

# Online Trading Academy

By Larry Jacobs

The Online Trading Academy started in 1997 as a trading floor in Irvine, California. They had around 180 traders doing millions of dollars of trading transactions daily. This is one of the many trading floors that sprung up around the country at that time for two reasons. First, we were in a wild bull market with great opportunities. Second, the beginning of online Internet trading started with the problem that the phone modem used by the public was not fast enough for effective trading. Online trading rooms had the advantage of a connection to the Internet through T-1 lines which were too expensive for the public. These online trading floors gave these traders a computer with a big monitor with a connection to a T-1 line and usually direct access trading for the fastest speed trading possible. Technical analysis

programs were also made available to these traders. The problem was that these traders did not really know how to use these trading programs and therefore generally lost their capital.

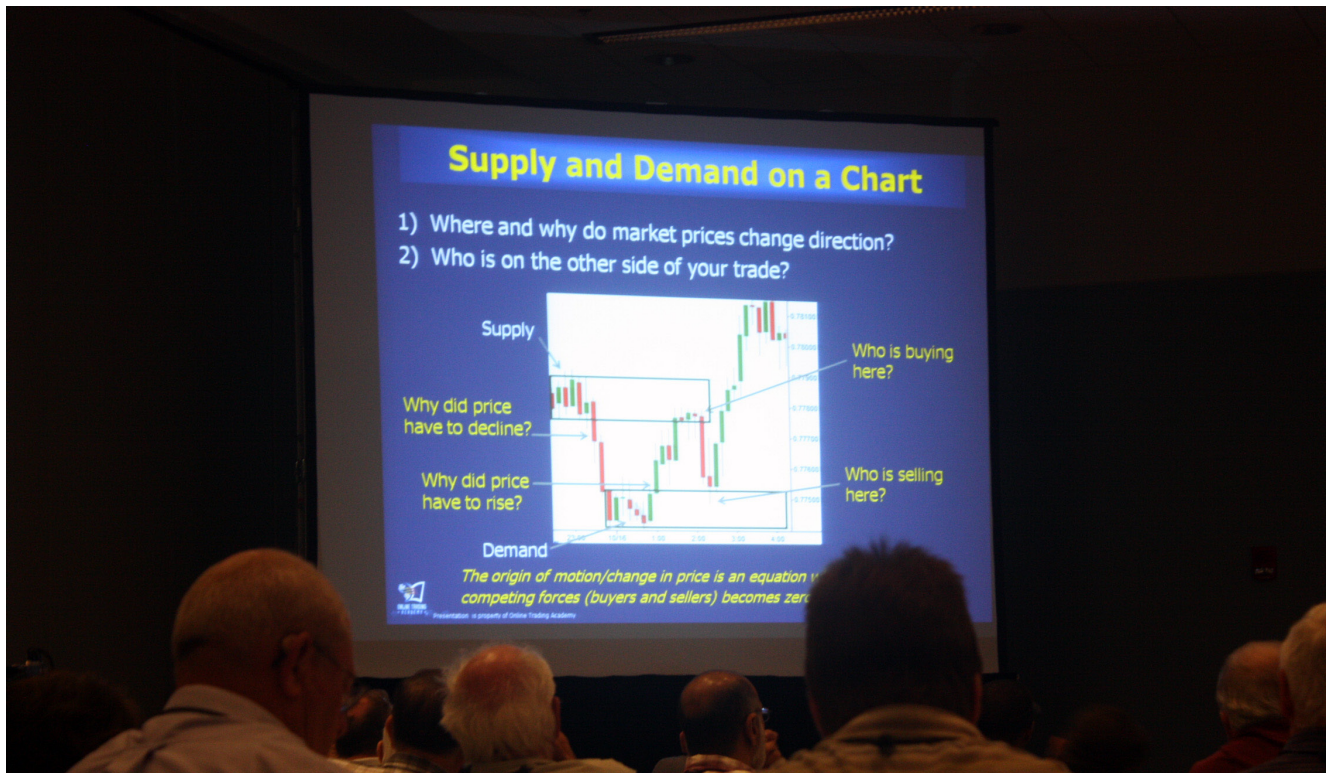
The Online Trading Academy recognized this problem. They had a fantastic idea to ask their successful traders if they would help the inexperienced ones. They set up classes so the newbie traders could learn the different trading styles techniques and habits from the successful traders. It was a tremendous success. They knew they were on the right path. They found that more and more of their traders were making money and unlike their competitors who were continually losing traders there trading floor was bursting at the seams. As time went on, the Online Trading Academy refined their training techniques and set up formal classrooms. These classrooms were



