The Football Field Valuation Template in Excel – Done the Right Way

Football Games, Version 2.0
“Football Field Templates”: Useless!

Yes, you can find many “templates” for football field valuation charts online...

...BUT they tend to suffer from a few problems – even our previous coverage of this topic had some of these issues!

So, here’s “Version 2.0”: 
What Is a “Football Field” Valuation?

- **Purpose:** Lets you quickly see a company’s valuation across different methodologies, such as Public Comps, Precedent Transactions, and a DCF.

- **Valuation:** Sort of like a trip to the doctor’s office – the holistic results matter more than one single number or method.

- **So:** If the company looks overvalued across all ranges across all methodologies, it probably is... and vice versa if undervalued.

- **Basic Setup:** Not that complicated – either Stacked Bar Chart or High-Low-Close Stock Chart...
So, What’s the Problem?

• **Problem #1:** Most templates show the bars vertically rather than horizontally – easier to set up, but less flexible

• **Problem #2:** Most templates do not support percentile ranges from different methodologies, such as the 25th, median, and 75th percentiles – but that’s what all banks do in real life

• **Problem #3:** And most templates do not include support for a dynamic share price line that updates on the graph when the company’s current share price range

• **Our template** fixes these problems and makes the graph more dynamic for “model update” purposes
Step 1: Set Up the Basic Chart

- **Step 1.1:** Need the output of all the valuation methodologies across the different percentiles first – not part of this lesson

- **Step 1.2:** Then, calculate the “distance” between each point, starting with the 25\textsuperscript{th} Percentile minus Minimum; these will be segments in the bar chart

- **Step 1.3:** Create the Stacked Bar Chart by highlighting the data in Excel and going to “Insert Chart”

- **Step 1.4:** Right click, Select Data, and Edit Horizontal Axis Labels and link to the labels for the methodologies
Step 1: Set Up the Basic Chart

• **Step 1.5:** Apply some formatting to hide the bars you don’t want to see (often show the 25\textsuperscript{th} to 75\textsuperscript{th} percentile), add labels, change the colors and fonts, add axis titles, etc.

• **Step 1.6:** Now... let’s add the company’s current share price to make this graph dynamic and avoid the “manual share-price update” problem (**warning:** this method probably won’t work in really old versions of Excel (i.e., pre-2013))
Step 2: Adding the Dynamic Share-Price Line

• **Step 2.1**: Create a “dummy series” for the Current Share Price under the main data area – Share Price in the Min to Max columns, and “1,000” or some other number after that, followed by 0’s

• **Step 2.2**: Right click graph, Select Data, and go to “Add” under Legend Entries (Series) and select Name (Current Share Price) and Values (Min to Max range)

• **Step 2.3**: Then, *manually change* the Series formula so that it has both X and Y values (the tricky part)! Example:

  \[=\text{SERIES}('ValGraph-Better'!$B$52,'ValGraph-Better'!$I$52:$M$52,'ValGraph-Better'!$N$52:$R$52,1)\]
Step 2: Adding the Dynamic Share-Price Line

• **Step 2.4:** Right click the Current Share Price bar on the graph, go to “Change Series Chart Type,” select Scatter with Smooth Markers (Secondary Axis will be checked automatically), and click OK

• **Step 2.5:** Right click the graph, go to Select Data, and for the first “blank” series, change the Horizontal Axis Labels to the names on the left-hand side, and click OK

• **Step 2.6:** Fix the Secondary Axis by right clicking it, going to Format Axis, and changing the Min to 0 and Max to 1000

• **Step 2.7:** Then, change the color and remove the Secondary Axis
Recap and Summary

• Basic Chart: Calculate the distances between percentiles, create a Stacked Bar Chart, and then format it appropriately

• Dynamic Share Price Line: Create a “dummy series” for the Current Share Price, add it to the chart, and then add X and Y values for it in the Series formula

• Then: Change it to a Scatter Plot chart type, add back the Horizontal Axis Labels for the rest, and fix/hide the Secondary Axis

• And: Now you have a more useful graph – and you can grab the template for yourself right below this video