

NO BUCKET SHOPS FOR NEW LAW TO HIT

**Last Concern in This City Quits
Business on Day the Law
Goes into Effect.**

OLD CONCERNS HARD HIT

**Business They Lost Expected to Go to
Regular Exchanges—New Law Pro-
vides Imprisonment for Offenders.**

There were no arrests yesterday for violation of the anti-bucket shop law, the first day of its operation, because there are no bucket shops left. D. Richter & Co., who did a brokerage business on Court Street, Brooklyn, although their application for a connection with the Consolidated Exchange had been turned down, closed their doors yesterday.

The new law makes it a felony to operate a bucket shop or to be in any way connected with one, and the punishment is a fine of \$5,000 if the offender is a corporation or imprisonment for five years or a fine of \$1,000, or both, if an individual.

The authorities of the Stock Exchange and the Consolidated Exchange have been looking forward to the operation of the law, and to the last struggles of the bucket shop industry to keep its foothold in this State. There has been only one criticism of the statute, in that, by a loose construction of the term "bucket shop" it is possible to make it difficult to get evidence where the trouble is taken to operate a fake exchange, and thus get "names" of buyers and sellers to apply on the concern's books and avoid the outward appearance of "bucketed" or "crossed" transactions.

According to the Wall Street sleuths there is still one concern operating in New York City which cannot be touched without the careful accumulation of evidence that the "transactions" which it reports as having been executed on the Philadelphia Consolidated Stock Exchange are fakes. This Exchange, those who have led the fight against bucket shops say, has been exposed frequently as a fake market whose quotations are stolen from the ticker service of the Consolidated Exchange in New York, and it is only a matter of time when it will be permanently put out of business.

The Cassidy law is modeled on the legislation which successfully killed the bucket shop industry in Massachusetts and Ohio, both of which States were former strongholds of the evil, and it is expected to be equally successful here.

The money backers of the old game were hard hit, first in the bear market of 1907 and later in the bull market which began last Fall, and it is not expected that much effort will be made to start up again under the new law.

The Exchange authorities estimate that in New York State alone the orders which used to go into the branch offices of the bucket shops up the State and in the headquarters here would have increased the legitimate trading on the two Exchanges by from 200,000 to 500,000 shares a day when public interest in stocks was great, and it is said that legitimate houses having wire connections in the smaller cities have already profited by much small business which formerly went to the bucket shops. They say that the publicity which has been given to the exposures of the game had educated the business men in the small cities to making sure of the legitimacy of the brokerage houses they deal with.

President Charles H. Badeau of the Consolidated Stock Exchange had this to say yesterday regarding the new law:

"The efforts of the bucket shop men to obtain direct representation on the Consolidated Stock Exchange, since the passage of the anti-bucket shop law, have all been frustrated, and we expect to have a considerable increase in business from bucket shop clients.

"The law is an excellent one, because it drives out of business a very pernicious element. Several of the attacks upon Wall Street of recent years have been due in large measure to the rascally dealings of the bucket shop interests, and the brokers on the legitimate Exchanges should not be made to suffer in the public mind through their nefarious work."