



BUSINESS FINANCE 4237 – SHORT SELLING

SPRING 2026

Instructor: Tod Schneider CFA, CPA (Inactive)

Classroom: 800AM Schoenbaum 200

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COURSE DESCRIPTION

This course is designed for undergraduate finance majors looking explore the art of short selling. The course will provide students an introduction to short selling via class lectures and case studies as well as provide the opportunity to identify, analyze and communicate a short sale investment.

COURSE LEARNING OUTCOMES:

Upon completion of this course, students will be capable of:

1. Understanding the mechanics of short selling
2. Identifying late cycle market dynamics and regimes that favor short selling
3. Research and identify short sale investment candidates
4. Write and present a persuasive short sale investment pitch

We will accomplish these objectives through:

- Lectures, case studies and class discussions
- Application via assignments and quizzes
- Short sale investment thesis and presentation

COURSE MATERIALS

Required Textbooks

[What's Behind The Numbers](#)

[Expectations Investing](#)

Required Cases

[HBS CASE LINK](#)

Luckin Coffee (A): Caffeine-fueled Growth?

Wirecard: The Downfall of a German Fintech Star

Enron

Optional Textbook

[Algorithmic Short Selling with Python](#)

[GitHub](#)

HOW THIS COURSE WORKS

Mode of delivery: This course will meet in-person.

Pace of activities: This course is divided into **modules** that are released one week ahead of time. Students are expected to keep pace with weekly deadlines but may schedule their efforts freely within that time frame.

Credit hours and work expectations: This is a **3-credit-hour course**. According to [Ohio State policy](#), students should expect around 3 hours per week of time spent on direct instruction (instructor content and Carmen activities, for example) in addition to 6-9 hours of homework (reading and assignment preparation, for example) to receive a grade of (C) average.

ASSIGNMENTS & GRADING

25% Quizzes/Assignments (Individual)

Quizzes will assess retention of course learning objectives. Quizzes will be administered during class via TopHat in-class and/or outside the classroom using Carmen. In-class assignments will be individual based projects that apply key concepts covered in-class. TopHat questions will be asked during live session classes and outside of a medical/family emergency or University approved absence I cannot provide make-up assignments for points missed.

45% Case Studies (Group)

Case assignment questions will be assessed on the basis of:

- 1) Answering the question directly and succinctly
- 2) Supporting your answer with evidence from the case or supplementary information provided
- 3) Embracing the ambiguity—or—open ended nature of the question and taking a distinct position

In essence, tell me in the first sentence (one sentence) what you think. Next, support your answer with facts from the case or outside support (OSU library resources = best), if supplementary files are provided feel free to use them as support.

20% Short Sale Investment Model, Thesis & Presentation (Group)

The short sale model, investment thesis and presentation. The model will include four key fundamental drivers. Thesis will elucidate and support the the four fundamental drivers. The presentation will be a summary of the thesis. Keys to this project: quantifying the reward-risk, supporting fundamental assumptions, persuasively writing presenting your idea.

5% Group Contract (Group)

Group contract will spell out group roles/responsibilities, meeting times and disagreement/conflict resolution steps.

5% Peer Review (Group)



Peer groups will review the quality and persuasiveness of the short sale presentations and rank them.

GRADING SCALE

Letter Grade	%	GPE %	Letter Grade	%	GPE %
A	= 93 - 100	4.0	C+	= 77-79.99	2.3
A -	= 90 - 92.99	3.7	C	= 73-76.99	2.0
B+	= 87 - 89.99	3.3	C-	= 70-72.99	1.7
B	= 83 - 86.99	3.0	D+	= 67-69.99	1.3
B-	= 80 - 82.99	2.7	D	= 63-66.99	1.0

Exemplary Performance; A-: Strong Performance; B+: Good Performance; B: Adequate Performance; B-: Adequate Performance, with Some Deficiencies; C+: Weak Performance, with Serious Deficiencies; C: Poor Performance, with Pervasive Deficiencies Performance below the "C" level will be addressed on a case-by-case basis.

In keeping with Fisher College policy, I strive to have the average GPA for the course in the following range:

UG Business Electives and Capstone Classes 3.2 – 3.6

EXPECTATIONS

- **NO late submissions** – To maintain fairness, assignments **MUST** be submitted by the due date. Screenshots of completed assignments completed prior to the due date will **not** be accepted. Please do **not** e-mail screenshots of date/time. As aforementioned, late assignments will **not** be accepted barring extenuating circumstances such as medical and/or family emergency (documentation required).
- **Medical/family emergency or University approved absence** – Should you miss class due to a medical or family emergency or due to a University sponsored event that conflicts with our course meeting time please e-mail me (schneider.275@osu.edu). Detailed information and/or support assists in providing me context/support.
- **Case study** – To provide an even playing field, I will **not** discuss case study discussion or graded case assignment questions PRIOR to the class in which we discuss the case. If I receive multiple similar *clarifying* questions about the graded case assignment questions, I will answer them in CARMEN. Be advised that I will **not** provide answers to the graded case questions
- **Case submissions** – Please include all group member names within the case submission file
- **Top Hat** – Please download the top hat app to your smartphone and/or be ready to log-in (<http://go.osu.edu/tophat>) to participate in-class polls and/or quizzes.
- **Google Colab (use osu.edu linked account)** - <https://colab.research.google.com/notebooks/intro.ipynb>
- Financial Modeling Prep (FMP) - <https://site.financialmodelingprep.com/>



