July 21, 2026

Vanessa A. Countryman, Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: SEC Request for Comments on IPO Modernization
File No. CLL-16 — IPO Modernization (Chairman's Comment File opened May 26, 2026)

Dear Ms. Countryman:

The Commission's request for comments presents an opportunity to modernize the mechanics of capital formation while preserving the principles that have made U.S. capital markets the world's most trusted venue for raising capital: transparency, fairness, investor protection, orderly markets, and efficient price discovery.

The real question is not whether technology should replace the firms and institutions that run our markets. It is how modern technology can strengthen the existing regulatory framework while widening access to capital for issuers and opportunity for investors.

I commend the Commission for recognizing that the U.S. public capital markets are at an important inflection point, and I appreciate the opportunity to comment on how the IPO process can better serve issuers, investors, and the broader economy.

I've had the benefit of working on Wall Street for more than four decades. Over that time, I've watched the secondary market transform significantly through technological innovation, automation, and steady gains in transparency, while the process by which companies first reach the markets has stood remarkably still, and remains antiquated and opaque in its methods. As a result, price discovery, investor participation, allocation, and execution in the primary markets rarely reflect the capabilities of today's infrastructure, let alone take advantage of them.

The opportunity here goes well beyond operational efficiency. Done properly, modernization can strengthen capital formation itself, restore confidence in the public offering process, and help reverse the long decline in U.S. public company formation.

I. What Modernization Should Accomplish

Modernization should serve a few concrete goals: better price discovery, broader participation without any weakening of investor protection, greater transparency across the offering process, and lower operational and settlement risk. Wherever practical, those goals should be met by building on the regulated infrastructure already in place, including existing broker-dealers, exchanges, transfer agents,

clearing agencies, and custodians, and by improving how those participants interact rather than working around them.

II. The Primary Markets Have Not Modernized at the Same Pace as the Secondary Markets

Over the past thirty years, virtually every aspect of secondary market trading has evolved: electronic order routing, real-time dissemination of market information, algorithmic execution, automated risk management, straight-through processing, digital communications, and settlement modernization. Each of these advances improved efficiency while preserving investor protections and regulatory oversight.

The IPO process, by contrast, still relies heavily on manual workflows, fragmented communication, confidential bookbuilding, and limited visibility into actual investor demand. These practices grew up under real technological constraints, but most of those constraints are gone. The same regulated post-trade infrastructure that transformed secondary trading provides a strong foundation upon which primary-market innovation can now build.

III. Market-Based Price Discovery Should Be Encouraged

A public offering should, above all, produce a price that reflects real market demand. In four decades I have watched too many offerings priced behind closed doors and then repriced by the aftermarket within hours, with the benefit of that first-day move flowing to a handful of favored accounts rather than to the issuer or to the market at large. That is a distribution problem, and it is precisely the kind of problem modern technology is suited to address.

Earlier auction-based offerings showed that transparently aggregating committed investor demand can produce robust price discovery and, in several cases, lower aftermarket volatility. Those offerings were limited by the technology of their day. Today's infrastructure substantially widens what is operationally possible, making it feasible to gather investor demand electronically from a broad range of participants while maintaining appropriate oversight through registered broker-dealers.

The Commission doesn't need to bless any single methodology. It should instead set a framework in which multiple transparent, technology-enabled approaches can compete, each required to derive its offering price from real, binding expressions of demand rather than from confidential, discretionary, non-binding indications that may never become executed orders, and each held to consistent standards of investor protection, market integrity, and orderly capital formation.

IV. Broader Investor Participation Strengthens Capital Formation

Public ownership has long been one of the defining strengths of American capital markets, yet participation in many IPOs remains concentrated among a small number of institutional accounts. Earlier efforts to broaden that base simply did not have the infrastructure to reach, educate, and include retail investors at scale, though this is no longer true. Today's infrastructure permits participation from a far broader investor base, operating through existing regulated intermediaries and subject to the same suitability, Know Your Customer, anti-money-laundering, and broker-oversight requirements that govern the secondary market. Broad, orderly retail participation that earlier reformers sought but could not achieve is now attainable.

Institutions benefit from the same transparency. Clearer demand formation, objective pricing, and greater execution certainty give long-term investors (e.g., pension funds, mutual funds, family offices, and asset managers) better reason to commit the time and capital that qualifying an offering requires, in a process where opaque allocation has too often discouraged these kinds of efforts.

