

# 2018



## YEAR *in* REVIEW

**Bowden Investment Group**

Annual Report

# Appalachian State University

Walker College of Business

416 Howard Street, Peacock Hall

Boone, NC 28607

**Delbert Goff, Ph. D.**

Department of Finance, Banking and Insurance Chair

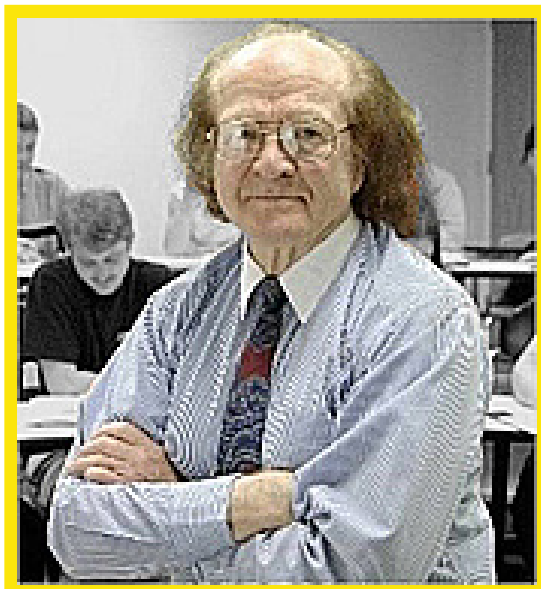
Professor of Finance

**David Thompson, CFA**

Adjunct Professor of Investment Management



# Dr. Elbert Bowden



**Dr. Elbert V. Bowden**

The Elbert V. Bowden Student Managed Investment Fund was established in January 2000 with the purpose of providing students with an opportunity to obtain hands-on investment experience and to provide funds to benefit the students and faculty in the Finance, Banking and Insurance department.

In September 2001, the student managed investment fund at Appalachian State University was named in honor of Dr. Elbert V. Bowden to recognize his outstanding work and his many contributions to the students at Appalachian.

Dr. Bowden authored more than 70 publications including nine editions of Economics, The Science of Common Sense. He also traveled the globe as a merchant marine during WWII, recorded country songs in the 1950s, and graduated with a PhD from Duke University. Most importantly; however, he changed the lives of thousands of students over the years by challenging them to reach their full potential.

# To Our Supporters



As the fund nears 19 years old, it is important to take a step back and reflect on all the progress the Bowden Investment Group has made, none of which could be done without the continued support the fund and group receives. The fund started in 2000 with a balance of \$10,678.21, and in 2018 reached an all-time high of over \$164,000. This milestone would not be achievable without the diligent work of Bowden analysts, generous donations from our benefactors, and the unparalleled learning experience provided by our professors – Dr. Goff, Dr. Hadley, Mr. Thompson, and Mr. Poole. Since inception and to this day, the BIG has provided an unparalleled financial education and maintains its reputation as the premier group in the Walker College of Business. We are proud to present our 2018 Annual Report. Since taking the fund into our hands in August, 2018 we have worked hard to battle what is at the very least a

challenging market. While we have faced adversity, we have all grown beyond what we expected and continue to do so every time we enter the classroom. Both academic and professional growth is evident within each member of the group and we take pleasure in pushing each other to grow even further. With that said, we would like to express our gratitude to each of our supporters, who continue to contribute to our experience by committing their time and utilizing their resources to improve the group. Our BIG alumni deserve praise for representing the group, setting a standard of excellence in the classroom and workforce, and for preserving the reputation of the group for future members.

Sincerely,  
The BIG Members of 2018-2019

## A Letter from our Advisors



Once again, we have the honor of working with outstanding students in the Bowden Investment Group. Our job is to challenge the students and give them an exceptional experience with which to end their academic careers. Although we are teaching an “investment” group, we do not view our primary role as teaching investments. Rather, two major objectives drive what we do. First, we want our students to develop in-depth fundamental financial analysis skills that will benefit them in a wide range of careers in finance, not just in the investments field. Second, we want students to transition to confident, polished professionals prepared to succeed on any career path.

