

University of San Diego
School of Business Administration

Fall 2008
GSBA 594
Current Topics in Finance

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Course Description:

Bridging the intellectual and theoretical foundations of the academic environment with the real world problems and solutions of the business community, Current Topics in Finance is a unique course experience for students interested in finance. This course presents a series of presentations, panel discussions, case analyses, and work and Q&A sessions led by USD professors in association with leading executives and professionals from the San Diego business community and beyond. These executives may include CEO's, CFO's, Attorneys, Investment Portfolio Managers, Venture Capitalists, and Business Consultants. Course speakers will present their views in an interactive class environment on the most important financial/business issues facing companies in the contemporary national and international business environment. Topics may include The Changing Role of the Financial Executive, Challenges in Cross-Border Finance, The Venture Capitalist's and Entrepreneur's Perspectives on New Venture Funding, Financial Implications of Socially Responsible Leadership, Strategies for Shareholder Value Creation, Special Challenges of Capital Market Communications and Investor Relations, The Impact of Hedge Funds on Financial Management, The Business of Sports, The Private versus Public Ownership Decision, A Portfolio Manager's Perspective on Company Valuation, Legal Implications of Financial Management, Founding the High Tech Company. Topics will be determined based on executive presenter availability, will vary each time the course is offered, and may be subject to change during the semester. Requirements for the course are pre-class readings and a final exam. Prerequisite: GSBA 505.

Course Objectives:

Students who complete this course will be able to relate contemporary current events in the corporate sector and financial markets to financial theory, strategy, and skills learned in GSBA 505 and other finance courses.

This course will enable you to understand

- How Investment Managers Maintaining Market-Beating Rationality Within Today's World Market Turmoil
- The Implementation of a Mergers & Acquisitions Strategy
- How the Business of Baseball differs from other businesses
- The Role of Risk, Greed, and Fear in the current financial crisis
- Derivative Transactions Including Stock Options and Credit Default Swaps
- Running a Successful Hedge Fund
- Corporate Social Responsibility, Shareholder Value and Different Approaches to Entrepreneurship and Capitalism
- The Role of Hedging in Today's Business

Key topics to be covered this semester are

- Corporate Social Responsibility
- Investment Management
- Mergers and Acquisitions
- The Business of Professional Sports
- Behavioral Finance
- Derivative Securities
- Hedge Funds
- Hedging Strategies

Course Materials:

Current reading materials from various sources.

Course Requirements and Student Evaluation:

Students are required to read all assignments before each class and come to the class prepared with insightful questions for speakers. In addition, two exams will be given, a mid-term and final. Exams will be essay-type and questions will be related to the material discussed in class and reading assignments.

Class participation: 20%

Mid-term Exam: 40%

Final Exam: 40%

Statement on Academic Integrity:

As stated in the Graduate Bulletin, the University of San Diego is predicated on the principles of scholastic honesty. Academic dishonesty in any form is taken very seriously. Unless Dr. Zocco indicates that work can or should be done on a group basis,

all course assignments must be done on an individual basis. When group work is allowed, participation in work assignments within the group must be done on an equal basis. Any deviation from this norm should be reported to Dr. Zocco. Any reference materials used in the preparation of an assignment, whether quoted or paraphrased, must be explicitly cited

In taking examinations or quizzes, unless Dr. Zocco gives explicit prior instructions to the contrary, students' academic integrity dictates that students are required to do their work individually and without assistance from any person. Reference to any books or notes or electronic devices is allowed only with explicit permission from Dr. Zocco. Any attempt to give assistance to any other student contrary to the provisions above is in violation of academic integrity.

Other violations of academic integrity include, but are not limited to, claiming as your own work done by another person whether gratis or for hire, tampering with a graded exam, using electronic or wireless means to access information during an exam that otherwise would not be allowed in hard copy. If there are any questions before, during, or after the course, please consult Dr. Zocco immediately. Complete details regarding USD's policy on academic integrity are available in the Graduate Bulletin.

School of Business Administration Mission Statement:

School of Business Administration Mission--"Committed to developing socially responsible leaders and improving global business practice through innovative, personalized education and applied research."

