

ESPEED INC

FORM 8-K (Unscheduled Material Events)

Filed 10/12/2001 For Period Ending 9/11/2001

Address	135 E. 57TH STREET 135 E. 57TH STREET NEW YORK, New York 10022
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Industry	Consumer Financial Services
Sector	Financial
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported) September 11, 2001

eSpeed, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other
Jurisdiction of
Incorporation)

0-28191
(Commission File
Number)

13-4063515
(IRS Employer
Identification No.)

299 Park Avenue, 29th Floor, New York, New York

(Address of Principal Executive Offices)

10171

(Zip Code)

Registrant's telephone number, including area code (212) 829-3000

1 World Trade Center, 103rd Floor, New York, NY 10048
(Former Name or Address, if Changed Since Last Report)

ITEM 5. OTHER EVENTS.

eSpeed, Inc.(the "Company") issued the following press releases with respect to the impact of the attacks on the World Trade Center on September 11, 2001 (the "September 11 Disaster") on the Company's business.

- o Press release dated September 12, 2001 regarding the September 11 Disaster.
- o Press release dated September 17, 2001 regarding the suspension of trading of the Company's Class A Common Stock.
- o Press release dated September 20, 2001 regarding the members of the Company's senior management team who were lost in the September 11 Disaster.
- o Press Release dated September 20, 2001 regarding the new members of the Company's Board of Directors and management team.
- o Press Release dated October 4, 2001 regarding the impact of the September 11 Disaster on the Company's business.

Copies of the aforementioned press releases are attached hereto as Exhibits 99.1, 99.2, 99.3 and 99.4.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c)	Exhibits
99.1	Press Release issued by the Company on September 12, 2001.
99.2	Press Release issued by the Company on September 17, 2001.
99.3	Press Release issued by the Company on September 20, 2001.
99.4	Press Release issued by the Company on September 20, 2001.
99.5	Press Release issued by the Company on October 4, 2001.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

eSpeed, Inc.

Date: October 11, 2001

By: /s/ Howard W. Lutnick

Name: Howard W. Lutnick
Title: Chairman, CEO and
President

INDEX TO EXHIBITS

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[CANTOR LOGO]

HOWARD LUTNICK, CHAIRMAN OF CANTOR FITZGERALD AND ESPEED, COMMENTS ON

WORLD TRADE CENTER TRAGEDY

NEW YORK - September 12, 2001 6:55 PM Eastern - Cantor Fitzgerald, L.P., eSpeed Inc. (NASDAQ: ESPD) and Tradespark L.P., today issued the following statement by Howard Lutnick, Chairman of Cantor Fitzgerald, regarding the World Trade Center tragedy.

"All of us are shocked by the terrible events at the World Trade Center, and we are gathering with our families, friends and colleagues to cope with this devastating situation. As many of you know, Cantor Fitzgerald, eSpeed and TradeSpark had offices and significant operations on the top floors of One World Trade Center that employed approximately 1,000 people.

"Naturally our first priority is the whereabouts and the welfare of our employees and their families. It is clear that we have incurred a heavy loss of life among our colleagues and friends, though we do not at this time have any means of determining with certainty the whereabouts of employees who are missing or unaccounted for. We have identified many New York area employees who are safe. We are working with all authorities and will not give up hope that additional employees will be discovered or rescued. We cannot give further detail on the number of lost employees until we have confirmed information.

"At the same time, we wish to reaffirm that our firms will continue the work, success and foundation built by our lost colleagues. We will not allow this tragedy to sway us from our path - while we grieve, we intend to persevere. We remain confident that our systems and technology will perform as our customers have come to expect. Our concurrent computing centers in New Jersey and London are unimpaired. Although the impact on most of our products is in the process of being evaluated, we expect that trading in Treasury and Agency securities and equities with U.S. settlement will resume when the markets reopen, or shortly thereafter, while trading in other domestic U.S. products will be brought back on line as our concurrent computing unit in New Jersey restores systems.

