Mr. DAY. I would say this. That since we formed this exchange, the Midwest Exchange, you know it was a consolidation some years ago, I think we might still have the greatest percentage gain in share and dollar volume of any exchange.

Mr. KEITH. This sort of reinforces Mr. Moss' expressed philosophy that no matter what this committee does in the threat of the adverse impact, progress seems to continue.

Mr. DAY. I don't think there is any question that we have tremendous business now and substantial growth in our business since the long bull market. I know as the president I have been very grateful for a bull market. It makes you look good.

Mr. KEITH. I have no further questions, Mr. Chairman.

Mr. Moss. Mr. Murphy.

Mr. MURPHY. Yes. Mr. Day, I want to congratulate you on your statement.

Mr. DAY. Thank you.

Mr. MURPHY. Through whom do most of the funds buy, through what form? Do they go through members of the exchanges?

Mr. DAY. You mean the business that comes to us.

Mr. MURPHY. Yes. They buy the stock, and after they have made their minds up just which blocks they are going to buy, who do they go through to buy it?

Mr. DAY. Well, we find that they are either filled by the firm that they allocate the stock to directly, who have sold their shares, maybe half a dozen firms, or they use what is termed in our business as the "lead broker concept," where the fund may well want to give substantial brokerage business in lieu of the fact that the firm has sold its shares, rather than splitting it up in small lots and handing it to individual firms, it gives it to what is called a lead broker who fills that order and then simply sends a check to these other dealer firms. Am I approaching your question?

Mr. MURPHY. Yes. Do they pay the same commissions as the individual investor?

Mr. DAY. Yes, sir.

Mr. MURPHY. As a practice, do the funds from, say, Massachusetts, the funds from New York, the funds from Illinois buy through the exchanges in their particular areas?

Mr. DAY. Not necessarily. We would like to have a lot more business. They don't always try our marketplace, but this is no criticism against the funds, because this is also true of dual members of the New York Stock Exchange.

Our position is that we would like our market tested by a fund or a member of New York or anyone. If our price is as good or better than New York. We think that we have a good marketplace, particularly from the sell side because, as we mentioned, there would be no tax.

Mr. MURPHY. But you find that where the fund is located is where they buy?

Mr. DAY. Not necessarily; no, sir.

Mr. MURPHY. Is there any area disarrangement that you would think—I would think that probably the New York area would buy principally in New York and let's say the west coast market on the west coast.