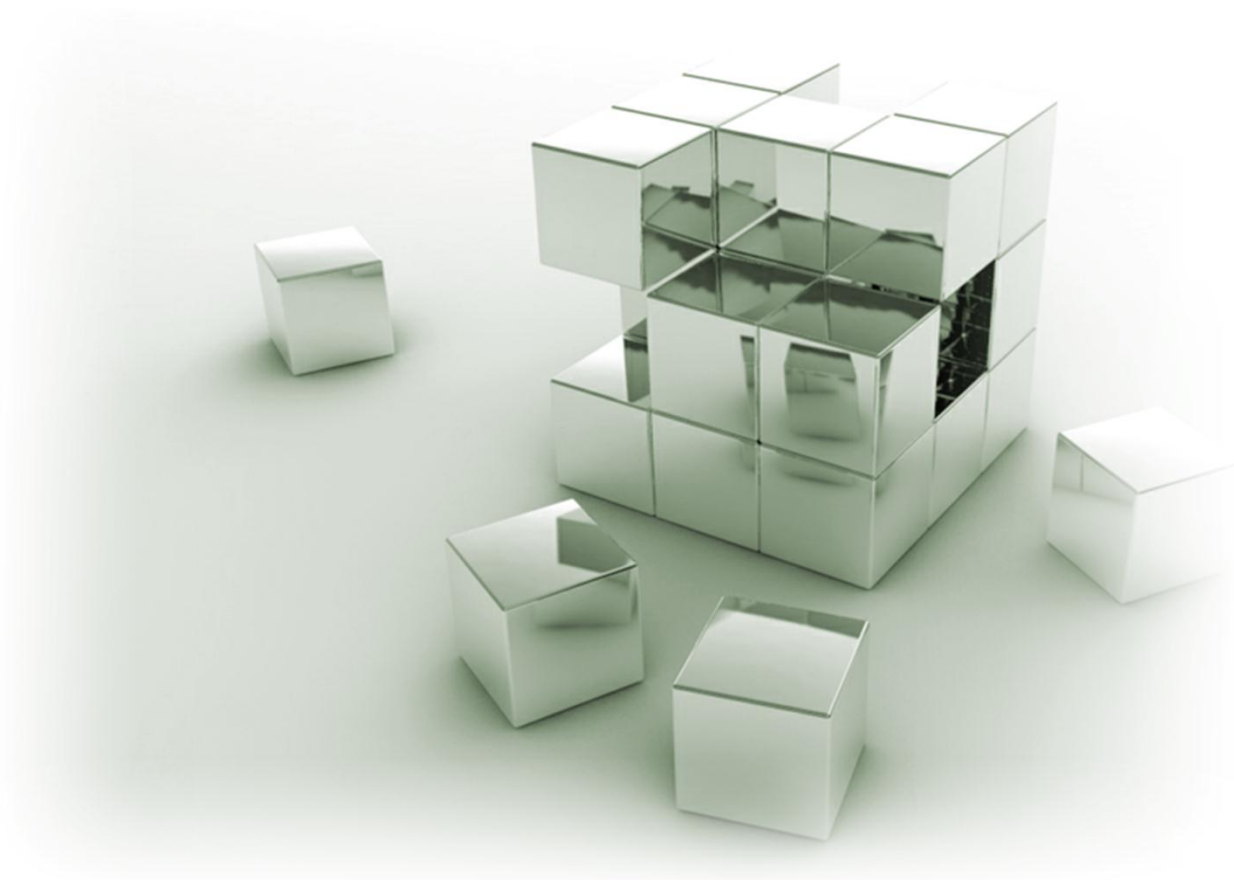




Providing financial training to Wall Street®
www.wallst-training.com

Wall St. Training Valuation Case Competition

2012 Competition Guide



Fall 2012

Welcome

On the heels of our extremely successful inaugural case competition it is my pleasure to welcome you to the 2nd Annual Wall St. Training Valuation Case Competition! We're delighted to have such a diverse and talented group of participants this year. In the dynamic world of global finance, industry leaders must be proactive in order to stay ahead of consumer demands and pressure from competitors. Our Competition is designed to enrich and challenge your creativity and problem-solving skills to help you prepare for a career in today's rapidly changing business environment. I encourage you to take full advantage of this opportunity: to dive in, to connect and to learn. Best of luck: we look forward to your recommendations!

Hamilton Lin

Hamilton Lin, CFA
Wall St. Training
President & CEO

Wall St. Training

Wall St. Training provides professional financial training solutions to Wall Street through hands-on classroom training and customized corporate training programs for financial analysts. All of our courses take a hands-on, interactive, practical, and non-theoretical approach. At WST, we're helping financial services firms, government agencies, and colleges & universities keep pace with emerging market trends and the increasingly diverse needs of the consumer.

Our mission is to provide clients the most comprehensive understanding of financial modeling and valuation techniques. After over a decade we're more focused and skilled than ever at providing a complete set of skills for financial analysts across a variety of industries.

