

VIRGINIA TECH
Department of Agricultural and Applied Economics

Marketing Agricultural Products
AAEC 3504

Tuesdays & Thursdays, 9.30-10.45am, 204 Hutcheson

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Tuesdays & Thursdays, 11am-noon
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Course Description

Concepts and practice in the analysis of issues affecting commodity and non-commodity agri-food markets and their implications for firm strategy, and market structure and performance.

Course Objectives

The overriding objectives of this course are (1) to expose you to foundational information, concepts, and methods used in understanding how agri-food markets work and change; and (2) and to assist you in assimilating and applying these, so that ultimately you are able to use them as stepping stones to approaching, analyzing and evaluating agri-food market issues in your future professional career.

Student Learning Outcomes

By the end of the course, you should be able to

1. Outline and apply an approach to market analysis that builds on your understanding of the features of the U.S. and Virginia agri-food sector and the market analysis process;
2. Identify current trends in demand and the opportunities and challenges these present to entrepreneurs in the agrifood sector;
3. Explain the major structural and organizational features of the U.S. agrifood marketing chain and the implications of these features for suppliers.
4. Articulate the unique challenges and risk faced by farmers due to the biological and market characteristics of the agri-food sector, and explain how farmers can manage their risk through market analysis and institutions such as futures & options markets, contracting and vertical integration.

Prerequisites

AAEC 1005 - Economics of the Food and Fiber System, or an equivalent introductory micro-economics course.

Text

Kohls & Uhl *Marketing of Agricultural Products*; additional reading as assigned.

Course Outline and Schedule, subject to revision (quizzes on indicated chapters)

1. Agri-food Markets: Perspectives and Issues
 - a. Intro to agri-food market analysis
 - b. A view of agri-food markets from 30,000 feet (Ch 1)
 - c. Structure & organization of U.S. agri-food markets (Ch 3)
 - d. Agrifood markets in Virginia
2. Demand
 - a. Demand for food in U.S. markets (Ch 4)
 - b. Demand for food in international markets (Ch 7)
 - c. Core concepts in demand analysis
3. The Marketing Chain
 - a. Retail and Wholesale Markets (Chs. 5, 6)
 - b. Marketing Margins (Ch. 11)
 - c. Market power, concentration & consolidation
4. Commodity Supply & Risk Management
 - a. Characteristics of ag commodity markets & prices (Ch 10)
 - b. Core concepts in agricultural commodity supply
 - c. Price forecasting methods
 - d. Price risk management using futures & options (Ch 20)
5. Non-price coordination of markets
 - a. Characteristics of commodity vs. non-commodity markets
 - b. Non-price coordination methods (Contracting & Vertical integration)

Expectations and Evaluation of Student Performance

1. Participation

Participation includes class attendance, active involvement in group activities, completion of assigned and supplemental readings, participation in class discussions, and timely completion of activities such as on-line surveys, discussions, feedback and quizzes. All assignments and activities calling for your participation will be posted on Blackboard as well as discussed in class. Record will be kept of participation in assigned activities, and attendance will be taken intermittently. Students can miss as many as two classes for any reason without these absences detracting from their participation grade.

2. Group Project and Presentations

During the second week of the course, you will be assigned to a group of three or four students. Group assignments will be based on the interests that you express in the entry survey that you will complete. You will work with your group to analyze a product market of your choosing, with a presentation and submission of a written document at the end of the semester. The overall objective of the analysis will be to conduct a strategic analysis and plan for the sector. While the grade for the group project will largely be determined by the professor; group members will also be responsible for evaluating one another's performance in group activities (including attendance, participation and contribution to group project). These peer evaluations can serve as the basis for adjustments of an individual's final grade by the professor.

3. Quizzes

Quizzes on assigned readings will be administered on a regular basis (usually weekly). Readings will primarily be assigned from the Kohls & Uhl text book which is required for the course. Quizzes will normally be given at the beginning of the class in which a subject is to be presented, so that students will be on equal footing in terms of their exposure to the foundational material and ready to build on this material. There will be approximately 10 quizzes; the lowest grade among these quiz scores will be dropped from final grade calculation. If you miss a quiz you may make it up as long as you do so before the next class period. If you come in late to class, you will need to take the quiz immediately to maintain even footing with the rest of the students. *Quizzes are an easy way to keep your grade up. Sadly, however, many students use them as a way to bring their grade down, particularly by missing quizzes and not making them up which results in a 0 grade.*

4. Exams

There will be two exams during the semester and a final exam. Tentative dates for the mid-term exams are Oct. 2 and Nov. 6. The final exam is scheduled for Dec. 16, 7.45-9.45am in our regular classroom. At the professor's discretion, students who have achieved a mean score of 90% or higher on the first two exams have the option of not taking the final exam. Any students missing one of the in-semester exams will NOT have an opportunity to make it up unless the absence is "officially excused." For each exam missed, the weight of the final exam will increase by 15%.

5. Grading

Final grades will be determined on the following basis:

Participation	5%
Quizzes	25%
Group Project	25%
Exam #1	15%
Exam #2	15%
Final Exam	15%
Total	100%

Evaluation of students' performance in the class, aka grading, will be based on students' progress and achievements with respect to the learning objectives outlined for the course. While grades will be objectively assigned along the lines indicated above, the following should help to show the performance and learning that I anticipate will earn different grades.

Please note: There is no curve and this is not negotiable.