This year, the Bowden Investment Group experience is enhanced by the addition of Dr. Brandy Hadley and Mr. Shawn Pool. Dr. Hadley has been participating in the Bowden Investment Group activities since Spring 2018 and has taken over primary academic guidance of the BIG, for the 2019 Spring semester, while Dr. Goff is on an Off Campus Scholarly Assignment. Mr. Pool, Executive-in-Residence for the College of Business, has brought a wealth of business experience and perspective to share. We appreciate his input regarding resumes, professional expectations, and so much more.

Each year, there are new challenges for students. Some years, the challenge is dealing with the investment portfolio during a down market; in 2017, the challenge was to find investment opportunities in a market that was on an upward trajectory throughout the year, with no significant pullbacks. In 2018, new tax law, trade tariffs, and a wildly fluctuating market gave the students a lot to process.

We are pleased the 2018-19 Bowden Investment Group continues the trend of strong career placements. Three-fourths of the members already have jobs, and we are confident the remaining members will find placement by graduation. In March, we will be interviewing applicants for the Bowden Investment Group of 2019-2020...and the cycle of selection, potential, anticipation, struggle, growth, maturity and graduation will continue.

To everyone who has provided support to the Bowden Investment Group, we thank you. Thank you to our students and alumni for accepting the challenge to be a member of the Bowden Investment Group, and for performing and giving back at a level that is far above the average anywhere.

As always, Go BIG!  
Delbert Goff, David Thompson





## Dr. Brandy Hadley & Mr. Shawn Poole



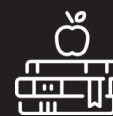
Dear reader,

I am Shawn W Poole, executive in residence and adjunct professor in the Walker College of Business. Specifically, I support the team with the Bowden Investment Group (BIG). My role is to bring my 30 plus years of business and investment experience to the classroom to supplement the full time faculty. To think of it in simple terms, the professors are the play-by-play announcers and I provide color commentary. My goal is to liven up the discussions and provide real world applications for the work we do in class. I have always harbored a desire to teach and BIG gives me that opportunity. In addition, I get to learn from and with the students. A true win-win!

I have had the honor of working with BIG students, Dr. Goff, Mr. Thompson, and Mr. Poole for the 2018-2019 academic year. It has been my pleasure to teach Bowden this spring semester while Dr. Goff is on sabbatical. I also teach the Financial Management major course, and so have had the opportunity to closely observe the academic and professional development of the current BIG students individually. The technical and professional growth each member has achieved during the past year is impressive, and their commitment to hard work and excellence makes me proud to serve the Bowden program. As an undergraduate Appalachian alumnae, I am excited to be back home, supporting the BIG work of Dr Goff, my long time mentor and friend. Having taught Finance and advised a student managed investment fund in the California State University system before joining Appalachian in 2017, I bring that experience and clear points of cross reference to my involvement with BIG and our student team. Additionally, I am co-developing a course on fintech and financial data analytics for this upcoming fall semester, and look forward to bringing these powerful and novel analytical capabilities to our work with BIG students. Bowden members continue to represent Appalachian and the Walker College of Business with distinction, and I am excited to continue my professional development in ways that ensure the program's excellence is sustainable into the foreseeable future.



## A Letter from our president



The Bowden Investment Group has become my single biggest passion this school year. The twelve of us have fit together cohesively since we were accepted in April of last year. At the beginning of the school year, we started having class together and spending time outside of school together. When we had other classes together, we always sat with each other and did group projects together. BIG day brought us closer; from the etiquette lunch, to playing ultimate frisbee, to the professional development workshop. We learned to trust each other with our lives on the alpine tower. Our next big adventure was in New York City. We decided to do almost everything together, including a Yankees game and dinner at a Vietnamese restaurant. Navigating the city, ironing clothes, going to company visits, and many other adventures allowed us to grow closer, trust one another, and encourage each other to work hard to reach accomplishments.

