

ACG Tampa Bay



Presenting Sponsor:



The ACG Cup 2019 Handbook

Procedural Guidance for ACG Tampa Bay Cup®

ACG: A local community with a global reach

Founded in 1954, the Association of Corporate Growth ("ACG") is a global organization with 59 chapters and over 14,500 members. Doing business is at the heart of the ACG membership experience. Chapters in North and South America, Europe and Asia bring dealmakers together to help them achieve their business and professional goals.





THE ACG CUP MISSION

To promote corporate strategic growth and expertise in our region through real-world experiential learning that forges lasting relationships among our finance communities and regional graduate business programs.

Overview

ACG Tampa Bay Cup is a unique case study competition designed to give students from leading MBA and Finance programs invaluable insights into mergers and acquisitions, investment banking, corporate financial advisory and private equity. It is sponsored nationally by ACG Global. Through this program, we are introducing the next generation of business leaders to ACG Tampa Bay as well as the local M&A, corporate growth, and corporate development communities. The teams will be drawn from regional universities and the ACG Tampa Bay Cup Committee reserves the right to add or eliminate schools from the competition.

ACG Tampa Bay provides students with the opportunity to:

Develop relationships ...

- ◆ Interact with leading finance executives, professionals, and organizations
- ◆ Network with potential employers, colleagues, referral sources, clients, vendors, and mentors

Enhance knowledge, skills, and abilities ...

- ◆ Gain insight into the inner workings of corporate finance and deal-making in a real-world setting
- ◆ Test critical and strategic thinking as well as problem solving skills
- ◆ Enhance business and financial acumen
- ◆ Polish public speaking, information organization and delivery, and team-building capabilities

And, last but not least, an opportunity to win cash awards!

- ◆ The total prize pool for the ACG Tampa Bay Cup will be determined by ACG Tampa Bay in its sole discretion. Prize money will be awarded based on each team's ranking and shared among all team members.
- ◆ The prize money is awarded directly to the students, but it is not considered a scholarship. Income taxes on any cash awards are the responsibility of the student. Recipients are encouraged to consult with a qualified tax professional regarding any potential tax liabilities.
- ◆ It is anticipated that the prize structure will be as follows:
 - Round 2 - \$7,500 to the winning team; \$2,500 to each of the runner-up teams
 - All participating students in Round 1 that did not move forward to Round 2 will receive a \$100 gift card, presented at the conclusion of the Round 2 competition. We encourage all students to attend Round 2 and the monthly meeting with ACG members/guests (5:30 to 7:30 pm).

Note: If students are not in attendance at the conclusion of Round 2 to receive their gift card, ACG Tampa Bay will mail the gift card to the student .

Schedule and Key Dates

Timetable

- February 2019: Information distributed to students and faculty; students submit their interest in participating and teams are formed (deadline for team submission is February 28, 2019).
- Upon submission of teams, webinars are immediately provided by the Merrill Datasite for students to participate and prepare
 - Discounted Cash Flows
 - Leveraged Buyout
 - Merger Model
- March 21st – Access to Case Study is provided to all participants by the Merrill Datasite.
- March 28th – **ACG Cup Competition Day**

10:30 am	Students/Judges Arrive at University Club in Downtown Tampa
11:15 am – 1:00 pm	Round 1 – competition going on simultaneously Max of 3 teams from each school (11:15/11:45/12:15) Feedback from Round 1 judges
1:00 – 2:00 pm	Lunch, Q&A and winners of Round 1 announced (University Club)
2:15 – 3:15 pm	Winning Teams work on revised presentation (if needed)
3:15 pm	Round 2 begins (3:30/4:00/4:30)
4:50 – 5:30 pm	Judges to convene to score final teams and give feedback
5:30 – 7:30 pm	ACG Tampa Bay Monthly Meeting and Announcement of Winners (complimentary to all ACG Cup participants, faculty, staff)

Competition Format - What's the Deal?

It is important to note that this competition is intended to simulate the real-world scenarios that actual dealmakers encounter on a daily basis. Of course, as with any collegiate case study competition, there are limitations. Not every aspect of the competition can precisely mirror the conditions found in a typical corporate financial advisory engagement. However, ACG strives to make this competition as realistic and valuable as possible.

