

CBB's BLUE CHIPS

How to play – with examples

Upon Signing up:

At the time of signing up, each user will be given \$100,000 to spend freely. Sixty four teams will be available to invest in, ranging from four 1 seeds to four 16 seeds.

Their IPO or “Initial public offering” will be determined by a subjective evaluation by Braden Borman. A given fact is the teams with a better seeding, record and projection will cost more per share to own.

Making Money:

To increase your net worth, you must own shares of teams before they do well. Once a game has been played, the two teams will undergo a change in value. The winner will **typically** rise – loser will **typically** fall. *Specific details on how the values are derived can be found at the bottom.

--Let's say you have 10 share of Duke you purchased for \$4,000 a share at the beginning of the game. Duke, plays and wins against Purdue causing Dukes values to rise to \$4,900. If you go to the market and sell all your shares of Duke, you will in return be given \$49,000 after initially investing \$40,000. This is assuming the Vegas point spread was a toss-up.

Buying Teams:

To purchase shares, please visit the market page. This page shows all the teams to potentially invest in. Key details are available to see here that include, shares outstanding, seeding, and price per share. Shares outstanding is a count of all the shares owned throughout the Blue-chip community. Seeding relates to the actual tournament and how they were seeded. Price per share is the cost to purchase one share.

--Tom purchases 5 seeds of Duke and 15 seeds of Michigan. Sarah on the other hand goes all in on Missouri, and buys 25 shares. Mark buys 2 seeds of Duke, Michigan, and Missouri. If these are the only people playing and share bought, Duke would have 7 shares outstanding, Michigan 17, and Missouri would be 27.

Viewing the Portfolio:

The portfolio is more or less the home page and the summary for your gameplay. Here, you can view your net worth, see how you stand in the leader board, view the number of transactions made, as well as see a summarized list of the teams you have ownership in.

Selling Teams:

To sell, you can either click the “Trade” button next to the team you want to sell in the portfolio or visit the market and click on a team that way. In order to sell, you MUST have the shares. There will be no selling short in this version of the game. At the time of selling, they will be sold per share at the current market value and you will be awarded the cash immediately. There is no transaction fee.

Late to the Party Fee:

In this game, there are no transaction fees applied for a regular action of Buying and Selling. However, there is a new fee added to the game called a “Late to the party fee” that may be applied. The will be applied when the threshold of 50 shares outstanding is applied. The cost is the price of one share. This was added as a deterrent for everyone buying the same teams. However, it is still possible to buy teams with 50 shares outstanding.

--Tom sees there are 56 shares of Kentucky owned but still wants to buy 5 himself. The price per share is \$3,200. He selects the 5 to buy and checks the balance due. Instead of seeing \$16,000 for 5, he sees \$19,200 for 5 with the note “Late fee applied”.

When to purchase:

Teams will only be locked during the time of play! Let me say that again, Teams will only be locked during the time of play! The typical game will last around two hours, but for that time, both teams in play will be locked in the market. No trading is allowed, buying or selling. If you want to own a team, BUY THEM AHEAD OF TIME. Once the game has been played, selling is open again.

--Tom buys 15 Shares of Duke and Sue buys 15 Shares of Tennessee at 1:20pm ahead of the 3:00pm Duke Vs Tennessee game. The game is at half and Tennessee is winning by a wide margin. Tom starts to panic and wants to sell his shares, but finds out he is unable to perform that action. He is stuck with the outcome. However, Sue after the game is over, immediately sells her 15 shares for a profit and reinvests them in a Baylor game that tips off at 6:30. THIS ACTION IS ALLOWED AND ENCOURAGED.

Up to you:

The great thing about this game, is everything is up to you. You can be as aggressive or cautious as you want. If you feeling going all in on one team is the best path, take it. If you want to spend half of your balance, and keep the rest as a safety net, do it. If you want to buy all teams that are long shots – they payoff would be huge if it hit! It’s your way to play!

How the price changes:

The process for a new price determination relates to Vegas point spread and the winning margin. After a game, I look at the winner first. I see that the live result was Team 1 winning by 8 points. I then look to see what the Vegas spread was. Then I subtract the winning margin by the official point spread. Multiple it by 110 and then add it to the current price.

Duke Vs Middle Tennessee

Vegas: Duke winning by 5 points.

Result: Duke won by 12

Pre-game duke value: \$4,000

NEW VALUE = old value + $((12 - 5) * 110)$

Duke = \$4,770 $(\$4,000 + \$770)$

Duke Vs Middle Tennessee

Vegas: Duke winning by 5 points.

Result: Duke won by 12

Pre-game Middle Tennessee value: \$800

NEW VALUE = old value - $((12 - 5) * 110)$

Middle Tennessee = \$30 $(\$800 - \$770)$