

# AREC 310

## Agricultural Marketing-Spring 2017

**Instructor:** Rebecca Hill  
**Campus Office:** B305 Clark  
**Office Phone:** 970-491-7119  
**Class Times:** T, Th 9:30 – 10:45 am  
Clark A206

**Email:** Rebec.L.Hill@gmail.com  
**Office Hours:** 12 – 2 pm Tuesdays

**Teaching Assistant:** Daina Kaugars  
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**Office Hours:** 10:30am-12:30pm Wednesday

**Prerequisite:** AREC/ECON 202 (Principles of Microeconomics)  
**Textbook:** None

### Additional Requirements:

All students are required to sign up for a simulated web-based trading exercise. Cost is approximately \$35 per group. More discussion about this exercise will be provided in the first few weeks of class.

### COURSE OBJECTIVES:

The primary objective is to foster development and understanding of key agricultural marketing issues and concerns, equip you with analytical skills that may be utilized to evaluate different marketing problems and programs from both the industry and firm perspective. This course will provide you with an understanding of economic concepts that will be employed for analyzing issues in agricultural marketing.

Specific course objectives include:

- Understand the functions performed and appreciate the importance and the complexity of the agricultural and food marketing system.
- Understand the basic workings of the futures markets for speculators and hedgers, and how these may be used by producers and firms to manage price risk.
- Be able to apply the basic economic concepts and analytical tools to understand the market forces that affect prices and to be able to use these tools to evaluate markets, prices, and current agricultural marketing issues.
- Refine your ability to think critically and be able to justify your position with relevant economic logic by developing an analytical approach and decision-making framework for economic decisions made by producers & firms in the marketing system.

### Academic Integrity:

To achieve the best possible learning experience, students must complete all of the homework, exams, and quizzes on their own (unless otherwise stated). If students fail to complete their own work, they are cheating themselves out of their education. Any form of academic dishonesty (cheating, plagiarism, forgery, etc.) will not be tolerated in this course. This course will adhere to the Academic Integrity Policy of the Colorado State University [General Catalog](#) and the [Student Conduct Code](#).

**GRADING:**

**Exams:** Three examinations (including the final) will be offered. The final exam will be comprehensive. All three exams will be worth 150 points each. The lowest exam score will be dropped. Thus, no make-up exams will be given. The exams will be worth 300 points in total.

**Homework:** There will be several homework sets throughout the course that will include problem sets, computer based exercises, etc. The assignments will be worth 150 points in total. **Late assignments will not be accepted.**

**Quizzes:** There will be several announced quizzes that will be given throughout the semester, but unannounced quizzes may be given in class to encourage attendance. The quizzes will be worth 100 points in total.

**Simulation Trading Project:** There will be a computer simulation trading project that will provide you with experience speculating in the futures market. Instructions concerning this project will be provided in a separate handout. The simulation trading project will be worth 150 points.

**In Class Assignments:** There will be several announced/unannounced in class assignments related to lectures. The in class assignments will be worth 50 points in total.

**Grade Scale:**            **A:** 90-100%,   **B:** 80-89%,   **C:** 70-79%,   **D:** 60-69%,   **F:** <60%  
(The instructor reserves the right to give pluses and minuses, but it will always favor the student, for example, a 88% **could** become an A- and a 76% **may** be given a C+).

	<u>Total Points Possible</u>
Tests	300
Homework	150
Simulation Trading Project	150
Quizzes	100
In Class Assignments	<u>50</u>
<b>Total Points</b>	<b>750</b>

**Additional Important Information for AREC 310:**

**Attendance Policy:**

Although attendance is not mandatory, it is highly recommended that you attend class. In the event you will be absent from class, please inform me of this in person prior to your absence. To receive credit for any missed assignments.

**Cell Phones & Other Electronic Devices:**

Cell phones, pagers, blackberries, PDA's, etc. must be turned to silent or vibrate mode during class. No texting, emailing, surfing the internet, etc. will be allowed during class.

**Accommodations:**

Any student with a disability who needs an accommodation or other assistance in this course should make an appointment to speak with me within the first two weeks of class.

**Tentative Course Outline AREC 310 – Spring 2017 (All topics may not be covered)**

<b>Week</b>	<b>Assignment</b>
Weeks 1-2	<ul style="list-style-type: none"> <li>• Review               <ul style="list-style-type: none"> <li>○ Syllabus and Simulation Trading Project</li> </ul> </li> <li>• Read: Online readings on Marketing Basics and Food Markets</li> <li>• Lecture 1 – Introduction to Ag. Marketing</li> </ul>
Weeks 2-3	<ul style="list-style-type: none"> <li>• Lecture 2 – Risk Management and the Futures Market</li> <li>• Begin Simulation Trading Project</li> </ul>
Week 4	<ul style="list-style-type: none"> <li>• Read: ERS Agricultural Contracting Update: Contracts in 2008</li> <li>• Lecture 3 – Contracts</li> </ul>
Weeks 4-5	<ul style="list-style-type: none"> <li>• Read: Online Chapters</li> <li>• Lecture 4 – Demand, Supply, and Elasticities</li> </ul> <p><b><i>EXAM I</i></b></p>
Week 6	<ul style="list-style-type: none"> <li>• Lecture 5 – Price Discovery</li> <li>• Read: Market and Price Behavior Readings Online</li> </ul>
Weeks 7	<ul style="list-style-type: none"> <li>• Lecture 6 – Derived Demand, Derived Supply, and Marketing Margins</li> </ul>
Week 8-10	<ul style="list-style-type: none"> <li>• Read: USDA ERS and AMS Readings on Marketing Costs and Margins</li> <li>• Lecture 7 – Food Marketing Costs</li> <li>• Lecture 8 – Indices</li> <li>• <b><i>EXAM II</i></b></li> </ul>
Weeks 11-12	<ul style="list-style-type: none"> <li>• Read: Trade Readings Online</li> <li>• Lecture 9 – Markets Across Space</li> <li>• Lecture 10 – Interregional Trade</li> <li>• Simulation Trading Project Ends</li> </ul>
Week 13/15 Week 14- Holiday recess	<ul style="list-style-type: none"> <li>• Lecture 11 – International Trade</li> <li>• Simulation Trading Project Report Due</li> </ul>
Week 16	<ul style="list-style-type: none"> <li>• Read: Online readings               <ul style="list-style-type: none"> <li>○ Lecture 12 – Storage</li> </ul> </li> <li>• Review for Exam III</li> </ul>
Week 17	<b><i>EXAM III</i></b>