- **DO YOUR OWN WORK** Academic misconduct will not be tolerated. See Use of AI and Academic Misconduct sections (below) for more detail.
- **DO NOT SHARE YOUR WORK OR COURSE CONTENT WITH OTHERS DIRECTLY OR INDIRECTLY (VIA WEBSITE/APPS)**

USE OF AI

There has been a significant increase in the popularity and availability of a variety of generative artificial intelligence (AI) tools, including ChatGPT, Sudowrite and others. These tools will help shape the future of work, research and technology but when used in the wrong way, they can stand in conflict with academic integrity at Ohio State. All students have important obligations under the Code of Student Conduct to complete all academic and scholarly activities with fairness and honesty. Specifically, students are not to use unauthorized assistance in the laboratory, on field work, in scholarship or on a course assignment unless such assistance has been authorized specifically by the course instructor. In addition, ***students are not to submit their work without acknowledging any word-for-word use and/or paraphrasing of writing, ideas or other work that is not your own.*** These requirements apply to all students undergraduate, graduate, and professional.

To maintain a culture of integrity and respect, these generative AI tools should not be used in the completion of course assignments unless an instructor for a given course specifically authorizes their use. Some instructors may approve of using generative AI tools in the academic setting for specific goals. However, these tools should be used only with the explicit and clear permission of each individual instructor, and then only in the ways allowed by the instructor.

Do not upload (or enter via any other manner, such as copying/pasting or typing) any portion of any readings, case studies, articles, videos, syllabi, handouts, presentation slides, spreadsheets, web pages (e.g., from Carmen Canvas), discussion boards, class recordings, other documents, or other audiovisual materials from this course into any AI model. It is specifically a violation of both copyright law and licensing agreements to upload materials from Harvard Business Publishing (HBP). Our school's license with HBP does not permit their content to be uploaded into AI models or processed by them. As stated in the HBP Generative AI Permissions FAQ:

“All customers, clients, and partners must obtain prior written permission from HBP before uploading any content from the HBP catalog into any generative AI tool.”

“Your use of the HBP catalog content is governed by these terms of use, which explicitly do not allow use in generative AI.”



"Customers who use HBP catalog content in ways not allowed by the terms of use will be viewed as willfully violating those terms. HBP reserves the right to enforce its rights which may include, amongst other legal remedies available, terminating the licenses as well as recovering for damages stemming from the unauthorized use."

This rule is extremely serious because violating the HBP licensing agreement could jeopardize our entire school's relationship with Harvard

Business Publishing, thereby potentially affecting all students and instructors in all Fisher College courses. So, uploading course materials (especially HBP case studies, articles, etc.) into an AI platform will be treated as an academic integrity violation

DISENROLLMENT

University Rule 3335-8-3 provides that a student may be dis-enrolled after the third instructional day of the semester, the first Friday of the semester, or the student's second class session of the course, whichever occurs first, if the student fails to attend the scheduled course without giving prior notification to the instructor.

ACADEMIC MISCONDUCT

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's Code of Student Conduct and this syllabus may constitute Academic Misconduct.

The Ohio State University's Code of Student Conduct (Section 3335-23-04) defines academic misconduct as: Any activity that tends to compromise the academic integrity of the University or subvert the educational process. Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an excuse for academic misconduct, so I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct.

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's Code of Student Conduct (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.

You can also review these resources:

- Committee on Academic Misconduct (go.osu.edu/coam)
- Ten Suggestions for Preserving Academic Integrity (go.osu.edu/ten-suggestions)



- Eight Cardinal Rules of Academic Integrity (go.osu.edu/cardinal-rules)

