

Hounds of Zeus versus the Research Challenge

By Dave Alluisi

"Beware: / The sharp-beaked hounds of Zeus that do not bark, / The Gryphons..."—Aeschylus, "Prometheus Bound"

The CFA Institute Research Challenge has crowned a new global champion: Canisius College of Buffalo, New York. The ninth annual competition, which ended on 17 April in Atlanta, Georgia, culminated a series of local competitions that saw over 4,000 students from more than 865 universities in 70 countries participate. The winning team, handpicked from among Canisius's student-helmed Golden Griffin Fund by two professors from the college's department of economics and finance, consisted of Carl Larsson, Stephen Miller, Kevin Monheim, Ryan Zimmer, and team captain Matt Coad.

Teams are sponsored by local CFA Institute member societies or groups formed from among thousands of experienced volunteers. The team benefited directly from the mentorship of one such society member, Steven A. Gattuso, president of CFA Society Buffalo. "He was extremely essential," says Monheim. "Without his guidance and questions, we would have not finished with the report we did."

The team was also quick to note the contribution of their faculty adviser, Dr. Richard Wall. "Dr. Wall is five for five in [western New York] regional finals," says Miller. "His comments and advice (more like brutal honesty) are what caused us to, two days before the report was due, scrap everything and start again."

"The success our program has is not confined to us five but rather includes the faculty, administration, professors, and other students who pushed us to succeed," adds Miller.

The CFA Institute Research Challenge promotes best practices in equity research while giving students an opportunity to learn from both industry leaders and peers from other top business schools around the world. Preparation for the competition involves hands-on mentoring and hours of intensive training in financial analysis as each team analyzes a different publicly traded company, drafts a report, and presents to a panel of investment industry experts. Points are awarded on the strength of the investment case, each team's poise, and participants' ability to field questions from the judges. The Canisius College team defended their report on Sovran

Self Storage, Inc., to a panel that included Ashby Watts, CFA (managing director at Mirador Advisors), Rex Macey (head of investment risk at Wilmington Trust Investment Advisors), Gautam Dhingra, CFA (founder, portfolio manager, and CEO at High Pointe Capital Management), Syarif Galeb, CFA (US utilities and midstream energy equity research associate at Bloomberg Intelligence).

The reports that are presented to the panel are researched over several hundred hours in addition to the students' other commitments. Based on these reports, select teams

are invited to present and defend their "buy," "sell," or "hold" recommendations to the panel.

Local competitions ran from July 2014 to March 2015, advancing winners to one of three regionals hosted by CFA Institute: Asia Pacific, held in Manila, Philippines, on 12 March; EMEA, held in Amsterdam, Netherlands, on 2 April; and the Americas, held in Atlanta on 16 April. The final com-

petition included teams from Ateneo de Manila University (representing CFA Society Philippines), Kyiv National Economic University (representing CFA Society Ukraine), University of Florida (representing CFA member societies in Florida), and Canisius College (representing CFA Society Buffalo and CFA Society Rochester).

Preparation of the report was mostly completed during Canisius's winter break, which provided certain challenges for the team. "We wrote the majority of the report while multiple members of the team were either in Boston or Sweden and the rest of us were home in Buffalo," says Coad.

Despite having to adapt to these challenges, however, both Coad and Monheim discovered "a passion for equity research." According to them, the competition helped them discover their future careers.

For more information on how to participate in future competitions, please email researchchallenge@cfainstitute.org or visit www.cfainstitute.org/researchchallenge for rules, eligibility requirements, and competition dates. Additional information, including the latest updates and photos from past competitions, can be found on Facebook at www.facebook.com/globalirc.

Dave Alluisi is associate editor of *CFA Institute Magazine*.



Canisius College's team celebrates their win at the ninth annual CFA Institute Research Challenge held in Atlanta, Georgia, US: (from left) Matt Coad, Ryan Zimmer, Stephen Miller, Carl Larsson, and Kevin Monheim.