2026-2027 Competitive Events Guidelines

Finance Case Competition

Finance Case Competition challenges members to analyze a comprehensive case study involving key areas of finance, such as financial management, investments, financial institutions, and financial services. Members present their findings and recommendations to a panel of judges, demonstrating analytical thinking, financial literacy, and strategic decision-making.

Educational Alignments

Event Overview	
Division	Collegiate
Event Type	Team of 1, 2, 3, or 4 members
Event Category	Case Competition
Event Elements	Presentation with a Topic

Event Information:

National Leadership Conference:

Timing Structure:

- **Equipment Set-Up:** 3 minutes
  - *No interaction allowed with judges during this time.*
- **Presentation:** 10 minutes
  - *A one-minute warning will be provided*
- **Question & Answer (Q&A):** 5 minutes

Important: *Time allocations are exclusive. The presentation must begin immediately after the 3-minute set-up time concludes. Time may not be shifted between segments. Competitors will not interact with judges during the set-up period.*

Important Notes:

- **Internet Access:** Not provided
- **Event Schedule Notes**:
  - Some events may begin before the Opening Session.
  - All schedules are posted in local time for the NLC host city.
  - Schedule changes are not permitted.

State Leadership Conference:

Timing Structure:

Presentation:

- **Equipment Set-Up:** 1 minute
  - *No interaction allowed with judges during this time.*
- **Presentation:** 10 minutes
  - *a one-minute warning will be provided*
- **Question & Answer (Q&A):** 3 minutes

Important Notes:

- Time allocations are exclusive
- This event does not have a preliminary round at the State Leadership Conference.
- Colorado FBLA follows the NLC model for Event Administration unless noted otherwise.
- Check the SLC Call to Conference for additional information and prejudge deadlines (if applicable).

***** Event specifics are continued below. Review the document in its entirety.**

2026-2027 Finance Case Competition

The case competition and rating sheet can be found starting on page 5. ***The business entity should not be contacted for additional information.*** *This case competition for educational purposes only, offering a real-world scenario to help FBLA Collegiate members develop critical skills. This year's case competition was created in partnership with CaseBasix.*

Classrooms to Corporate boardrooms: CaseBasix fast-tracks student potential into real-world success.

Required Competition Items

Items Competitor Must Provide	*Items FBLA Provides*
• Technology and presentation items • Photo identification • Conference-provided nametag • Attire that meets the FBLA Dress Code	• Table

Eligibility Requirements

To participate in FBLA competitive events at the National Leadership Conference (NLC), the following criteria must be met:

- **Membership Deadline**: FBLA national membership dues must be paid to the specific division by 11:59 p.m. Eastern Time on March 1 of the current school year.
- **Conference Registration**: Members must be officially registered for the NLC and must pay the national conference registration fee to participate.
- **Official Hotel Requirement**: To be eligible to compete, competitors must stay within the official FBLA housing block.
- **State Entry Limits**: Each state may submit up to four entries per event.
- **Event Participation Limits**: Each member may participate in:
  - Two individual or team events, and
  - One chapter event (e.g., *Community Service Project* or *State of Chapter Presentation*).
- **Competitor Responsibility**: Only registered competitors are permitted to plan, research, prepare, and set up their presentations. Advisers and others may not assist.
- **Participation Requirement**: To be eligible for an award, each competitor must complete all components of the event at the National Leadership Conference.
- **Identification at Check-in**: Competitors must present valid photo identification (physical or digital) that matches the name on their conference name badge. Acceptable forms include a driver's license, passport, state-issued ID, or school ID.
- **Late Arrivals**: Competitors will be allowed to compete until such time that the results are finalized, or participation would impact the fairness and integrity of the event, as determined by Competitive Events staff. If judges have left the competitive event area, it is no longer possible to compete. Five penalty points will be assessed for late arrivals in any competitive event.

Event Administration

This event consists of two phases: a preliminary presentation and a final presentation.

<u>Presentation Details</u>

Venue & Format

- Presentations occur in-person at the National Leadership Conference (NLC).
- Competitors/teams are randomly assigned to presentation sections.
- Presentations will take place in a large, open area with a designated space of approximately 10' x 10', which includes a table and chairs for the judges.
- The preliminary round is closed to conference attendees and audience.

Technology Guidelines

- **Internet Access:** Not provided
- Presentations must be delivered using one or two personal devices (laptop, tablet, mobile phone, or monitor approximately laptop-sized).
- If using two devices, one must face the judges and the other must face the presenters.
- Projectors and projector screens are not permitted, and competitors may not bring their own.
- Wireless slide advancers (e.g., presentation clickers or mice) are allowed.
- External speakers are not allowed; audio must come directly from the presenting device(s).
- Electricity will not be available.