Every week, we work on Bowden and other homework together in Peacock Hall. I have consistently encouraged us to support and be there for each other - being positive influences. We worked with each other through the first modeling assignment, stock report, and buy/sell/hold presentation. We ended fall semester with a holiday party with superlatives and fun pictures. The CFA and UGA teams were hard at work over winter break preparing for competition. The UGA Student Managed Investment Fund Stock Pitch Competition was an unforgettable weekend for the four competitors who learned from watching the winning presentations and from the experience. The Broyhill Fellows competed, and won, at the North Carolina CFA Institute Research Challenge, beating out Elon, UNC Wilmington, and SKEMA School of Business. All in all, this group of Bowden members motivates each other and has become wonderful friends. Every birthday brings a celebration, every job offer brings congratulations, and every hardship brings support. Being the president of such a cohesive group has been a joy so far. I have had a lot of ideas for recruitment and increasing awareness of the BIG, and the members have always worked hard to make all of the efforts happen successfully. This is also the hardest-working and most dedicated group I have ever seen at Appalachian State. We all have poured our all into making the BIG successful this year. I am so proud to be a leader in this group.

Alia Dahlan



Broyhill Fellows after winning the CFA  
Institute Research Challenge

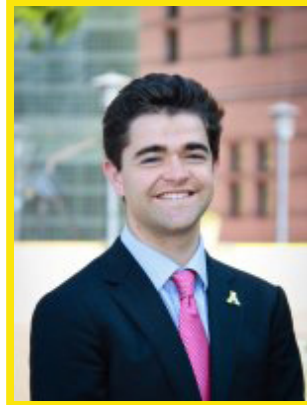
## Bowden Members 2018-2019



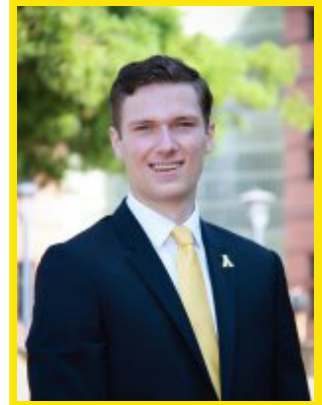
Paul Abney  
Co-Vice President



Neil Agnew  
BIG Update Editor



Alex Brea  
Industry Analyst



Andrew Crumpler  
Industry Analyst



Alia Dahlan  
President



Madeline Hamiter  
Economic Analyst



Cooper Haynes  
Accountant



Amanda Kurland  
BIG Update Editor



Josh Lee  
Annual Update Editor



Andrew Viditz-Ward  
Economic Analyst



Carson Walsh  
Co-Vice President



Jarrett Wood  
Accountant



## Bowden Members 2018-2019



Alia Dahlan

“The Bowden Investment Group is the most tangible professional experience a future finance professional could have at the undergraduate level. The financial analysis, presentation, time-management, professional development, planning, logistical, collaboration, and networking skills gained through this experience are priceless. It is so valuable to be able to work with a team of such highly-motivated peers. I will use what I learned from Dr. Goff and Dr. Hadley’s academic expertise paired with Mr. Thompson and Mr. Poole’s corporate expertise for the rest of my career.”



Carson Walsh

“The Bowden Investment Group has taught me invaluable lessons for school and life. Dr. Goff has instilled time management, design thinking, and how to develop a strong work ethic since before the application was due.”



Paul Abney

“The Bowden Investment Group is truly a unique experience. I’ve learned things since becoming a member that I couldn’t have learned in a typical class. The BIG faculty members have provided us with incredible experiences, lectures, and opportunities that I will never forget.”

## Bowden Members 2018-2019



Neil Agnew

“The Bowden Investment Group has been an unparalleled learning experience - one that has challenged me to surpass expectations. Through the course and the CFA competition, Bowden is single-handedly the hardest I’ve worked in my life. It has also been the most rewarding. The camaraderie we’ve established as a team and the struggles we’ve endured have brought us closer together.”



Alex Brea

“The Bowden Investment Group has been my most valuable experience in college. The modeling skills I learned on Wall Street Prep over the summer and in class during the fall semester were instrumental in helping me land my job. I am very grateful to Dr. Goff, Mr. Thompson, Dr. Hadley, and Mr. Poole for all the time and effort they put into teaching this course.”



