BIG BOY PANTS TRADING

A Proprietary Quantitative Liquidity-Providing Trading Firm

September 10, 2020

Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC

Re: Proposed Rule on Market Data Infrastructure (Release No. 34-88216; File No. S7-03-30)

Dear Ms. Countryman:

Thank you for the opportunity to comment on the above noted proposed rule ("Rule"). Big Boy Pants Trading ("Pants") is a proprietary quantitative liquidity-providing market maker, active in however many products where we can reliably scalp a buck. We haven't read all 600 or so pages of the Rule because who has but we admire the work. We genuinely believe the SEC genuinely believes it will make better markets for investors. It sure will make better markets for us and we're investors too under certain unpredictable quantum conditions.

I'm writing to throw Pants's full support behind the Rule's proposal for a competing consolidator/SIP model. Yeah sure the idea was originally floated back in the 1970s before we had much experience with how you can fudge with computers but the principles are timeless. Competition! Resilience! Innovation! As a boy in a hard-scrabble town in a hard-scrabble world all I ever wanted was to have my own SIP. It was dirty pool the swells on Wall Street got to have theirs but I couldn't have mine. What if, I thought, I told you what the price was and when? What if I made that service so cheap it looked terrific but made sure it stayed slower than my own data feeds? What if I owned lots of SIPs (or CCs or whatever), and made them really cheap for the muppets out there, and slapped different brand names on them to make it look like choices and competition but all the while made sure they stayed just good enough to get customers but just bad enough to keep my edge? Kind of like what happened with the dark pools and exchanges and all their proprietary quantitative liquidity-providing investors and board members over the years.

Now sure yeah the SEC will have lots and lots of rules and OCIE and Reg SCI and Form CC and a prize in every box and so forth but c'mon. The SEC has been in the room with the current SIPs for decades, and even when the SEC wasn't knitting or napping during those meetings those exchange-owned SIPs got away with murder. You guys can't keep track of *two* equities SIPs. How are you going to keep track of 20? Ka-ching! We're *already* building models where ATS X uses CC 2 and ATS Y uses CC 5 and so on and the exchanges use their own and the deltas among them and what's out there and what we see and what muppets see - and those private islands don't buy themselves, do they? Even at the top of your game you'll be herding cats while we'll own the catnip farm. Sign us up.

And because what technology does best is amplify and reward scale, those 20 will get bought and sold like escorts at a SIFMA conference until there are just two or three SIP families, just like today! But we'll have lots of reassuring boilerplate about competition! resilience! innovation! and that should keep the Justice Department happy. We've seen it happen with the exchanges and we've seen it happen on the NYSE floor and we've seen it happen with internalizers and what not. Given what is surely a controversial choice between continuing with today's poorly regulated SIP oligopoly and going with a future poorly regulated SIP oligopoly, let's go boldly into the future. And this time Pants will be there!

Sincerely,

G. T. Spaulding

Freedonia, New York Palmville, Florida