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**A SURVEY OF  
UNDERGRADUATE MARKETING COURSES  
IN AGRICULTURAL ECONOMICS**

**Lana Hall  
and  
Andrew Novakovic**

**Department of Agricultural Economics  
Cornell University Agricultural Experiment Station  
New York State College of Agriculture and Life Sciences  
A Statutory College of the State University  
Cornell University, Ithaca, New York 14853**

Preface

Lana Hall is an Assistant Professor in the Department of Agricultural Economics at Cornell University. Andrew Novakovic is an Assistant Professor in the Department of Agricultural Economics at Cornell University.

Additional copies of this paper can be obtained by writing directly to:

Lana Hall  
Andrew Novakovic  
Department of Agricultural Economics  
313 Warren Hall  
Cornell University  
Ithaca, NY 14853

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## Introduction

Marketing has always been an integral part of the discipline of agricultural economics, with marketing courses making up an important component of the agricultural economics curriculum. The purpose of this survey of marketing course outlines is to facilitate a dialogue and an exchange of ideas about marketing courses currently offered in agricultural economics among teachers of agricultural marketing. It is hoped that this exchange may provide a basis for possible improvements in the marketing curriculum.

Seventy-four universities across the United States were asked to provide course outlines, syllabi, reading lists and other material relating to courses offered in agricultural marketing. A total of 53 universities responded. (A list of participants is provided in the Appendix.) These materials were organized and summarized into a standardized format, consisting of: 1) the title of the course; 2) its level; 3) the number of credits offered; 4) the course objectives; 5) the text used; 6) the discussion topic outline; 7) number of exams given; 8) homeworks offered and; 9) the projects and/or labs offered in the course. N.A. indicates where there was no information given regarding these aspects or where the aspect was not applicable.

Marketing courses are designated as undergraduate level or as dual-level, which serve both undergraduate and graduate students. Sixty-four undergraduate level courses, representing forty-two universities are included in this survey. Only general agricultural marketing courses are included. Specialized courses, that is courses concerned solely with

marketing of a single commodity, e.g. dairy marketing courses, cooperative marketing courses, and courses with a strictly business marketing/management orientation were excluded.

Based on a reading of the course objectives and a study of the discussion topic outlines, the remaining 64 marketing courses which are included here seem to be of four types: 1) price analysis courses; 2) courses covering primarily marketing systems and channels; 3) courses designated as "market structure" courses, which use an industrial organization framework for analysis; and 4) market analysis courses which seem to utilize, to a greater or lesser extent, approaches 1), 2) and 3) for analysis of agricultural markets.

An important indicator of the analytical approach taken is the marketing textbook used in the course. The most commonly used texts for the undergraduate courses are Dahl and Hammond's, Market and Price Analysis, used in 19% of the undergraduate level courses, as is Kohls and Downey's Marketing of Agricultural Products. Rhodes', The Agricultural Marketing System is used in 17% of the undergraduate level courses. The text by Shepherd, Futrell and Strain, Marketing of Farm Products is used in 13% of the undergraduate courses, as is Tomek and Robinson's, Agricultural Product Prices. The Prices text is the only one of these used with much frequency at the dual level; it is used in 33% of the dual courses.

As one would expect, most (more than 75%) of the undergraduate courses give two or more exams, as opposed to slightly over 50% of the dual courses. Term papers, homeworks and field trips also are often required or listed as an option.

Although courses dealing only with futures markets were omitted from the outlines represented here; still 60% of the undergraduate courses and 39% of the dual courses cover the topic to some extent. A futures trading exercise is used in 19% of the undergraduate courses. Also, 25% of the undergraduate courses include some commodity-specific marketing topic, e.g. livestock, grains, dairy. The topics of international trade, government regulation and market performance are often found in the outlines. While it is not possible to discuss here many of the other interesting aspects of these marketing courses, a study of the material contained in the survey will undoubtedly provoke a number of topic ideas for addition to existing courses and for the development of new marketing courses.

1. Title: Introduction to Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives:

This course is intended to increase the student's understanding of the pricing and physical processes involved in the marketing of the principal agricultural commodities.

5. Marketing of Agricultural Products, Kohls and Downey

6. Outline:

Section 1: Basic Concepts for the Study of Marketing and Pricing of Agricultural Commodities

Introduction

- Demand for Agricultural Commodities
- Supply of Agricultural Commodities
- Price Determination
- Spatial Price Relationships
- Market Information
- Storage
- Future Markets
- Contract Sale of Agricultural Commodities
- Cooperatives
- Marketing Orders

Section 2: Marketing Horticultural and Field Crops

- Citrus
- Vegetables
- Sugar Beets
- Cotton
- Grain
- Safflower
- Hay
- Summary and Analysis

Section 3:

- Poultry
- Dairy
- Cattle
- Hogs
- Foreign Markets
- Summary and Analysis

7. Exams: 3

8. Homework: none

9. Projects and Labs: 1 field trip and paper



1. Title: Marketing and Price Analysis
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Agricultural Product Prices, Tomek and Robinson

6. Outline:

Price Theory

- A. An Introduction to Pricing and Marketing Problems
- B. Demand for Agricultural Products
- C. Production and Supply Theory
- D. Price Determination
- E. Cyclical, Seasonal, and Secular Price Fluctuations
- F. Price Relationships over Space
- G. Marketing Costs and Agricultural Prices
- H. Grades, Values, and Prices

Specific Marketing Topics

- I. Transportation
- J. Futures Market
- K. Market Information
- L. Marketing Cost and Margins

Techniques of Price Analysis

- M. Sources and Realiability of Data
- N. Price Indices
- O. Graphic Analysis
- P. Correlation, Regression, and Model Specification

7. Exams: 3
8. Homework: N.A.
9. Projects and Labs: Term paper

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: 4
4. Objectives: The course is designed to acquaint the student with some basic concepts of agricultural marketing. The competitive structure of agriculture along with its biological production process and homogeneous farm products give rise to a set of marketing functions and institutions which are distinctly different from those typical in marketing other goods and services. Some of the unique features of the agricultural marketing system are explored with a goal of understanding the complexities of efficiently and economically moving food and fiber from farmers to consumers.
5. Market and Price Analysis: The Agricultural Industries, Dahl and Hammond.
6. Outline:
  - I. Introduction
    - A. Defining agricultural marketing
    - B. Agricultural marketing myths and problems
    - C. Magnitude and importance of the agricultural marketing system
  - II. Trading in Commodity Futures
    - A. Commodity futures contracts and markets
    - B. Cash and futures price relationships
    - C. Hedging and speculation in commodity futures
  - III. Price Discovery in U.S. Agricultural Markets
    - A. Demand concepts
      1. U.S. food consumption levels and trends
      2. Demand curves, elasticity measures, demand shifters
    - B. Supply Concepts
      1. Farm production trends, location of production
      2. Supply curves, supply elasticity, supply shifters
    - C. Market prices and price variability
      1. Competitive equilibrium
      2. Seasonal and cyclical price variability
      3. Noncompetitive pricing

IV. Form, Space and Time Dimensions of Agricultural Markets

- A. Distribution channels and vertical coordination
- B. Marketing margins
- C. Geographical and temporal price relationships

V. Agricultural Marketing Institutions

- A. Cooperatives
- B. Marketing Orders and Agreements

VI. The Government's Role in Agricultural Marketing

- A. Regulations affecting farm markets
- B. Market information and research
- C. Farm and food policy

7. Exams: 3

8. Homework: 5 assignments

9. Projects and Labs: Speculation exercise

1. Title: Marketing of Agricultural Products
2. Level: Undergraduate
3. Credits: 3
4. Objectives:

The purpose of this course is to present a discussion of the functions, systems, agencies and utilities that are involved in moving agricultural commodities from the point of production to the ultimate consumer. Concern will be given to production characteristics, consumer characteristics, market arrangements and agencies that influence market operations. Price making forces and price stabilizing attempts will be discussed.

5. Text: The Agricultural Marketing System, Rhodes
6. Outline: N.A.
7. Exams: 3 exams, 5 quizzes
8. Homework: N.A.
9. Projects and Labs: Term research project; oral/written report; futures trading game

1. Title: Agricultural Marketing

2. Level: Undergraduate

3. Credits: N.A.

4. Objectives:

1. To gain an understanding of the institutions, functions, and operations of agricultural marketing systems;
2. To gain further specific knowledge and understanding in the fields of storage, and transportation, and futures trading;
3. To develop the ability to identify and utilize sources of market information;
4. To develop an appreciation and understanding of the role of foreign trade to agriculture in the United States
5. To gain some appreciation as to how the organization of agricultural marketing is changing and how producers can achieve market power.
6. To interrelate marketing, the price making process, and economics.