Andrew Crumpler

“The Bowden Investment Group was the primary student organization I was interested in since beginning college which came with big expectations. BIG surpassed my expectations, helped me land an exciting job, and enabled me to learn more than I have throughout all of my college years. It has been a lot of work but worth every late night.”

## Bowden Members 2018-2019



Madeline Hamiter

“Being in Bowden over the past year has been an eye-opening experience. I learn best by doing, and Bowden is unquestionably the best way to learn in-depth financial analysis. I’m so glad I got the opportunity to be part of such a fantastic group of students, and I’m so excited to see what we will become after we move on from Appalachian.”



Josh Lee

“My experience with the Bowden Investment Group has been both the most challenging and rewarding of my life so far. The academic and professional knowledge gained through the expertise of our faculty and mentors is invaluable and has helped shape the next step in my career. The bonds I have made with my fellow members will be some of the most memorable from my time at Appalachian.”



Cooper Haynes

“Being a member of the Bowden Investment Group has pushed me to new levels of achievement, inspired long-term friendships, and jump started my professional career. The professors and alumni network have provided an invaluable experience which truly fosters individual growth. I am incredibly thankful and proud to be a member of the BIG.”

## Bowden Members 2018-2019



Andrew Viditz-Ward

“Bowden taught me just as much about myself as it did financial analysis. As a member, you are pushed beyond your limits and challenged to grow in preparation for a successful career. I am very grateful to have had this experience as a student at Appalachian State.”



Amanda Kurland

“Bowden has been an enlightening experience. Not only has it increased my knowledge of professionalism and analytics, but it has made me more appreciative of this profession and how much more it is than numbers. I have grown so much as a person through what Dr. Goff and Dr. Hadley have taught me. They have pushed me to do more than I ever thought I could accomplish.”



Jarrett Wood

“Being a part of the Bowden Investment Group has provided me with the opportunity to not only develop real-world experiences which directly apply to my career, but also lasting relationships with its members. Through dedication and many hours of hard work, I learned much more about the financial world than I would have, had I not been a part of this group.”





**BANK OF AMERICA**



The Bowden Investment Group's reputation for placing members in prestigious positions within the financial industry was carried on in 2018. Through rigorous professional development and access to a strong network of alumni, students in Bowden have access to the highest quality entry level positions post-graduation.

## The Broyhill Fellows of 2018-2019



Members of the Bowden Investment Group are selected each year to compete in the CFA Institute Research Challenge. This global competition provides students with hands-on experience with fundamental financial analysis, presentation skills, and the opportunity to receive feedback from esteemed industry professionals. The 2018-2019 Broyhill Fellows are Andrew Crumpler, Madeline Hamiter, Neil Agnew, and Joshua Lee. The Broyhill Fellows have spent countless hours over the past few months to produce a report and presentation on LendingTree. LendingTree is an online lead generation financial marketplace, headquartered in Charlotte, North Carolina. The team presented the company as a sell at the CFA Competition and won, defeating teams from Elon, SKEMA Business School, and UNC-Wilmington. The Broyhill Fellows are now preparing to compete in the Americas regional competition, hosted in New York City in late April.

## Memories Throughout the Year



Members of the BIG early in their fall semester participating in the annual BIG Day - a day of team building and professional development.

Members in New York City for the annual group trip, where we had the pleasure of meeting with various firms such as Tiger Management, Blackrock, and Goldman Sachs.





## Memories Throughout the Year



The camaraderie between the group only strengthens as the year goes on - here is a photo from our first annual BIG Christmas Party.

The UGA Stock Pitch competition team members, Cooper Haynes, Amanda Kurland, Alia Dahlan, and Carson Walsh, competed at the University of Georgia, pitching FedEx as a buy.





