Walter Lanza, a 23-year-old agribusiness major at the graduate school of North Dakota State University, did not start college with the idea of becoming a commodities trader. Coming from a family of doctors Lanza began his academic career on the pre-med track. After switching to economics to pursue his interest in global markets, Lanza found where he belonged.

“I started to learn more about agribusiness and became fascinated by the significant impact agribusiness has on both the individual and global level. I took Professor Bill Wilson’s class in commodity trading and that was the tipping point. That class was the spark that ignited my passion for agribusiness,” says Lanza.

As commodities trading evolves from the pits to the desktop, numerous universities are stepping up to fill the education void with the help of an innovative education programs like Trading Technologies’ Campus Connect.

Lanza’s story is just one example of how TT’s Campus Connect program is changing the way people enter the industry. Campus Connect brings trading technology to students and universities interested in business, trading, financial engineering, math, computer science and even agriculture to educate the next generation of traders and risk managers. Combining TT’s industry standard trading platforms with faculty involvement and student interest, Campus Connect has been expanding how futures trading and risk management are taught. Since 2006, Campus Connect has joined with more than 70 universities throughout the county and internationally as well. Leo Murphy, a former broker and economist at the Chicago Board of Trade is the guiding force behind it.

Murphy teaches students about current technology and how to apply it to markets. “I’ll speak to them about the concepts of risk management that are prevalent in the futures and options industry,” says Murphy, who is always on hand to answer questions or guest lecture a class. “I've never been a fan of dumping software on a school and then turning around and walking away. We do our best to custom make each relationship.”

“The purpose of [Campus Connect] was to build relationships with universities, to be a liaison between the universities and our industry,” says Murphy.

The program does not simply teach trading, but all the various positions related to the trading and risk management field. Students have backgrounds in math, finance and agriculture. “I have yet to meet a student who isn’t interested in finding out where they can plug their talents into the marketplace,” says Murphy.

Students not only work with technology in real time but also follow futures prices in simulated environments based on real events. Like, for example, recreating the drop in oil prices. Students can assess risk, make their choices and see how their ideas compare to the actual outcome.

But it doesn’t stop there. The program has expanded out of the classroom and onto the farm, making its way to the source of risk management.

North Dakota State University has used the Campus Connect program to bridge gaps between not only business and farming, but also business and the farmers themselves. Students configure risk in the classroom and then venture to local farms to explain price volatility, risk factoring and the importance of futures at the source.

Professor Wilson has been teaching commodity trading and agribusiness classes at NDSU since 1980. “We have a very active program in commodity marketing extension service. Our goal is to bring our more advanced marketing technology to those groups through those mechanisms,” says Wilson.

“Wilson really drives it at North Dakota State University,” Murphy says. “He’s the one who started the partnership and said, ‘you’ve got to go out to the farmers in understanding price risk.’”

Wilson also worked to incorporate interaction with the Northern Crops Institute (NCI) into the curriculum. The NCI is a collaboration between North Dakota,
South Dakota, Minnesota and Montana to support the promotion and market development of crops grown in the region. “You’ve got to make sure [students] have the current, most advanced technology and information available,” says Wilson. “Our goal was very simple: More students, more training, and better technology.”

Wilson hopes to bring in students who are not only interested from the beginning but become more intrigued in not just commodity trading, but in agriculture as well.

“Today we’ve nearly doubled our enrollment in those courses,” says Wilson.

Lanza is now working toward his master’s degree in Agribusiness and has accepted a position as a commodity trader with The Scoular Company. “These tools enhanced my understanding and prepared me for the real world,” says Lanza.

As an avid swimmer, Lanza likes to compare his own education to swimming. “The only way to get faster is to not only learn the theory and techniques, but apply them as well. The same is true about commodity trading,” says Lanza. “The only way I can get better is to learn the theory in a classroom environment then apply my knowledge using technology.”

Even Algo Showcase, an event run by Campus Connect, helps to highlight students’ efforts with computers, trading and algorithm design. Here students can show off their hard work and understanding of trading to five major Chicago trading firms. All in hopes of landing a job with one of them.

“Programs like Campus Connect help college students apply what we learn, and consequently get us more excited about the material,” says Lanza.

Risk is all around us and learning how to manage risk through futures and options is more important than ever. Thanks to Campus Connect, the classroom is no longer just a few dusty old trading floors but is traveling around the world. △

Madison Lisle, Modern Trader editorial intern

MISDIAGNOSIS
Global banks were off, some times way off, in their outlook of crude oil prices during its massive (and ongoing) downward move. Below shows where 10 major banks expected the market to go.

![Graph showing the outlook of crude oil prices by major banks]

Source: The Wall Street Journal

BREAKOUT
What went wrong with oil? You listened to the street.
(see CLOSING TICK p82)