5. Text: Marketing of Agricultural Products, Kohls & Downey, 4th Edition

Wall Street Journal

6. Outline: 1. Fundamentals

Introduction  
 Study of Marketing/Marketing Concept  
 Costs of Marketing  
 Minimizing Price Risk/Futures  
 Marketing Information/Price Forecasting  
 Why Middlemen?/Wholesaling  
 Midterm Review/Movie: Wheat Marketing Alternatives  
 Physical Distribution  
 Hedging  
 Grades and Grading  
 Midterm \_\_\_\_\_

2. Special Topics

Market Structure and Changes  
 Direct Marketing Alternatives  
 Market Development  
 Marketing Orders

2. Special Topics (con't)  
International Trade  
Review
3. Outside Reading (to be handed out in class)  
Risk Minimization: "Futures Trading Exercise."  
Hedging: "How to Make Livestock Futures Work For  
You", Chicago Mercantile Exchange  
Market Structure and Changes: "Food System  
Coordination", by Leon Garoyan
7. Exams: 3 exams
8. Homework: Various written assignments
9. Projects and Labs: Hedging problem set and Futures exercise report

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Agriculture Prices, Tomek and Robinson
6. Outline:

Introduction and Methodology

Statistical and Quantitative Methods  
 Estimating equations using ordinary least squares  
 Appraising regression results

Demand

Theoretical concepts  
 Measurement and use of elasticity, flexibilities and other demand parameters

Supply

Theoretical concepts  
 Measurement and prediction of supply responses

Price determination

Market structure theory  
 Market structure and agricultural prices

Adding Dimensions to Price Analysis

Form  
 Space  
 Time

Aggregate Prices and Government Programs

Price mechanisms  
 Price indices  
 Historical policy instruments  
 Currently proposed farm bill

7. Exams: N.A.
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: General Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: To acquaint the student with the U.S. agricultural marketing system and with the strategies of marketing firms. It is expected that after graduation many will become vitally interested in agricultural marketing either as farm producers or as members of marketing firms. This introduction to the structure and workings of the marketing system should help the student perform more effectively.
5. Text: The Agricultural Marketing System, V.J. Rhodes.
6. Outline: CLASS SCHEDULE: Chapter assignments refer to text; other assignments on reserve in General Library.
7. Exams: 3 exams, 8-10 quizzes.
8. Homework: N.A.
9. Projects and Labs: 2 written reports



1. Title: N.A.
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives:
  - A. To provide students with the analytical framework needed to study the marketing system of any economy.
  - B. To analyze the changes, and their causes, which have occurred in our marketing system so that we can anticipate and be better prepared for future change.
  - C. To pinpoint weaknesses in the present system and to objectively appraise the results of proposed remedies.
  - D. To enable the student to do a better job of marketing agricultural products either for himself/herself or in the employ of other firms.
5. Text: Marketing Farm Products, Shepherd, Futrell, and Strain, Sixth Edition.
6. Outline:
  - I. Introduction to Marketing
    - A. Marketing Problems
    - B. Perfect Market Concepts
      1. Time
      2. Place
      3. Form
  - II. Demand Theory
    - A. Demand shifters - population, income, preference, and substitutes
    - B. Predicting price quantity changes
      1. Own price elasticity
      2. Cross elasticity
      3. Income elasticity
    - C. Advertising
  - III. Supply Theory
    - A. Comparative Advantage
      1. Specialization vs. Diversification
      2. Location of processing facilities
    - B. Relationship between cost and output
    - C. Competitive supply
    - D. Supply shifters
      1. Factor prices
      2. Opportunity
  - IV. The Marketing System
    - A. Evolution of markets
    - B. History of U.S. livestock markets
    - C. History of U.S. grain marketing
    - D. Reasons for change

- E. Current developments
  - 1. Livestock
  - 2. Grain
  - 3. Fruits and vegetables
  - 4. Poultry
- F. Dangers on horizon
  - 1. Vertical intergration

#### V. Burdens of Inefficient Markets

- A. Burden to producer
- B. Burden to consumer
- C. Cost reductions in marketing vs. reductions in production costs on the farm
- D. Check-off programs
- E. Possible improvements

#### VI. Price Variations

- A. Seasonal
  - 1. Cost differences
  - 2. Biological factors
  - 3. Seasonal preferences
- B. Cyclical
  - 1. Cobweb model
  - 2. Biological influences
- C. Adjusting marketing program for spatial and time differences
  - 1. Weight and quality differentials
  - 2. Place differentials
- D. Government price and marketing programs

#### VII. Agricultural Cooperatives

- A. Cooperative vs. profit seeking corporation
  - 1. Organization or ownership
  - 2. Objective
  - 3. Tax treatment
- B. Needed changes
  - 1. Emphasis on patron needs vs. size
  - 2. Facility adjustments and merger
- C. Cooperative success
  - 1. Farm supplies and grain vs. meat packing

#### VIII. Bargaining Power

- A. Elements needed to successfully bargain
- B. Discriminating monopolist
- C. Government regulations to facilitate bargaining

#### IX. Livestock Marketing

- A. Methods of selling and associated problems
  - 1. Buyers sharing market
  - 2. Estimating value
  - 3. Comparing alternative bids
- B. Needed adjustments

- X. Grain Marketing
  - A. Drying and blending problems
  - B. Shortcomings of grading systems
    - 1. Grain
    - 2. Soybeans
  - C. Transportation and storage problems
  - D. Needed adjustments
  
- XI. Dairy Marketing
  - A. Pricing and market regulation
  - B. Marketing structure
  - C. Pricing problems
  
- XII. Future Markets and Risk Management
  - A. Hedging
    - 1. Farmers hedge
      - a) Cattle
      - b) Hogs
      - c) Grain
    - 2. When to hedge
    - 3. Avoiding vs. creating risk
    - 4. Country elevator hedge
      - a) Avoiding price risk
      - b) Speculating on basis
    - 5. Soybean processor's hedge
      - a) Putting on crush
      - b) Reverse crush
  - B. Speculating
    - 1. Risk bearing for profit
    - 2. Types of speculators
    - 3. Spreading
  
- XIII. Marketing Information
  - A. Sources
    - 1. USDA
      - a) SRS
      - b) ERS
      - c) State extension services
      - d) Market news services
    - 2. Private sources
      - a) Large processors for private use
      - b) Subscription services
  - B. Role of Grades and Standards

7. Exams: 3 exams

8. Homework: Yes

9. Projects and Labs: Field trip and lab assignments

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives:
  - To provide an understanding of the role of the consumer in agricultural marketing;
  - to provide the analytical tools necessary to simplify an apparently complex marketing system; and
  - to provide information on the marketing system which stimulates curiosity.
5. The Agricultural Marketing System, Rhodes.
6. Outline:
  - Part I. Background To Marketing And Agricultural Marketing Analysis
    - Background to marketing
    - Marketing and economic concepts
    - Market prices and market margins
  - Part II. Market Structure In Agriculture
    - Market structure in agricultural marketing
    - Farmers and marketing (cooperatives and marketing orders)
    - Processors and marketing
    - Wholesale, retail and food service marketing
  - Part III. Futures Market, Government And Agricultural Marketing
    - The futures market
    - Government in agricultural marketing
    - Government, consumer interests, and competition
7. Exams: 3
8. Homework: N.A.
9. Projects and Labs: Term paper and field trip

1. Title: Market Organization
2. Level: Undergraduate
3. Credits: 3
4. Objectives:

Course describes the industrial sector of our economy; investigating relationships between market structure, market conduct, and market performance. It also examines numerous areas of governmental regulation of business, especially with regard to monopoly abuses. It presents a systematic method of evaluating an industry as to its contributions to the economic goals of society.

5. Text: Industrial Organization and Prices, Koch

6. Outline:

Introduction to the industrial sector, review of price theory, and introduction to market structure analysis.

Determinants of market structure; economies of size, technological change, sales promotion, governmental policies. Measures and trends of business concentration.

Investigation of interfirm behavior, involving decisions respecting price competition, production competition, and promotion. Discussion of interfirm conduct, involving oligopolistic interdependence, price leadership, and collusion.

An evaluation of market performance, profit rates, efficiencies, and inefficiencies.

The monopoly question, governmental legislation, and its impacts on monopolies.

7. Exams: 3
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Marketing and Price Formation

2. Level: Undergraduate

3. Credits: 3

4. Objectives:

This course will be concerned with price formation over time, with heavy emphasis upon futures markets; the space aspects of price formation which is identified as location theory, and with government participation in the pricing system, covering marketing orders, agreements, and quotas.

5. Text: N.A.

6. Outline:

PART I.

A. Commodity Markets

1. General

2. Hedging

B. Cyclical and Seasonal Price Movements

PART II

Economics and General function of Economic System

A. Marketing Defined and Quantified

B. Functioning of Economic System

C. Development of the Economy

D. Causes and Effects of Specialization and Trade

PART III

A. Single and Multiple Price Markets

B. Product Zones and Inter-Product Price Relationship

C. Competing Markets and Determination of Market Supply Areas

PART IV

Market Imperfections - Spatial Price Discrimination

A. Monopoly Pricing and Equilibrium

B. Spatial Price Discrimination

PART V

Government Participation in the Pricing System

- A. The Economics of Control
- B. Market Priorities
- C. Marketing Agreements and Orders, Quotas, and Price Control

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Advanced Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Economics for Business Decisions, L.H. Mantell and F.P. Sing,  
McGraw-Hill
6. Outline:
  - I. Marketing in Social Perspective
    - A. Social context of marketing activities
    - B. Socio-economic roles and marketing
    - C. Rules for exchange conduct and performance under different social systems.
  - II. Marketing in Economic Development
    - A. Rates of economic growth and structural shifts
      1. Free enterprise economic system
      2. Centrally planned
    - B. Developing nations (in terms of which system would give the optimum results)
    - C. The linkages between physical (economic) and social systems (the role of marketing)
  - III. The Firm as a Focal Point in Market Analysis
    - A. Dynamic behavioral unit - appraisal of behavior
      1. Static model - action determines result
      2. Dynamic model - changes, limits, uncertainty influence result
    - B. Management
      1. Set goals, decisions
      2. Organizing function
  - IV. Demand Analysis
    - A. Models, Theories, and Facts
    - B. The External Market Environment
      1. Competition
        - a. Differentiation of products
        - b. Kinked demand curve
      2. Other concepts of competition



3. Market structure variables
  - a. Number of sellers
  - b. Number of buyers
  - c. Substitutes
  - d. Complimentary products
  - e. Conditions of entry

#### C. Business Forecasting

1. Scope and techniques
  - a. Demand factors
  - b. GNP
  - c. Econometric models
  - d. Specific product demand
  - e. Opinion sampling
2. Market share
  - a. Basic market information
  - b. Market penetration
  - c. Evaluating forecasts

#### D. Demand Analysis

1. Consumer choice
2. Consumer equilibrium
3. Deriving a demand curve
4. Price expectations

#### E. Empirical Demand Functions

1. Price changes over time
2. Recognizing a demand curve
3. Interrelation of price and income

### V. Cost Analysis

#### A. The Basis of Cost

1. Short-run supply curve for firm
2. Relevant costs

#### B. Costs and Production Functions

1. Diminishing returns
2. Long and short-run costs

### VI. Pricing

#### A. Pricing Policy

1. Pricing objectives
2. Pricing procedure
3. New products and product mix

#### B. Price Discrimination

1. Significance
2. Necessary conditions
3. Degrees of practice
4. Legal aspects

VII. Imperfectly Competitive Markets - Firm Price and Output Behavior

- A. The Pure Monopoly Model
  - 1. Price discrimination
  - 2. Joint profit maximization
  - 3. Dominant firm or groups of firms
- B. The Oligopoly Model
- C. Monopolistic Competition