"We are thankful for the outpouring of support we have received from so many people. With their help, we are doing everything possible to move ahead. We are grateful for each and every employee we have and all of eSpeed, Cantor Fitzgerald and Tradespark join together in prayer and hope for our lost family, friends and colleagues." For updated information please visit www.espeed.co.uk or www.cantorusa.com.

FOR ALL MEDIA CONTACTS:

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ABOUT CANTOR FITZGERALD, L.P.

Cantor Fitzgerald, L.P. is a financial services firm with operating units that are involved in a variety of market-based business initiatives. From its position as a leading financial intermediary in both the equity and fixed income markets, Cantor has expanded the scope of its business to include portfolio trading, investment banking, financial spread betting, market advisory, energy brokerage, CO2 emissions trading and electronic trading technology. Cantor brings its experience and expertise in the financial markets and its legacy of innovation in technology to benefit institutional investors and traders around the world. Whether creating new products and services or enabling its clients to trade more efficiently and effectively through cutting edge technological solutions, Cantor is reinventing markets every day. For more information about Cantor Fitzgerald visit www.cantor.com.

ABOUT ESPEED, INC.

eSpeed, Inc. operates multiple buyer/multiple seller real-time electronic marketplaces. eSpeed's suite of marketplace tools provides end-to-end transaction solutions for the purchase and sale of financial and non-financial products via the Internet or over eSpeed's global private network. eSpeed currently provides the marketplace infrastructure for 48 financial and non-financial instruments, including most of the world's fixed income marketplaces. eSpeed transacts over \$200 billion of financial instruments daily and is headquartered in New York City. Additional information on eSpeed is available via the Internet at <http://www.espeed.com>.

ABOUT TRADESPARK, L.P.

TradeSpark, L.P. is a unique partnership formed by: eSpeed, Inc. (NASDAQ: ESPD), a leading interactive electronic marketplace engine for business-to-business (B2B) e-commerce, Cantor Fitzgerald, one of the world's leading voice brokerages and five of the largest US energy producers/distributors. The TradeSpark energy partners are: Coral Energy, Dominion (NYSE: D), Koch Energy Trading, Inc., TXU Energy Trading, a subsidiary of TXU (NYSE: TXU), and Williams Energy Marketing and Trading Company, a subsidiary of Williams (NYSE: WMB). Active TradeSpark marketplace participants include other major energy companies and including: Dynegy Inc. (NYSE: DYN) and Entergy (NYSE: ETR).

Statements contained in this Press Release which are not historical facts are forward-looking statements, as the term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors, which include, but are not limited to: the limited operating history of eSpeed, Inc., its expected incurrence of future losses and negative cash flow from operations for the foreseeable future, its ability to enter into marketing and strategic alliances, to effectively manage its growth, to expand the use of its electronic systems, and to induce customers to use its marketplaces and services and other factors that are discussed in eSpeed's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

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Trading in eSpeed Class A Common Stock Temporarily Halted

New York - September 17, 2001 - eSpeed Inc. (NASDAQ NM: ESPD - news) today issued the following statement by Howard Lutnick, Chairman of eSpeed:

"We are continuing to try to cope with the terrible events at the World Trade Center, to determine the whereabouts of our employees and those of our parent, Cantor Fitzgerald, who are still missing or unaccounted for and to evaluate the impact on our businesses."

"In light of the heavy loss of life among employees of eSpeed and Cantor Fitzgerald, the number of our senior management and other valued employees who remain missing and unaccounted for and the destruction of our New York offices, we have requested and received from The Nasdaq Stock Market a temporary halt in the trading of our Class A Common Stock on the Nasdaq National Market pending further announcements. We will continue to work through the difficult situation and we expect to have a further announcement regarding trading in our Class A Common stock within 10 business days."

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Media inquiries:
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Jeff Siegel 212-816-4863 or Mike Holloway 212-704-4532

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STATEMENT FROM HOWARD W. LUTNICK, CHAIRMAN & CEO OF ESPEED, INC.