OTA 1997 Trading Floor



John O'Donnel and Eyal Shahar



Kansas City All Star Trader Event

taught by their best traders. They were so popular that they had a waiting list from people who wanted to improve their trading.

In 2001, with the rapid expansion of the high speed internet to the public with both cable and DSL lines and with the availability of direct access trading by the public in their homes, the Online Trading Academy felt that their strength was in training rather than running a trading floor, so they made to change to education only and sold

their trading floor. After that, they developed several educational programs around equities, Forex, options, futures and e-minis. Some programs were available by CDs and DVDs for worldwide distribution. More and more refinement was done to their programs and that improved their trading model even further. When they felt their educational model was fully developed they took the initiative to create the Online Trading Academy Franchise Corporation. This allowed franchisers to use their intellectual properties to educate their students in regional trading centers. The first franchise center was in Dallas, Texas



Ron Booth, KC Center Owner



and now there are around 30 franchises both in the U.S. and even some in other countries such as Canada, England, Dubai and Singapore. Australia and India franchises are planned to open in 2010. Their goal is to be the premier trading educator to the world with the intent of opening at least 100 franchises. Their franchise center instructors are carefully selected and must be a live trading professional with the ability to teach students to trade. Many of their teachers they hire are past students who have become successful traders. Instructors in each of the training centers work together and continually refine their trading material, which adds to the credibility and collective intellectual properties of the company.

Recently the company created their XLT program (Extended Learning Track) designed to continually educate their students with live trading. Students can watch their instructor trade online in real-time and interact with him in the comfort of their home. Several XLT programs are now available such as Broad Market Analysis, Forex Trading, Futures Trading, Momentum Intraday Trading and Option Trading.

Many are introduced to the Online Trading Academy through their All-Star Trader Events which are held in the major cities where their franchise trading centers are located. I went to a recent one in Kansas City where they had some of their master instructors such as Sam Seiden, Brandon Wendell, Eric Ochotnicki teach their trading methods. Eyal Shahar, the president, and John O'Donnell, chief knowledge officer, additionally gave excellent presentations.

I felt that the event was worth going to. There was a presentation given on support

and resistance trading. It was an interesting technique, which helps one effectively find prior support and resistance in a trading chart. The technique gave an entry and exit point. For example, when a market explodes with a burst of strength, many times it will come back to test that area. That is your second chance to buy. There were several examples given. I wanted to go home and check out this technique to see if I could find it on some charts.

John O'Donnell gave his presentation on his forecast of the market in the next few years. This was an excellent presentation. No, John does not think the bear market is over. The rally we have had over the last several weeks he feels is just a correction in a further downtrend.

Basically the Online Trading Academy program is really designed to first protect a student's capital from loss and then after that make money. Many baby boomers are coming to the All-Star Trader Events, because they have lost so much money in the last couple of years from the nasty bear market we have been in. They have lost confidence in their brokers and funds managers. These people want to learn how to manage and trade and invest their money themselves. As John O'Donnell said, their 401Ks have turned into a 201Ks.

If you are interested in learning how to trade in one of the Online Trading Academy classrooms, then you need to definitely check them out. You can possibly attend one of their All-Star Trading Events or get a free workshop at one of the local franchise centers just to see if this really fit you. Go to their site at [www.tradingacademy.com](http://www.tradingacademy.com) for more information.