VIII. Advertising in the Marketing Process

- A. Promotion to Alter the Image of the Firm, Impart Information, Change Demand
- B. The Advertising Agency and the Firm
- C. Theories (practices) for Determining Expenditure
- D. Special Problems Facing Agriculture
- E. The Social Perspective

IX. Quality Competition and Product Development

- A. Define the Concept in Terms of Market Behavior
- B. Consumer Behavior
- C. Unrestricted Quality Competition and Its Results
- D. Product Development and Quality Competition

X. Firm Growth, Diversification, and Integration

- A. Dynamic elements of Firm Growth
  - 1. Type of firm
  - 2. Social and cultural environment
  - 3. Risk and uncertainty
  - 4. Market influences
  - 5. Managerial abilities
- B. Forms of Growth in Agricultural Industries
  - 1. Diversification
  - 2. Vertical Integration

XI. Group Action in Agricultural Marketing

- A. Dynamic Market Elements
- B. Organizations and Power
- C. Social Organizational Aspects

D. Kinds of Group Action

E. Factors Influencing Success

XII. Equilibrium and Adjustments in the Aggregate

A. Consumer Demand

B. Supply of Farm Products

C. Marketing Margins

D. Derived Demand (as it relates to above)

XIII. Market Organization and Performance

A. Markets in Change and Causes

B. Structure of Agricultural Markets

C. Interdependence of Market Organization and Performance

XIV. Public Policy in Agricultural Markets

A. Purposes of Public Policy

B. Regulation of Competitive Behavior

C. Influences on Overall Market Adjustment

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Agricultural Markets and Prices
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Market and Price Analysis, Dahl and Hammond
6. Outline:
  - I. Introduction: The Three Broad Agricultural Marketing Problems
  - II. Market and Price Analysis
    - A. The Theory of Demand and Agricultural Marketing  
Demand  
Elasticity of Demand
    - B. Supply and Agricultural Marketing  
Market Supply  
Elasticity of Supply
    - C. The Marketing and Price System
    - D. Marketing Costs and the Middleman
  - III. Agricultural Marketing Alternatives
    - A. Commodity Futures Markets and Agricultural Marketing  
Exchanges and Commodities  
Mechanics of Futures Trading  
Hedging  
Cash and Futures Price Relationships
    - B. Other Agricultural Marketing Alternatives
    - C. Market Structure Analysis
    - D. Cooperatives and Agricultural Marketing
    - E. Marketing Orders and Marketing Boards
    - F. Commodity Marketing Problems
  - IV. Agricultural Markets and International Trade
    - A. A Historical Overview of World Trade Policies and Institutions

B. Basic Concepts of Trade

C. Trade's Impact on U.S. Agricultural Markets

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Marketing of Agricultural Products
2. Level: Undergraduate
3. Credits: 3
4. Objectives:

This course is a beginning course in the study of the agricultural marketing system. It is designed for the student who expects to terminate his/her marketing study with only one course as well as for the student who plans to do advanced study in the marketing and pricing of agricultural products. The student is expected to obtain:

1. An understanding of the size of the market for agricultural products.
  2. A knowledge of the factors which influence the size of the market.
  3. An understanding of how the agricultural marketing system is organized, the functions involved in marketing, and the costs incurred in carrying out these functions.
  4. The ability to evaluate the potential effects of changes in market organization and functions performed on producers, marketing firms and consumers.
  5. An understanding of how prices of agricultural products are determined and factors influencing agricultural price variations.
  6. The ability to analyze the effects of various factors on prices of agricultural products.
  7. An understanding of price variation over space and over time.
  8. The ability to evaluate how alternative market outlets and alternative selling times might affect the returns of an individual producer of agricultural products.
5. Text: Marketing Farm Products, Shepherd, Futrell and Strain, 6th Edition.
6. Outline:

Introduction

The Marketing Problem  
 Definitions and concepts  
 Methods of analysis

### Factors Affecting Size and Scope of the Marketing Job

- The agricultural production plant
- The nature of the domestic market
- The nature of the foreign market

### Pricing--An Intergral Part of Marketing

- Price determination
- Prices over time and the futures market
- Market information and pricing
- The nature of agricultural price fluctuations
- Forces affecting grain prices
- Forces affecting livestock prices
- Governmental role in pricing

### Organization of the Marketing System

- Market structure, conduct, and performance
- Competition in food marketing
- Structure of assembly and processing industries
- Structure of wholesaling and retailing industries

### Performance of Individual Marketing Functions

- Transportation of agricultural commodities
- Grading products and the standardization function
- Conditioning and storing agricultural products
- The futures market and the risk-shifting function

### Efforts to Improve Agricultural Marketing

- Marketing costs and efforts to reduce them
- Marketing products through cooperatives
- Expanding farmers' bargaining power
- Efforts to enlarge the domestic market
- Foreign trade opportunities and limitations

### Marketing Individual Agricultural Products

- The market for grain
- The market for livestock

### Critique

7. Exams: 3, several quizzes
8. Homework: Problems and exercise
9. Projects and Labs: Extended exercise in Futures Trading

1. Title: Agricultural Marketing

2. Level: Undergraduate

3. Credits: N.A.

4. Objectives:

To provide the student with an understanding of the organization and operation of the U.S. food and fiber system, and to help the student apply economic concepts and theories to the study of agricultural marketing topics.

5. Text: Market and Price Analysis: The Agricultural Industries, Dahl and Hammond.

6. Outline:

Introduction to Agricultural Markets and Prices  
Agricultural Markets and Marketing Systems  
Tools of Analysis  
Consumption and Demand  
Agricultural Production and Supply  
Market Prices  
Marketing and Pricing Institutions  
Market and Price Policy  
Marketing Margins  
Markets Over Space: Transportation and Trade  
Markets Over Time: Risk, Storage, and the Futures Market

7. Exams: 3, 10 quizzes

8. Homework: 6 to 8 problem sets

9. Projects and Labs: N.A.



1. Title: Agricultural Market Structures

2. Level: Undergraduate

3. Credits: N.A.

4. Objectives:

To reinforce understanding of basic economic concepts relating to demand, supply, price determination, and costs;

To identify characteristics of important market structures;

To state the nature of competition among farmers, agricultural processors, farm supply industries, and food retailers;

To determine and describe economic forces within different markets that affect competition and pricing;

To relate government regulations, programs, and agricultural policies to the market structures found in agriculture and agri-business.

5. Text: N.A.

6. Outline:

I. Concepts of Market Structure, Conduct and Performance

II. Basic Economic Concepts--A Review  
 Demand, Supply and Market Price  
 Elasticities of Demand and Supply  
 Cost Functions

III. Pure Theory of Market Structures and Price Discrimination  
 Pure Competition  
 Pure Monopoly and Price Discrimination  
 Monopolistic Competition  
 Oligopoly

IV. Market Structures in Agriculture and Agri-businesses (theory and applications)  
 The Structure of Agriculture  
 Economic Concentration in Agriculture--Trends and Development  
 Competition Among Agricultural Marketing Firms  
 Competition Among Food Retailers  
 Interdependence of Farmers and Marketing Firms  
 Structures of Selected Agri-business Industries (mixed feed, beer, cigarettes, etc.)

V. Government Policies and Self-Help Programs in Agriculture

**VI. An Appraisal****Structural Changes in the Food Industry****Implications of Structural Changes on Future Market Conduct and  
Performance****Public Policies to Improve Performance**

7. Exams: 4

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Economics of Food Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives:
  - 1) Identify specific factors that affect the marketing of particular commodities.
  - 2) Identify and use procedures that minimize price risk in marketing
  - 3) Trace the physical and ownership flow of individual commodities through market channels and describe unique characteristics of organizations making up the channels.
  - 4) Relate fundamental factors such as population, income, elasticity of supply and demand, to the food marketing process.
5. Text: N.A.
6. Outline:
  - A. Food Marketing Systems
    - 1) World Population and Food Needs
    - 2) Development of a Market Economy
    - 3) Government Role in Food Marketing
  - B. Commodity Marketing
    - 1) Dairy Products
    - 2) Livestock and Meats
    - 3) Grain Products
    - 4) Poultry and Eggs
    - 5) Fruits and Vegetables
  - C. Facilitation
    - 1) Ownership Risk and Hedging
    - 2) Market Information
    - 3) Marketing Spreads and Price Analysis
    - 4) Grades and Standards
  - D. Physical Handling
    - 1) Food Storage and Warehousing
    - 2) Wholesaling and Retailing
    - 3) Transportation
7. Exams: 2, weekly quizzes
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Principles of Agricultural Marketing

2. Level: Undergraduate

3. Credits: 3

4. Objectives:

1. Outline, describe, and explain the main features, functions and trends of the major parts of the agricultural marketing system.
2. Demonstrate the ability to apply basic economic principles learned in previous courses to marketing problems.
3. Explain how the food system is affected by deviations from open market coordination of economic activities because of government policies, monopolistic business practices, collective bargaining, and the like.
4. Describe accurately the role of price in coordinating activity in U.S. agriculture.
5. Apply marketing principles to specific problems in order to isolate causes and suggest possible remedies.

5. Text: Market and Price Analysis - The Agricultural Industries, Dahl and Hammond.

6. Outline:

Organization

Introduction; the marketing problem and analytical approach, marketing systems

Tools of analysis

Consumption and demand

Production and supply

Market prices and methods of determination

Marketing costs and margins

Markets over space

Markets over time

Product form, quality, grades, labeling

Market information;

Market structure analysis; market regulation

Group action, cooperatives, vertical integration, group marketing institutions;

Market and price policy alternatives

7. Exams: 1, quizzes
8. Homework: Discussion of questions in text and general marketing problem
9. Projects and Labs: computer decision-making game

1. Title: Marketing Theory and Concepts
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives:

To more fully acquaint the student with the economic factors affecting the marketing of food and fiber products, and the economic theory behind the policies of marketing firms;

to acquaint the student with current problems and practices in marketing, with emphasis on those food and fiber products produced in New England; and

to provide an opportunity for analysis of important economic concepts and provide practice in interpreting and presenting marketing information and research data.