RELIGIOUS ACCOMODATIONS

Ohio State has had a longstanding practice of making reasonable academic accommodations for students' religious beliefs and practices in accordance with applicable law. In 2023, Ohio State updated its practice to align with new state legislation. Under this new provision, students must be in early communication with their instructors regarding any known accommodation requests for religious beliefs and practices, providing notice of specific dates for which they request alternative accommodations within 14 days after the first instructional day of the course. Instructors in turn shall not question the sincerity of a student's religious or spiritual belief system in reviewing such requests and shall keep requests for accommodations confidential. With sufficient notice, instructors will provide students with reasonable alternative accommodations with regard to examinations and other academic requirements with respect to students' sincerely held religious beliefs and practices by allowing up to three absences each semester for the student to attend or participate in religious activities. Examples of religious accommodations can include, but are not limited to, rescheduling an exam, altering the time of a student's presentation, allowing make-up assignments to substitute for missed class work, or flexibility in due dates or research responsibilities. If concerns arise about a requested accommodation, instructors are to consult their tenure initiating unit head for assistance. A student's request for time off shall be provided if the student's sincerely held religious belief or practice severely affects the student's ability to take an exam or meet an academic requirement and the student has notified their instructor, in writing during the first 14 days after the course begins, of the date of each absence. Although students are required to provide notice within the first 14 days after a course begins, instructors are strongly encouraged to work with the student to provide a reasonable accommodation if a request is made outside the notice period. A student may not be penalized for an absence approved under this policy. If students have questions or disputes related to academic accommodations, they should contact their course instructor, and then their department or college office. For questions or to report discrimination or harassment based on religion, individuals should contact the Civil Rights Compliance Office. Policy: Religious Holidays, Holy Days and Observances

DISABILITY SERVICES

The Office of Disability Services verifies students with specific disabilities and develops strategies to meet the needs of those students. Students requiring accommodations based on identified disabilities should contact the instructor at the beginning of the semester to discuss his/her particular needs. All students with a specific disability are encouraged to contact the Office of Disability Services to explore the potential accommodations available to them. You can connect with them at slds@osu.edu; 614-292-3307; or <https://slds.osu.edu> or in person at 98 Baker Hall, 113 W. 12th Ave.

CREATING AN ENVIRONMENT FREE FROM HARASSMENT, DISCRIMINATION AND SEXUAL MISCONDUCT

The Ohio State University is committed to building and maintaining a community to reflect diversity and to improve opportunities for all. All Buckeyes have the right to be free from



harassment, discrimination, and sexual misconduct. Ohio State does not discriminate on the basis of age, ancestry, color, disability, ethnicity, gender, gender identity or expression, genetic information, HIV/AIDS status, military status, national origin, pregnancy (childbirth, false pregnancy, termination of pregnancy, or recovery therefrom), race, religion, sex, sexual orientation, or protected veteran status, or any other bases under the law, in its activities, academic programs, admission, and employment. Members of the university community also have the right to be free from all forms of sexual misconduct: sexual harassment, sexual assault, relationship violence, stalking, and sexual exploitation.

To report harassment, discrimination, sexual misconduct, or retaliation and/or seek confidential and non-confidential resources and supportive measures, contact the Civil Rights Compliance Office:

Online reporting form at <http://civilrights.osu.edu/>,

Call 614-247-5838 or TTY 614-688-8605, Or Email equity@osu.edu

The university is committed to stopping sexual misconduct, preventing its recurrence, eliminating any hostile environment, and remedying its discriminatory effects. All university employees have reporting responsibilities to the Civil Rights Compliance Office to ensure the university can take appropriate action:

- All university employees, except those exempted by legal privilege of confidentiality or expressly identified as a confidential reporter, have an obligation to report incidents of sexual assault immediately.
- The following employees have an obligation to report all other forms of sexual misconduct as soon as practicable but at most within five workdays of becoming aware of such information:
 1. Any human resource professional (HRP); 2. Anyone who supervises faculty, staff, students, or volunteers; 3. Chair/director; and 4. Faculty member.



THE OHIO STATE UNIVERSITY

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CLASS/ASSIGNMENT SCHEDULE (subject to change)



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- Week 1** Intro , Short Selling Fundamentals
Short Selling Fundamentals, Short sale Valuation
- Week 2** Price Implied Expectation DPZ model
Price Implied Expectation in-class PZZA model
- Week 3** Late Cycle Market Regime
Late Cycle Market Regime - Research Tools
- Week 4** Market Regime Presentation
Market Regime Presentation
- Week 5** Idea Generation - Sector / Screening
Idea Generation - Company
- Week 6** 5 Simple Short Ideas Presentation
5 Simple Short Ideas Presentation
- Week 7** 5 Simple Short Ideas Presentation
Detail short DCF model + report
- Week 8** Accounting - Sales growth
Case - Luckin Coffee
- Week 9** Accounting - EPS
Case - Wirecard
- Week 10** Accounting - Expenses
Accounting - Balance Sheet
- Week 11** Case - Enron
Accounting - Cash Flow + Capital Returns
- Week 12** Internet vs. AI - Class Discussion
Accounting - Management / Notes
- Week 13** Python Applications in Short Selling
Short Sale Pitch Presentation
- Week 14** Short Sale Pitch Presentation
Short Sale Pitch Presentation

Please refer to Carmen site for detailed class and assignment schedule.