Course Schedule:

Class	Topics	Participants	Objectives	Assignments
Class 1: 9/29/08	Investment Management: Can Investment Management Apply Market-Beating Rationality Within World Market Turmoil?	Panel: Chris Richey, Managing Partner, Neosho Capital; Greg Gleeson, CFO, Nicholas Investment Partners; Steve Tael, Portfolio Manager of Nicholas-Applegate's International & Premium Strategy Fund	To examine how investment industry professionals are implementing market-beating strategies in an environment of world market turmoil.	http://www.investorchronicle.co.uk/InvestmentGuides/FinancialPlanning/article/20080124/6a557aec-c99f-11dc-8b38-00144f2af8e8/What-every-investor-needs-to-know.jsp http://globalgrowthinvestor.com/ http://www.numeraire.com/index2.html Also, please read the article in the course content section of the course WebCT site.
Class 2: 10/6/08	Mergers & Acquisitions:	Richard A. Vaccari, Vice President,	To identify and discuss the critical factors in a	http://www.investopedia.com/university/mergers/ (Read all seven online chapters.)

		Mergers & Acquisitions Sempra Energy	successful merger and acquisition growth strategy	
Class 3: 10/13/08	The Business of Baseball	Panel (all from San Diego Padres organization: Fred Gerson, CFO; Paul DePodesta, Special Assistant to the President and former General Manager of the Los Angeles Dodgers; Jeff Overton, COO.	To understand the similarities and differences in running a Major League Baseball organization versus other types of businesses.	http://www.bizofbaseball.com/ http://www.forbes.com/2008/04/16/baseball-team-values-biz-sports-baseball08-cx_mo_kb_0416baseballintro.html http://www.forbes.com/2008/04/16/baseball-team-values-biz-sports-baseball08-cx_mo_kb_0416baseballintro.html (click on the “click to play” link and wait for the podcast to play. http://www.usnews.com/usnews/biztech/articles/040510/10eeagent.htm http://japanfocus.org/ William W Kelly- Is Baseball a Global Sport America's National Pastime as Global Field and International Sport
Class 4: 10/20/08	Risk, Greed and Fear: Leveraged Buy-Outs, the Tribune Buy-Out, Bear Stearns, Sub-Prime	Panel: Panel: Matt Paul, former CFO, McDonald's; Gary Fayard, Executive VP/CFO, Coca Cola Company	Understanding what factors and behaviors brought us to the position we now occupy	Preliminary Proxy on Tribune Buy-Out Washington Post article on Tribune tax planning Fortune article on Zell's/Tribune's proposed sale of Chicago Cubs Vanity Fair article on the last days at Bear Stearns
Class 5: 10/27/08	Derivative Transactions Including Stock Options and Credit Default Swaps	Panel: Matt Paul, former CFO, McDonald's; Mark Snell, CFO Sempra Energy	Understanding how derivatives are priced, used and sometimes mis-used in today's markets	Chapter(s) from Finance text on pricing and understanding various derivative contracts (Credit Default Swaps, currency forwards and options, interest rate swaps, stock options, etc) Thompson materials on CDS
Class 6: 11/3/08	Running a Successful Hedge Fund – Tales from	Bill Ackman, Founder of Pershing Square	Discuss Pershing's investment philosophy and	Kellogg materials on Pershing's investments in the restaurant industry

	the Front Lines	Capital	strategies	
Class 7: 11/10/08	Corporate Social Responsibility, Shareholder Value and Different Approaches to Entrepreneurship and Capitalism	Mats Lederhausen – Chairman of “be-cause” and former Managing Director of McDonald’s Ventures	Explore how non-traditional approaches to business and finance can add value	Reading materials will be provided in class.
Class 8: 11/17/08	The Role of Hedging in Today’s Business	Mike Irgang – Director of Capital Markets Group and Hedging Strategies at McDonald’s Corporation	How derivatives are used to reduce business risk – a practical application	Reading materials will be provided in class.
Class 9: 11/25/08	Course Conclusion: Class Discussion			