Our university program has helped many students prepare for the rigors of the workplace by providing them with real-world experience before they enter their jobs. Last year we trained over 10,000 students across the globe in a wide variety of topics ranging from basic to highly specialized levels.



Competition Guide

The Wall St. Training Valuation Case Competition is broken down into three rounds. Each builds on the previous round's analysis and will test the participant's knowledge of financial concepts, technical skills, and presentation ability. Teams of four students from across the country will compete in a written round against other schools from their region. Winning teams are selected from each region to compete in a virtual round, and the four top-performing teams are chosen to compete to New York City for a final live round of competition. The Competition is judged by active industry professionals and Wall St. Training instructors, with nearly \$5,000 in cash and prizes available to top teams!

This guide includes materials to help student teams prepare for the Competition. The guide covers everything from how to delegate work for Competition deliverables to what to expect in each round of competition. This guide will also ensure that all teams know about the opportunities afforded them because of their participation. The Competition offers participants not only great experience, but also the chance to network with active industry professionals. Enjoy the experience!

Final Round Competition judges will represent a variety of backgrounds in financial services. Previous judges include individuals from investment banking, private equity, and buy & sell side equity research. Judges for this year's competition will be announced closer to the date of the final round.

Sponsors & Partners

**Gerson
Lehrman
Group, Inc.**TM

COMMERZBANK 

CIT[®]


EDGR

[®]


OPPENHEIMER

Competition Rules

- Teams may consist of four students.
- Teams must be made up of registered university students in good academic standing who are free of any academic integrity or honor code violations.
- All work submitted must be the work of solely the participating team members.
- Students may not receive help during the Competition from any source, including professors and other university faculty.
- All work submitted must conform to specified formats (see below).
- To be considered for the first round of competition, all deliverables must be submitted no later than 11:59PM EST on 9/28/12 via the Competition website: www.wstcompetition.com
- Teams selected to participate in rounds two and three of the competition must register for presentation times, and submit their deliverables three days prior to their presentation.
- Any questions regarding the case and/or competition logistics should be sent to info@wstcompetition.com. Every attempt will be made to provide an answer within 24 hours. Questions and answers will also be posted on the Competition website: www.wstcompetition.com

Prizes



Each participating student will receive complimentary access to selected WST Online Self-Study courses valued at \$350 and are eligible to receive a one-time 40% off retail discount on any WST Online Self-Study course.



In addition to receiving Round One prizes, each team that advances to **Round Two** will receive a certificate for a 1-hour career development session with a Senior WST Career Coach.



In addition to receiving Round Two prizes, each team that advances to **Round Three** will receive a free trip to **New York City*** to participate in the final round of competition, **complimentary access to WST Online Self-Study course material** valued at \$750 and various Wall St. Training swag.



The **winning team** members will receive a grand prize of \$5,000 per team!

*Wall St. Training will cover travel costs for domestic travel for all students outside the tri-state area up to US \$500.

Fall 2012 Competition Schedule

September 28	Team registration deadline
September 30	Round One case released at 9:00AM EST via www.wstcompetition.com
October 9	Round One materials must be submitted by 11:59PM EST to website
October 11	Teams qualifying for Round Two of Competition are notified
October 19	Round Two materials must be submitted by 11:59PM EST to website
October 22-23	Teams present to panel of WST judges via Webinar (selected teams will receive a tutorial regarding how to use the Webinar software)
October 25	Teams qualifying for Round Three are notified no later than 5:00PM EST
October 26	Travel information for teams distributed (be sure to confirm your travel arrangements with Wall St. Training)
November 5	Round Three materials due by 11:59PM EST to website for initial review
November 8	Round Three materials feedback
November 15	Final Round Three materials due by 11:59PM EST to website
November 17	Teams travel to New York for final presentations and industry conference

Competition Structure

Registered teams will have ten days to review the material and develop their recommendations. Round One is focused on fundamental valuation and financial modeling. WST will select various industries and release financial data for clarification; student teams will be responsible for picking companies to use in their analyses. Rounds two and three build upon the analysis done in Round One and culminate in the proposal of a strategic alternative for their company. Please note that the data provided is intended to be a starting point and that the use of outside data is highly encouraged; it is unlikely that you will be able to put together a compelling analysis without the use of additional data.

Round One

For Round One of the Competition, teams are responsible for submitting a 5 to 15 page (single-spaced, 11 pt. font) research paper that details the findings of their valuation. Teams should attach supporting exhibits including Excel (or similar spreadsheet software) material used in their analysis. Teams have a good deal of flexibility in the analysis that they provide—but the most successful teams will show a strong understanding of both quantitative and qualitative factors influencing the valuation of their company. As part of our commitment to education, WST instructors and industry professionals will provide feedback based on the strengths and weaknesses of teams' submissions. Teams that are chosen to continue should be sure to take into account these recommendations as they complete subsequent competition rounds.

