

The Auction Game - Setup

Students need to be split into teams of a maximum of 6 per team. With 250 students we would have roughly 45-50 teams. It may be easier to split them into teams before the day. If this is not possible, teachers could split the students into groups on the day of the event. In our case the students were coming from schools in teams of 10-20, so we just had the schools split themselves up into teams.

If you are interested in getting students to meet and work with students from other schools you can organise them randomly. We found that the best way to organise this on the day is to give each student a number between 1-50 and then have students match with other students with the same number. You can give this to them when they arrive, either on a name tag or on any other material. To make it easier for students to organise themselves for the game, you should have them sit roughly according to their number.

Each student or each team should be given an instructions packet (see below), an accounting sheet to keep track of lots won, and a profit calculation sheet. Each team should be given a large placard with their team number written large enough so that the auctioneer can see it from the front of the room.

Each team will organize itself into roles:

- a) Planners – The entire group should work together to determine a strategy for bidding and for producing meals.
- b) Bidder – One person will be responsible for holding the placard and managing the bidding process. You may want to choose the tallest person in the group for this role.
- c) Producer – One person will be responsible for taking the raw materials and organising them into the three different menus listed below.
- d) Accountant – One person will be responsible for calculating profits.
- e) Support – Other members of the group will support the bidder, producer and accountant in their roles. Support workers will also be responsible for making sure that the bidding and producing that occurs during the game follows the strategy set out by the group at the beginning of the game.

Once the students are in teams we introduce the game and the rules of play and they are given time to read the instructions and develop their strategy. Then you will run the auction. This will be run as a Japanese style auction. It is a silent auction where the teams will hold up their placards while the auctioneer gradually announces higher and higher values. If an announced value is greater than a team's bid, they will lower their placard. Once there are only 5-10 placards remaining standing, the round ends and the remaining teams win at the final value announced. You need 30 minutes to run the auction.

Following the auction the students will be given some time to finalize their play and to calculate their profits. You will then collect each team's profit sheet and double check

everything versus the auction's results. The winning team and the runner ups will be announced later in the day.

If there is time at the end of the game, you can spend a few minutes discussing the game and its connection to some economic concepts. Otherwise you could do this later when the winners are announced.

Logistics and material:

Here are what you will need at a minimum:

- At least 5, but hopefully 6 people to help run the auction. In the first stage, the helpers will walk around and answer any questions the students have about the game. When the auction starts, the helpers will keep track of bidders and teams that win the lots for each round. One person will be filling an excel sheet, one or two people will help by keeping track of the numbers of the winning teams, the rest of the helpers will be walking around and helping. One person will be running the.
- Packets: The instructions for the game, an accountant sheet to keep track of lots won, and a profit calculation sheet. You can either give one of these to each team or have a packet for each student. The instructions sheet is attached below. This can remain the same, except that you will need to edit the first page. There is also an accountant sheet and profit calculation sheet.
- Placards: Large (A5 or bigger) placard with the team number written in large enough font so that the numbers can be seen over the crowd and from the front of the room.

The Auction Game – Instructions for Students

You are the owners of a restaurant, and you can select to offer any combination of the menus listed below. Due to price competition from other restaurants, you will only be able to sell each meal for the given price, but you will be able to sell all meals that you offer. You need to obtain the raw materials for these meals in a competitive market, and the raw materials will be offered at auction to the highest bidder. Any raw material(s) that you obtain which cannot be used in these menus in the specified proportions will be regarded as waste and thus cut into your profits. It is your goal to obtain the food you need to offer those meals which will result in the maximum profit for your restaurant.

The structure of the game is as follows:

1. Examine the structure of the menu(s) and determine which menu(s) you will offer.
2. Purchase the food (i.e. the raw materials) you need to offer the menu(s) you have chosen. The food will be offered at auction, and you will be bidding against other restaurants. Each type of food will be offered several times during the auction. **You have a budget of £2,500.** If you purchase £2,500 worth of food, you have run out of money, and you must stop bidding.
3. After the auction is closed, use the food you have purchased to construct the combination of meals that will make you the most money. You can sell all complete meals at the price indicated. Meals may come from more than one of the menus. Food that cannot be used in preparing a meal is considered waste. Waste food cannot be resold or transferred to another restaurant.
4. Calculate the value of the meals that you sold in Step 3. Add any of the original £2,500 that you did not spend to purchase food. Subtract the original £2,500 to calculate your total profit. The restaurant with the highest total profit wins.

THE COST

£10

Entrée:

- (1) Meat
- (1) Vegetable
- (1) Pasta

Beverage:

- (1) Beverage

THE GOURMET

£20

Salad:

- (1) Vegetable

Entrée:

- (1) Meat
- (1) Vegetable
- (1) Pasta

Desert:

- (1) Sweet

Beverage:

- (1) Beverage

THE BULL

£30

Salad:

- (1) Vegetable

Entrée:

- (2) Meat
- (1) Vegetable
- (1) Pasta

Desert:

- (1) Sweet
- (1) Fruit

Beverage:

- (1) Beverage

PRODUCER'S SHEET

- a) TOTAL PURCHASES – At the end of the auction write down the quantity purchased for each ingredient.

Quantity of Meat	Quantity of Vegetable	Quantity of Pasta	Quantity of Beverage	Quantity of Sweet

- b) MENU DECISION

- Use this table to confirm your decision over the number of each menu you will sell. Put this number in the yellow box.
- Confirm you have enough ingredients. For each menu type calculate how much you will need of each ingredient (pink boxes).
- Use the blue boxes to calculate the total amount of each ingredient you will need for all the menus you sell (blue boxes). Confirm that these numbers are NOT bigger than the numbers you have bought and recorded in a) above.

Menu Type	Quantity sold	QUANTITY OF INGREDIENT REQUIRED					Menu Price	REVENUE PER MENU
		Meat	Vegetable	Pasta	Beverage	Sweet		= Quantity sold x Menu Price (yellow box x green box)
THE COST							£10	
THE GOURMET							£20	
THE BULL							£30	
TOTALS:								

ACCOUNTANT'S SHEET

PART 1 – AUCTION PURCHASES

Your accountant(s) should use this sheet to keep track of money during the auction. Remember that you start off with a budget of £2500. At the end of the auction use this to help the producer confirm which menus you have to sell.

Lot	Ingredient	Quantity	Price Paid	Money Remaining
				£2500
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				

PART 2 – PROFIT CALCULATION

TOTAL REVENUE

Use the orange boxes on the producer's sheet to calculate this. Add together the numbers in the three orange boxes to get the revenue you make on each menu type that you sell.

$$\text{Total Revenue} = (\text{Quantity of 'The Cost' sold} \times \text{£10}) + (\text{Quantity of 'The Gourmet' sold} \times \text{£20}) + (\text{Quantity of 'The Bull' sold} \times \text{£30})$$

MONEY REMAINING

If you had any money left from the £2500 which you DID NOT spend at auction, record this amount here.

TOTAL COSTS

This is the amount of money you spent IN TOTAL at the auction + Money remaining. This will be £2,500 for every group.

TOTAL PROFIT

Now calculate your total profit:

$$\text{Total Profit} = \text{Total Revenue} + \text{Money Remaining} - \text{Total Costs}$$

	+
	-
£2,500	=