

“FACT OR EASY”

(“Your decisions make you who you are.”)

Goal of the Game

Learn how to make decisions, create your own production strategy, or try out well-established recommendations, be in control of your economic situation and market conditions, assert the interests of your factory, win over your competitors and earn as much cash as possible within one year. *Find out whether you decide only on the basis of your intuition (“Easy”) or based on facts (“Fact”).*

General Information

You do not start the game empty-handed: you already own 4 units of production material, 2 finished products and 2 manufactories. For your further development, you have \$ 5,800 at the beginning.

Each factory produces one product per month. Starting from the first month, you can use 2 factories that can produce 2 products in one month. But you can also produce much more! Buy more factories...

The game takes place in twelve rounds with each round representing one month of a year. There are three main phases in each round:

1. Purchase of material – how many pieces do you want and for how much are you going to buy them.
2. Product manufacturing – how many pieces do you want to manufacture and how many you can.
3. Product sales – how many pieces do you want to sell and for how much.

Keep in mind during the entire game that each production involves costs of storing the material and products and costs of operation and maintenance of the factory. Some of these costs vary depending on how many pieces you own, others do not change.

In the first round, the total cost will be the same for everybody (\$ 4,200) because not only you but also your competitors have available 4 units of material, 2 manufactured products on stock and 2 factories.

The money is taken off the account continuously, think about it before you make any decision, it cannot be taken back.

Expenses		1 – 7 units	8 or more units
Storage	of material	\$ 300/piece	\$ 200/piece
	of products	\$ 500/piece	\$ 350/piece
Factory operation and maintenance		\$ 2,000/1 factory	
Purchase of a new factory		\$ 5,000/1 factory	

In making your decisions, you can use historical gaming information that you can view using Playing Statistics.

Purchase of Material

Before purchasing, check your stock goods availability and the current market conditions. That is, how much material for manufacturing you already own, what is the minimum price of the material you can buy it for and how many available units of material are available on the market.

Your decision-making about purchasing is individual – you do not know any information about the actual decision-making of your opponents in advance and you cannot make arrangements with them.

But be careful and think about how you can use the available information!

Does the current price for your material seem high and do you still have material available to be able to produce? Take a risk and wait what the price will be in the coming months.

Do you see that your competitors have empty warehouses and do you want to slow them down in their development? Offer the highest price for the material and buy all the available units on the market.

Are you in an advanced phase of the game and have you watched how much your opponents bought the material for? Save your money equipped with this knowledge and offer a slightly higher price.

Remember, however, that only a limited amount of material can be purchased and you can affect your competitors' situation when doing so. The material will be sold to the highest bidder; if some free units remain, the player with the second highest bid will get them, etc. If there is an identical bid for material in more than one player, your success will be determined by the extent to which the dealer finds you congenial.

Manufacturing the Product

When manufacturing the product, please remember that every production costs something. If you make a decision to manufacture during a given period, you have to consider the costs you will have to expend.

It is, of course, possible not to produce in the given round for tactical reasons. In such a case, you do not pay any manufacturing costs.

The following rules apply to manufacturing:

One product unit can be manufactured from one material unit. One factory manufactures only one product unit in a given month. Manufacturing costs of one factory amount to \$ 2,000.

Do you have enough funding for your production plan or will your decision get you into bankruptcy?

Do you only monitor manufacturing costs or do you consider also whether production is more expensive than the sales options in the current month?

Your decision-making should not be affected only by the present but also by the past and the future.

Selling the Product

Did you manage to create a product? Start by checking what the current market conditions are before you sell. That is, in how many pieces of the product the market is interested in the given period and what the maximum market price is for which customers are willing to purchase the products. If you manage to sell the products in the month when you manufactured them, you do not have to pay storage costs.

Also here, it holds that your decision-making about purchasing is individual – you do not know any information about the actual decision-making of your opponents in advance and you cannot make arrangements with them.

If you are smart, you can use much available information also at this stage.

Is the purchase price very close to your costs or even lower? Would it pay if you let your products in stock and try to sell them in the next month? Play with numbers, calculate and speculate.

Do you want to prevent competitors from selling their goods? Try to satiate the market demand and thus eliminate the possibility of selling their products. Offer your products cheaper than you think your competitors do.

Try to monitor your competitors' previous decisions and see how your opponents think and use it for your further decision-making!

Only the required quantity of products will get to the market, there won't be any supply without demand. If you go to the market with too high a price, you will not sell anything.

Decision to Expand Production

Every month, you have the opportunity to expand your production capacity and thus manufacture more products as from the given month. Buying a new factory costs you \$ 5,000 and you can buy it during any phase – the money will be deducted immediately. In which phase of the game is it worth buying a factory?

Loan Request

During each phase of the game, you can take out a \$ 10,000 loan. Is it convenient to take a loan during any phase of the game?

The interest rate for the loan begins to be paid starting from the round that follows the one in which you have taken the loan. The interest amounts to 12%.

The repayment of the loan incl. interest is automatically deducted by the bank at the end of each completed month.

Bankruptcy

Once the balance on your account gets negative: you're done – you have lost and are out of the game.

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