Non-Technology Items

- Visual aids, samples, notes, and other physical materials related to the project may be used.
- Items may be placed on the provided table or on the judges table, if space allows.
- No items may be left with the judges following the presentation.

Restricted Items

- Animals, except for authorized service animals.
- Food, which may be used for display only and may not be consumed by judges.
- Links and QR codes, which may be shown but may not be scanned or clicked by judges at any time.

Research

- Information must be supported by credible, well-documented sources.
- Any use of copyrighted material, images, logos, or trademarks must be properly documented.

Team Expectations

- In team presentations, all members must actively participate in the delivery of the presentation.

<u>Final Presentation Details</u>

The presentation guidelines outlined above will apply to the final presentation.

Advancement to Finals

- The top-scoring competitors or teams from each preliminary section will advance to the final round in equal numbers.
- The number of competitors or teams advancing to the final round depends on the number of preliminary sections:
  - 2 sections: Top 6 from each section advance
  - 3 sections: Top 4 from each section advance
  - 4 sections: Top 3 from each section advance
  - 5 sections: Top 3 from each section advance
  - More than 5 sections: Top 2 from each section advance

Scoring

- Preliminary round scores are used to determine which competitors or teams advance to the final round from each section.
- Final round scores determine the final rankings and top award winners.
- Judges are responsible for breaking all ties in both preliminary and final rounds.

- All judging decisions are final. Results announced at the National Leadership Conference are considered official and will not be changed after the conclusion of the National Leadership Conference.

Penalty Points

- Competitors may be disqualified if they violate the Code of Conduct or the Honor Code.
- Five points are deducted if competitors do not follow the Dress Code or are late to their assigned presentation time.

Recognition

- A maximum of 10 entries (individuals or teams) may be recognized per event.

Americans with Disabilities Act (ADA)

- FBLA complies with the Americans with Disabilities Act (ADA) by providing reasonable accommodations for competitors. Accommodation requests must be submitted through the conference registration system by the official registration deadline. All requests will be reviewed, and additional documentation may be required to determine eligibility and appropriate support.

Recording of Presentations

- Unauthorized audio or video recording is strictly prohibited in all competitive events.
- FBLA reserves the right to record presentations for educational, training, or archival purposes. Competitors should be aware that their presentations may be recorded by FBLA-authorized personnel.

Important FBLA Documents

- *Competitors should be familiar with the Competitive Operations Manual, Honor Code, Code of Conduct, and Dress Code.*

2026-2027 Finance Case Competition

This case is for educational purposes only, offering a real-world scenario to help FBLA Collegiate members develop critical reasoning and casing skills. These skills can be applied to careers like corporate finance, management consulting, and investment banking, etc. The case needs to be solved with independent research using publicly available information and your own business acumen skills. ***The business entity should not be contacted for additional information.***

Overview and Background Information

Client: Southwest Airlines Co.
Project: Financing the Next Wave of Fleet Growth

Southwest Airlines Co., founded in 1967 by Herb Kelleher and Rollin King and headquartered at Dallas Love Field in Dallas, Texas, is the largest domestic carrier in the United States by passengers boarded and one of the most recognizable low-cost airlines in the world. Southwest operates an all-Boeing 737 fleet of roughly 800 aircraft and has built its brand on operational simplicity, friendly service, and an efficient single-fleet-type strategy. In recent years the company has begun modernizing both its commercial model, introducing assigned seating and checked-bag fees, and its fleet, retiring its oldest 737-700s and moving toward an all-737 MAX fleet by 2031 for greater fuel efficiency and lower emissions. To fund this transition while protecting liquidity and its balance sheet, Southwest has also pursued fleet-monetization initiatives such as sale-leaseback transactions on a portion of its 737-800 aircraft.

Southwest is weighing how to secure the additional capacity it needs while balancing monthly cash flow, total long-term cost, balance-sheet leverage, liquidity, and the flexibility to scale capacity up or down as demand shifts. The snapshot below compares the three financing options on a representative, per-aircraft basis for a new Boeing 737-8 (MAX 8). Figures are illustrative and should be confirmed against Southwest's public filings.

Option	Upfront Cost	Monthly Payment	Annual Insurance	Annual Maintenance	Residual / Book Value (after 12 yrs)
Buy (12-yr debt @ 5.5%)	$5.5M down (10%)	~$470,000	$150,000	$1,200,000	~$28,000,000
Operating Lease (12-yr term)	$1,000,000 deposit	~$390,000	$150,000	$900,000 (reserves)	$0 (aircraft returned)
ACMI / Short-Term Capacity	$0	Pay-per-use (~$540,000 at planned utilization)	Included	Included	$0

Other details:

- Fleet addition: approximately 12 incremental Boeing 737-8 (MAX 8) aircraft added over three years.
- Purchase price: approximately $55 million per new 737-8.
- Debt-financing rate: 5.5%, assuming a 12-year loan term with a 10% down payment.
- Aircraft economic life: 25 years; analysis horizon: 12 years.