New York, NY - September 20, 2001 - eSpeed (NASDAQ:ESPD) today issued the following statement by Howard W. Lutnick, Chairman & CEO regarding the members of the company's senior management team who were lost in the World Trade Center disaster.

"eSpeed has always been more than a team, or a vision, or even a company. At its heart eSpeed is a family. As a family, we mourn the losses of our siblings, our best friends - our partners. We cannot imagine work or life without them nor their vast array of qualities and characteristics that enhanced our lives.

"It is with great sadness that I write of some of the lost eSpeed senior management family.

FREDERICK T. VARACCHI, PRESIDENT & CHIEF OPERATING OFFICER, DIRECTOR. Fred was my friend and an extraordinary businessman, technologist and leader. His energy, vision and enthusiasm created eSpeed and brought the company to preeminent status. His wife Eileen and their three children can always be proud of their father's accomplishments. eSpeed was Fred's company and will always stand as a tribute to his amazing drive and charisma.

DOUGLAS B. GARDNER, VICE CHAIRMAN, DIRECTOR. Throughout my life few people have been closer to me than Doug Gardner. His steady hand and guidance were an integral part of every decision I made as CEO. Moreover, our shared vision was acknowledgment of our mutual respect and admiration for one another as well as the strategic direction of eSpeed. Together, we felt there was nothing we could not accomplish. His wife Jennifer and their two children should be proud of the company he built and led. Life will not be the same at eSpeed without him.

JEFFREY G. GOLDFLAM, SENIOR VICE PRESIDENT & CHIEF FINANCIAL OFFICER. Jeff's presence and the way he conducted himself always had a way of making people smile, particularly me. His facility with numbers and figures made each quarter a pleasure, as we were always able to focus on the business and vision of the company, because we knew Jeff was commanding and protecting the finances. His wife Risa and their two children can always look to eSpeed as a symbol of their husband and father's caring ways.

JONATHAN UMAN, HEAD OF CORPORATE DEVELOPMENT. Jonathan joined eSpeed during our initial public offering road show. His vibrant energy and deal making sense kept all the executives highly motivated and the company moving forward. He could always be trusted to bring his impressive intellect to bear on any situation. Jonathan's wife, Julie, and their two children should be extremely proud of their Dad - he was an integral part of eSpeed's success.

GLENN KIRWIN, HEAD OF PRODUCT DEVELOPMENT. I have known Glenn for years and he was by far one of the brightest, most analytical executives in the industry. It was a pleasure to observe his thought process, the manner in which he analyzed issues and his ability to problem solve. Glenn was truly a creative force in the eSpeed family. His understanding of the business and attention to detail was virtually unparalleled. The systems he designed and the businesses he created are something his wife Joan and their two children can always look at with great pride.

DAVID BAUER, HEAD OF SALES. Big Dave created and built our entire sales infrastructure. His experience and customer relationships helped eSpeed establish the world's most successful electronic trading platform. More importantly, Dave had a personality and sense of humor that made the workplace a more enjoyable environment for everyone. He was one of those people executives looked at and said, 'I wish he was on our team.' His wife Ginny and their three children should know that Dave was a man everyone liked to be around.

JOSEPH SHEA, EXECUTIVE MANAGING DIRECTOR CANTOR FITZGERALD, DIRECTOR. Joe's leadership of Cantor Fitzgerald's US brokerage operations and his position on the Board of Directors of eSpeed had an enormous impact on me personally and eSpeed. Joe was a close personal friend whose support and direction guided my thinking, decision-making and leadership. He was an invaluable member of the eSpeed family and his wife Nancy and their four children can always be proud of his contributions because, 'Cantor was Joe.'

"We are dedicated to the more than 730 members of the eSpeed/Cantor Fitzgerald/TradeSpark family that were lost in the World Trade Center tragedy. All of our survivors are now bound together in a manner never seen before in business. We are a large family that has lost its brothers and sisters. There is no adversity our survivors cannot overcome. Our survivors reopened this company 47 hours after the attack. I cannot be more proud to be associated with this group of people. Godspeed to eSpeed - I love you."

