment letter filed by the Market Data Subcommittee of the Technology and Regulation Committee of the Securities Industry Association ("Subcommittee"). Like the Subcommittee, Nasdaq views the proposed TotalView Enterprise License as a step by Nasdaq towards rationalizing market data fees, increasing transparency by expanding access to market data, and simplifying users' administrative burdens. Nasdaq also shares the Subcommittee's view that Nasdaq's flexible, "open source" approach to data integration is superior to that of the New York Stock Exchange, and that it should spur greater competition for market data.

While the Subcommittee states that it does not oppose the current proposal, it is concerned with the link between the NQDS data collected and disseminated under the Nasdaq UTP Plan, the national market system plan governing Nasdaq securities, and the depth data Nasdaq disseminates in TotalView. Nasdaq understands this concern but notes that this link was inserted at the request of the staff of the Division of Market Regulation in order to ensure compliance with the fee schedule established by the Operating Committee of the Nasdaq UTP Plan and approved by the Commission. Nasdaq further notes that at such time Nasdaq operates as a national securities exchange, NQDS data will be removed from the Nasdaq UTP Plan and Nasdaq will have increased flexibility in pricing this data.

The Subcommittee also comments on the recently issued SEC Order Approving Proposed Rule Change to Incorporate the Brut System Book Feed into TotalView. See Exchange Act Release No. 51862 (June 16, 2005)(approving SR-NASD-2005-039). Although the Subcommittee submitted no comment letter to that proposed integration, it now claims that the cost of Brut's market data is too high. As Nasdaq stated in that proposal, the integration of Brut information into TotalView increased the data available to TotalView users and, as a result, the transparency of the Nasdaq market overall. The integration also produced a situation where certain recipients of Brut depth-of-book data were liable for TotalView fees and others were not. To avoid disrupting existing Brut

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customers, Nasdaq continues to disseminate Brut information via the Brut System Book Feed as well as via TotalView. In order to avoid discrimination among recipients of Brut data based on the source of receipt, Nasdaq proposed and the Commission approved assessing the same fee to all recipients of Brut data.

The TotalView Enterprise License offers increased access to market data, increased transparency, and increased flexibility to market data vendors. It is a completely voluntary offering of non-mandated data made on fair and reasonable terms. Nasdaq's proposal is entirely consistent with the Securities Exchange Act and it should be approved quickly.

Sincerely,

A handwritten signature in black ink that reads "Edward S. Knight". The signature is written in a cursive, flowing style.

cc: Robert L.D. Colby, Deputy Director, Division of Market Regulation