Round Two

Round Two is conducted over Webinar software, where selected teams will present their findings to a panel of WST judges. Presentations will last 20 to 30 minutes for the presentation with 10 minutes for questions from the judges. Here teams dive deeper into their companies, focusing on industry growth drivers including channel checks and a deeper analysis of both internal and external factors that affect their company's valuation. In light of time constraints, judges WILL take into account information included in any additional material submitted that is not directly included in a team's presentation.

Round Three

Round Three takes place in New York City and competition participants are expected to take their Round One & Two analysis to the next level. Having thoroughly examined their company, teams will be expected to present their findings as well as identify strategic alternatives for their company. Last year's selected strategic alternative was mergers & acquisitions, and this year teams will evaluate a company in distress. Teams will work to identify the reasons for their company's financial distress, pinpoint the fulcrum security if applicable, and then develop recommendations for how the company might restructure and improve their financial and operating position. Students will be allotted 20 minutes for their presentation, followed by a 10 minute Q&A period. Just as in Round Two, judges will consider any additional material provided that is not included in the presentation. Prior to the presentation, teams may submit their presentations and materials for review by judges for feedback they can use in their presentation. **In addition, each team selected for this round will receive access to a distressed financial modeling course via WST Online Self-Study.**

Gerson Lehrman Group

We are pleased to announce the participation of this year's exclusive platinum-level sponsor, Gerson Lehrman Group (GLG). GLG provides access to primary research for a wide range of companies: financial and investment institutions, life science companies, the Fortune 1000 and entrepreneurs around the globe. GLG's extensive and rigorous compliance framework enables clients' best practices while connecting them to the most relevant insights.

The competing teams in the Final Round of the 2012 WST Valuation Case Competition will be allowed consultations with GLG Council Members. The Final Round analysis includes identifying potential restructuring and turnaround scenarios for the company being analyzed. Based on student teams' analysis, recommendations will be made as to next steps for their distressed company. GLG's network of experts will be an integral part of the fact-finding and due diligence process and will be invaluable to the Final Round participants as they hone & refine their analysis and strategy for presentation to the Case Competition judges.

Judging Criteria

Judging for the Competition will be based on the following four categories:

Analysis

- The strength of both qualitative and quantitative analysis that support the teams' conclusions
- The strength of industry- and company-specific analysis of factors that will influence the valuation
- Attention to detail and organization
- The strength of supporting materials including exhibits, graphs and financial models

Recommendations

- Evaluation of feasible solutions and alternatives based on their analysis
- Recommendations will be evaluated based on their practicality and realism
- Teams must have a strategic orientation and focus when justifying recommendations

Presentation

- Delivery: Team presentations should be delivered clearly and display a professional style
- Clear and comprehensive defense of their positions
- Teamwork: Teams should display smoothness and balance of work (all team members participated)

Questions & Answers

- Presentation, style, and communication skills
- Ability to defend positions and recommendations
- Creativity
- Professionalism
- Display appropriate use of time
- Function well as a team

Approaching the Competition

So, just how do you go about putting together a winning Competition package? There is no prescribed method for dividing the work or preparing the case analysis. One approach is detailed below - but teams are encouraged to work through the case using a method that best fits the members' strengths and weaknesses. Each team member should have a role on the team. It is the captain's responsibility to guide the team in defining and assigning roles. While each member may have primary responsibility for a single role, it is highly encouraged that all members work together to arrive at the best possible conclusion.

Round One

This table should help students to organize their papers for Round One of the competition. While this structure is not mandatory, and indeed we greatly value creativity, successful teams will include all of these components in their analysis.

Qualitative Components	
Component	Recommended Length
Executive Summary	1 Page
Description of the Company	1-2 Pages
Industry Description	1-2 Pages
Drivers of Growth	1-2 Pages
Competitor Overview	2-3 Pages
Quantitative Components	
Component	Recommended Length
Valuation Methodologies	1-2 Pages
Core Model	Exhibits
Financial Ratio Analysis	Exhibits
Segment Buildup	Exhibits
Supporting Schedules	Exhibits
Reference Range & Football Field	Exhibits

Round Two

Round Two teams should provide further analysis about what drives the growth of their company.

Include exhibits such as channel checks and expand on the components prepared in Round One. Keep in mind that there should be a balance and flow between the team and that each member should avoid fumbling through slides. Sloppy or awkward transitions are distracting and show a lack of professionalism: judges will deduct points from the team's final score for an unprofessional appearance.

Round Three

There are a number of new components that teams can include for Round Three. See table for an example.

Qualitative Components	
Component	Recommended Length
Catalyst for Financial Distress	3-5 Slides
Evaluate decision to restructure and implications on valuation	3-5 Slides
Discussion of various financial stakeholders	3-5 Slides
Consideration of various restructuring & turnaround scenarios	3-5 Slides
Quantitative Components	
Component	Recommended Length
Identify the fulcrum security if applicable	Exhibits
Evaluate old vs. new capital structure	Exhibits
Determine recovery for capital structure classes with sensitivity analysis	Exhibits
Analysis of cash flows in various restructuring & turnaround scenarios	Exhibits