The ACG Cup case study competition is centered on a fictitious business scenario:

- ◆ Each participating team of students will be acting as if they are an investment banking firm.
- ◆ In a prior year's case study, the CEO and Board of Directors of a fictitious company were contemplating whether to divest one of their business units, acquire a competitor, or maintain the status quo.
- ◆ The case study documents consisted of: (i) a memo from the CEO that outlined the situation at hand, (ii) a series of financial statements, and (iii) some supplemental information.
- ◆ Each participating team will be required to:
 - Assess the situation at hand
 - Analyze the financial data and conduct multiple valuations
 - Develop a strategy which considers a wide range of options and potential solutions
 - Determine recommendations
 - Formulate a presentation

The competition will consist of two rounds:

- ◆ **ROUND 1** will be conducted the morning of March 28, 2019 concurrently with each of the participating universities at different locations in downtown Tampa. Each participating university will have a separate set of judges, and there will also be a new set of judges for the FINAL ROUND. One WINNER will be chosen from each university and will compete in the afternoon of March 28, 2019 in ROUND 2.
- ◆ **ROUND 2** will be held at the University Club of Tampa and will feature ONE winning team from each university that will compete against each other for the Grand Prize, a monetary award, and the ACG Cup trophy.

All judges will be determined and assigned by ACG Tampa Bay Cup Committee.

All rules pertaining to teams, presentation time limits, and participants from prior rounds apply to the **FINAL ROUND**.

Participant Eligibility

- ◆ The ACG Tampa Bay Cup competition is open to graduate level students. Students may be full-time, part-time, off-site, or in an executive MBA program. Deal making takes more than just one person, so this is a team-based competition. Each team should be comprised of not less than two and not more than five students. We highly recommend teams of 3 to 4 students.
- ◆ Students are restricted to participate on one team only.
- ◆ Each team's composition must remain consistent throughout all rounds of the ACG Cup competition. In the event that a team member is no longer able to compete, an emergency substitution may be granted. However, such a request must be submitted in writing to the respective liaison for that team's university. The decision to grant an emergency substitution shall be at the sole discretion of the ACG Tampa Bay Cup Committee. There will not be an opportunity to appeal the decision.
- ◆ Teams must participate in the **FINAL ROUND** to be eligible for prize money.
- ◆ Repeat participation is permitted (e.g., a student that participated in 2018 or earlier in another ACG competition).

University Liaisons

Each competing university will work with an ACG Liaison who is the primary point of contact between that university and the ACG Tampa Bay Cup committee. Liaison selections will be made in January 2019.

The University Liaison:

- ◆ Understands and is able to explain and support the ACG Tampa Bay Cup Mission
- ◆ Is familiar and knowledgeable about the ACG Tampa Bay Cup website, process, timetable and available resources; has sound working knowledge of the M&A process
- ◆ Connects with their respective university coordinator
- ◆ Responds to questions from faculty, staff and students regarding policies and procedures pertaining to the competition in a timely manner

- ◆ Assures that team members adhere to all ACG Tampa Bay Cup rules and guidelines
- ◆ Collaborates with faculty to prepare the teams for competition
- ◆ Attends the competition on March 28, 2019 and hosts the students at the monthly meeting following the competition.
- ◆ Provides feedback to the ACG Tampa Bay Cup committee for process improvement

Team Formation/Registration

- ◆ Each participating university is responsible for recruiting students, forming teams, and promoting the competition on campus. Should the university elect to offer mentors or advisors to the teams, it is responsible for recruiting and assigning them however, it is not allowed for mentors or advisors to write analyses, perform valuations or prepare, or in any way contribute, to the presentations by the teams.
- ◆ If individual students would like to participate (i.e., one or more students who have not independently formed a team), each participating university may pair individual students with other individual students and/or merge teams at their discretion. However, these efforts must comply with the "Participant Eligibility" parameters outlined above.
- ◆ Registration opens in February 2019. Teams should designate a "captain" and send names, emails and phone #s of all team members to their liaison.

