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NEWS

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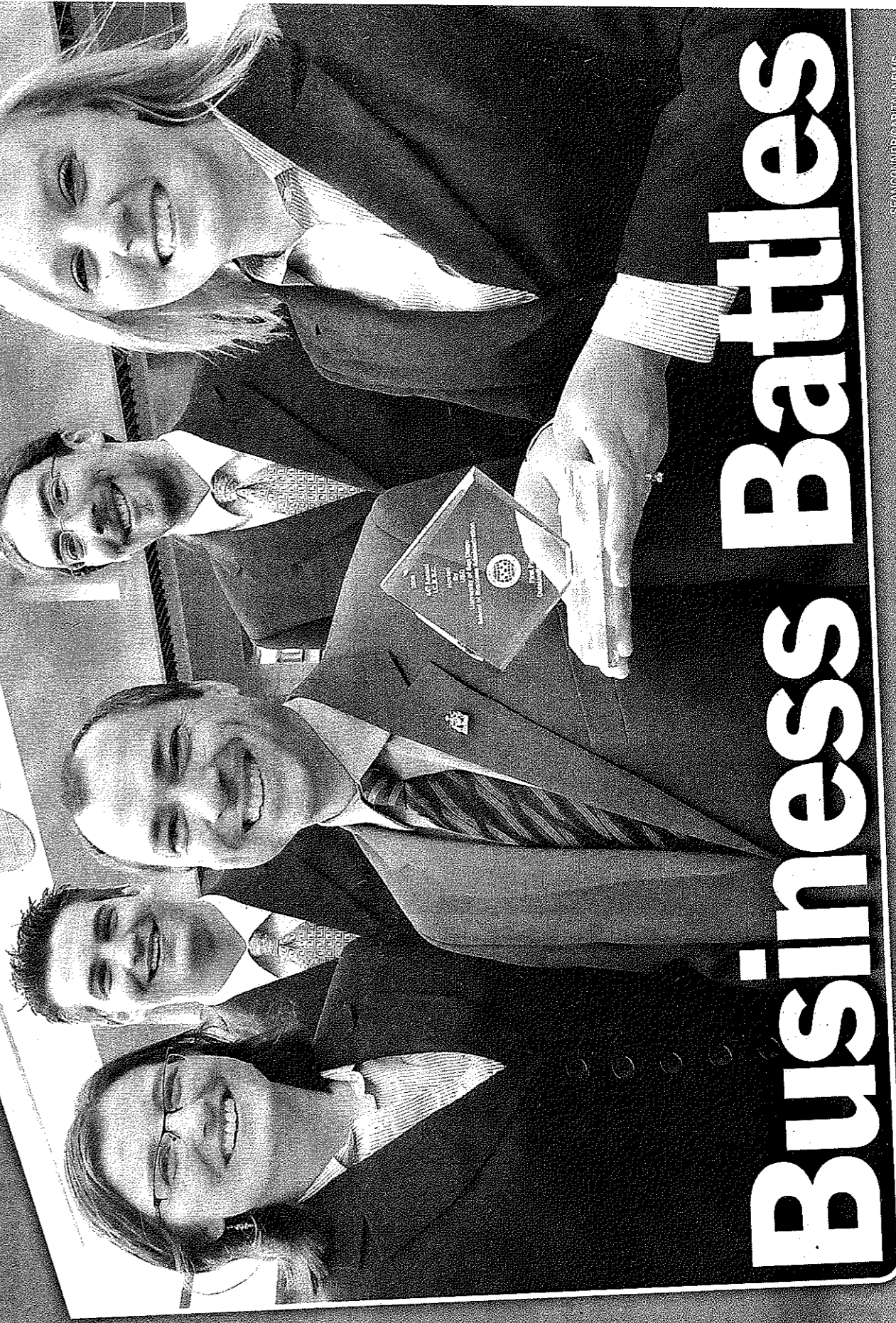
Gelina's new gig down south
Westside Warriors GM and president picked to do same job in New Mexico. **B1**

When it comes to training business students in the Okanagan Valley, Okanagan College is king of the hill.

But after years of success competing in simulated business competitions they've developed something of a reputation in Southern California as well.

