**DIRECTIONS TO THE INSTRUCTOR FOR GROUP ACTIVITY 2**

 **Preparation:** Duplicate the *How To Play the Plane Game* instructions (pages 3–4)—one per student.

 Obtain a supply of red, white, and blue chips or paper cutouts to use as money. Values
for each color are as follows: red, $1,000 each; blue, $500 each; and white, $100 each.
If desired, play money could also be used.

 Obtain an ample supply of plain 8½” x 11” paper and scissors. Also obtain markers, crayons, colored pencils, stickers, etc., with which to decorate the paper airplanes.

 **Process:** Explain to students that the class will be playing *The Plane Game*, which is designed to provide students with a better understanding of the role played by competition in a
private enterprise system. By playing the game, they can directly experience the effects of competition on buyers and sellers.

Players are organized into five teams (two to five players per team) representing the
following groups:

|  |  |  |
| --- | --- | --- |
|  | **TEAMS** | **ROLES** |
| **SELLERS:** | 1. Airline Manufacturer No. 1 | Both manufacturers produce and sell large, medium, and small planes for profit. |
|  | 2. Airline Manufacturer No. 2 |
| **BUYERS:** | 3. U.S. Government | Buys large, medium, and small planes for military and other government uses |
|  | 4. Commercial Airline Company | Purchases large and medium planes for transporting paying passengers |
|  | 5. Private Owners | Represent individuals who buy medium and small planes for their private use (players work as a team for game purposes) |

 Plain sheets of 8½” x 11” paper should be used as the raw material for building
aircraft. Manufacturers may purchase paper from the instructor only during the “planning session.” Cost per sheet is $1,000. In constructing planes, manufacturers must use *one full sheet for large planes, ½ sheet for medium planes, and ¼ sheet for small planes.* Planes may be decorated using pens, pencils, crayons, markers, or any other available materials.

 Discuss the instructions, and play the game.

After the game is played, you should conduct a debriefing or discussion with the class to
analyze what happened during the game. It is important that the events that occurred
during the game be translated in terms of instructional objectives.

**DIRECTIONS TO THE INSTRUCTOR FOR GROUP ACTIVITY 2** (cont’d)

 Use the following questions to assist you in conducting the debriefing:

 1. What were the goals of each team?

 2. What roles did players assume within each team?

 3. In what ways did the teams compete against each other?

 4. In what ways did they cooperate?

 5. How did competition affect the selling teams? Buying teams?

 6. How did competition affect prices? Quality of planes? Customer service offered?

 7. How would you define competition?

 8. What would happen if the groups did not compete with each other?

 9. Do you think the instructor (government) should have exercised more control over the

 game and/or the amount of competition?

**HOW TO PLAY THE PLANE GAME**

**How To Play**

Step 1: Each team should select a leader and a banker (to handle the team’s money). The selling teams (manufacturers) may want to name their companies and develop signs, slogans, trademarks, etc.

Step 2: Each team begins the game with a specific amount of money. Allocate starting amounts for each team as follows:

 **Sellers ($10,000 per team)**

 4 Red Chips = $ 4,000

 10 Blue Chips = $ 5,000

 10 White Chips = $ 1,000

 Total = $ 10,000

 **Buyers ($32,000 per team)**

 20 Red Chips = $ 20,000

 20 Blue Chips = $ 10,000

 20 White Chips = $ \_2,000

 Total = $ 32,000

Step 3: Play begins with a 15- to 20-minute **planning session**. During this session, the members
of each team should work together to make their plans and develop their marketing or
buying strategy. Listed below are some examples of things that the different teams may wish to discuss.

 **Sellers:**

 a. How much paper to buy (Remember that raw materials may only be purchased during the **planning session**.)

 b. Whether to build large planes, medium planes, small planes, or planes of all three sizes

 c. How to build and decorate the planes

 d. To which buyers will the company sell?

 e. What prices will be charged?

 f. How to promote and sell the product

 g. How to overcome competition from the other manufacturer

 **Buyers:**

 a. What kinds of planes to buy; appearance

 b. How much is the team willing to pay for the planes?

 c. With which manufacturer to deal; or both

 d. What kind of quality will be acceptable for planes purchased?

 e. How to negotiate with sellers and how to make purchases

**HOW TO PLAY THE PLANE GAME** (cont’d)

Step 4: When the **planning session** is finished, the teams are ready to begin the **trading session**. The focus of this session is on the actual production, buying, and selling of planes. The
**trading session** may last 15–20 minutes or as long as active trading is going on. At the
appropriate time, the instructor should announce the end of the round, and all trading
must cease.

 **Note:** Buyer teams are required to complete at least two transactions per round of play.

Step 5: Repeat steps 3 and 4. If possible, players should complete a minimum of two rounds of play.

Step 6: **Winning.** In*The Plane Game*, there are two different winners: a winning **seller** team and a winning **buyer** team. To determine the winner in each category, follow these procedures:

 **Sellers:**
The winning **seller** team will be the manufacturer who has earned the most “profits” by the end of the game. To compute their profits, the teams should **deduct** the value of all leftover planes from the amount of money they have at the end of the game. Leftover planes should be valued at cost prices: $1,000 for large planes, $500 for medium planes, and $250 for small planes.

 **Buyers:**
The winning **buyer** team will be the one with the greatest “total worth” at the end of the game. To determine their total worth, the teams should first **compute** the total value of
the planes they have purchased during the game. Again, planes should be valued at cost prices: $1,000 for large planes, $500 for medium planes, and $250 for small planes. Once computed, the value of the planes should be added to the amount of money they have
remaining. This figure represents their total worth.