

2015 AAEA
Annual Meeting
San Francisco, CA
July 26-28

July 2015

Agribusiness Economics and Management (AEM)

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Special points of interest:

- Meet the new AEM officers
- AAEA Business Meeting and Reception Information
- Question for our Section
- AAEA Track Sessions
- Recap

Introduction

It has been a privilege to serve the AEM Section as its Chair over the past year. We have had another busy year and I think you will find that the executive committee has organized an exciting program for this year's Annual Meetings in San Francisco, California.

Once again, one of our flagship programs for this year's meetings will be the Graduate Student Case Study Competition jointly organized with the Graduate Student Section (GSS). This year the number of teams competing has grown to 12 teams (up from 7) representing 9 different programs and with over 30 students participating. We are also fortunate that the protagonist in this year's case study, Patrick Smith of Loftus Ranch, will be able to join us at the meetings and will serve as a judge for the final round on Monday

afternoon. I wish each of the teams the best of luck and look forward to a spirited competition.

The AEM Section will also be sponsoring seven track sessions, highlighted herein. Many of those are joint with other sections. Many thanks to those members that put forward the effort to organize these track sessions and I would strongly encourage all AEM members to attend as many as possible.

The role of chair is made fun by working with good people. My thanks to Aslihan Spaulding, James Sterns, Scott Downey, Sam Funk, Jason Franken, and Steven Vickner for a wonderful year. Your leadership and service is sincerely appreciated. I would also like to welcome the three new Board Members

that were elected this spring: Lia Norgueira (Chair-Elect), Juan Estrada-Valle (Member at Large Industry) and Linda Hamilton (Member at Large Teaching). We are fortunate to have such high quality candidates for these positions and we all look forward to your leadership.

On a final note, I'd like to encourage you to come ready to share your ideas for how the section can create even more value for its members. See you San Francisco!

Brent



Brent Ross, Chair

Section Business and

Membership*

There are 382 members of the AEM section:

- ~56% are graduate student members
- ~3% are early career professional members

*As of 07/02/2015

Annual Business Meeting

Don't forget the AEM section Business Meeting! Meet our new officers and give your input for our 2015-16 activities.

Sunday, July 26, 2015
3 – 4:00 pm
Marriott Marquis;
Sierra A

AEM Section Reception

Let your hair down and socialize with your AEM peers at the AEM Reception!

Sunday, July 26, 2015
5 – 6:00 pm
Marriott Marquis
Yerba Buena Salon 4



2014-2015 AEM Section Leadership



James Sterns
Incoming Chair



Jason Franken
Member-at-large
- Research



Lia Nogueira
Incoming Chair-Elect



Lynn Hamilton
Member-at-large
- Teaching



Scott Downey
Secretary/Treasurer



Juan Estrada-Valle
Member-at-large
- Industry



Brent Ross
Past Chair

Extension Section Offers Tour: Sonoma County Wine, Apple Cider, and Olive Oil Excellence Webinar Recap

In conjunction with the 2015 AAEA annual meetings, the extension section will be offering a tour of Sonoma County agriculture. The tour will begin at Devoto Gardens, a 20 acre diversified family farm that was founded in 1976 by Susan and Stan Devoto. The farm grows over 50 varieties of heirloom apples, specialty cut flowers, and pinot noir grapes. The tour of the farm will be followed by a tasting of their hard apple ciders. The second stop will be in Geyserville where the group will meet with a wine-grape grower to talk about farming practices, wine production, marketing strategies and key challenges. The final stop will be McEvoy Ranch in Petaluma beginning with a walk in the orchards and vineyards. The group will walk in the orchards and vineyards and discuss the horticulture of their plantings. The group will also visit their state-of-the-art mill for an explanation of their unique process of extracting oil. To finish the tour, the group will go through an oil tasting and sensory evaluation.

HERE'S THE QUESTION FOR OUR SECTION!

AEM section leaders have passed around the idea of starting a fund to incent the development of pre- or post-conference workshops, symposia or other AEM-related activities. We've also discussed some efforts to incent attendance of students and industry folks.

WE NEED YOUR HELP!

Please come to the section's business meeting at 3PM in Sierra A on the fifth level of the Marriott Marquis, Sunday, July 26 for this important discussion about the future activities of our section!

2015 AEM Track Sessions

Session #1040

Emerging Trends in Local Food Marketing: Future Research and Outreach Perspectives

Sierra I, Fifth Level

Traditional direct marketing and intermediated markets for local foods (such as farmers' markets, CSAs, restaurants, etc.) have been well researched, including consumer types, as well as consumer preferences and willingness to pay. However, there is an expanding set of opportunities that have not yet been addressed in the literature. Food box sets, grocery home delivery, mobile markets, and farm stores/shops are examples of emerging local food concepts. Food box sets provide all ingredients and recipes home delivered (Blue Apron, Hello Fresh, Brit Kits, etc.). They are designed for consumers looking to return to

the activities of the past (home cooking, canning, baking, etc.), but don't want to spend the time shopping and coming up with the ideas themselves. Grocery home delivery (Winder Farms, Green Bean Delivery, Amazon Fresh, etc.) is designed for working professionals wishing to limit shopping time and those seeking locally-sourced products. This session will bring together academics, USDA representatives, and industry speakers to examine future trends and resulting research and outreach needs in emerging local foods marketing.