5. Text: N.A.

6. Outline:

- I. The Role Of Marketing

- A. Economics and Marketing

- B. Theory in Marketing

1. Definition

2. Contributions of Various Sciences and Disciplines to Marketing.

3. Summary of the Scope of Marketing and Marketing Theory

- II. Market Structure, Conduct And Performance

- A. Definitions and Dimensions

1. Structure

2. Conduct

3. Performance

4. Definition of an Industry

5. Dimensions or Variables Considered Important

- B. Market Structure Variables and the Analysis of Firm Behavior

1. Evaluation of the Market

2. Classification Based Upon Demand and Supply Curves

### C. The Imperfect Competition Models

1. Monopolistic Competition
2. Cournot Solution
3. Stackelburg Solution
4. Kinked Demand Curve
5. Dominant Firm
6. Game Theory
7. Baumol Model

### D. Barriers to Entry

1. Product Differentiation
2. Advertising
3. Scale Economy Barriers
4. Absolute Cost Barriers

### E. Businessmen versus Economist - Perspectives

### F. Summary

### G. Market Structure of the Food Industry

## III. Market Organization Of The Food And Fiber Industry

- A. Historical Influences
- B. Why Decentralization
- C. Effect on Price Making Process
- D. Causes and Consequences of Changes
- E. Future Organization and Control of Agriculture

## IV. Cooperatives And Bargaining In Agriculture

- A. Characteristics and Development
- B. Membership Policies
- C. Future Roles for Cooperatives
- D. Economic Theory Applied to Cooperatives
- E. Bargaining

## V. Advertising In The Marketing Process Particular Applications To Agriculture

- A. Advertising
- B. Research and Evaluation of Advertising
- C. Methods Used in Determination of Expenditures
- D. Advertising as a Capital Expense
- E. Criteria for Successful Advertising
- F. Special Problems with Agriculture
- G. The Wastefulness of Advertising
- H. Influence of Advertising on Society
- I. Other Objectives to Advertising

## VI. Product Development

- A. Motivation for Product Development
- B. Product Development Problems Unique to Agricultural Products
- C. Determinants of Product Development
- D. Problems in Test Marketing
- E. Relationship of Firm in Invention
- F. Statistical Aids to Decision-Making Under Uncertainty with Regard to Product Development.

## VII. Government And Agri-Business

- A. Agricultural Programs
- B. Transportation
- C. Food and Drug Administration
- D. Trade

## VIII. Marketing And Economic Development

- A. The Role of Marketing in the Less Developed Countries - Background
  - 1. Introduction
  - 2. Reasons for Looking Separately at Agricultural Marketing
- B. Marketing Research for Less Developed Areas
  - 1. Assumptions
  - 2. Market Performance Criteria in Less Developed Countries
- C. The Role of Marketing (continued)
  - 1. Basic Conditions in LDC's Which Aid the Market in Providing Incentives
  - 2. Why Marketing's Importance
  - 3. Approaches to the Study of Development
  - 4. Linkages Between the Physical and Social Systems
  - 5. Role of Marketing and the Economic Development of the United States.

## IX. The Spatial Dimension

- A. Price Equilibrium in Spatially Separated Markets
- B. Space and Transfer Cost
- C. Markets with Spatially Dispersed Production
- D. Efficient Organization within Market Areas

7. Exams: 3

8. Homework: N.A.

9. Projects and Labs: Class report and short essays



1. Title: Marketing of Agricultural Products

2. Level: Undergraduate

3. Credits: N.A.

4. Objectives:

To understand the processes involved in getting food and fiber from the producer to the consumer;

to identify some of the problems associated with the changing patterns in marketing, and

to assist the student to develop a logical approach to the solving of marketing problems.

5. Text: Marketing Agricultural Products, Kohls and Downey, 4th edition.

6. Outline:

Agricultural Marketing

Definitions:

Market, Consumer, Demand, Supply

Consumers

Population, Income, Growth Patterns

Consumption Patterns

Cost of Marketing

Food Marketing Bill, Farmers Share, Marketing Margins, Labor

Costs in Marketing

Wholesaling and Retailing of Food

Types, Structure, Organization

Pricing

Supply, Demand, Elasticity

Competition in the Food Industry

Agricultural Prices

Government Price and Marketing Programs

Parity, Support Programs, Surplus Disposal Programs

Price Controls

Marketing Information

Sources for Producers, Marketer and Consumer, Use of Marketing Information.

Standards and Grading

Transportation

Storage

Risk and Futures

The Future's markets, Cash Market, Speculating, Hedging,  
Government Markets

Commodity Marketing

Dairy

Tobacco

Poultry

Fruit and Vegetables

Grain Marketing

7. Exams: 2, spot quizzes
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Agricultural Marketing and Price Analysis
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives:

To provide an understanding of the economic organization and operation of the food and fiber sector of the U.S. economy. To study the marketing system for farm products and inputs, along with the processing and distribution activities related to agricultural products. To study the factors that affect the price of farm products. Special emphasis placed upon the futures market, and use of the futures market for price analysis.

5. Text: Marketing and Price Analysis, Dahl and Hammond.

6. Outline:

1. Common mistakes made in marketing agricultural products
2. Steps in developing a marketing strategy
3. Functional approach and the study of agricultural marketing
4. Commodity futures market
  - a. How the futures market functions
  - b. How to use the futures market for hedging and speculating
5. Sources of market information
6. Corn, soybeans and wheat
  - a. Supply--domestic and foreign
  - b. Demand--domestic and foreign
  - c. Carryover
  - d. Impact of carryover on price
7. Beef cattle and hogs
  - a. Production cycles
  - b. Demand
  - c. Price determination
8. Milk marketing and pricing

7. Exams: 5

8. Homework: N.A.

9. Projects and Labs: 3 field trips and futures market trading game

1. Title: Principals of Agricultural Marketing
2. Level: Undergraduate
3. Credits: 3
4. Objectives:

To provide the student with an opportunity to understand the basic functioning of the marketing system for agricultural products in order that he/she might be able to make better economic decisions in this field, and provide him/her with an analytical framework for identifying and solving marketing problems.

5. Text: Marketing of Agricultural Products, Kohls and Downey, Fourth Edition, supplemented with Marketing Farm Products, Shepherd, Fifth Edition.
6. Outline:
  1. Introduction - the marketing problem, marketing defined, marketing efficiency, utility concept.
  2. Development Of Marketing System - growth of marketing, historical background, modern development, perspectives on agricultural marketing.
  3. Analyzing Marketing Problems - the marketing process, approaches to problems, marketing functions, marketing institutions, the functional, institutional, commodity and behavioral approaches.
  4. The Analytical Approach - three broad agricultural marketing problems, the economics of agricultural marketing, a framework of theory for analyzing marketing problems, perfect market concept, diagnostic aid.
  5. Demand For Agricultural Products - demand for products and services, purpose of the marketing system, ingredients of the consumption decision, marketing innovations, the foreign market, imports.
  6. Supply Of Agricultural Products - agricultural production, production unit, characteristics of production, characteristics of products, areas of production, total production.
  7. Food Processing Industries - industry structure, organization and size of firm, problems, buying, selling, agencies, factors affecting location, factors affecting size, how size affects processing plants, economies of size, market concentration.

8. Wholesaling And Retailing - industry, structure, change, types of firms, structural basis, retail stores defined, growth of supermarkets, corporate chains.
9. The Cost Of Marketing - examples of costs, differences between products, composition of marketing margin, the total marketing bill, farmers share, why costs are high, how to reduce costs, characteristics of costs, marketing margins in the future.
10. Price Discovery - buying and selling, jobs performed by prices, elementary theory of prices, economic principles, meaning of demand, meaning of supply, equilibrium price, changes in demand and supply, elasticity of demand and supply, relationship of prices to costs, law of one price.
11. Effects Of Changes In Distribution Costs - marketing charges related to prices paid by consumer and received by producer, the farm market, the consumer market, basic and derived demand and supply, elasticity of demand and supply, general conclusions.
12. Competition In Food Marketing - perfect competition, assumptions of perfect competition, departures from perfect competition, monopoly, oligopoly, imperfect competition, conditions in agriculture.
13. Agricultural Prices - retail and farm prices, agricultural and non-agricultural prices, individual commodity prices.
14. Cyclic Movements In Agricultural Prices - the cobweb theorem, price cycles, production cycles.
15. Seasonal Price Movements - average seasonal price patterns, individual commodity seasonal price movements.
16. Governmental Price And Marketing Programs - historical development, basic attitude toward farm relief, basic programs, two-price plans, orderly marketing, price support programs, soil banks, diversion programs, subsidy payments, impact of the price and income programs on marketing, programs in other areas.
17. Government And Agricultural Marketing - areas of regulation, amount of regulations needed, purpose of regulations, types of regulations.
18. Expanding Demand For Agricultural Products - increasing domestic demand, advertising, promotion by commodity groups, cotton, rice, milk, expanding foreign demand, government programs, new uses for agricultural products.
19. Market Organization - marketing channels, changes that have occurred, decentralization, integration, contract farming, implications for the future.

20. Obtaining Bargaining Power - farmer and bargaining power, sources and methods of gain, questions open to negotiations, sources of power, necessary ingredients for successful marketing orders and agreements, National Agricultural Bargaining Act, bargaining power facts or fiction.
  21. Market News - purpose, things desired, kinds of information needed, problems of collection, who collects information, information needs of the farmer, processor, wholesaler, retailer and housewife, agricultural market news service.
  22. Standardization And Grading - definitions, standards of quantity, standards of quality, subjective and objective standards, advantages of standardization, criteria of a good standard, problems, place of government in standardization.
  23. Transportation - who does the job, development of various forms of transportation, rates, regulation, transportation costs, approaches to cost reduction, impacts of recent changes.
  24. Storage - storage operations, public supervision, cost of storage, who should store, relationship of storage and prices.
  25. Risk And Futures Exchanges - types of market risk, product destruction, product deterioration, futures market, exchanges, contracts, relationship of cash to future prices, futures hedging, place of government, future of the futures exchanges.
  26. Commodity Marketing - Livestock, grain, cotton: industry structure, market channels, consumption trends, marketing agencies, functions, marketing margins, problems of the industry.
7. Exams: 6
  8. Homework: N.A.
  9. Projects and Labs: 2 outside laboratory exercises, guest speakers and films.