Immediately upon submission of teams, access to webinars is immediately provided by the Merrill Datasite for students to participate and prepare

- Discounted Cash Flows
- Leveraged Buyout
- Merger Model



Case Study Process

- ◆ Each year, a new case study is prepared by the highly regarded international investment banking firm of Houlihan Lokey with contributions from other ACG finance professionals.
- ◆ In terms of academic disciplines, the case study will be primarily finance related. However, there will also be strategy, management/human resource/cultural, and marketing elements.
- ◆ After registering, participating teams will be granted access to a custom **Merrill DataSite**. This secure online deal room repository will hold the case study materials.
- ◆ On March 21st, ONE WEEK prior to the competition, the participating teams will be able to access and download the case study materials and begin working.
- ◆ If a participating team has questions regarding the case study content, the questions should be directed to the University Liaison.
- ◆ Students are generally advised against making their own assumptions. However, if they are uncertain of information presented in the case, and if an assumption is made, it should be stated and referenced during the team's presentation.
- ◆ Research outside of the case itself is most typically not necessary. Financial and situational analyses are integral components of the case study competition. **Training The Street**, the leading financial learning services company, has joined forces with ACG Cup to deliver exclusive webinars to registered students. Topics include

Leveraged Buyouts, Merger Consequences Analysis, and Discounted Cash Flows. These webinars are designed to provide ACG Cup participants with valuable insight as they formulate their investment banking pitches. Webinars will be archived, and invitations will be sent to all registered team members for access through the Merrill DataSite.

- ◆ Please note that the case study presents a tremendous amount of financial data and facts. It is important, in this case and in the real world, for students to also consider the human factor side of the deal, e.g., cultural implications, as well as strategic issues.

Outside Consultants

It is not uncommon for M&A advisors to seek advice from specialists, consultants, attorneys, accountants, and/or lenders. Therefore:

- ◆ Participating teams are permitted to seek advice from professors and/or other qualified faculty members.
- ◆ Participating teams are permitted to seek advice from professionals and executives from the local business community.

Note: This networking opportunity is a primary benefit of the ACG Tampa Bay Cup competition. This interaction may present the participating students with an opportunity to forge a relationship with a potential employer, colleague, referral source, client, vendor, and/or mentor.

- ◆ ACG Tampa Bay Cup expects the participating teams to produce their own work. Faculty advisors and mentors should only be providing recommendations, advice, guidance, etc. Only the eligible participating students are permitted to have a speaking role in the presentations.

Note: Each team must exercise ethical discretion when receiving and following advice!

Presentations

- ◆ Each team will be given 20 minutes to present its recommendations to the judges (board of directors). There will NOT be a separate time allotted for question and answers – Q&A will take place during the presentation
- ◆ The teams are encouraged to have every member of their team participate in the verbal delivery of their presentation.

Note: In the real world, not every member of the firm gets to be involved in making the sales pitch. This role is often reserved for those who are strong analytically, can think quickly on their feet, AND are polished presenters. Despite this, the opportunity for students to test and improve their public speaking skills is one of the benefits of this competition. Each team must exercise their discretion when determining who will be presenting. We recommend that each team member participate in the presentation and be prepared to help answer any questions from the judges.

- ◆ The format of the presentation (e.g., PowerPoint, handouts, verbal presentation, all of the above, etc.) is completely up to each participating team's discretion. The format and media composition should be organized and delivered in the format that the team believes will be the most effective in persuading the judges. A laptop and screen will be available at the presentation site and teams are required to bring their presentations on a flash drive.

Note: Due to the compressed presentation timeframe, we recommend that the information be delivered in a succinct and well-organized manner. The combination of comprehensive paper handouts, a PowerPoint presentation, and a verbal presentation are the norm.



- ◆ On the presentation dates, professional attire is required (e.g., business suits, ties, etc.). Again, the participating teams will be acting as if they are making a sales pitch to a Board of Directors.
- ◆ ROUND ONE - Teams that have already made their presentations are not allowed to attend the presentations of other teams.
- ◆ ROUND TWO - All participants from ROUND ONE that are not participating in ROUND TWO are encouraged to view the final presentations and attend the monthly meeting following the finals.