	Grade Range	Description of a Student Earning This Grade
A	94% or higher	Demonstrated understanding of issues and concepts addressed in class and demonstrated ability to apply economic analysis methods introduced in course, and to articulate and communicate findings in the prescribed format.
A-	90 to 93%	
B+	87% to 89%	An understanding of all the elements is indirectly demonstrated but not fully articulated.
B	84% - 86%	
B-	80% to 83%	
C+	77% to 79%	Lack of demonstrated ability to apply concepts and methods taught in course, though some content-based information (aka facts) may have been learned
C	74% - 76%	
C-	70% to 73%	
D	60% to 69%	Inadequate comprehension of basic course material.
F	< 60%	

6. Team Competition

When time permits, project teams will participate in end-of-class competitions (*a la* Quiz Bowl) which will be designed to highlight and reinforce daily learning objectives. These competitions are intended to be informal and fun. Format will vary at the professor's discretion throughout the semester. *Each student on the winning team will receive a 5% bonus to his or her final class grade!*

7. Other Expectations

Attendance, participation, and active engagement in class activities both during and outside of class—Please note that failure to submit a graded assignment without prior arrangement with the Professor will result in a grade of 0 at the end of the day on which the assignment is due.

Scholar—Scholar will be used throughout the semester for all aspects of course administration. You are responsible for all material, including announcements, reading and assignments, that is posted on Scholar or sent by email.

Academic Honesty—Expectations and guidelines for academic honesty are outlined in Virginia Tech's Honor Code. It is your responsibility to be familiar with the Honor Code and its provisions. Please be advised that I take issues of academic honesty extremely seriously. Though I consider it to be the rare person who is willing to regularly and systematically cheat, nearly every student in his or her education program will face situations where the difficulty of the material, time commitments, lack of motivation or any other number of factors could tempt the student to compromise the integrity of the Honor Code. Cheating in any form is an activity that denigrates the student's own legitimate achievements, devalues the efforts of other students who maintain their academic integrity, and violates the relationship of trust and fair play that belongs in the classroom and in all classroom relationships, be they between students, or students and instructors. The key rule in maintaining academic honesty is to *stay away from the gray line*. If you are in doubt as to whether a behavior is appropriate or not, please ask someone.

Special accommodations—If you need adaptations or accommodations because of a disability (learning disability, attention deficit disorder, psychological, physical, etc.), if you have emergency medical information to share with me, or if you need special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible. I can be contacted either by email or phone or during my office hours.

Etiquette

- **Appropriate use of technology**—Please turn off your cell phones and similar technology (such as pagers and PDAs) while in class. If you have an urgent situation where you need to have use of your phone during class, please speak with me before class begins. Use of laptop computers during class is approved for educational uses limited to the class, and can be revoked at the discretion of the professor if such use is distracting to you or others.
- **Respectful behavior**—During the 75 minute class period, you are expected to stay focused on the planned class activities. This excludes conversations with your neighbors, reading extraneous material such as newspapers and textbooks for other classes, text messaging, email, web surfing (see above), sleeping, etc. These behaviors are distracting, disrespectful, and impede your learning and that of your peers.

- **Communication with the Professor and T.A.**—Both the Professor and T.A. look forward to communicating with you on course matters as well as getting to know you more as people. You are welcome to call me by my first name (Denise) or my professional title (Dr. Mainville). Any communication with me or the T.A. should be befitting of the professional relationship we have (as you should expect from us). This means, for example, that all emails should have both a salutation (Hello Dr. Mainville, Dear Denise), sign-off (Thanks, Bill), in addition to the text of the message. Message text must be in full sentences, with appropriate punctuation and capitalization (i.e. no text-message writing). I don't respond to emails that are sent otherwise. Please put the title of the class (AAEC 3504) in the subject heading of any emails you send me.
- **Food, drink and tobacco**—It is fine to have drinks such as water, coffee, tea, juice and soda in class. Please be sure to dispose of your drink containers appropriately. Food and tobacco products are not allowed in class—their consumption is distracting and potentially messy.
- **Beginning and ending class**—Please arrive before the class starts so that you are ready to start right at 9.30am. Please do not leave until I indicate that the class is over. I am generally good at keeping track of time and ask your patience on the rare occasions that I may need an extra minute or two to finish class. If you really think I might have forgotten the end of class, you may point it out to me. I will generally arrive a few minutes early and stay a few minutes late so that you will have an opportunity to speak to me for any questions that can be taken care of outside of my office hours.

The syllabus is often viewed as constituting a contract between the professor and students. Our commitment is to providing you with a valuable and positive learning experience that will enrich and enhance your appreciation and understanding of agrifood markets. By setting our plans and expectations down in this syllabus, we are committing to teach the class in a way that is consistent with them.

Please read the syllabus closely, and ask any questions that you feel are needed to ensure your understanding of it. Please sign below that you have read and understand the syllabus and are willing to abide by the statement below.

By signing below, I _____ (please print name), student ID number _____, acknowledge that I have read and understand the AAEC 3504 course syllabus, have had an opportunity to clarify any questions or concerns, and will abide by the syllabus throughout the semester. It is my responsibility to be familiar with the syllabus and its provisions. I understand and agree that any changes to the syllabus during the semester, with the exception of specific areas marked “tentative,” will be made on the basis of negotiation between students and the Professor, and that students must agree unanimously to any changes that are negotiated.

_____ (signature) _____ (date)