- Expected annual maintenance escalation: approximately 3%.
- ACMI rates may fluctuate ±10% annually based on market demand and fuel prices.
- Target fleet: an all-Boeing 737 MAX fleet by 2031.

Additional Considerations

- Southwest prioritizes strong liquidity and a healthy balance sheet, and has used sale-leaseback transactions on a portion of its 737-800 aircraft to raise cash while protecting its balance sheet.
- The company is retiring its oldest 737-700s and moving toward an all-737 MAX fleet by 2031 for greater fuel efficiency and lower emissions.
- Leadership values disciplined capital allocation, investment-grade credit metrics, and consistent returns to shareholders.
- Southwest weighs fuel-efficiency and sustainability goals alongside cost when evaluating new capacity.
- Operating leases and short-term ACMI preserve near-term cash but affect reported leverage and long-run unit costs differently than outright ownership.

Your Task

You have been engaged by Southwest Airlines Co. as a corporate finance analyst supporting the Fleet Planning and Treasury team.

Southwest plans to add approximately 12 incremental Boeing 737-8 (MAX 8) aircraft over the next three years to serve new and higher-demand routes, and must decide how to obtain this capacity: buy the aircraft outright with debt financing, acquire them through operating leases, or secure flexible short-term ACMI (aircraft, crew, maintenance, and insurance) capacity.

Leadership has asked your team to recommend the most financially sound path, weighing total long-term cost, monthly cash flow, balance-sheet leverage, liquidity, and the strategic flexibility to scale capacity up or down as demand changes.

Key working assumptions for the case include a purchase price of about $55 million per new 737-8, a 5.5% debt-financing rate, a 25-year aircraft economic life, and a 12-year analysis horizon.

Before you begin, take time to understand the sector you will be working in. Click here to explore what the airline industry entails and to build the context you will need to create a credible, data-driven recommendation.

Additional Note: Your analysis should draw on Southwest's publicly available financial reports, fleet strategy, and the broader economics of the airline industry, and should reflect the company's low-cost heritage, its commitment to an all-737 MAX fleet, and its focus on liquidity and disciplined capital allocation.

Deliverables

Your final presentation should include:

- **Financial & Scenario Profile:**
  - A clear profile of Southwest's relevant financial position and the expansion scenario, including capacity need, growth objectives, cost structure, and liquidity and leverage priorities.

- Framing of the three financing options (buy, operating lease, and on-demand ACMI capacity) and the assumptions used.
- **Challenge & Cost Analysis:**
  - Analyze the economic and operational trade-offs of each option.
  - Compare the total cost of each option over the 12-year horizon, including depreciation, financing and interest cost, maintenance, insurance, residual value, and the opportunity cost of capital.
  - Consider flexibility, balance-sheet impact, and fuel-efficiency and sustainability in your evaluation.
- **Recommendation:**
  - Provide a clear, data-backed recommendation for the best financial way to secure the capacity.
  - Identify short-term and long-term implications, including impact on cash flow, leverage, return on invested capital, and strategic flexibility.
- **Multi-Year Capital Budget Redesign:**
  - Build a revised multi-year fleet-financing budget for Southwest that aligns with your recommendation.
  - Include projected annual cash outflows, savings or losses, and balance-sheet effects.
  - Discuss the time value of money (TVM) and how the timing of spending affects Southwest's financial position and cost of capital.

