

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or
Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person * MERKEL STEPHEN M (Last) (First) (Middle) C/O ESPEED, INC., 135 EAST 57TH STREET (Street) NEW YORK, NY 10022 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol ESPEED INC [ESPD]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ____ Director _____ 10% Owner <input checked="" type="checkbox"/> Officer (give title below) _____ Other (specify below) EVP, Gen. Coun. & Secretary
3. Date of Earliest Transaction (MM/DD/YYYY) 12/20/2004		
4. If Amendment, Date Original Filed (MM/DD/YYYY)		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Class A Common Stock, par value \$0.01 per share	12/17/2004		G	V	800	D	
Class A Common Stock, par value \$0.01 per share						I	By 401(k) Plan (1)
Class A Common Stock, par value \$0.01 per share						I	By spouse

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	6. Date Exercisable and Expiration Date	7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
Option to purchase Class A common stock	\$11.47	12/20/2004		A	100000	(2) (3)	Class A Common Stock, par value \$0.01 per share	100000	(4)	100000	D

Explanation of Responses:

- (1) Based on a plan statement as of December 21, 2004.
- (2) These options generally vest ratably on a quarterly basis over a four-year period beginning on the date of the grant, December 20, 2004.
- (3) These options will expire 10 years from the date of grant, subject to accelerated expiration under certain circumstances.
- (4) These options were granted pursuant to eSpeed, Inc.'s 1999 Long Term Incentive Plan.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MERKEL STEPHEN M C/O ESPEED, INC. 135 EAST 57TH STREET NEW YORK, NY 10022			EVP, Gen. Coun. & Secretary	

Signatures

/s/ Stephen Merkel

12/22/2004

**Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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