1. Title: The Economics of Marketing Systems for Agricultural Commodities
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Marketing Farm Products, Shepherd, Futrell and Strain, Sixth Edition.
6. Outline:
  - I. Development and general problems of marketing firms and systems
    - A. Historical trends in marketing
    - B. Changing demand
    - C. Pricing mechanism
    - D. Marketing costs
  - II. The perfect market concept as a tool of analysis for markets and marketing firm performance
    - A. Space
    - B. Time
    - C. Form
  - III. Basic economic theory and its application in marketing
    - A. Supply and demand
      1. Elementary theory
      2. Important factors
        - a. Price
        - b. Non-price
    - B. Price system
      1. Elementary theory
      2. Cyclic and seasonal price movements
      3. Futures contracts
      4. Grades and standards
    - C. Cost analysis
      1. Elementary theory
      2. Cost and volume relationships
      3. Factor affecting cost efficiency
      4. Marketing margins
    - D. Financial and profit analysis
      1. Profit and loss statements
      2. Balance sheet analysis
      3. Ratio analysis
      4. Capital budgeting

IV. Structural and functional changes in market systems

- A. Decentralized marketing
- B. Alternate market channels
- C. Vertical coordination
- D. Governmental policies

V. Institution and functions in classical commodity markets.  
market data and application to economic analysis in commodity  
areas

- 1. Poultry and egg products
- 2. Livestock products
- 3. Dairy products
- 4. Fruits and Vegetables
- 5. Grain products
- 6. Tobacco products
- 7. Forestry products

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.



1. Title:

2. Level: Undergraduate

3. Credits: N.A.

4. Objectives:

- (1) To achieve a basic understanding of the food marketing system; the marketing institutions, their organization and the functions performed.
- (2) To achieve an understanding of the practices and unique problems and requirements involved in moving food commodities from producer to consumer.
- (3) To identify the major trends and characteristics of agricultural marketing and their implications for producers, marketing firms and consumers.
- (4) To examine contemporary and future issues, problems and developments in food marketing.

5. Marketing of Agricultural Products, Kohls and Downey, Fourth Edition.

6. Outline: N.A.

7. Exams: 3

8. Homework: Class assignments

9. Projects and Labs: N.A.

1. Title: Agricultural Markets and Prices
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives:

To describe and illustrate the economic operation of agricultural markets; more specifically, to consider the components of agricultural supplies and the role of prices, both as a measure of market performance and as allocators of resources in agricultural markets;

to analyze how the major marketing institutions operate and how they affect the performance of agricultural markets; and

to identify and review current and classical marketing problems and the business and governmental policies now used to aid in their solution.

5. Text: Market and Price Analysis: The Agricultural Industries, Dahl and Hammond.

6. Outline:

Introductory materials - problems and issues

I. Demand, Supply, and Price Analysis

A. Tools of analysis

1. data and accounting techniques
2. index numbers - construction and uses

B. Consumption, demand, and demand analysis for food products

1. consumer choice
2. demand determinants
3. demand expansion for food products
4. demand elasticities and their uses

C. Supply concepts and supply characteristics in U.S. agriculture

1. marginal product approach to factor use
2. marginal cost and industry supply curves
3. cost curves
4. elasticity of agricultural supply

D. Price determination

1. price and output determination in competitive markets
2. price behavior over time in agricultural markets

E. Food marketing margins

1. measuring marketing margins
2. incidence of changes in food marketing margins
3. demand elasticities at alternative market levels

- F. Geographic price structures
  - 1. location of production
  - 2. interregional price relationships

## II. Agricultural Market Structures, Institutions, and Policies

- A. Price discovery procedures and institutions
- B. Structural characteristics of agricultural markets
  - 1. market types
  - 2. implications for market performance
- C. Grades and standards for farm products
- D. Market information systems
- E. Futures markets
  - 1. mechanics of futures trading
  - 2. cash-futures price relationship
- F. Cooperatives
  - 1. development and importance
  - 2. legal and economic characteristics
- G. Price regulation in agriculture
  - 1. marketing orders and agreements  
(character of regulations and economic impacts)
  - 2. price supports
- H. Regulation of structure and competition in agricultural markets.

7. Exams: 2 exams, 2 quizzes

8. Homework: 3 exercises

9. Projects and Labs: N.A.

1. Title: Principles of Agricultural Marketing
2. Level: Undergraduate
3. Credits: 3 credit hours
4. Objectives:

The purpose of this course is to provide students with an overview of the principles of marketing using an analytical approach. Applicable elementary theory of prices, supply, and demand are reviewed and the framework for a perfect market is presented. A further objective is to train students to use the analytical approach to see how the various principles covered fit or deviate from the "perfect market" model.

5. Text: Marketing Farm Products, Shepherd, Futrell and Strain

6. Outline:

- I. What is Marketing and Why Study It?
- II. Alternative Approaches to Study of Marketing with Emphasis on the Analytical Approach
- III. The Theory of Demand, Supply and Prices and the Demand for the Supply of Farm Products
- IV. The Market System and Production and Market Information
- V. Price Changes Through Time
- VI. Farmers Marketing Options in Time
- VII. Price Changes through Space
- VIII. Price Changes through Form
- IX. Government Programs and Prices
- X. Cost Theory and Overall Marketing Costs
- XI. Agri-Business Procurement and Marketing Alternatives and Costs
- XII. Wholesale and Retail Procurement and Marketing Alternatives and Costs
- XIII. Foreign Markets and Their Importance
- XIV. Livestock and Meat Marketing
- XV. Dairy Marketing

XVI. Cotton Marketing

XVII. Soybean Marketing

XVIII. Poultry and Egg Marketing

XIX. Marketing Vegetables and Horticultural Crops

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Introduction to Market Organization and Structure
2. Level: Undergraduate
3. Credits: 3 hours
4. Objectives:

The purpose of the course is to have students possess a reasonable degree of familiarity with market models and types of market organizations and structures. This includes the application of appropriate economic theories, descriptive components of industries and interactions of agricultural industries. In doing so, the course includes competitive and non-competitive structure, institutional marketing systems and firm organization. Internal firm organizations will include both cooperatives and non-cooperatives arrangements.

5. Text: N.A.

6. Outline:

- I. Brief Review of Supply and Demand Factors and Relationships
- II. Bases for Delineating Market Models
- III. Market Theories (Models)

These models will be presented in the framework of structure, conduct and performance as applied to firms in:

- a) Pure competition
- b) Monopoly
- c) Oligopoly
- d) Monopolistic competition

The areas of conduct and performance will be stressed especially as it relates to pricing policies of firms, non-price competitive actions and market power.

- IV. Organization Structure and Operational Practices in Agricultural Industries
  - A. Economic Integration
    1. Vertical
    2. Horizontal
    3. Conglomerate
  - B. Anti-trust Provisions
  - C. Trade Practices
    1. Types
    2. Competitive influence of selected practices
  - D. Market Orders, Agreements, Boards

E. Cooperatives

F. Bargaining in Agriculture

V. Research Studies in Agribusiness Competition

References:

1. American Industry: Structure, Conduct, Performance, Caves.
2. Food Marketing, Darrah.
3. A Primer on Monopoly and Competition, Mueller.
4. Market Structure of the Agricultural Industries, Moore and Walsh.

Much of the discussion will come from selected articles which will be discussed or supplied to the class.

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: 3
4. Objectives:
  1. Demonstrate competence in hedging by correctly establishing hedges for agriculture producers and processors under various market conditions.
  2. Describe and analyze the probable conduct and performance of various existing agricultural marketing systems and the probable conduct and performance that would result from selected alternative systems of marketing agricultural products.
  3. Analyze possible impacts or effects upon marketing costs and returns to agriculture producers and processors when changes occur in the following:
    - a. transportation systems
    - b. grading systems
    - c. storage systems
    - d. foreign trade
    - e. market
    - f. bargaining power
    - g. demand elasticities
    - h. public policies
5. Text: Agricultural Marketing: Systems, Coordination, Cash and Futures Prices, Purcell.
6. Outline: Introduction, Perspective and Environment  
Commodity Futures and Hedging  
Economic Environment and Public Policy  
Decision Processes and Systems Analysis  
Market Strategies  
Current Issues and Government Programs  
Need for More Effective Marketing
7. Exams: 2, optional final, and announced quizzes.
8. Homework: N.A.
9. Projects and Labs: Speculation game, hedging problem and management game.



1. Title: Agricultural Economics
2. Level: Undergraduate
3. Credits: 4
4. Objectives:
  1. Describe alternative marketing strategies available to grain and livestock producers, and identify their respective strengths and weaknesses.
  2. Recognize and describe merchandising techniques employed by processors and handlers of grain and livestock products and their impact on the performance of the market.
  3. Identify and explain pricing procedures employed in grain and livestock markets, resulting prices at the various points in the marketing channel, and economic performance.
  4. Analyze the functions performed by grain and livestock processors and handlers and the associated costs, marketing margins, and economic returns.
  5. Describe the process and recognize the opportunities for exporting U.S. grain and livestock products.
  6. Analyze (1) marketing trends having present and future impact on the grain and livestock industry, and (2) the individual producer and/or marketing firms' contribution to desirable change.
5. Text: N.A.
6. Outline:
  - Livestock Marketing - Overview
  - Importance of Grades
  - Pricing Systems - Cash
  - Pricing Systems - Forward Pricing
  - Marketing Alternatives - Independent
  - Marketing Alternatives - Pools
  - Marketing Alternatives - Integration
  - Changing Structure of the Industry
  - Future Developments
  - Grain Marketing
    - Grain Grades
    - Role of Information

Grain Transportation: Problems & Potential

Grain Pricing

Marketing Strategies: Storage vs. Cash Sale

Marketing Strategies: Elevator Merchandising

Changing Structure of the Industry

#### International Marketing

Theory of Trade

Trends and Structure of U.S. Ag. Trade

U.S. Agric. Trade Policy

Contractive Factors Affecting U.S. Ag. Trade

Expansive Factors Influencing U.S. Ag. Trade

Problems and Prospects

7. Exams: 3

8. Homework: N.A.

9. Projects and Labs: Written report.

1. Title: Advanced Agricultural Marketing

2. Level: Undergraduate

3. Credits: Four (4) credit hours

4. Objectives:

1. Describe alternative marketing strategies available to grain and livestock producers, and identify their respective strengths and weaknesses.
2. Recognize and describe merchandising techniques employed by processors and handlers of grain and livestock products and their impact on the performance of the market.
3. Identify and explain pricing procedures employed in grain and livestock markets, resulting prices at the various points in the marketing channel, and economic performance.
4. Analyze the functions performed by grain and livestock processors and handlers and the associated costs, marketing margins, and economic returns.
5. Describe the process and recognize the opportunities for exporting U.S. grain and livestock products.
6. Analyze (1) marketing trends having present and future impact on the grain and livestock industry, and (2) the individual producer and/or marketing firms' contribution to desirable change.

