

CFA INSTITUTE RESEARCH CHALLENGE SOUTHERN CLASSIC

Hosted by:

Atlanta Society of Finance and Investment Professionals
CFA Society Alabama
CFA Society South Carolina

2016-2017 Academic Year

Kickoff Presentation: October 24, 2016



CFA Institute



AGENDA

- Organizer
- Sponsors
- Background
- 2017 Tournament Diagram
- Participating Teams
- Benefits and Responsibilities
- Competition Timeline
- Rules Overview
- Subject Company
- Interacting with Subject Company
- Resources
- Next Steps

Guest Speakers

Sarah Greenwood
2016 Winning Team Member
University of Georgia

Fred Tulley, CFA
Report Grader
Colonial Pipeline Company

Kendall Anderson, CFA
Final Presentation Judge
Anderson Griggs Investments

ORGANIZER

SOUTHERN CLASSIC COMMITTEE



William Aycock III, CFA
Vice President



Nataliza Mazitova, CFA
VP of Education



David Allison, CFA, CIPM
Assistant Program Chair

Aaron Jacobson-Swanson, CFA
Chair, Research Challenge

Matt Hensel, CFA
Chair, Research Challenge

Fred Tulley, CFA
Vice-Chair, Research Challenge

SPONSORS

KAPLAN  **SCHWESER**

FACTSET

BACKGROUND

CFA INSTITUTE RESEARCH CHALLENGE

- Worldwide intercollegiate competition between teams of students
- Organized by local CFA Institute volunteers – usually through CFA member societies
- Analysis of a publicly-traded company
- Interviews with company management
- Mentoring by an investment professional
- Research report writing
- Presentation of research



*2016 Global Champion University of Waterloo
representing CFA Society of Toronto and CFA Society of
Ottawa*

4,250+ Students

3,500+ Industry Volunteers

925+ Universities

133 CFA Member Societies

103 Local Level Challenges

75 Countries

BACKGROUND

SOUTHERN CLASSIC

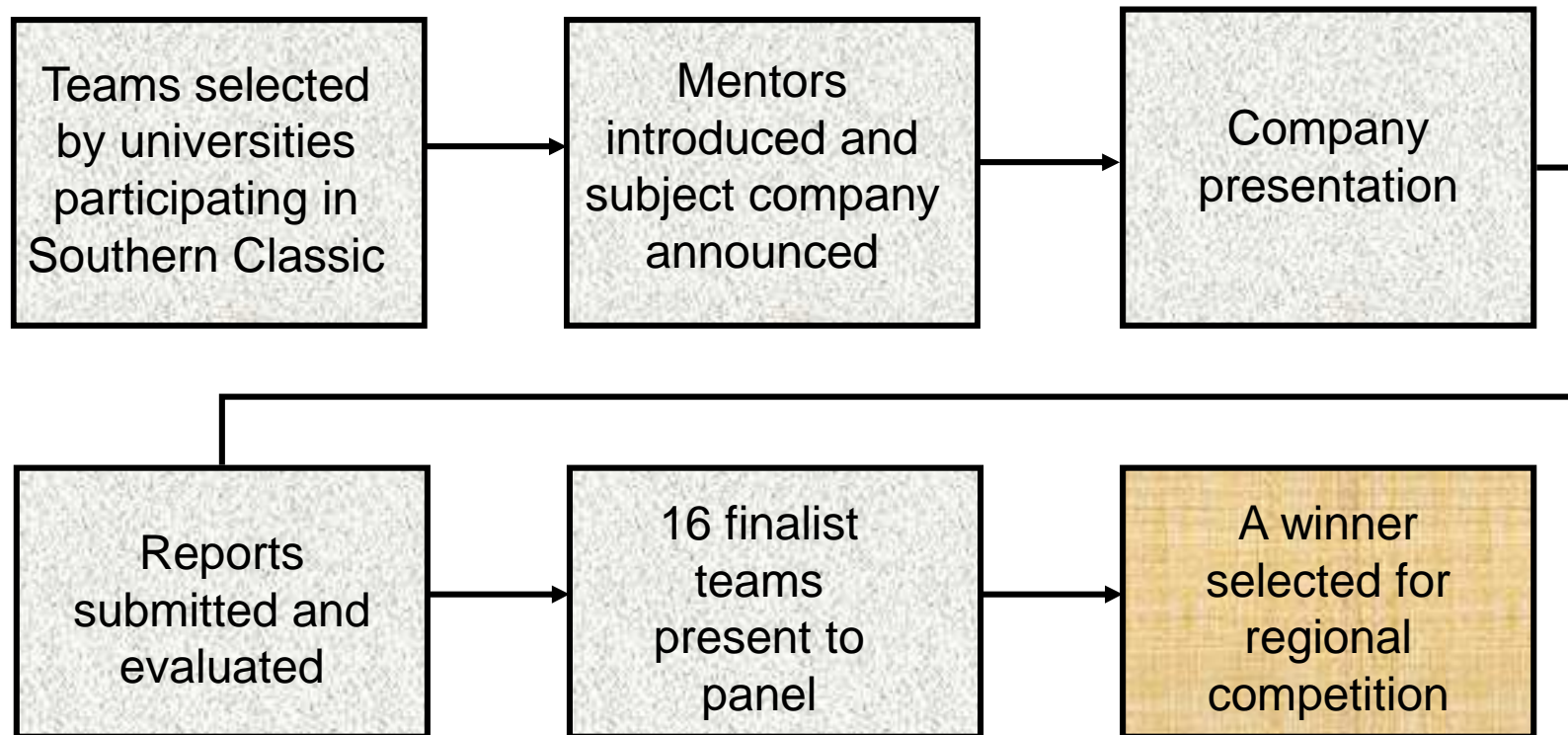
Past Champions:

- 2016** **University of Georgia**
- 2015** **Wofford College**
- 2014** **University of Alabama**
- 2013** **University of Georgia**
- 2012** **Wofford College**
- 2011** **University of Georgia**
- 2010** **Georgia State University**
- 2009** **Georgia Tech**

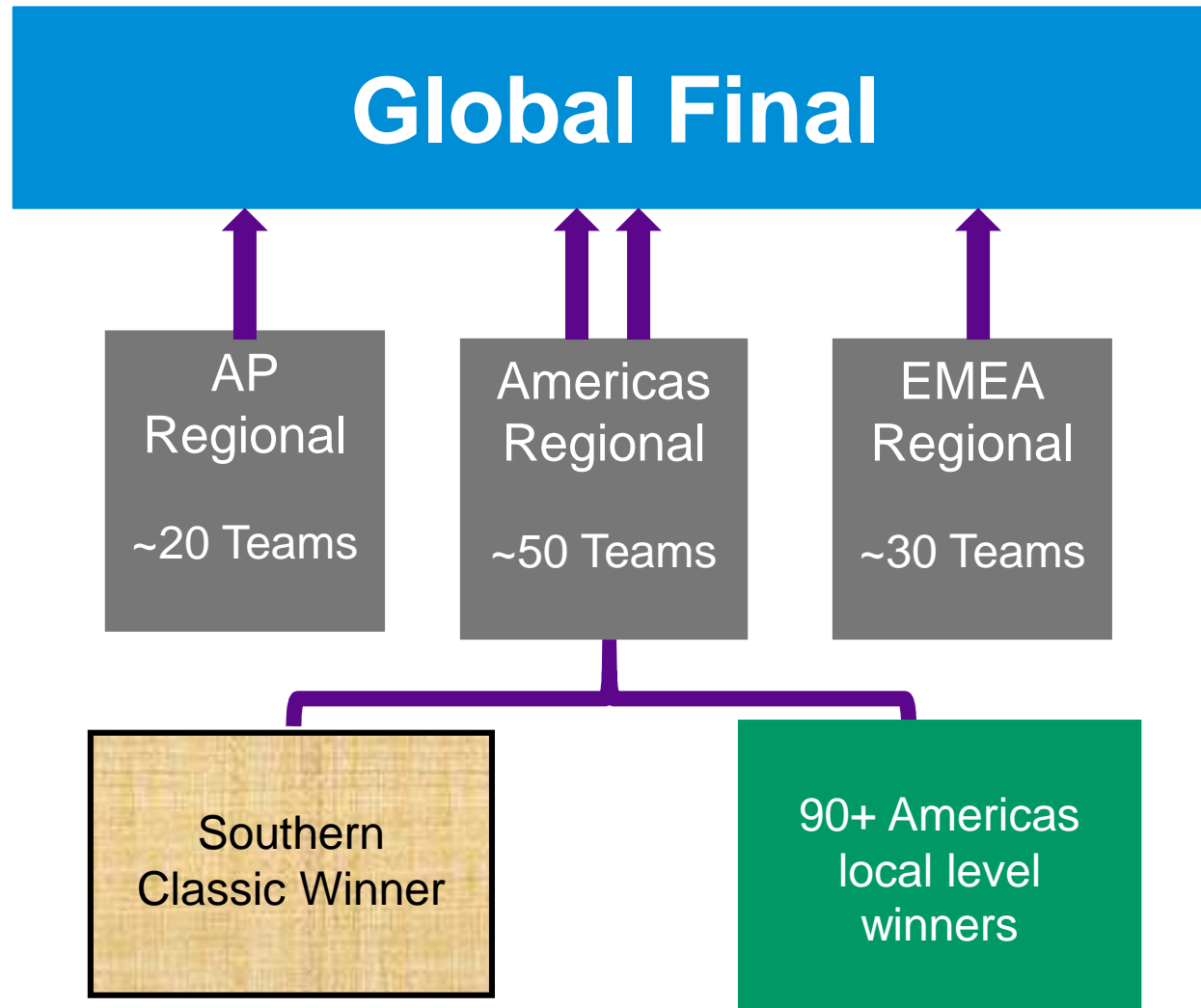


University of Georgia team wins Regional Final, April 2016

2017 TOURNAMENT DIAGRAM



2017 TOURNAMENT DIAGRAM



PARTICIPATING TEAMS



BENEFITS AND RESPONSIBILITIES

	Faculty	Students	Industry
Responsibilities	<ul style="list-style-type: none"> • Insight and guidance on research methods and tools as taught in academia • 10 hours <i>maximum</i> of productive time • Access to faculty for other projects unrelated to the Research Challenge is permitted • All work must be the original work of the students 	<ul style="list-style-type: none"> • Attend the various presentations/webcasts • Complete the research report/recommendation. • Prepare presentation if advanced to local final. 	<ul style="list-style-type: none"> • Insight and guidance on industry practice • 6 hours <i>maximum</i> of productive time • Face to face or virtual • Company management question development • Review first draft of research report • Presentation development assistance
Benefits	<ul style="list-style-type: none"> • Network with other universities • Network with local CFA society members • Gain hands-on experience working with students • Help to introduce students to best practices in research techniques and ethics in investments 	<ul style="list-style-type: none"> • Network with students at other universities • Network with society members and learn about the CFA program • Awards at local level • Resume book for distribution to our network • Winning team given opportunity to compete regionally 	<ul style="list-style-type: none"> • Easy give back to community • Network with other Industry professional • Have an active role in the Societies

COMPETITION TIMELINE

Date	Event
Now!	Preliminary Research; Register with CFA Institute
Nov 25, 2016	Prepare for the call with company management by compiling five questions and sending them to cfa.irc.southernclassic@gmail.com . All questions should be reviewed by your faculty advisor and industry mentor.
Nov 30, 2016	3:30pm-5:00pm EST Conference call with target company management
Jan 3, 2017	Finalize team lineup and confirm participation
Jan 6, 2017	Draft of written report due to industry mentor
Jan 20, 2017	Final written report due to cfa.irc.southernclassic@gmail.com
Feb 3, 2017	Score sheets and feedback returned to teams
Feb 18, 2017	9:00am-3:00pm Oral presentations in Kennesaw, GA. Friday night hotel accommodations will be provided for out-of-state teams.
April 6-7, 2017	Regional Final in Seattle, WA