Howard W. Lutnick
Chairman & CEO
eSpeed, Inc.

ESPEED APPOINTS NEW MEMBERS TO ITS BOARD OF DIRECTORS AND MANAGEMENT TEAM

New York, NY - September 20, 2001 - eSpeed, Inc. (NASDAQ: ESPD) today announced the following individuals to its Board of Directors and senior management.

Howard W. Lutnick, Chairman and CEO, will now have the additional role of President.

Lee Amaitis, currently the CEO of Cantor Fitzgerald International, will now have the additional position of Global Chief Operating Officer of eSpeed and Director.

Joseph Noviello, formerly Senior Vice President and Chief Technology Officer has been named Executive Vice President and Chief Information Officer and Director.

Stephen M. Merkel, remains Senior Vice President, General Counsel & Secretary and was appointed Director.

Amy Nauiokas remains Senior Vice President, Head of Marketing & Communications.

The other members of eSpeed's Board of Directors have been with the company since its initial public offering and include:

Richard C. Breeden, Chairman and Chief Executive Officer of Equivest Finance, Inc. and former Chairman of the U.S. Securities & Exchange Commission.

Larry R. Carter, Senior Vice President, Finance & Administration, Chief Financial Officer and Secretary, Cisco Systems.

William J. Moran, Executive Vice President and General Auditor, J.P. Morgan Chase & Co.

Howard W. Lutnick, Chairman, CEO & President of eSpeed Inc. said, "I am lucky indeed to have such an extraordinarily experienced and respected group of executives. eSpeed will build upon the tremendous efforts of our fallen colleagues and in doing so honor their hard work and tremendous contributions to our company and the entire eSpeed family."

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ESPEED'S CHAIRMAN HOWARD W. LUTNICK DISCUSSES THE COMPANY'S BUSINESS

- o eSpeed mourns the loss of 180 of its valued employees
- o Our inspired survivors re-established US connectivity to our global network prior to US bond markets reopening
- o eSpeed system maintains dominant US Treasury market share, 100% electronic
- o eSpeed globally operational

NEW YORK, NY - October 4, 2001 - eSpeed, Inc. (NASDAQ: ESPD), Cantor Fitzgerald's publicly traded electronic marketplace and trading technology company, for the first time today will discuss with analysts and investors the impact of the horrific and tragic events on September 11, 2001 and the Company's business. The Company's Chairman, CEO and President, Howard W. Lutnick, will discuss the tremendous loss of eSpeed's heroic employees and the pride and dedication of the Company's survivors.

OUR PEOPLE

"Nothing can compare to the enormity of our loss of life," said Mr. Lutnick. "This tragic event has taken from us over one third of eSpeed's employees, including half of our senior leadership. However, what we have learned from this horrendous act is that it is impossible, impossible, to destroy the spirit of our eSpeed family and together we are forging ahead. The unity and togetherness of our eSpeed family are unprecedented in the business world. We will remain the market leader with the foremost electronic trading platform in the world and in doing so honor the integrity of those employees, executives, family and friends we have lost."

The survivors, those employees that have worked tirelessly to keep eSpeed running, include approximately 306 inspired, extraordinary individuals. The 306 include virtually all of eSpeed's top senior technology executives and more than 260 technology related employees. This group is responsible for the eSpeed platform's unprecedented resiliency and functionality. The Company's success will continue in the capable hands of these heroic individuals.

Currently, the Company is working closely with eSpeed's auditors, Deloitte & Touche, to support the accounting and finance functions, and eSpeed has begun a search for a new Chief Financial Officer.

STRONG ASSETS

Along with our 306 employees, most of eSpeed's other competitive assets remain intact. eSpeed's scaleable and extendable trading platform restored global connectivity to the US 47 hours after the attacks, in time for the reopening of the US Treasury market. Although eSpeed previously had three data centers, including the World Trade Center, the Company's other two centers in Rochelle Park, NJ and London, England were invaluable in maintaining the Company's capacity, which continued to handle massive volumes in the days and weeks that followed the attacks. The Company does not expect to rebuild a third data center at this time. The two existing sites will run concurrently and redundantly, backing up each other. In addition, eSpeed's proprietary software was unharmed and continues to operate seamlessly.