# Portfolio Holdings Year End 2018



Company	Ticker	Weight	Shares	Close	Market Value
ALBEMARLE CORP	ALB	4.40%	80	\$77.07	\$6,165.60
ALPHABET INC-CL A	GOOG	4.47%	6	\$1,044.96	\$6,269.76
AMAZON.COM INC	AMZN	5.36%	5	\$1,501.97	\$7,509.85
FACEBOOK INC-CLASS A	FB	4.02%	43	\$131.09	\$5,636.87
ISHARES CORE S&P 500 ETF	IVV	14.53%	81	\$251.61	\$20,380.41
ISHARES US REGIONAL BANKS ET	IAT	3.47%	122	\$39.84	\$4,860.48
NVIDIA CORP	NVDA	3.14%	33	\$133.50	\$4,405.50
RAYTHEON COMPANY	RTN	3.94%	36	\$153.35	\$5,520.60
SERVICE CORP INTERNATIONAL	SCI	6.06%	211	\$40.26	\$8,494.86
SHOPIFY INC - CLASS A	SHOP	5.83%	59	\$138.45	\$8,168.55
SOUTHERN CO/THE	SO	5.29%	169	\$43.92	\$7,422.48
STARBUCKS CORP	SBUX	5.69%	124	\$64.40	\$7,985.60
STRYKER CORP	SYK	5.14%	46	\$156.75	\$7,210.50
TENCENT HOLDINGS LTD-UNS ADR	TCHEY	3.52%	125	\$39.47	\$4,933.75
US DOLLAR	USD	8.89%	12461	\$1.00	\$12,461.00
VANGUARD FINANCIALS ETF	VFH	4.66%	110	\$59.36	\$6,529.60
VISA INC-CLASS A SHARES	V	6.40%	68	\$131.94	\$8,971.92
WASTE MANAGEMENT INC	WM	5.20%	82	\$88.99	\$7,297.18
				Total	\$140,224.51

