

MEMORANDUM

FILE No.: _____
DATE: January 29, 1976

TO : The Commission

FROM : Directorate of Economic and Policy Research

RE :

DATE FILED :

AMENDED :

SUBJECT : The Monitoring of Changes in Memberships on the New York
Stock Exchange ("NYSE")

RECOMMENDATION :

During the month of December four member organizations retired from the NYSE and reduced the total of organizations to 504, the lowest in 1975. This is the first month since the fixed rates have been abolished, that no new member organization has been admitted to the NYSE (Exhibit 1).

Of the four retired firms, one liquidated, two changed their business operations from commission business to real estate, underwriting and municipal bond operations, while the fourth firm sold its seat but did not dissolve the firm. Another NYSE member acquired the branch offices and customer accounts of the liquidated firm. Two of the organizations were regional in character and all but one had a member on the floor (Exhibit 2). The retired firms fall into the following categories:

Trading and Market Making	1
Underwriting-General Dealer	1
Commission	1
\$2 – Broker	1

The membership price statistics show that the price of membership has decreased from \$60,000 in November to \$55,000 in December, the lowest price since July 1954 when a membership cost \$54,000 (Exhibit 4).

Gene L. Finn 523-5493
Maja Lamprecht 523-5612

CHANGE OF NYSE MEMBER ORGANIZATIONS

MEMBER RETIRING	MEMBER BEING ADMITTED	EXPLANATION
Pierce, Wulbern, Murphey Corp. (The)	Suzick (Nicholas) & Co. Vincent (Burton J.) Chesley & Co.	
Steiner, Rouse & Co., Inc. Abraham & Co., Inc. -----		Merged with Lehman Brothers, Inc. (An NYSE member)
Hartzmark & Co., Inc. Branch & Company -----		Merged with Branch, Cabell & Co. (An NYSE member)
	Common Securities Co., Inc. Graber (Fredric J.) & Co. Stires & Company, Inc.	
Fundamental Service Corp. Roth, Gerard & Co. -----		Small institutional research firm. In anticipation firm could not survive competitive rates – dissolved Feb. 11, 1975.
du Pasquier & Company, Inc.	Arnold & Bleichroeder, Inc. Friedman (M.I.) & Co.	
Jacquemot & Co. -----	Lynch (Kevin J.) Inc. Tapen (Howard G.) Jr., Inc.	Partner died
Gross (A.H.) & Co. ----- Bregman Securities Co., Inc.		Death of exchange member
	Boesky (Ivan F.) & Co. Murray (Brean) & Co., Inc.	
Kendrick (Paul) & Co., Inc. -----		Mr. Kendrick remains as individual member. Firm is doing OTC and underwriting business.
Laidlaw Capital Service, Inc.	Latham (Wm.) & Co. Inc. Seward Securities Corp. Frankel (Jerome) & Co., Inc.	
Bacher & Roberts -----		Mr. Bacher remains as individual member. Mr. Roberts formed own NASD firm.
Yarnall, Biddle & Co. -----		Several partners joined Butcher and Singer and this firm required two offices.
	Harman (R.S.) & Co. Jordan (Charles C.) & Co. Sidel (M.A.) & Co.	
Gitterman & Co. -----		Merged with La Branche & Co. (an NYSE member)
Lackey, Jr. (Frank D.) Inc.		

Fitten, Cunningham & Lauzon Inc.
Gordon Securities, Inc.
Krieger (Henry) & Co.
Miller & Co.
Rice (R.M.) & Co., Inc.

duPont Glore Forgan, Inc.

BTP Corporation

Tarica & Co. -----

Mr. Dirocco joined the new admitted
firm BTP Corporation

Exhibit 1 (Continued)

CHANGE OF NYSE MEMBER ORGANIZATIONS

DATE	MEMBER RETIRING	MEMBER BEING ADMITTED	EXPLANATION
<u>August, 1975</u>			
21	Coenen & Co., Inc.		
21		First Cambridge Corporation	Acquired certain assets (i.e., membership) of Coenen & Co., Inc.
21		Wiesenberger (Arthur) & Co., Inc.	
<u>September, 1975</u>			
11		Allen (Townsend E.) & Co.	
11		McLaughlin (J.R.) & Co.	
<u>October, 1975</u>			
16		Securities Settlement Corp.	
17	Kaplan (John H.) & Co.		
17	Delafield Company Inc.		
19	Friedman (M.I.) & Co.		
<u>November, 1975</u>			
06	Breck, McNeish, Nagle & DeLorey, Inc.	-----	Remains a member of NASD, AMEX, and Boston Stock Exchange
06	Auerbach, Pollack & Richardson, Inc.		
06		Joseph Miller & Russell, Inc.	
		Wise, Friedman, Goldsmith & Co., Ltd.	
07	Vilas & Hickey		
07	McCormick & Co., Inc. -----		Consolidated with the Illinois Company and name changed to the Illinois Company-McCormick, Inc.
21	New York Securities Co. Inc. -----		Remains a member of NASD
28	Daly & Co. Inc. -----		Sold assets to Piper, Jaffray and Hopwood Inc. (an NYSE member)
<u>December, 1975</u>			
11	Lowitz (E.) & Co. -----		Liquidated and Newhard, Cook & Inc., an NYSE member, took over branch office and customers' accounts
11	Rosenthal (L.M.) & Company, Inc. -----		Changed operation to real estate business
12	Duffy & Co. -----		Sold seat for personal reasons
30	Arthurs, LeStrange & Short -----		Membership too expensive, only 15% of brokerage income from NYSE listed stocks. Main income derived from underwriting and municipal bond operations.

December Year to Date

Number of NYSE Member Organizations as of 12/31/74		508
" " " " " " " " 11/30/75		508
Retired	4	34
Admitted	0	30
New Total	504	504
Merged	0	6

Source: NYSE Weekly Bulletin
Office of Economic Research
Securities and Exchange Commission