Mr. Lutnick continued, "The lengths to which our employees across the globe worked to ensure the eSpeed system maintained its global connectivity speak volumes about each of our employees' depth of character. With so much pain from the loss of their business family, they dedicated themselves back to eSpeed in honor of those we lost. The accomplishments of our staff stand as a testament to their love of those friends we have lost. With respect to US Treasuries, while the Cantor Fitzgerald voice brokerage operation has ceased, eSpeed's fully electronic market for US Treasuries has been virtually unimpaired. We continue to dominate the global brokerage benchmark Treasuries, taking the lion's share of the business, especially on the busiest of days.

While Cantor Fitzgerald's superb voice broker business was dramatically impacted by its unimaginable and tremendous loss of life, all of the functionality of eSpeed's technology platform remains completely intact due to our redundant global systems.

Among the other assets the Company owns is an extensive portfolio of patents, including the Wagner and Lawrence Patents. The strategic partnerships and software solutions agreements the Company has forged continue and our partners and business associates have expressed their support and desire to see the Company succeed. Moreover, eSpeed's joint ventures, such as TradeSpark and Freedom, continue to perform well. Freedom continued to function uninterrupted and TradeSpark resumed electronic trading on September 25, 2001.

Mr. Lutnick commented, "eSpeed's assets, which include its \$154 million cash balance, its extraordinarily resilient and redundant real time trading network, and its unified, heroic global family of employees will undoubtedly create extraordinary shareholder value for those with the understanding, commitment and faith in the Company's potential. We appreciate the encouragement, caring and outpouring of support we have received from our incredible shareholders and analysts. Your words and prayers have meant the world to us."

eSpeed expects to vigorously pursue payments from its \$40 million property and casualty insurance and \$25 million business interruption insurance. Although the Company cannot predict the timing or exact amount of payments, at this time, eSpeed expects the Company's capital expenditure requirements over the next 12 months will be more than offset by the Company's insurance coverage.

MOVING FORWARD

"Our stock will begin trading tomorrow," said Lutnick. "And those investors who can comprehend the enormity of what this Company has already rebounded from and those investors who have an inkling of our passion for this business will know that eSpeed will never forget, never settle and never give up. It is our promise that this Company will stand as a testament to those we have lost and a badge of honor to those who have survived. In our view, eSpeed will become, along with Cantor Fitzgerald, an American business miracle."

On September 10, 2001, eSpeed announced that the Company's Board of Directors had approved a \$40 million stock repurchase program. This program was reaffirmed by the Board on October 3, 2001. The Company will aggressively pursue the buying of its shares and continues to see this action as one of the most attractive uses for its capital.

The Company will provide the investment community with another formal update before its Form 10-Q is filed by November 14, 2001. This update will provide more detailed insight on the progress eSpeed is making and the strategic direction of the Company.

A SPECIAL THANKS

eSpeed expressed a special thanks to those friends, families, volunteers, business partners, clients, shareholders and analysts that have provided the Company with tremendous assistance and support during these difficult and trying times. "The support we have received has been truly amazing. We thank all those who have stood by us, continue to stand by us and will stand by us. We will make you proud of the effort we are undertaking and the results we produce. All of eSpeed appreciates your guidance, counsel and support," Mr. Lutnick concluded.

ABOUT ESPEED, INC.

eSpeed, Inc. is the electronic trading subsidiary of Cantor Fitzgerald. eSpeed is a leading developer of electronic marketplaces and related trading technology solutions and the Company operates multiple buyer/multiple seller real-time electronic marketplaces. eSpeed's suite of marketplace tools provides end-to-end transaction solutions for the purchase and sale of financial and non-financial products via the Internet or over eSpeed's global private network.

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