5. N.A.

6. Outline: Livestock Marketing Block  
(Emphasis on Beef and Swine)

A. Livestock Grades

1. The role of grades in a market directed economy
  - a) Communicating consumer preferences
  - b) Guiding the production process
  - c) Efficiency of marketing firms
2. Price and value differences between grades
  - a) Quality grades
  - b) Yield grades
3. Critical evaluation of present grading system--  
opportunities for improvements

B. Livestock Pricing

1. Basing points (what determines price)
  - a) Feeder animals
    - 1) Feed cost
    - 2) Slaughter market, etc.
  - b) Slaughter animals
    - 1) Feed cost
    - 2) Price of feeder animals
    - 3) Price of competing products
    - 4) Profit opportunities
    - 5) Consumer demand, etc.

- c) Wholesale markets
  - 1) Price of competing products
  - 2) Storage stocks
  - 3) Yellow sheet
  - 4) Consumer demand, etc.
- d) By products values as they influence prices
- e) Retail prices
- f) Relationship between cash and futures prices
- 2. Price patterns
  - a) Cyclical production and price patterns
  - b) Seasonal price patterns
  - c) Price-cost spreads in converting live animals into retail products
- C. Marketing Alternatives for the Producer
  - 1. Marketing prior to completed production
    - a) Contracting
    - b) Futures markets
      - 1) Basis computations
      - 2) Closing the futures contract
  - 2. Cash sales
    - a) Terminal markets
    - b) Auction markets
    - c) Direct sales
    - d) Live vs. carcass basis
  - 3. Vertical integration with
    - a) Feeder animal producers
    - b) Packers
    - c) Feedgrain producers
- D. Changing Structure of the Industry
  - 1. Producers
  - 2. Packers
    - a) Economies of size
    - b) Centralized fabrication
    - c) merchandising frozen red meats
  - 3. Retailers
- E. Market in the Future
  - 1. Domestic opportunities
  - 2. Producer initiatives

#### Grain Marketing Block

- A. Grain Grades
  - 1. What are they?
  - 2. Why do we have them?
  - 3. Limitations grades impose
  - 4. Improvement or needed changes
- B. Grain Pricing
  - 1. Futures markets
  - 2. Terminal elevators
  - 3. Local elevators
  - 4. Producer
  - 5. Government

## C. Marketing Strategies

1. Storage vs. cash sale
  - a) On-farm storage
    - 1) High moisture -- bunkers, air tight
    - 2) Steel bins
    - 3) On-farm drying systems
2. Producer marketing
  - a) Cash sale
  - b) Contracting
    - 1) Deferred delivery
    - 2) Deferred price
    - 3) Deferred payment
    - 4) Waive warehouse receipts
3. Elevator merchandising
  - 1) Rail
  - 2) Truck
  - 3) Utilizing storage space -- hedging, farmer storage

## D. Changing Structure of the Industry

1. Railroad abandonment
2. Multi-car rates
3. What changes will occur as a result
  - a) For producers
  - b) For established elevators

## E. Market Development Programs

1. Producer check-off
  - a) Making wise investments

## International Trade in Grains and Livestock

## A. Theory of Trade

1. Principle of Comparative Advantage
  - a) Limiting assumptions
  - b) Policy implications
2. Balance of International Payments
  - a) Short Run Imbalances vs. long run trends
  - b) "Automatic" adjustment mechanisms
  - c) Direct Government Policy intervention
  - d) Foreign Repercussions
3. Exchange rates
  - a) Historical trends in adjustment mechanisms
  - b) Relative price and income effects
  - c) Implications for U.S. agricultural trade

## B. Trends and Structure in U.S. Agricultural Trade

1. Role of exports in U.S. agricultural sector
  - a) Varying importance between products
  - b) Historical trends
2. Importance of competing and non-competing agricultural imports.

3. Overview of major international agriculture product flows
    - a) major foreign customers for U.S. agriculture exports.
    - b) Major competitors in specific foreign markets
  4. New Markets and regions with market development potential.
  - C. U.S. Agricultural Trade Policy
    1. Historical changes in U.S. agricultural trade policy
      - a) Pre World War II
      - b) Trade Development and Assistance Act of 1954 (PL 480)
      - c) The Trade Expansion Act of 1962
      - d) The Trade Act of 1974 and the Multilateral Trade Negotiations.
    2. Forces Influencing current agricultural trade policy
      - a) Domestic
        - 1) Special interest political
        - 2) Monetary authorities
        - 3) U.S. foreign policy
      - b) International
        - 1) International commodity agreements
        - 2) Common funding of commodity-stocking arrangements.
  - D. Contractive Factors Affecting U.S. Agricultural Trade
    1. Health, Packaging, and quarantine restrictions
    2. International agricultural development in importing and competing countries.
    3. Tarriffs, duties, and quotas
    4. The Common Agricultural Policy (CAP) and the E. E. C.
  - E. Expansive Factors Influencing U.S. Agricultural Trade
    1. Population, incomes and elasticities
    2. Bilateral trade agreements
    3. Concessional sales
    4. Market promotion activities
  - F. Problems and Prospects--Where Do We Go From Here?
    1. The role of the multinational exporting corporation
    2. Public vs. private control of the exporting function
    3. Dealing with the State Trading Monopoly
    4. OPEC--Can we meet the challenge?
    5. Japan--Changes in tastes and purchase problems
    6. EEC--Working within constraints
7. Exams: N.A.
  8. Homework: N.A.
  9. Projects and Labs: Small group problem solving exercises.

1. Title: Economics of Marketing
2. Level: Undergraduate (Junior/Senior)
3. Credits: 3 credit hours
4. Objectives: Economics of Marketing is intended to provide an integrative framework for the analysis of marketing decisions, activities and organizations. While the concepts and tools developed for analysis will be applicable to any industry, most of the case studies and applications developed in the course will be to the food industry.
5. Text: Market and Price Analysis, The Agricultural Industries, Dahl, and Hammond.  
The Agricultural Marketing System, Rhodes.
6. Outline:
  - I. Marketing Concepts and Approaches
    1. Introduction
    2. Alternative Definitions of Marketing
    3. Applied Market Analysis -- Means, Methods and Goals
    4. Concepts of Welfare and Efficiency
  - II. Consumption and Demand - Its Importance in Market Decisions
    1. Food Consumption Patterns - Methods of Analysis
    2. Utility and the Concept of Consumer Sovereignty
    3. Demand - Individual and Aggregate
    4. Incomes, Prices and Elasticities
    5. Market Demographics and Consumption Impacts
    6. Demand Stimulants - Advertising and Coupons
    7. Applied Consumption Analysis - Commodity Case Studies
      - a. Meats
      - b. Breakfast Cereals
  - III. Market Organization and Structure - Explanations of Market Behavior.
    1. The Concept of Market Power - As Viewed Against the Competitive Norm
    2. Sources and Forms of Market Power

3. Product Brands and Product Differentiation
4. Interactions of Demand and Industry Structure -  
Patterns of Response to Change.
5. Product Research and Innovation
6. Market Performance - Methods of Evaluation
7. Structure, Conduct and Performance
8. Marketing Margins
9. Applications - Food Industry Subsectors
  - a. Meats - Beef
  - b. Breakfast Cereals

#### IV. Government Intervention and Regulation -- Causes and Consequences

1. Regulation - Its Rationale
2. Countervailing Power - An Operative Concept?
3. The Regulatory Process - The Importance of Economic and Political Power
4. The Processor/Wholesale - Retail Interface -  
Patterns of Response to Regulation
5. Consumerism - Demand for Consumer Protection
6. The Elusive Meaning of Product Quality
7. The Role of Market Information - Unit Pricing as  
an Example
8. Case Study - Grades and Standards for Primary  
Products
9. Case Study - Food Labeling

#### V. Emerging Issues in Marketing

1. Nutrition - Policy Implications for the Marketing  
System
2. Inflation - Its Dynamics in the Food Sector
3. Increasing Regulation - Conflicts of Purpose

7. Exams: 2

8. Homework: 3 applied marketing analyses

9. Projects and Labs: N.A.



1. Title: Marketing in Agricultural Industries

2. Level: Undergraduate

3. Credits: 5

4. Objectives: To improve the students' intellectual craftsmanship and skills of scholarship;
- To improve the students' understanding of what marketing is and the role and functions of markets in our socio-economic system;
- To aid the students in developing and utilizing a conceptual framework of simplified abstractions for describing, analyzing and evaluating market exchange systems and for solving market-related problems;
- To acquaint the students with the wide range of institutions, concepts, functions, policy considerations and alternative systems relevant to markets in agriculture and the agriculturally-related industries;
- To expand the students' awareness of employment opportunities in marketing and to assist in projecting their roles in agricultural marketing in the future.