Organizer and Discussant: Kynda Curtis, Utah State University

Panelists: Whitney McCarthy, Winder Farms; Ruby Ward, Utah State University; Timothy Woods, University of Kentucky; Lydia Zepeda, University of Wisconsin

Session #1061

Economics of Food Losses and Waste: What are the Right Questions?

Sierra I, Fifth Level

Three divergences between private and social optimality (negative externalities, imperfect information for optimizing agents, and non-optimizing agents with psychological biases) are shown to be the theoretical reasons for public interventions to achieve a socially optimal level of food waste. Although the policies required should address each of the theoretical sources of food waste in the private sector decisions, we identify three broad categories of sectors and hence policies: up to the farm-gate (especially in less industrialized countries but also applicable to industrialized countries), the food supply chain beyond the farm-gate, and the final consumer. Pricing externalities, public good investments in overcoming market failures or imple-

menting "nudge" type policies will provide incentives for economic agents to reduce waste by, among other things, increasing efficiency, composting, food donations or diverting food waste to animal feed or to anaerobic digesters for renewable energy and heat generation. Some policies will deliver a double-dividend if marketing costs (the gap between consumer and producer prices) decline if one is able to reduce waste, loss and spoilage in the marketing process, with consumer prices declining and farmer prices increasing. Some negative externalities are unique to food waste (as opposed to food produced, consumed or exported) but often it is not, which in those cases, food waste should not be singled out for internalizing negative externalities. Reducing food waste in industrialized countries will not have an insignificant impact on farm level prices in less industrialized countries, as

the farm share of food expenditures is so low in rich countries. Hence, the improved food security will come mostly from actions in developing countries themselves.

Organizer: William Meyers, University of Missouri

Discussants: Thomas Johnson, University of Missouri; Nadia Streletskaia, Cornell University

Presenters: Steven Sonka, University of Illinois at Urbana-Champaign, Harry De Gorter, Cornell University, David Just, Cornell University

Session #1082
Innovative Methods for Teaching Industry Skills to Students
Sierra I, Fifth Level

Today it is important that universities produce graduates that are ready to compete in a global business environment. As industries evolve and expand, students need to be able to adapt and integrate into the business as soon as possible. Agribusiness programs do a good job teaching technical skills to students, but many times it is difficult to find ways to bring “real world” decision making into the classroom. There are innovative methods for teaching critical thinking and decision-making skills to students. These can include integrating case studies and simulations into curriculum, requiring internships, using collegiate team competitions to teach, and partnering with industry professionals to enhance education. The use of innovative teaching techniques may require faculty to change their approach to classroom teaching, but

it will allow you to move beyond simply teaching facts and technical skills to developing students with critical thinking skills. Specific panel discussion topics include:

- Effective use of teaching materials (case studies, presentations, etc.) to develop decision-making skills in students at both the graduate and undergraduate level.
 - Integrating industry mentors into the educational process.
 - Teaching entrepreneurship through developing innovative tools (collegiate pitch nights, competitions, industry partnerships) on campus.
 - Developing partnerships between agribusiness faculty and college of business faculty to expand and develop student entrepreneurship and industry skills.
- Using academic collegiate teams (AAEA, NAMA, Agricultural Innova-

tion Prize, etc.) to develop industry skills.

Organizer: Joey Mehlhorn, University of Tennessee at Martin

Panelists: Sierra Howry, University of Wisconsin-River Falls; Joey Mehlhorn, University of Tennessee at Martin; Morgan Miles, University of Tennessee at Martin; Rachna Tewari, University of Tennessee at Martin; James White, University of Wisconsin-River Falls

Session #2025
Keys to Responding Successfully to Funding Opportunities for Economics: Look, Read, Respond
Sierra K, Fifth Level

Providing insights for organizations based on applied economic theories should seem natural for several AAEA members. When these opportunities are presented in RFPs, timely responses that demonstrate thoughtful and practical consideration of the request can open the doors for greater cooperative efforts that are mutually beneficial: But first you must understand what the requesting organization is seeking. This session will provide insights from a panel with experience seeking external economic analyses and what they see as key benchmarks for successful responses to RFPs.

Organizer: Samuel Funk, United Soybean Board - SmithBucklin

Moderator: John Lee, Jr., USDA-Economic Research Service/ Mississippi State University

Panelists: Samuel Funk, United Soybean Board - SmithBucklin; Nancy Lutz, National Science Foundation; Robbin Shoemaker, National Institute of Food and Agriculture



Session #2048
Whither “Agriculture of the Middle”
 Sierra I, Fifth Level

The US farm sector is continuing its shift to an increasingly bimodal size distribution, with the number of very small and very large farms increasing while the number of farms in the middle of the size distribution declining. Many small and medium sized farms that comprise the “Agriculture of the Middle” are too large to take advantage of growing opportunities in direct markets and too small to be competitive in global commodity markets. There have been ongoing efforts among practitioners and academics seeking viable production and marketing solutions to serve these small and medium-sized farms. This session examines the recent trends and introduces past and ongoing research efforts on Agriculture of the

Middle.

Organizer: Robert King, University of Minnesota

Presenters: Hikaru Hanawa Peterson, Kansas State University, Robert King, University of Minnesota, Larry Lev, Oregon State University



Session #2073
Assessing the Status of Global Dairy Trade
 Sierra I, Fifth Level

Dairy production and trade have become key focal points for many large agricultural countries. Both domestic and international policies have been used to support dairy industries through margin protection insurance, supply management regimes, tariff rate quotas, and other trade impediments. Countries are helping their dairy exporters develop and maintain access to overseas markets, which allow farmers to maximize their potential returns. With substantial economic growth occurring in the developing world, large dairy exporters such as New Zealand, the United States, and the European Union—28 are competing to supply high-quality-protein foods to developing

countries. Improvements in the competitiveness of foreign dairy products in domestic markets are realized as trade liberalizations and free trade-zone are utilized and/or initiated to help expand dairy trade in specific countries and regions. The potential impacts of present and proposed policies have or will have significant implications for dairy trade. While there are a number of factors affecting global dairy trade, the goals of this track session are to analyze and discuss the potential impact that trade liberalizations under the Trans-Atlantic Trade and Investment Partnership and Trans-Pacific Partnership will have on dairy exporters; the effects of margin protection insurance and supply management systems on dairy trade; the impact of a disease outbreak such as foot-and-

mouth disease as well as sanitary and phytosanitary restrictions on dairy trade; and, the effects of volatile feed prices on dairy production and trade.

Organizer and Moderator: Christopher Davis, USDA-Economic Research Service

Discussant: Alfred Parks, Prairie View A&M University

Presenters: Donald Blayney, New Mexico State University; Ekaterina Vorotnikova, University of Idaho, Fred Gale, USDA-Economic Research Service, and Serhat Asci, California State University, Fresno

Session #2095 Understanding the Role of Performance Management in Food and Agribusiness Firms

Sierra E, Fifth Level

This track session focuses on the role of performance management in firm performance. The research aims to catalogue adoption of practices and its impact on firm performance in the food, beverage, and agribusiness industry. Discussion will also address hurdles firms face as they implement best performance management practices. Results will be shared from the literature that inform the breadth of performance management adoption. The three panelists will provide a discussion of performance management as they relate to the growth of small agribusinesses, small food firms, and more broadly the role in middle

market firms. The remainder of the session will be open to discussion regarding how researchers can push the academic literature in agribusiness management and economics. Another desired outcome is that audience members share the research they are pursuing to address the role of human capital in food and agribusiness firms.

Organizer: Michael Gunderson, Purdue University

Moderator: Christopher Peterson, Michigan State University Product Center

Presenters: Allan Gray, Purdue University, Brent Ross, Michigan State University and Michael Gunderson, Purdue University



**MARK YOUR
CALENDARS**

**AAEA 2016
Annual Meeting**

Boston, Mass

**July 31-
August 2**





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AGRIBUSINESS ECONOMICS AND MANAGEMENT

*“to share work, to learn, and to
advance the field”*

- The AEM Section provides a place for all AAEA members working or interested in agribusiness economics and management to share work, to learn, and to advance the field. We urge those with interest in management and the agribusiness sector to become a section member and to contact the executive committee to express your interests and program ideas.

Membership:

- AEM membership is open to current members of the Agricultural and Applied Economics Association (AAEA). Members may join AEM concurrently with AAEA, or join AEM only if already a member of AAEA. Membership in AEM is \$15 per year for non-students. Graduate and undergraduate student membership is FREE.

- You can learn more about joining AAEA by visiting the [AAEA membership page](#). If you are already a member of AAEA and would like to join the Agribusiness Economics & Management Section, you can do so by completing the form provided on the AAEA AEM page.

Mobilize your 2015 AAEA & WAEA Joint Annual Meeting Experience

AAEA is excited to bring back the mobile app for the 2015 Annual Meeting in San Francisco. Enhance your Annual Meeting experience by downloading the Mobile App on your smartphone or tablet! For more information on how to download the app and get started click here. The mobile app has many great features including:

- **My Schedule** - add sessions and events right onto your personal schedule.
- **Session Participants** - browse session participants including presenters, moderators, panelists, and more.
- **Twitter feed** - to join the conversation, follow [@AAEA_Economics](#) and share your annual meeting experience using #aaea2015.
- **Friends** - meet and connect with other Annual Meeting

