



AEM Section Establishes Strategic Goals and Mission

Strategic planning for the section has been a priority since the Long Beach meetings. A September meeting of the AEM leadership established these strategic goals for the section:

- Create and sustain a unified voice for agribusiness within AAEEA and the broader professional community;
- Promote quality, innovation, and experiential foundations of agribusiness scholarship in learning, discovery, and engagement; and
- Organize and implement a premier series of professional learning experiences targeted to section members.

Consistent with these goals, the AEM Section has a mission statement as follows: "AEM promotes quality, innovation, and experiential foundations of agribusiness and supply chain scholarship in learning, discovery, and engagement. We develop, facilitate, and conduct programs and promote

communication that enhances the professional wellbeing of our members. We also work to deepen our understanding of the economic phenomenon that influence the global food system and the managerial decision-making of firms within it."

Please pass this newsletter on to anyone that may be interested in our AEM Section and please provide me with your ideas and opinions on ways we can improve the usefulness of the AEM Section to current and potential members. It would be particularly nice for each AEM member to recruit an industry professional to join our section during the coming year.

Tom Sporleder



AEM Prominent in Long Beach

First, let me congratulate and publicly thank Lisa House for an outstanding job as President of AEM during the past year. The representation from the AEM Section at the AAEEA Summer meetings in Long Beach was significant. The 2002 AEM Track Session included every possible event on the AAEEA Program. That is remarkable!

The AEM Track involved three sessions, as well as the Industry banquet and the Graduate Student Case Study Competition.

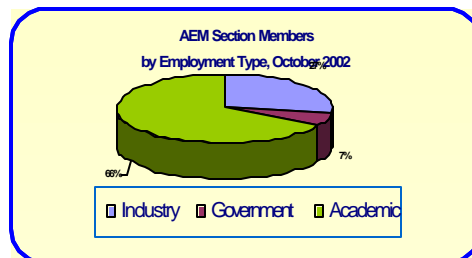
There also was a pre-conference on *Methods for Agribusiness Research and Analysis* that was well attended and garnered many compliments.

The track sessions included knowledge management, food manufacturers response to bioengineered foods, and consulting in agribusiness. Each session drew considerable attendance in Long Beach.

Tom Sporleder

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Member Focus - Research

Wendy Umberger

WENDY UMBERGER is Assistant Professor in the Department of Agricultural and Resource Economics at **Colorado State University**. Wendy's interests include agricultural management, agricultural production, and livestock marketing. She received her doctorate from University of Nebraska in Lincoln in 2001.



Wendy is currently involved in interdisciplinary research on livestock production economics and livestock marketing as well as food marketing, value added agriculture, and she has a special interest in experimental economics. She has recently published an article on "U.S. Consumer Preference and Willingness-to-Pay for Domestic Corn-fed Beef versus International Grass-fed Beef Measured through Experimental Auction" in *Agribusiness: An International Journal*.

Wendy was a USDA National Needs Agribusiness Fellow from August 1997 through August 2001 at University of Nebraska. While working on her doctorate, she was a member of the graduate student team from University of Nebraska that won the AAEA Case Competition in 1999. She now is the AAEA Case Study Competition Organizer at Colorado State University. The CSU team won the AAEA Case Competition in Long Beach.

Member Focus - Teaching

Arlo Biere

ARLO BIERE is Professor and Undergraduate Program Coordinator in the Department of Agricultural Economics at **Kansas State University**. Arlo earned a doctorate from the University of California-Berkeley in 1968, specializing in agribusiness.



Under Arlo's leadership, the undergraduate program has grown in the number and quality of students. The program prepares graduates for positions within production agriculture, agribusiness, and the food industries. Dr. Biere teaches agribusiness logistics; a course that integrates logistics with evolving information technology - including e-commerce, emerging management approaches and the demands of a global economy as they relate to food and agribusiness.

Likewise, Arlo's research includes the impacts of these elements on the competitiveness of U.S. agribusiness. Arlo also is an active member of the International Food and Agribusiness Management Association.