After a sweeping win in the International Collegiate Business Strategy Competition last year, *Capital News* reporter Jennifer Smith decided this year it was time to go along and see if the OC students could defend their title.
See story on A3.

okanagan college

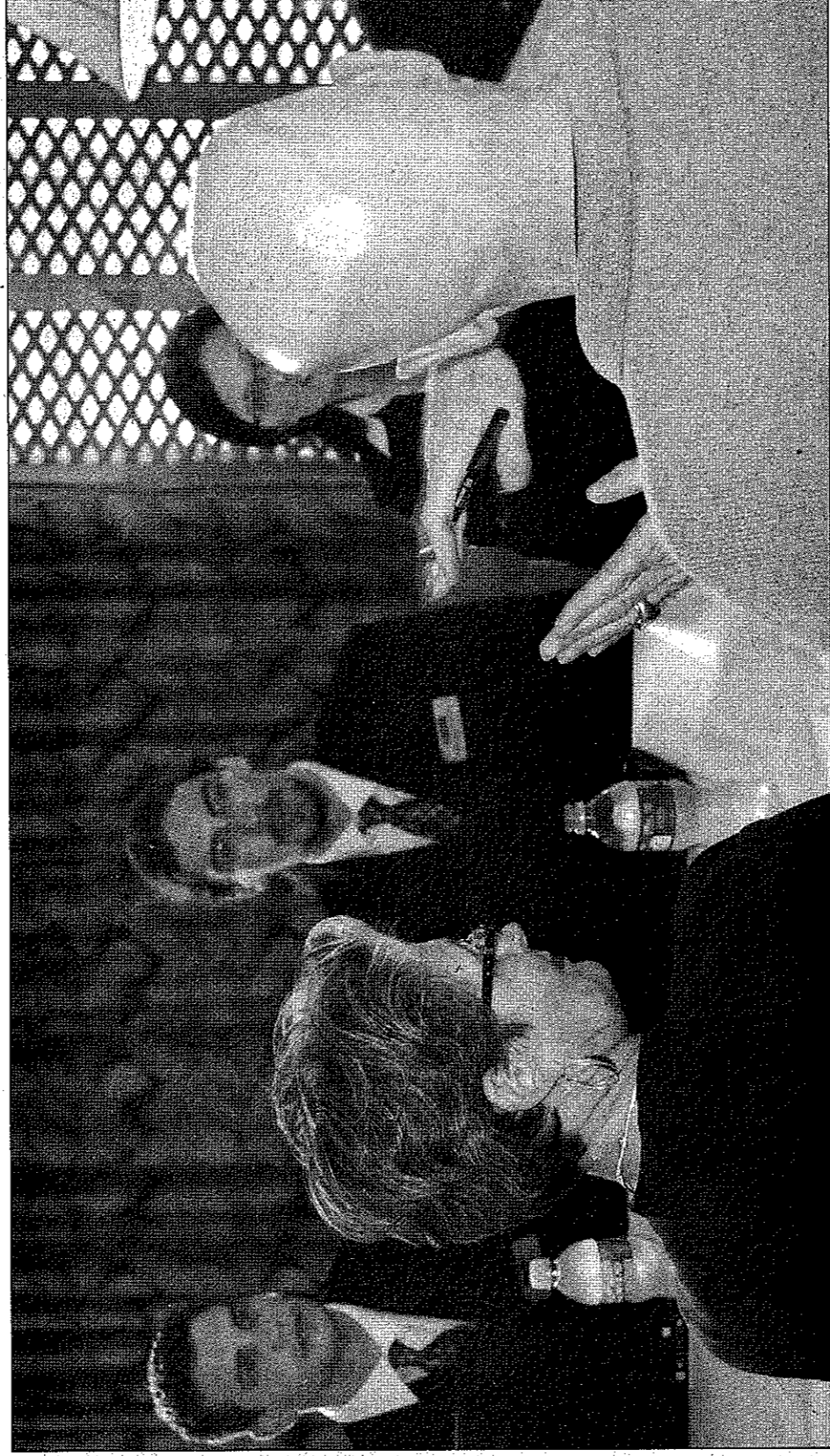


Business Battles

OKANAGAN COLLEGE students Daniel Roberts (top left), Trevor McAleese (top right), Janta Chugley (front left) and Sarah Dunfie (front right) show off the award they won in the longest running business competition in the world, under the guidance of instructor Norm Letnick (front and centre).

SEAN CONNOR/CAPITAL NEWS

close-up



JENNIFER SMITH/CAPITAL NEWS

SIMULATED BUSINESS competition judge Bob Baime (right foreground) and Pamela Stambaugh break down the ins and outs of the business world for a top team of students from Okanagan College.

By JENNIFER SMITH
STAFF REPORTER

The rocks are the size of Kansas, set for a finger from Kentucky.

But ask Bob Baime about the horse-shoe of diamonds sitting on his left hand and you'll find, in his case, it really is the thought that counts.

Willed to him by a late uncle, the ring testifies to the ultimate success—a sense of character you would call a dependable.