Finance Case Competition Presentation Rating Sheet

Expectation Item	Not Demonstrated	Below Expectations	Meets Expectations	Exceeds Expectations	Points Earned
Content					
Understanding of the Case & Financial Decision	*No description or case synopsis provided, and no issues defined*	*Describes and provides case synopsis OR defines the issues*	*Describes and provides case synopsis AND defines the issues*	*Demonstrates expertise of case synopsis AND definition of the issues*	
	0 points	1-6 points	7-8 points	9-10 points	
Financial & Scenario Profile	*No profile presented*	*Presents some relevant financial or expansion information, but key factors, assumptions, or financing options are incomplete or unclear*	*Presents a clear, relevant profile of Southwest's financial position and expansion scenario, including capacity need, growth objectives, cost considerations, liquidity and leverage priorities, the three financing options, and key assumptions*	*Provides a comprehensive, data-driven financial and scenario profile that connects Southwest's financial position, fleet strategy, capacity requirements, liquidity and leverage priorities, and key assumptions to the financing decision*	
	0 points	1-6 points	7-8 points	9-10 points	
Challenge & Cost Analysis	*No meaningful analysis or comparison of the financing alternatives is presented*	*Provides limited comparison of the alternatives; analysis omits important costs, assumptions, financial impacts, or operational trade-offs*	*Effectively compares the economic and operational trade-offs of purchasing, operating lease, and ACMI capacity over the 12-year horizon; considers relevant costs, residual value, cash flow, leverage, flexibility, and other case factors*	*Provides a comprehensive, accurate, and evidence-based analysis of all three alternatives; integrates total long-term cost, financing and interest, maintenance, insurance, depreciation/residual value, opportunity cost of capital, liquidity, leverage, flexibility, and relevant operational or sustainability considerations to clearly distinguish the alternatives*	
	0 points	1-7 points	8-13 points	14-15 points	
Financial Recommendation & Strategic Implications	*No recommendations or strategies presented*	*Some recommendations presented, but not realistic or actionable*	*Provides a clear, feasible, data-backed recommendation that follows from the analysis and addresses major short- and long-term financial and strategic implications*	*Provides a compelling, financially sound recommendation clearly supported by the analysis; thoughtfully evaluates short- and long-term effects on cash flow, leverage, return on invested capital, liquidity, cost, and strategic flexibility and explains why the recommended approach is superior to the alternatives*	
	0 points	1-6 points	7-8 points	9-10 points	
Multi-Year Capital Budget & Financial Analysis	*Required multi-year capital budget or financial plan is missing*	*Budget or financial plan is provided but is incomplete, contains limited projections, or is not clearly connected to the recommendation*	*Provides a clear multi-year fleet-financing budget aligned with the recommendation; includes projected annual cash outflows, relevant savings or losses, balance-sheet effects, and appropriate consideration of the time value of money*	*Presents a comprehensive, data-driven multi-year capital budget that strongly supports the recommendation; clearly models annual financial impacts, savings or losses, balance-sheet effects, and the timing of cash flows and effectively applies time value of money and cost-of-capital concepts to the decision*	
	0 points	1-7 points	8-13 points	14-15 points	

Expectation Item	Not Demonstrated	Below Expectations	Meets Expectations	Exceeds Expectations	Points Earned
Research, Evidence & Financial Assumptions	*Sources are not cited*	*Sources/References are seldom cited to support statements*	*Uses credible, professionally appropriate sources to support the analysis; key assumptions, financial data, and calculations are clearly identified and generally well supported.*	*Integrates compelling evidence from credible financial and industry sources throughout the analysis; assumptions and calculations are transparent, well supported, and appropriately validated against Southwest's publicly available financial reports, fleet strategy, and relevant industry information.*	
	0 points	1-6 points	7-8 points	9-10 points	
Presentation Delivery					
Statements are well organized and clearly stated	*Competitor(s) did not appear prepared*	*Competitor(s) seemed prepared, but flow was not logical*	*Presentation flowed in logical sequence*	*Presentation flowed in a logical sequence; statements were well organized*	
	0 points	1-6 points	7-8 points	9-10 points	
Demonstrates self-confidence, poise, assertiveness, and good voice projection	*Competitor(s) did not demonstrate self-confidence*	*Competitor(s) demonstrated self-confidence and poise*	*Competitor(s) demonstrated self-confidence, poise, and good voice projection*	*Competitor(s) demonstrated self-confidence, poise, good voice projection, and assertiveness*	
	0 points	1-6 points	7-8 points	9-10 points	
Demonstrates the ability to effectively answer questions	*Unable to answer questions*	*Does not completely answer questions*	*Completely answers questions*	*Interacted with the judges in the process of completely answering questions*	
	0 points	1-6 points	7-8 points	9-10 points	
Presentation Protocols					
Adherence to Competitive Events Guidelines	***Competitor(s) Did Not Follow Guidelines***	***Execution Aligned with Guidelines:*** ✓ *Used only allowable technology devices (sizing specs followed; maximum of two, with only one facing judges at a time)* ✓ *Presentation aligned with the assigned topic* ✓ *Maintained professional boundaries during set-up time (no interaction with judges)* ✓ *Did not leave materials behind after the presentation* ✓ *Links or QR codes were displayed appropriately (not clicked or scanned by judges)* ✓ *Audio was presented without external speakers* *Avoided use of food or live animals*			
	0 points	1- 10 points			
Staff Only: Penalty Points (5 points for dress code penalty and/or 5 points for late arrival penalty)					
Presentation Total (110 points)					

Name(s):		
School:		
Judge Signature:		Date:

Comments: