It was in that year that Murphy and Aykroyd were making the hit comedy “Trading Places,” and their characters were introduced to the fast-paced commodities industry – trading frozen concentrated orange juice to be exact. Based on the success of the movie, released the following year, it was a wise career choice for both actors.

Also in 1982, Jeff Borchardt graduated from Northwest and accepted a job at the Kansas City Board of Trade. Wheat – hard red winter wheat which provides the bread wheat for the world – was, and still is, the commodity of choice at the exchange. Based on the success of the Board of Trade and Borchardt’s current position of president and chief executive officer, it, too, was a wise career choice.

Borchardt isn’t the only Northwest graduate working at the KC Board of Trade. He’s joined by Joe Ott ’86, vice president of compliance; Chris Johnson ’95, vice president of operations; and Veronica Jensen Braddy ’01, accounting manager.

Since Borchardt first arrived at the Board of Trade in the compliance and auditing department, trading has skyrocketed, leaving a favorable mark on the economy.

“It’s a pretty organized chaos,” he said. “More money in contract value flows through the exchange each year than any other financial institution in Kansas City, other than the Federal Reserve Bank. If we trade 4 million contracts a year and there’s 5,000 bushels in a contract, that’s 20 billion bushels of wheat. At $4 a bushel, that’s $80 billion a year!”

Jeff Borchardt is no Eddie Murphy. For that matter, he’s no Dan Aykroyd either. But all three men would agree, 1982 was a good year – a year they wouldn’t trade for anything.

“Buy low, sell high. Nothing you have ever experienced will prepare you for the absolute carnage you are about to witness. It’s either kill or be killed. You make no friends in the pits and you take no prisoners. One minute you’re up half a million in soybeans and the next, boom, your kids don’t go to college and they’ve repossessed your Bentley.”

So how closely does art imitate life? “It’s a pretty trade 4 million contracts a year and there’s 5,000 bushels in a contract, that’s 20 billion bushels of wheat. At $4 a bushel, that’s $80 billion a year!”

Organized chaos

Because the open outcry method of trading is used, all four Bearcats agree, the trading floor is downright crazy. This time-tested system of trading enables buyers and sellers to hear all available bids and offers, similar to an auction but in this case, every trader also is his own auctioneer.

The furor on the trading floor begins when the bell rings precisely at 9:30 a.m. and continues relentlessly until the markets close at 1:15 p.m. – and not a minute sooner.

“It can be raucous, and it’ll get your adrenaline going,” Johnson said. “It’s constant chaos, well, actually more like organized chaos.”

As Aykroyd’s character, Louis Winthorpe III, told Murphy’s character, Billy Ray Valentine, as they approached the New York Commodity Exchange, “Buy low, sell high: Nothing you have ever experienced will prepare you for the absolute carnage you are about to witness. It’s either kill or be killed. You make no friends in the pits and you take no prisoners. One minute you’re up half a million in soybeans and the next, boom, your kids don’t go to college and they’ve repossessed your Bentley.”

So how closely does art imitate life? “It’s a pretty
Excerpts from the Kansas City Business Journal column by Michael Braude, Nov. 18, 2005

Northwest’s produce brings value to KC Board of Trade

I truly believe that the Kansas City Board of Trade is one of our city’s most important business institutions. This 160-year-old organization has stood the test of time as the world’s market for hard red winter wheat. This is one of our city’s hidden gems. I am truly passionate about the Board of Trade; I truly believe that the Board of Trade is one of our city’s most important business institutions. This 160-year-old organization has stood the test of time as the world’s market for hard red winter wheat. I am passionate about the Board of Trade.

I am currently involved with the Board of Trade’s Electronic Trading Division, where I work with Chris Johnson, the chief operating officer. Chris is a wonderful leader and a true professional. He has a natural curiosity about how things work, which is beneficial to his responsibilities as the vice president of operations. He is always looking for ways to improve our trading floor operations and is constantly seeking new ways to improve our services to our members.

Chris Johnson is a Northwest graduate, and he has a natural curiosity about how things work. His expertise in computer science and his ability to think outside the box make him an asset to our team. He has been with the Board of Trade for over 10 years, and he has a strong understanding of the electronic trading platform.

Electronic trading

When Johnson visits the trading floor, he often finds himself tuning in on the traders and focusing on the electronic trading floor. This is the place where the magic happens, where the information is exchanged and the losers and winners are determined. It is a fast-paced, high-stress environment, but Johnson loves it. He keeps his key officers informed of everything important at the trading floor.

Ensuring integrity

With so much activity going on in the trading pit, Ott is the man responsible for making sure all of the trading is in compliance with the Board of Trade’s rules as well as the regulations of the federal government. “Our primary responsibility is to ensure the integrity of the marketplace,” said Ott, who has been with the exchange since 1987. “We do audits and investigations and review financial statements. I’ve found over the years if I have to ask someone about a possible violation, the traders have incredible memories of all the trades they’ve made. Even though there’s a lot of chaos, they know exactly what’s going on at every moment.”

While Borchardt and Ott keep a close eye on the activity in the trading pit, Braddy, the exchange’s accounting manager, is primarily responsible for the book-keeping but also assists in electronic trading.

Ott in the compliance department.

Braddy, like the other Bearcats she works with, has been right out of college and said she knew very little about the industry. “I didn’t even know there was an exchange in Kansas City,” she said, “but growing up in a rural area and having an agricultural background helped me understand the futures market.”

Quite a team

Whether Borchardt’s employees had much knowledge of the commodities business before they were hired didn’t seem to negatively impact their performance, and Borchardt is quick to give credit to his team. “One thing that makes me successful,” Borchardt said, “is surrounding myself with people who make me look good by knowing how to get the job done. We’re a small staff of about 25 people, and it’s important that I have some real go-getters, and that’s what North- west has produced. I also owe a great deal to the former exchange president, Mike Braude, for his guidance and support.”

Despite his recent hiring of yet another Northwest graduate, Dustin Oliver ’06 as a systems administrator, Borchardt claims he’s an equal opportunity employer. “I didn’t even know there was an exchange in Kansas City,” she said, “but growing up in a rural area and having an agricultural background helped me understand the futures market.”

Northwest Business Journal

In fact, we installed a defibrillator about three years ago because you never know when someone might go into cardiac arrest.”

Ensuring integrity

With so much activity going on in the trading pit, Ott is the man responsible for making sure all of the trading is in compliance with the Board of Trade’s rules as well as the regulations of the federal government. “Our primary responsibility is to ensure the integrity of the marketplace,” said Ott, who has been with the exchange since 1987. “We do audits and investigations and review financial statements. I’ve found over the years if I have to ask someone about a possible violation, the traders have incredible memories of all the trades they’ve made. Even though there’s a lot of chaos, they know exactly what’s going on at every moment.”

While Borchardt and Ott keep a close eye on the activity in the trading pit, Braddy, the exchange’s accounting manager, is primarily responsible for the book-keeping but also assists in electronic trading.

Electronic trading

When Johnson visits the trading floor, he often finds himself tuning in on the traders and focusing on the electronic trading floor. Not only is he responsible for the information technology, communications and facilities, but also for the entire system that transmits price reporting quotes from the pit to a network that eventually goes worldwide.

“The biggest project I’ve been involved in has been the electronic trading that we implemented in 2004, and now we’re taking it one step further,” Johnson said. “Right now with our electronic markets, we trade overnight, but we’re not far from offering side-by-side trading where open outcry and electronic trading would be happening simultaneously. I need to be able to anticipate what the requirements and needs will be for members on the floor as well as what new technology will support those needs.”

Under Johnson’s watch, the Kansas City Board of Trade is the only North American exchange that hasn’t halted trading for computer-related problems.

While Borchardt and Ott keep a close eye on the activity in the trading pit, Braddy, the exchange’s accounting manager, is primarily responsible for the book-keeping but also assists in electronic trading.

Electronic trading

When Johnson visits the trading floor, he often finds himself tuning in on the traders and focusing on the massive electronic wall. Not only is he responsible for the information technology, communications and facilities, but also for the entire system that transmits price reporting quotes from the pit to a network that eventually goes worldwide.

“The biggest project I’ve been involved in has been the electronic trading that we implemented in 2004, and now we’re taking it one step further,” Johnson said. “Right now with our electronic markets, we trade overnight, but we’re not far from offering side-by-side trading where open outcry and electronic trading would be happening simultaneously. I need to be able to anticipate what the requirements and needs will be for members on the floor as well as what new technology will support those needs.”

Under Johnson’s watch, the Kansas City Board of Trade is the only North American exchange that hasn’t halted trading for computer-related problems.

Electronic trading

When Johnson visits the trading floor, he often finds himself tuning in on the traders and focusing on the electronic trading floor. Not only is he responsible for the information technology, communications and facilities, but also for the entire system that transmits price reporting quotes from the pit to a network that eventually goes worldwide.

“The biggest project I’ve been involved in has been the electronic trading that we implemented in 2004, and now we’re taking it one step further,” Johnson said. “Right now with our electronic markets, we trade overnight, but we’re not far from offering side-by-side trading where open outcry and electronic trading would be happening simultaneously. I need to be able to anticipate what the requirements and needs will be for members on the floor as well as what new technology will support those needs.”

Under Johnson’s watch, the Kansas City Board of Trade is the only North American exchange that hasn’t halted trading for computer-related problems.