On his deathbed the uncle told him: “Bob, at the funeral, as far as that ring goes... You take it to a jeweller and shine it up real bright. I want all those other nephews and nieces who never came to see me like you did to know who got it,” Baime recalls.

It's the kind of detail you only get by asking him head on where he got it.

This is a “never complain, never explain” kind of guy who takes his cues not from what you say, but how confident you look when you deliver your pitch.

“I like to look into their eyes,” he says, describing his strategy for grilling students in the International Collegiate Business Strategy Competition.

For 363 days of the year, Baime is a consultant, hired by Fortune 500 companies to

A computer-simulated business competition that draws some of the brightest university and college minds from across North America was held last month in San Diego, and Okanagan College was not only a participant again this year, but the defending contest champion.

train executives. But on this one weekend each year, he makes time to act as a competition judge for up and comers. He has the kind of skill set any astute student would love to mine for tricks of the trade.

It's an opportunity most won't get. “I travel a lot. That's my problem,” he says as his working partner for the day, Pamela Stambaugh, explains how she wants to help promote the competition on a larger scale.

Busy or not, this is his seventh year as a judge and he's very committed to the cause.

“I competed on a team in 1995 and... this is the one thing that I really do, that I can give back,” he says.

Baime is one of two-dozen executives who pack up their bags every year and pay their own way to San Diego to act as judges for the

competition.

For two days, they put the gears to young students, many of whom are about to enter the business world for the first time.

The competition is tough, the judges, even tougher, and our own Okanagan College business students are known as leaders of the pack.

Simulated business competitions are computerized contests run on algorithms meant to mimic the kind of market variables executives face when they run a real business.

In San Diego, each university or college competing in the “Sim” contributes a \$1,500 entrance fee for the chance to test their skills against the top universities and colleges.

“Anybody who comes to the competition has to be willing to learn or advance them-

selves by failing—falling and getting up again, and falling and getting up again,” says Stambaugh.

This is not exactly how Trevor McAleese, Sarah Duthie, Janta Quigley and Daniel Roberts see it, of course; at least not in the beginning.

Quigley is a 23-year-old business administration student who competed on last year's OC team and annihilated the competition. She plans to attend law school in London this fall.

McAleese and Robert still have a year to go with school, though Robert has already scored a position with the internationally renowned accounting firm KPMG for the summer.

The pair shared the top student honour in the business faculty last year, and this year Robert figures they'll sweep the competition with their brilliant strategy and haunting good looks.

“They say I'm a marketer at heart,” the 21-year-old says. “But they're wrong.”

His claim to fame is numbers.

When asked who spent the most time preparing for the competition, they are quick to slip into public relations mode.

There's a bit of bashful finger pointing followed by admissions from Quigley that she

SEE VARIABLES ON A6

Challenging the variables of business

close-up

▼ BUSINESS COMPETITION

A game of heart and passion

VARIABLES FROM A3

never slept this semester. Their human resources expert, Duthie, who also spent the spring planning her summer wedding for 300 guests, lost plenty of sleep pouring over their uber-polished reports.

"You don't mind working hard when you know people are working just as hard with you," says Robert.

"It's really nice to be up at two o'clock in the morning working, turn on your computer and see Trevor, Janeta and Sarah all still working away. Then you don't mind putting in the hours."

In an exhausted delirium awaiting the judges' final decision they would later discuss the merits of only sleeping in two hour intervals, largely deciding the practice is nuts.

Simulated business competitions have been around for decades with the San Diego meet considered the longest running of these competitions in the world.

Started by Dean Robert Weems, of the University of Nevada Reno, it was originally called the Reno Games and offered as a West Coast alternative to the first computer simulation, a game developed at Emory University in 1964.

Dick Cotter wrote the simulation used in San Diego a couple of years after the competition began; he is considered the competition's founder, according to David Fritzsche, the current operations director.

"If he hadn't done all the work on it, it would never exist," said Nan Fritzsche, David's wife and support crew for the weekend.

Fritzsche was brought on to help with the perpetual program rewrites it takes to keep the competition alive. He now spends the big weekend locked in a hotel room running the simulation, setting out scenarios teams must respond to.

Every year there's a unique twist—companies that want to buy other companies, wild financial swings—but this year the Fritzsches and their partner, Sharma Pillutla, face an extra challenge.

Midway through the

event, the simulation malfunctions and they must switch to an Internet backup, leaving the operations team to work through the night.

They are paid for the work, but not enough to cover expenses. It's more like a charitable contribution, according to Robin McCoy, the administrator charged with running the weekend on behalf of the University of San Diego, which took on the event in 2001.

"It's more that he's giving from his heart. He loves it. His passion for the game is so much that it's not about the money. It's about him wanting to keep the simulation going," says McCoy.

The competition began 44 years ago and has always been computerized; although, in the beginning, it was far more complicated.

Back then, running the simulation literally meant running handwritten decisions from one room to the big computer room, punching up cards for the machine and waiting the hours it took to find out how each business would respond to market change.

In the hotel room where Okanagan College waits for its decisions—generally delivered within a half-hour time frame—there's discussion on how the game existed before Internet.

Life isn't going so well at this point in the game.

"We're fighting for our lives," says Duthie as the conversation lulls. "Remember when we were at 32 per cent (market share)?"

"We were kings," she says. Dull giggles follow the remark.

This year, OC has built a business to manufacture LED lights. The fictional company has all kinds of pro-green, pro-people internal human resources programs, even offering Smart Car purchasing packages to their employees. The company they've crafted is the highbrow version in their sector.

As McAleese explains it, they're the iPods of the LED world—"a premium product for a premium price"—but their strategy was failing even before they hit San Diego.

"If these guys get momentum, we won't be able

to do anything that will dent them," says Robert, staring at a screen full of numbers.

For the first year and a half of simulation, a real-time period lasting from the new year until spring break, their premium strategy worked.

But when the team takes off for San Diego, where the intense phase of competition begins, they know they have a problem.

Their stock has fallen from a 30 per cent share, which kept them in the lead, and they're now fighting for second place.

"Our sales were growing to a point where we weren't able to keep up with them. . . . So, in order to not stock out, to ensure sales would not exceed our inventory, we decided to raise the price to lower demand for our products," explains Quigley.

And so the San Diego weekend is spent chasing competitors' next move and humbly testing out a little of the falling and getting back up that Stambaugh spoke of.

The University of San Diego is coached by McCoy on the side, as she handles logistics for the weekend, and her team has taken the lead.

"The range of my job is from marketing the competition and recruiting new universities to 'Can you find me a stapler?'," she jokes.

McCoy herself is a source of debate on the last night of competition. Obviously well liked by her own team and the many judges whom she finishes into this task each year, rumor has it she's a grandmother—something the OC team cannot fathom.

They ask their own coach, Norm Letnick, how old she is and he takes a stab at it—she's far too pretty to be much over 40 they believe.

A few teams from the past must have found her just as disarming.

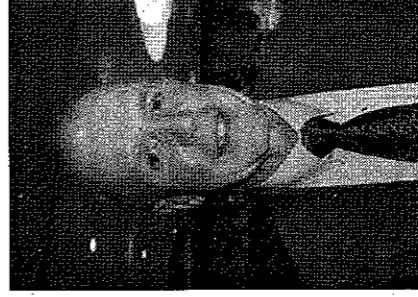
"Before I came, a lot of the previous students on the teams called me to say, I wish you luck," she says with a smile.

"I've gotten everything from K2, which is a snowboard company, to another one who is a lawyer, to another who is working for a venture capital company up in San Francisco."



THE OC team watches as they lose market share midway through competition weekend. They would fight for a win to the very end.

JENNIFER SMITH
/CAPITAL NEWS



David Fritzsche

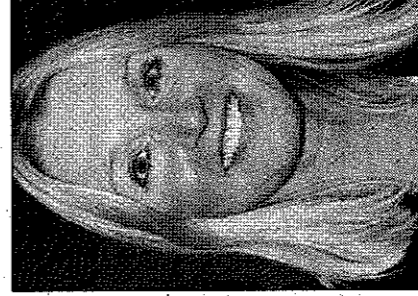
the water rights for the region; one in France working as an executive in cosmetics; and another works for the number one distributor of couscous in Morocco.

"One of the things we did for our team building is every week we would get together and one of us would prepare a home-cooked meal," she recalls.

"So we got a great French meal, Moroccan (with couscous) and I cooked a traditional Thanksgiving turkey and stuffing."

McCoy conducts the interview on the fly in her hotel/logistics room, beside the judges' lounge and stock market.

The simulation has a lit-



Robin McCoy

McCoy was once a competitor in the game and says it was the capstone of her MBA program. "The trophy's great, but it's the bonds that I made with my team members that really matter."

It's been 14 years and she still talks to all five of her former teammates at least three times a year, all of whom went on to enjoy phenomenal careers.

One judge is from that group, Mike Slater, who is now president and CEO of Nik Software, producing digital imaging software and partnered with Nikon cameras.

She has a teammate in Cyprus leading the family business—they own most of

SEE VARIABLES ON A7

close-up

VARIABLES FROM A6

strong academics.

"They've all got to be strong, but they can't all be the leader."

Each year a team member from the previous year joins the new team, so there is some continuity and a knowledge base to work with.

The annual reports they write must be perfect, their presentation skills pristine. Each team member develops their own formulas to evaluate their position within the simulation and a general body of knowledge on what seems to succeed and fail develops.

This year may change how they feel about that.

At the end of the weekend, Duthie will point out how they probably relied too heavily on the success of previous years.

"We needed to be more responsive," says Quigley. "We analyzed the competition to death, but we needed to actually act on that and be more fluid in our positioning, find out more about other parts of their marketing mix and respond to that as well."

The competition ends with a large banquet and presentations. There are five "worlds" comprised of five teams each, effectively dividing the event into five mini-competitions between the 23 universities.

Teams can win for producing the best annual reports and win the simulation in each world—though, this year, OC doesn't pull it off.

In the simulation, OC never does come back from that decision to hike their stock price.

After seeing their results at spring break, they drop their prices, figuring they can recoup market share when their next product line is released—it doesn't happen.

Soon they are drastically behind in one market and fighting for a toehold against their nearest competitor.

With little room to maneuver in the simulation, and facing a takeover, they decided to pitch their own hostile takeover strategy in person to their judges—Stambaugh, Baim and a third judge, Abdel El-Shateb.

It's a last ditch effort and it doesn't work; but, that's really not the point anyway.

At the awards banquet they walk away with the re-



JENNIFER SMITH/CAPITAL NEWS

PAMELA STAMBAUGH debriefs the OC team at a wrap up banquet; the team won top spot for the annual reports they wrote.

ports award for their world and Baim tells them their efforts were on par with the MBA teams he has seen.

Stambaugh admits they searched for every conceivable way to give them the top team award, but couldn't work around their third place simulation score.

The simulation didn't work in their favour, but then the team also didn't really work the cards they were dealt.

"That's the real world," says Baim. "If you look at the fall of 2007, there were a lot of retailers who were very excited because Christmas was coming, only to find out that Mattel was selling a whole bunch of toys that have lead paint on them... It's like you get this press release and then what are you going to do?"

There are real world consequences for the simulation competition as well.

Some coaches are concerned the competition is losing steam. This year there are 23 teams competing where there used to be over 30. Pending cutbacks to post-secondary education in California also have some worried their schools will not be back next year.

ates tells her it's the most important thing she's done in her university career—the girl's team goes on to blow their competition out of the water.

And the judges? The ring on Baim's other hand attests to how committed they are to the cause.

As the story of his rich uncle from Kentucky finishes, Stambaugh points to his right hand and says: "Yes, but it's this one you really want to ask him about."

The words Virginia Polytechnic Institute and State University are inscribed in silver on a massive class ring. It's a year to the week of the Virginia Tech massacre, which killed 32 people, the deadliest school shooting in American history.

"We were here last year when they had the tragedy on the 16th day, my wife and I," he says. "It was awful. So many people we know had children who go to school there. We didn't know who was affected."

The couple live near the school and say it shook the community pretty hard—although they stayed in San Diego so Baim could complete his round as a judge.

"We're very proud of our colleges in this country," he says, twisting the ring around his middle finger.

The diamond from his wife's engagement ring is set in the apex of its shiny black dome.

Baim will be back for the competition next year and says, next time, he intends to ensure a team from his alma mater is with him.

OC didn't sweep the competition this year as they traditionally do, but the experience they gained may serve them all the better, Stambaugh tells them.

She was one of three people to offer Duthie a job at the wrap-up banquet; she is ready and willing to relocate to the United States for the right opportunity, after the wedding.

Through tears for her teammates, who believed right to the end they could still win the overall competition, Duthie declared OC the best public relations crew in the mix.

The way they conducted themselves during the competition shone through, even outside the competition set-

ting, she said.

Quigley is off to law school this fall and spent the week after the competition writing another report, although her greatest stress point is finding financing for the degree to come.

McAleese left the competition not knowing whether he or Robert would return as OC's lead team member in their final year of school.

After graduation, he plans to put his business skills to work opening a video game store similar to the vintage gaming establishment he dragged the team to while in California.

As the others slept in the car, he combed the store's shelves on two hours sleep

and still managed a trip to a hookah bar that night.

Robert says he's a small town kind of guy who has no intention of ever leaving Vernon. As such, he took the opportunity to test out the ocean in San Diego, chatted up a few surfers for a board and tried surfing—in jeans.

A week later to the day, the beaches were closed after a swimmer was killed by a Great White shark.

He remains committed to working in the numbers side of business, though he's coming around to the idea people could be important too, and believes the OC crew were definitely the best looking team in San Diego.

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