5. Text: Agricultural Marketing: Systems, Coordination, Cash and Futures Prices, Purcell.

6. Outline: I. Introduction to Marketing
- II. The Market System and Operating Environment
- III. The Economic Theory of Markets
- A. Demand Theory and Consumption
  - B. Theory of Costs and Supply
  - C. Price Determination
  - D. Market Structure Analysis
- IV. Marketing Operations and Institutions
- A. Commodity Futures and Hedging
  - B. Retailing and Wholesaling
  - C. Markets Over Space
  - D. Market Systems Analysis

V. Producers Marketing Alternatives

A. Agricultural Cooperatives

B. Market Orders and Agreements

C. Other Alternatives and Strategies

VI. Public Policy Issues

7. Exams: 3 exams, 5 quizzes

8. Homework: N.A.

9. Projects and Labs: Term paper - market simulation game.

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: 5 credit hours
4. Objectives: To provide students with a framework to synthesize and integrate the critical issues, processes, and techniques necessary to understand the managerial function (the decision-making process) as it relates to agricultural marketing;  
  
to emphasize the "why" and not the "how to do it",  
and  
  
to emphasize the strategic nature of marketing as composed of the innovative aggregation of the firms's marketing mix. The marketing mix consists of the firm's decisions and policies relating to demand analysis, location decisions, product and inventory assortments, pricing, and promotion activities.
5. Text: The Producer's and Lender's Guide to Futures Trading, Hammonds, A Class Exercise in Futures Trading, (student's handbook), O'Connor, Market and Price Analysis of the Agricultural Industries, Dahl and Hammond.
6. Outline: N.A.
7. Exams: N.A.
8. Homework: N.A.
9. Projects and Labs: Term paper on futures market trading.

1. Title: N.A.
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: To impart an appreciation of the scope and nature of marketing in the agricultural sector of the U.S. economy;  
to provide a framework for understanding and analyzing marketing processes and problems, and  
to look at the marketing of several major agricultural commodities as illustrations of the wholeness of marketing systems.
5. Text: Marketing of Agricultural products, Kohls and Downey, Fourth Edition.  
The Food and Fiber System--How it Works, Agriculture Information Bulletin 383, Economic Research Service, U.S. Department of Agriculture.
6. Outline:
  - I. An Overview of the Food and Fiber System
  - II. An Overview of Marketing
  - III. Approaches to Understanding and Analyzing Marketing Processes and Problems.
  - IV. Consumers of Agricultural Products
  - V. The Nature of Agricultural Production
  - VI. An Overview of the Food Processing Industries
  - VII. Expanding the Demand for Agricultural Products
  - VIII. The Cost of Marketing
  - IX. The Exchange Function - Price Discovery
  - X. Competition in Food Marketing
  - XI. Wholesaling and Retailing Food
  - XII. Agricultural Prices
  - XIII. Government Price and Marketing Programs
  - XIV. Government and Agricultural Marketing
  - XV. Market Organization
  - XVI. Obtaining Bargaining Power

XVII. Collection and Use of Market Information

XIX. Transportation

XX. Storage

XXI. Risk and Futures Exchanges

XXII. Commodity Marketing

A. Livestock

B. Dairy

C. Poultry and Eggs

D. Food and Feed Grains

E. Fruit and Vegetables

F. Nursery and Greenhouse Plants

G. Forest Products

7. Exams: 3 exams, 3 quizzes

8. Homework: N.A.

9. Projects and Labs: Optimal term paper.

1. Title: Economics of Agricultural Marketing
2. Level: Undergraduate
3. Credits: 3
4. Objectives: This course is intended to teach the structure and operation of the marketing system for agricultural products -- food and non-food -- in the United States. The student will learn about marketing functions, marketing institutions, market prices and price-making; and such important marketing components as marketing information and statistics, the commodities futures exchanges, and international marketing. In general, the economics of these things as opposed to the non-economic factors, will be exchanged.
5. Text: Market and Price Analysis: The Agricultural Industries, Dahl and Hammond.
6. Outline: N.A.
7. Exams: 1 exam, 4 quizzes
8. Homework: N.A.
9. Projects and Labs: Field trip, short paper.

1. Title: Marketing Economics

2. Level: Undergraduate

3. Credits: N.A.

4. Objectives:
1. To acquaint the student with important concepts in marketing.
  2. To provide an understanding of the role that the marketing system plays in business organizations and society.
  3. To integrate the various marketing concepts into a marketing management structure.
  4. To provide the student with an opportunity to gain skills in making managerial marketing decisions.
  5. To have students be able to identify, explain, integrate and apply various marketing concepts to the existing business environment.

5. Text: Basic Marketing: A Managerial Approach, E. McCarthy, 6th Edition.

6. Outline:

Class Introduction

Marketing and Its Environment

Market Selection

Product Development

Channels of Distribution

Product Promotion

Product Pricing Decisions

Marketing Management

Marketing Overview

7. Exams: 2 exams, 5 quizzes

8. Homework: N.A.

9. Projects and Labs: Comprehensive term project.

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: 3
4. Objectives: Understand and apply the theory of price determination for agricultural commodities;  
  
understand the functioning of commodity futures markets; and  
  
become familiar with the evaluate current marketing techniques.
5. Text: Market and Price Analysis: The Agricultural Industries, Dahl and Hammond.
6. Outline:
  1. Objectives
  2. Marketing Defined - Uniqueness of Ag. Marketing
  3. Theory
    - a. Demand
    - b. Supply
    - c. Equilibrium
    - d. Elasticity
    - e. Transportation
    - f. Spatial equilibrium
    - g. Quality considerations
    - h. Tariffs and Quotas
  4. Commodity Futures Trading
    - a. Theory
    - b. Futures trading game
  5. Current Marketing Alternatives
  6. Structure and Conduct of Agri-Business Firms
7. Exams: 4 exams and quizzes
8. Homework: Problem sets
9. Projects and Labs: Futures trading project



1. Title: N.A.
2. Level: Undergraduate
3. Credits: 3
4. Objectives: N.A.
5. Text: The Agricultural Marketing System, Rhodes.

6. Outline:

Course introduction  
Introduction to marketing  
Review of cost and revenue functions  
Market structure

Agricultural production  
Agribusiness  
Domestic demand  
Foreign demand  
First exam  
Pricing process  
Effects of space and time  
Risk aversion  
Futures markets

Grades and standards  
Marketing channels  
Pricing systems  
Second exam  
Cooperatives  
Bargaining power  
Processors  
Wholesalers and retailers  
Governmental influences

7. Exams: 3
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Advanced Agricultural Marketing
2. Level: Undergraduate
3. Credits: 3
4. Objectives: N.A.
5. Text: Markets, Prices, and Interregional Trade, Bressler, and King.
6. Outline:
  1. Economics Of Market Location And Pricing
    - Introductory Lecture
    - Basic Market Price Concepts
    - Spatial Market Equilibrium
  
    - Transfer Costs and Market Flows
    - Production Location and Market Flows
    - Efficient Market Location Patterns
  11. Form, Time, And Space Aspects Of Marketing Efficiency
    - Product Form and Processing Costs
    - Product Flows and Storage Costs
    - Marketing Strategies to Maximize Total Returns
    - Institutional Factors and Market Flows
7. Exams: 2
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Marketing Agricultural Products
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Market and Price Analysis: The Agricultural Industries, Dahl and Hammond.

6. Outline:

- A. Futures Market Game
  1. Basics of commodity speculation
  2. Accounting procedures for futures accounts
- B. Marketing System for Agricultural Products
  1. Introduction
    - a. Definition of marketing
    - b. Objectives of marketing system
    - c. Price and technical efficiency
  2. The marketing system
    - a. Functions at various levels
    - b. Coordination among levels
    - c. Concept of perfect market over time, space, and form
  3. Consumption and demand
    - a. Aggregate food consumption relationship to income, population and prices
    - b. Factors affecting demand individual foods
    - c. Elasticity of demand and consumer expenditures
    - d. Using demand elasticities to forecast prices
  4. Production and supply
    - a. Theoretical development of supply curve
    - b. Factors affecting market supply
- C. Market Price and Price Determination
  1. Market prices
    - a. Simultaneous determination of retail and farm prices
    - b. Derived demand for agricultural commodities
    - c. Effect of technology on supply, demand and margins
  2. Marketing margins
    - a. Different types
    - b. How USDA calculates
    - c. Cost components of marketing bill
    - d. Detailed analysis and discussion of beef marketing margins.

3. Prices over time
  - a. Cyclical price patterns
    - (1) Factors causing cycles in agricultural commodities
    - (2) Analysis of cattle and hog cycle
  - b. Seasonal price patterns
    - (1) Factors causing seasonal price patterns
    - (2) Analysis of seasonal price patterns for livestock and grain
4. Futures market
  - a. Mechanics of hedging
  - b. Basis and basis variability
  - c. Using futures to deal with price uncertainty
5. Prices over space
  - a. Impact of transportation cost on price surface
  - b. Effect of transportation cost on location of plants and industry structure; i.e. beef and broilers
6. Prices over form
  - a. Relationship between grades and prices
  - b. Role of grade and prices in price discovery process

D. Marketing Services and Institutions

1. Value of market information
  - a. Sources of information
  - b. Methods of making price forecasts
  - c. Advertising as information
2. Market policy
  - a. Impact of government programs on supply and demand
  - b. Implications current farm programs
3. Market structure
  - a. Basic structure, conduct, performance model
  - b. Why is behavior of farmers different than General Motors
  - c. Methods of influencing prices in agriculture
    - (1) Government programs
    - (2) Bargaining
    - (3) Cooperatives
    - (4) Marketing orders

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Introduction to Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: To gain an appreciation of various economic and non-economic factors affecting agricultural markets and industries, and  
  
to gain an understanding of various functions performed in assisting agricultural products to reach their final destination.
5. Text: The Agricultural Marketing System, Rhodes.
6. Outline: N.A.
7. Exams: 4 exams, daily quizzes
8. Homework: Daily assignments
9. Projects and Labs: N.A.

1. Title: Advanced Agricultural Marketing
2. Level: Undergraduate
3. Credits: 3
4. Objectives: To equip the student with knowledge of alternative marketing organization programs and a background to evaluate alternatives in the marketing of agricultural commodities from the individual firm and industry perspectives.
5. Text: Agricultural Product Prices, Tomek and Robinson.

6. Outline:

Introduction: discussion of class outline, and course objectives and requirements.

What is marketing?

Agricultural marketing in our market economy.

Approaches to studying marketing phenomenon.

Market organizations and structure.

Markets and market demand models.

Demand analysis in agricultural marketing.

Interregional competition.

Advertising in agricultural marketing.

Product development and mix.

Federal programs to expand demand.

Bargaining.

Marketing cooperatives.

Marketing orders and agreements.