Member Focus - Industry

John Hibbard

JOHN HIBBARD is the Global Projects/Corn Manager in the Global Decision Sciences department at **Pioneer Hi-Bred International** located in Johnston, Iowa. John is a native of Idaho and received his BS in Agricultural Economics from Utah State University. He joined Pioneer in 1996 and completed his doctorate in agricultural economics from the University of Illinois at Urbana-Champaign in 1997.



In 1998, John co-founded the group that has evolved into Global Decision Sciences at Pioneer. Specifically, John leads the demand forecasting activities for North American corn and all crops in key Latin American markets. The primary focus of these activities is to establish hybrid demand forecasts for the following year and to quantify the risks around those forecasts. Subsequently, these forecasts are used to drive key production decisions and, ultimately, help satisfy customer demand. Additionally, he is responsible for leading the development and integration of decision science tools for strategic and tactical planning activities.

Member Focus—Research

Darren Frechette

DARREN FRECHETTE is Assistant Professor in the Agricultural Economics and Rural Sociology at **Pennsylvania State University**. Darren earned his doctorate in economics from North Carolina State University in 1996. Darren is best known for his work on commodity storage and futures markets. In addition, he studies spatial economics, agricultural supply response, expectations formation, and attitudes toward risk and uncertainty.



Darren's recently published work includes "Distinguishing Transitory Shocks from Permanent Structural Change" in *Structural Change and Economic Dynamics* and "Aggregation and the Nature of Price Expectations" in *AJAE*. Darren has special interest in the effect of Brazilian soybean production subsidies on futures prices and the effect of spatial distribution of production along the Mississippi River on the time-pattern of corn prices. He also has a special interest in the extent of bias in econometric estimators of supply response elasticity. Darren teaches agribusiness problem solving and a course in price analysis and forecasting.

AEM 2002 Election Results

In conjunction with the annual AAEA meetings in Long Beach, the annual business meeting of AEM was held on Sunday, July 28. The governance structure of the AEM Section is President, President-Elect, Past-President, and three members at large that serve as committee chairs (see last page also).

The committee chairs are responsible for aiding with planning in the areas of research, industry relations, and teaching. They serve three year terms that are staggered so that only one rotates off each year so that continuity is maintained within the Section.

This year only President-Elect and the Research Committee Chair were open. The President-Elect is Chris Peterson of Michigan State University and is welcomed to the current officers of AEM. Chris has research expertise in supply chain economic issues, value added agriculture, and cooperatives.

The newly elected Research Committee Chair is Darren Hudson of Mississippi State. Darren joins the other chairs: Jay Akridge of Purdue as Teaching Committee Chair and Terese Rowe of Rabobank International as Industry Relations Chair.



Chris Peterson,
Michigan State



Darren Hudson,
Mississippi State

AEM Winter Meeting Planned on *Real Options*

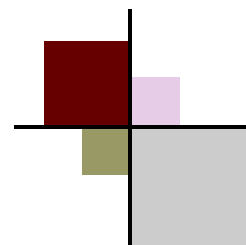
Much discussion has ensued about the pros and cons of an AEM Winter Meeting. Discussion have involved debating the fundamental purpose of such meetings, the ability of a winter meeting to be of value at the margin, as well as the format and venue.

The decision by the Executive Committee is to hold a winter AEM meeting in 2003 (probably February or March) centered on the topic of *Real Options in Decision Analysis*. Jay Akridge and Darren Hudson are coordinating on an agenda, speakers, costs, and venue for the winter meeting.

As of this writing, no plans have been finalized for the event. However, the Executive Committee did indicate that the preferred timing is February or March and the preferred format for this initial meeting is one-day; say 9 a.m. to 3 p.m., with a reception the evening before the event.

In July, an informal invitation was extended to the AEM Section from Dr. Donna Fisher, College of Business Administration at Georgia Southern University, to meet in Savannah. However, the venue of the meeting was debated without closure. Jay and Darren will determine the most effective location based on a number of considerations including flight schedules, costs, and probable venue weather during the winter.

