SYSTEMS AND METHODS FOR IMPLEMENTING A META-QUEUE FOR TRANSACTIONS

Field of the Invention

[0001] This disclosure generally relates to systems and methods for receiving and processing data and transaction requests and, in particular, to managing priorities of at least some of the transaction requests.

Background of the Invention

[0002] A typical electronic trading venue receives from several participants requests for transactions in items for interest. Examples of such requests include requests for trading stocks, bids on an article in an auction, requests for trading tickets to sports events, etc. The orders may be divided into different classes according to parameters such as a trading price specified in the order, order volume (e.g., the number of shares in a stock-trading order), designated status of the participant trader, etc. In addition to dividing of the orders into classes, or alternatively, the transaction orders are usually prioritized in the order in which they were received. In other words, the orders may be prioritized according to the time at which they were received regardless of the class to which the orders belong, or the time-of-arrival-based prioritization may be performed within each class. Generally, an order received earlier than other orders is processed before processing the other orders.

[0003] While the above-described prioritization policy, which generally gives preference to a venue participant taking actions before other participants, can be fair in various situations, in some cases some participants can exploit technology to receive an undue benefit. Specifically, some participants (referred to as high-speed participants for the sake of convenience) have access to extremely high speed specialized communication and/or computing resources, using which they can routinely access information relevant to an order and/or may generate such an order slightly before many other participants. Additionally or in the alternative the high-speed participants may be physically located closer to sources of information relative to others, which allows the high-speed participants to access relevant information slightly before others.