Judges

Judges will be selected on the following criteria:

- (1) They must have no familial nor business connection with any team or team member
- (2) They must have an impeccable and well-established reputation for fairness and impartiality
- (3) They must base their assessments solely on the merits of each presentation and not on any outside knowledge they may have about the case or its business environment.

The selection of judges will be somewhat dependent on which round of competition the judges will be participating in. Ideally, judges will have experience in the M&A process from the business community or from academia. They should be able to assess and compare the presentations based on an objective evaluation of:

- (1) Quality of the financial analysis and valuations (Are the results within acceptable ranges?)
- (2) Soundness of strategy (Are the recommendations logical and compelling?)
- (3) Consideration of human resource and cultural factors (Did the team address the qualitative aspects of the business case?)
- (4) Quality and effectiveness of the presentation. (Did the team effectively use its presentation materials to deliver its recommendation concisely and clearly?)

It will take a dedicated commitment to be a judge, but the time required to perform the judge responsibilities should not be extensive for any one individual as there are multiple judges in each round and new judge panels for each round of the competition. No judge will evaluate the same team twice. There will be an extensive judge's guidance packet provided. Judges will assign a numerical value to the pre-established criteria as the primary basis for their decision.

ACG will provide a minimum of three judges for the **ROUND ONE**. In the **FINAL ROUND**, new judges will be provided by ACG. All decisions rendered by the judging panels are final. There will not be an opportunity to appeal the decisions.

General Rules and Sportsmanship Expectations

- ◆ All participating students, as well as engaged professors, university faculty members, mentors and supporting outside business professionals, are expected to:
 - Display proper business conduct and courtesy throughout the competition
 - Act with good sportsmanship and respect for others in both victory and defeat
 - Agree to abide by community values of respect for others, honesty, and integrity
 - Be polite and patient with teammates, other contestants, the members of the ACG Tampa Bay Cup Committee, and each judging panel
 - Be accountable for their personal behavior.
- ◆ Although the case study presents a fictitious scenario, the participating students' interaction with the academic and business communities is very real. ACG discourages students from engaging in any activities that may damage their professional reputation in either community and/or endanger their employment status.
- ◆ Teams are restricted from sharing information with any other teams within their university or any teams at other participating universities.
- ◆ Obtaining and/or viewing any of the case study materials prior to the official distribution date for the competitions will result in the immediate disqualification of your entire team.
- ◆ Multiple students will participate in the ACG Tampa Bay Cup competition. Therefore, this naturally raises issues related to ownership of the work product and attribution of efforts. We recommend that participating students be sensitive to the issues raised by such case study competitions.
- ◆ Immediate disqualification may result if it is confirmed that a team has stolen information or plagiarized materials from another team.
- ◆ All participating students must follow all rules and regulations specified by their respective university's own Code of Ethics, Code of Conduct, etc.
- ◆ The decision to disqualify a team or university shall be at the sole discretion of the ACG Tampa Bay Cup Committee. There will not be an opportunity to appeal the decision.
- ◆ For complaints, questions, concerns, and/or to report possible rules violations, contact your ACG Cup liaison. Any of the above referenced rules may be revised at any time in the interest of fairness for all participating students. Revisions will be communicated to participants as quickly and fairly as possible.



ACG Tampa Bay Contacts

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Testimonials

"USF Muma College of Business students have benefited tremendously over the years through our relationship with ACG Tampa Bay. Our interactions with ACG Tampa Bay and participation in the Cup have provided outstanding learning and networking opportunities for our students. We are very grateful!"

"I was really grateful to be a part of the ACG Cup Competition because I gained valuable experience with presentation and pitching as well as working with other students with the goal of proposing a solution to a panel of judges. It is a valuable opportunity for the students in the business realm."

"Great way to really test what you learn in class and opportunity to build"

"I believe that its necessary to be placed in positions where you are stressed to perform as this will provide the greatest degree of learning. The ACG Cup offers a great platform to exercise this performance with immediate feedback from experienced professionals."

"The ACG cup was not only a great learning experience but was also immense fun to participate in and provided great networking opportunities."