April 28, 2017	Global Final in Prague, Czech Republic

RULES OVERVIEW

- Each team consists of 3-5 students (undergraduate or graduate)
- Students must be enrolled in the university they represent and registered for at least a part-time course load at the time of the kickoff meeting
- Reports and presentations must be the students' original work
- Students may not have contact with the subject company outside of organized events
- Students may not enlist the help of any professionals other than the mentor or faculty advisor
- Mentors and faculty may NOT contact the company
- Mentors, faculty, and subject company may NOT provide material non-public information
- Written reports must conform to the guidelines set forth by CFA Institute and include the cover and back pages provided by CFA Institute
- Teams may not use props in their oral presentations
- Students, mentors, and faculty must all agree to abide by the CFA Institute Code of Ethics and Standards of Professional Conduct

RULES OVERVIEW – CON'T

Report Scoring

Criteria	Maximum Points
Business Description	5
Industry Overview & Competitive Positioning	15
Investment Summary	20
Valuation	20
Financial Analysis	20
Investment Risks	15
Other Headings	5
Total	100

Presentation Scoring

Criteria	Maximum Points
Argument - Did they use data effectively to support their recommendation?	25
Questions - Were they able to answer questions effectively?	25
Financial, Valuation, and Other Analysis - Were the financial analysis, valuation models, and sensitivity analysis rigorous and appropriate?	20
Team involvement - Team involvement in the presentation/Questions and Answers	15
Poise - Were they confident? - Were they convincing?	10
Materials - Quality of slides	5
Total	100

SUBJECT COMPANY



INTERACTING WITH SUBJECT COMPANY

- Designated officers ONLY
- Organized communications ONLY
- Industry mentor or faculty advisor must be present for all student-subject company interactions
- Students may contact and survey company suppliers, customers, vendors, etc.

RESOURCES

- CFA Institute Research Challenge:

<http://www.cfainstitute.org/community/challenge/prepare/Pages/index.aspx>

- Ethics course
- Equity research
- Report writing
- Presentation

- Research Challenge Southern Classic:

http://asfip.org/content.php?page=Research_Challenge

- Videos of past presentations
- Sample report

NEXT STEPS

- Faculty Advisors and Mentors:
 - Please register using this link.
http://www.cfainstitute.org/community/challenge/involved/Pages/volunteer_welcome.aspx
- Students:
 - Please register using this link.
http://www.cfainstitute.org/community/challenge/involved/Pages/student_welcome.aspx
 - Preliminary research

Contact Us

Southern Classic Committee

cfa.irc.southernclassic@gmail.com

QUESTIONS?