V. Modernization Should Strengthen the Underwriting Process and Build on Existing Infrastructure

Technology should automate processes, not professional judgment. Underwriters perform indispensable functions that no software replaces, including issuer diligence, valuation, marketing, regulatory compliance, and the assumption of liability. As routine operational work becomes automated, underwriters can devote more attention to issuer preparation, valuation, investor education, compliance, and long-term client relationships. When managed well, modernization can help raise the value of experienced capital-markets professionals rather than erode it.

Underwriter liability and the due diligence that accompanies every registered offering are central to investor protection, and they should remain so. The goal is to let offerings reach more investors and carry less operational friction, which in turn improves pricing confidence, adds transparency, and reduces execution risk across a broader range of offering sizes.

The largest opportunity lies in extending the infrastructure that already serves the U.S. securities markets. Some observers have concluded that modernizing the primary markets requires displacing the incumbent underwriting community. I would suggest a more durable path. The objection that has always met new offering mechanisms, that they threaten established distribution, loses most of its relevance when the innovation runs through registered intermediaries instead of around them. The aim is to give issuers, underwriters, and investors better tools inside the framework that regulators and market participants already understand and trust. Registered broker-dealers, transfer agents, clearing organizations, custodians, and market utilities are among the strongest financial infrastructure in the world; the right course is to leverage them while improving the efficiency of communications, price discovery, execution, and processing. Done this way, an issuer can have real confidence that its offering price reflects actual demand rather than the practical limits of the distribution process.

VI. Transparency, Real-Time Information, and Market Confidence

Public confidence rests not only on the protections that follow an offering but on the integrity of the offering process itself: simultaneous dissemination of information, transparent pricing, objective allocation, auditability, and reduced information asymmetry. Investors today reasonably expect timely and equal access to information, and modern communications technology makes it possible to deliver offering information to all market participants at once.

Real-time publication of relevant offering information, including pricing and demand metrics, advances each of those aims. Others commenting before the Commission have urged clearer disclosure of how offering prices are set and how demand is expressed across price points, and I share that objective. Real-time, simultaneous dissemination is the natural technological complement to those reforms; it lets transparency become an operating characteristic of the offering process itself, present while decisions are being made rather than disclosed after the fact. The Commission should continue to encourage such innovation while preserving the flexibility underwriters and issuers need to exercise professional judgment.

VII. A New Source of Market Data

A modernized offering process would also generate information that has never been available before. Instead of the static snapshots collected through confidential bookbuilding, digital offering workflows can produce continuous indications of investor demand, participation, pricing behavior, and allocation. Over time, that record could become a valuable resource for issuers, regulators, investors, academics, and infrastructure providers working to understand how capital formation actually behaves, an insight the current process simply does not capture.

VIII. Innovation and Investor Protection Are Complementary

Modernization is not a trade-off against investor protection. Technology can reinforce the Commission's regulatory objectives by improving auditability, operational controls, market surveillance, investor communications, and the integrity of execution. It can also broaden retail participation without diminishing institutional participation. Properly structured, an offering can accommodate retail and institutional investors under identical pricing rules while preserving suitability, KYC, and broker-oversight requirements. The Commission has always favored innovations that improve market quality while holding investor protection and market integrity constant. The same standard should guide the primary markets, letting competing solutions prove themselves under regulatory oversight.

IX. Recommendations for Consideration

As the Commission weighs potential reforms, I respectfully encourage it to:

- Permit and encourage transparent, technology-enabled price-discovery mechanisms that derive the offering price from binding investor demand, subject to consistent standards of investor protection and market integrity.
- Enable broader retail and institutional participation through existing regulated intermediaries, under the same suitability, KYC, and anti-money-laundering obligations that govern secondary trading today.
- Encourage real-time, simultaneous dissemination of offering information, including relevant pricing and demand metrics.
- Support integration with existing post-trade infrastructure to reduce operational and settlement risk rather than building parallel systems outside the regulated framework.
- Keep any new rules technology-neutral, so that competing approaches succeed or fail on their merits and not on regulatory preference.

Conclusion

America's capital markets have led the world because they never stop evolving. The mechanics by which emerging companies can reach the markets are one of the few places that evolution has largely passed by. Modernizing that process is a chance to strengthen confidence in capital formation itself, through more transparency, broader participation, and less unnecessary friction, while keeping intact the regulatory safeguards that set our U.S. markets apart.

The Commission has a rare opportunity to encourage innovation while preserving the principles that have long distinguished our markets. By letting modern technology reinforce the existing regulatory

framework, the United States can extend its leadership in public capital formation to the next generation of growth companies and investors. I thank the Commission for the opportunity to comment and would welcome the chance to be of further help.

Respectfully,

Matthew B. Venturi
Founder & CEO, ClearingBid, Inc.