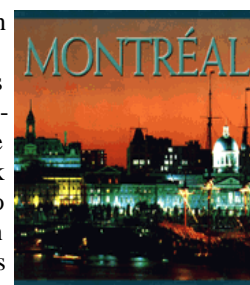
Purpose of the AEM Winter Meetings: To foster learning on a cutting edge topic



2003 AEM Track Theme at AAEA: *Strategic Response*

The 2003 Annual Meetings of the American Agricultural Economics Association will be held in Montreal, Quebec July 27-30. New for this year is a theme for the AEM Track Session Proposal of *Strategic Response*. The AEM Track Session proposal to AAEA will be in by November 1. The AEM Pre-Conference Workshop, jointly sponsored with the Teaching, Learning, and Communication (TLC) Section, is on *team learning* and the key resource persons for this workshop are Dee Fink and Larry Michaelson's, both of the University of Oklahoma. The AEM Principal Papers Session is on *Strategic Response in a Product World* while an Organized Symposium centers on *Strategic Re-*

sponse to NGOs. A *Hot Topics* session and the industry banquet also will be consistent with this theme. As in years past, we expect to hold the Industry Banquet Monday night after capping off the fourth successful year of interesting track sessions. AEM will continue our ties to the Graduate Student Case Competition by assisting with and sponsoring this activity. We will be in touch with more information and we hope to see you in Montreal!



AGRIBUSINESS ECONOMICS AND MANAGEMENT SECTION

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*Best wishes for a
joyous holiday season
to you and your loved
ones from all of the
AEM leadership.*

AEM Mission

The Agribusiness Economics and Management (AEM) Section of the American Agricultural Economics Association (AAEA) has a mission to promote quality, innovation, and experiential foundations of agribusiness and supply chain scholarship in learning, discovery, and engagement. We develop, facilitate, and conduct programs and promote communication that enhances the professional wellbeing of our members. We also work to deepen our understanding of the economic phenomenon that influence the global food system and the managerial decision-making of firms within it.

In keeping with our mission, the section sponsors the Industry Banquet and a track session at the AAEA annual meetings. Success for AEM depends upon participation of the membership. Please contact any of the officers with ideas and suggestions as to how this section can best achieve its mission and strategic goals.

Elected AEM Executive Committee for 2002-2003:

President—Tom Sporleder, Ohio State University

President-Elect—Chris Peterson, Michigan State University

Immediate Past-President—Lisa House, University of Florida

Secretary—John Nichols, Texas A&M University

Members at Large—

- *Jay Akridge, Purdue University (teaching);*
- *Darren Hudson, Mississippi State University (research); and*
- *Terese Rowe, Rabobank International (industry)*

The Tale of Two Winners: Case Competition and Industry Banquet Speaker

The Graduate Student Case Competition, an activity sponsored by both the AEM section and the Graduate Student section, focused on a case study of Zeneca Group PLC, written by **Ralph Sykes, Tom Funk, and Steve Hawkins** at University of Guelph. The case deals with strategy relative to brand equity. Students from eleven universities participated on twelve teams that analyzed the case and made recommendations. Ralph Sykes was joined by Terese Rowe of Rabobank International and Tom Sporleder as final round judges. The winners were from Colorado State University (see photo at right). Second place honors went to Texas Tech University.



2002 AAEA Case competition was won by this graduate student team from Colorado State University. L to R are Marcia Bugbee, Megan Bruch, and Kamina Rosenstiel.

Following the finals of the case competition, everyone met for a reception prior to the Industry Banquet. The industry banquet was well attended and featured remarks by **Jeffrey D. Gargiulo**, President and CEO of Sunkist Growers, Inc., an international citrus cooperative headquartered in Sherman Oaks, CA. Mr. Gargiulo remarks included addressing Sunkist's strategy and the development of brand extensions. Mr. Gargiulo challenged the group to think about means of extending the importance of agricultural cooperatives in marketing commodities.



Jeffrey D. Gargiulo, President and CEO of Sunkist Growers, Inc. addressing the AAEA Monday Evening Industry Banquet

Mr. Gargiulo also owns a vineyard in California and, prior to Sunkist, had significant experience in a family business in fruits and vegetables around Naples, FL. He holds a B.A. from University of Florida.