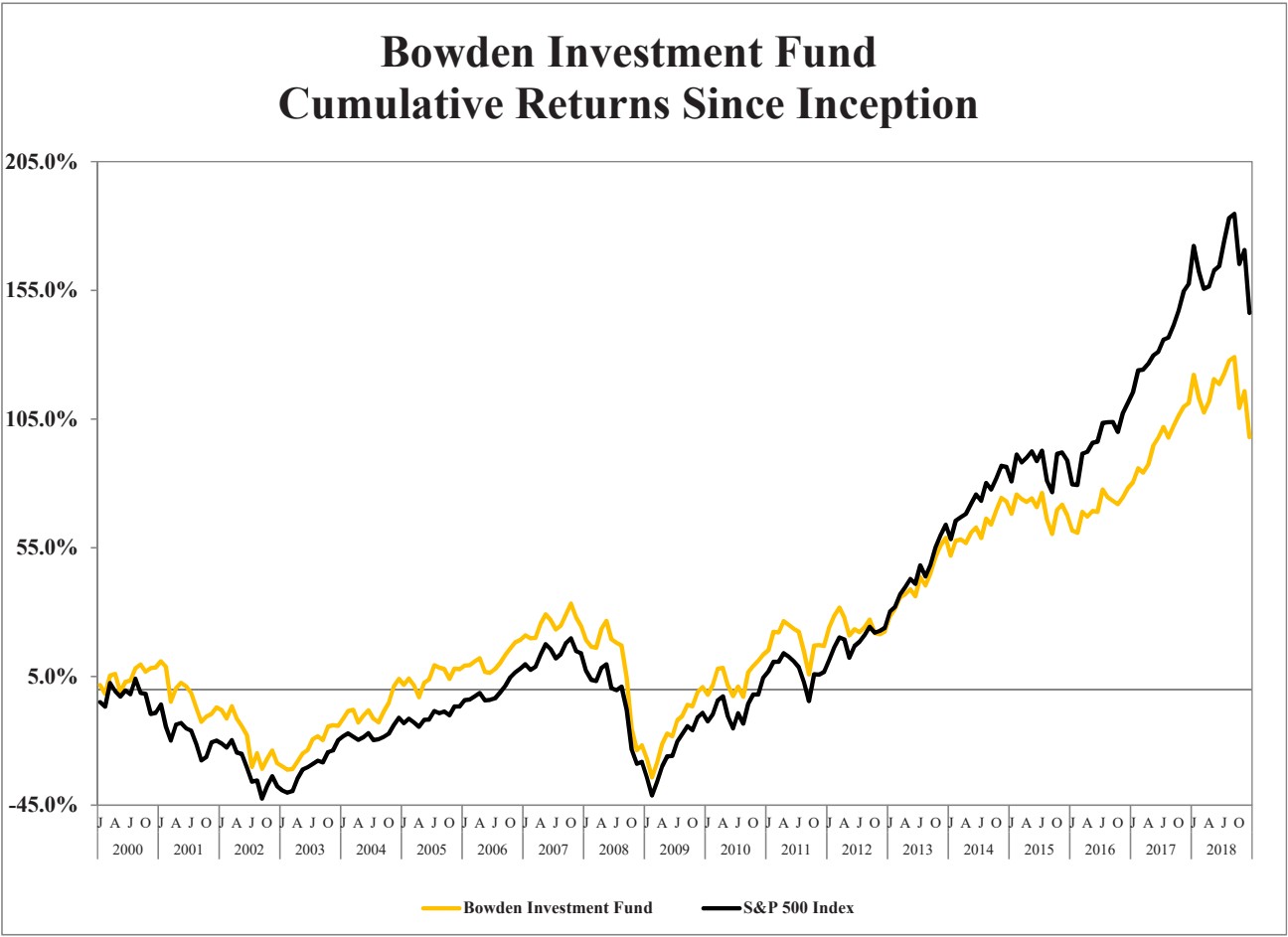
## Transactions in 2018



<b>Sell</b>	
NWL	Newell Brands
NVS	Novartis AG
TTEK	Tetra Tech, Inc.
FIS	Fidelity National Information Services, Inc.
CMP	Compass Minerals International, Inc.
KMX	Carmax, Inc.
THO	Thor Industries, Inc.

<b>Buy</b>	
KMX	Carmax, Inc.
WM	Waste Management, Inc.
TCEHY	Tencent Holdings Limited
V	Visa, Inc.
SHOP	Shopify, Inc.
SO	Southern Company
SCI	Service Corporation International
SBUX	Starbucks Corporation
RTN	Raytheon Company
NVDA	NVIDIA Corporation
ALB	Albemarle Corporation
AYI	Acuity Brands, Inc.

# Bowden Investment Fund Performance



## A Special Thanks



Every year the BIG experience is enriched by visits from various industry professionals and supporters. To the visitors this past fall, and our other supporters, we would like to give special thanks for taking the time to continually improve the Bowden experience year after year.

During our visit to New York we were fortunate to visit with Blake Spivey from BlackRock. Blake ran our portfolio through their risk evaluation software and provided us unique insights we would otherwise never have received.

We had the privilege to speak with Brian Steen, Aaron Martschenko, and Daniel Sullivan from DHG during an in class visit about the various methods they employ in valuing private businesses. We all appreciate their ability to translate what we learn in class into a real world environment and their elaboration on what it is like working in the industry.

Chris Pavese, Chief Investment Officer of Broyhill Asset Management, also visited the class and provided insight into how he approaches investing and balancing life through thoughtfulness. We also appreciate Mr. Pavese's involvement and guidance with the Broyhill Fellows as he provides invaluable industry experience.

We greatly appreciate the time taken by Alex Jenkins, Dillon Hewitt-Castillo, and Jonathan Smith from Dimensional Fund Advisors to address how they uniquely manage portfolios and make decisions with academic guidance.

We would also like to thank Hunt Broyhill, Sheila Triplett-Brady, Nathan Triplett, and John Pezzi for visiting the class and sitting in on our presentations.





# **Bowden Investment Group**

**For more information on the Bowden Investment Group, please contact:**

**Dr. Delbert Goff**

**goffdc@appstate.edu**

**(828) 262-6188**

**For more information regarding the Annual Report, please contact:**

**Josh Lee**

**leejm4@appstate.edu**

**Original Art – Mr. Thompson, Adjunct Professor**