Orderly marketing and price discrimination.

Market diversion and cullage rates.

Marketing costs and margins.

Pricing and futures markets.

Market areas and plant locations.

Physical distribution.

7. Exams: 3

8. Homework: N.A.

9. Projects and Labs: Term paper

1. Title: Marketing Agricultural Products
2. Level: Undergraduate
3. Credits: 3
4. Objectives: N.A.
5. Text: Marketing of Agricultural Products, Kohls and Downey, 4th Edition.
6. Outline:
  - The Marketing Problem
  - Analytical Approaches to Food and Agricultural Marketing Problems
  - Consumers of Food and Agricultural Products
  - Food and Fiber Production; Nature, Characteristics, Location Seasonality and Quality Variation
  - Types of Markets
  - Market Organization
  - Food Processing Industries
  - Wholesaling and Retailing of Food
  - Marketing Margins and Costs
  - Price Determination for Food and Agricultural Commodities
  - Competition in Food Marketing
  - Role of State and Federal Government in Pricing and Regulating of Food and Fiber Products
  - Expansion of Demand for Food and Fiber Products
  - Cooperative Activity in Marketing of Agricultural Products
  - Marketing Information for Consumers, Producers and Agribusiness Firms
  - Standardization, Grading and Consumer Information
  - Transportation of Agricultural Products
  - Storage of Agricultural Products
  - Risk, Uncertainties and the Future Exchanges for Food and Fiber Products
  - Public Issues and Policies
    - A. Obtaining Bargaining Power
    - B. Consumer Interests
    - C. Maintaining Competition
    - D. Control of Marketing System
7. Exams: 2 exams, 3 quizzes
8. Homework: N.A.
9. Projects and Labs: Required field trip and market tour report



1. Title: Economic Analysis of Agricultural Markets
2. Level: Undergraduate
3. Credits: 3
4. Objectives: This course is directed toward Ag. Econ. majors and others desiring one analytical treatment of the marketing system for U.S.-produced food and fiber. The basic theory of perfect competition is reviewed and expanded to include temporal, spatial and product form dimensions. Implications of the competitive model for farm product prices are explored. Institutions and coordination mechanisms to deal with inherent price and output instability in agricultural markets are evaluated from both farmer and social welfare perspectives.
5. Text: Market and Price Analysis: The Agricultural Industries, Dahl and Hammond.
6. Outline:
  - I. Introduction and Perspective
    - A. Marketing approaches--marketing vs. agricultural marketing.
    - B. Magnitude of the agricultural marketing system--descriptive statistics and trends relating to consumption, production and marketing system.
  - II. Perfect Competition and Agricultural Marketing
    - A. Demand concepts--elasticities, demand shifters and measuring demand.
    - B. Supply concepts--cost curves; length of run and notion of supply response.
    - C. Prices and output under perfect competition--interpreting simultaneous shifts in demand and supply.
    - D. Theoretical implications of imperfect competition.
  - III. Time; Space and Form Dimensions of Agricultural Markets
    - A. Perfect markets in time, space and form.
    - B. Time dimensions--cyclical and seasonal price variability; theory of storage; futures market.
    - C. Geographical dimensions--interregional competition; international trade concepts.
    - D. Derived demand and supply--marketing margins in theory and reality.
  - IV. Vertical Coordination and Price Discovery
    - A. Market and non-market price discovery.
    - B. Vertical coordination in selected commodity

subsectors--milk, meat, grain and processing  
vegetables.

C. Vertical Coordination, structure and performance in  
food retailing.

V. Agricultural Marketing Institutions

- A. Farmer Cooperatives
- B. Marketing Orders

VI. The Role of Government in Agricultural Marketing

- A. Regulating agencies and functions
- B. Farm and Food Policy
- C. Market Information

7. Exams: 3

8. Homework: Yes

9. Projects and Labs: N.A.

1. Title: Marketing Agricultural Products
2. Level: Undergraduate
3. Credits: 3
4. Objectives: To study the nature of the marketing system for agricultural products, how it is structured and organized and how it performs;  
  
to analyze the demand and supply factors affecting agricultural products and the pricing of these products in the market place, and  
  
to study in detail the various marketing services performed in the transfer and movement of agricultural products from the original producer to the ultimate consumers.
5. Text: Marketing of Agricultural Products, Kohls and Downey.
6. Outline: Nature of the Marketing System  
  
Demand and Consumption  
  
Supply and Production  
  
Prices and Pricing  
  
Market Structure, Organization and Performance  
  
Market Services  
  
Marketing Cost and Margins  
  
Price and Marketing Programs  
  
Improvements in Marketing
7. Exams: 3
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Marketing Agricultural Products
2. Level: Undergraduate
3. Credits: 3
4. Objectives: N.A.
5. Text: Marketing of Agricultural Products, Kohls and Downey.
6. Outline:
  - Unit I. Introduction to Agricultural Marketing
    - Definition of market and marketing
    - Nature and significance of agricultural marketing
    - Consumer oriented marketing activities
    - Basic agricultural marketing problems
    - Functional, institutional and commodity approaches to marketing
  - Unit II. Food and Fiber Market Price Determination
    - Food production - Nature and characteristics
    - Theory of supply - Supply elasticity of food
    - Consumers - Consumer demand and food consumption patterns
    - Theory of demand - Income and price elasticities of food
    - Theory of prices - Exchange function
  - Unit III. The Cost of Agricultural Marketing
    - The marketing bill and its composition
    - Marketing margins - farmer's share
    - Marketing costs differ between commodities
    - Inflexibility of marketing margins
    - Are marketing costs too high?
  - Unit IV. Structure and Organization of the Agricultural Marketing Industries
    - Analytical market framework
    - Competition in agricultural markets
    - Food manufacturing and processing industries
    - Food wholesaling
    - Food retailing
    - Agricultural supply, bargaining and marketing cooperatives
    - Adjustments in market structure and organization
  - Unit V. Functional and Operational Developments in Agricultural Markets
    - Market news and information
    - Standardization and grading
    - Transportation

Storage  
Risk and futures exchanges - commodity trading -  
hedging

Unit VI. Government and Agricultural Marketing

Historical background  
Price and income programs  
Legislative considerations

7. Exams: 4
8. Homework: Class problems
9. Projects and Labs: Farmer marketing survey, review of 4 Agribusiness firms.

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: 4
4. Objectives: N.A.
5. Text: The Agricultural Marketing System, Rhodes.
6. Outline:
  - I. Introduction to Marketing and Marketing Problems
    - A. Markets and marketing defined.
    - B. The "perfect market" concept.
    - C. Functional and institutional approaches to marketing
    - D. The concept of marketing channels and the trend toward decentralization and integration.
    - E. The commodity futures market as an example (Emphasis on mechanics of trading).
    - F. Market structure within the agribusiness sector.
  - II. Supply and Demand Relationships in Agriculture and Their Influence on Marketing
    - A. Characteristics of agricultural production.
    - B. Theory of supply in agriculture.
    - C. Theory of demand.
    - D. Factors affecting the demand for food.
    - E. Elasticity of demand for food products.
    - F. The concept of derived demand.
    - G. Food consumption in the U.S. and international demand for agricultural products.
  - III. Market Price Determination
    - A. Excess demand, excess supply and market clearing prices.
    - B. Theory of price determination under conditions of pure and imperfect competition.
    - C. Characteristics of agricultural prices in the aggregate and long term trends.
    - D. Cyclical variation in agricultural prices.
    - E. Seasonal variation in agricultural prices.
  - IV. Methods of Price Discovery
    - A. Individual negotiations.
    - B. Organized exchanges.
    - C. Formula pricing.
    - D. Group bargaining - marketing orders and agreements.
    - E. Government programs and pricing.

## V. The Cost of Marketing

- A. Concept of a marketing margin.
- B. The marketing bill.
- C. Farm-retail price spreads and the market basket.
- D. Explanation of changes in farm-retail price spreads over time.
- E. The cost of marketing and marketing efficiency.

## VI. Markets over Space

- A. Location of production.
- B. Market boundaries.
- C. Interregional price relationships.
- D. International trade.

## VII. Markets over Time

- A. Storage.
- B. Risks involved in marketing.
- C. Historical development of the commodity futures market.
- D. Hedging and speculating with the futures market.
- E. Evaluation of the futures market.

## VIII. Price Differences Associated With Form or Quality

- A. Objectives of grading.
- B. Problems of defining grades.
- C. Standards and grades in agriculture.

- IX. Structure of the Agricultural Marketing System - Processing, Wholesaling and Retailing.  
Emphasis on this section will depend on time remaining at the end of the quarter.

7. Exams: 3

8. Homework: Yes, problems

9. Projects and Labs: Project

1. Title: Principles of Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: The Agricultural Marketing System, Rhodes.

6. Outline:

Introductory Concepts

- Definitions
- Importance of marketing
- Micro vs Macro marketing
- Consumer Sovereignty
- Marketing Functions

The Competitive Environment of Agriculture: An overview; The Usefulness of "Market Structure" analysis: Market System vs Planning System; Structure of Farming.

The Demand for Farm Products; General Demand Characteristics:

- Price and Income Elasticity
- Farm Level vs Retail Level
- Domestic vs. Foreign
- Three parts of the Market:
  1. Domestic at home
  2. Domestic HRI
  3. Foreign

Consumer Behavior and Advertising

Marketing Costs and Margins

Ag. Prices

Government and Marketing

Storage and Risk Bearing (Futures)

Grading

Transportation

Marketing at the Farm Level: The farmer's choices

Food Processing

Wholesaling and Retailing

7. Exams: N.A.
8. Homework: N.A.
9. Projects and Labs: N.A.



1. Title: Marketing Agricultural Commodities, Including Futures Markets
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Marketing Farm Products, Shepherd, Futrell.
6. Outline: N/A
7. Exams: N/A
8. Homework: N/A
9. Projects and Labs: N/A

1. Title: General Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objective: To acquaint the student with the U.S. agricultural marketing system and with the strategies of marketing firms.
5. Text: The Agricultural Marketing System, Rhodes.
6. Outline: Discussion follows chapters in Rhodes. Supplemented with other selected readings.
7. Exams: 3 exams and 8-10 quizzes
8. Homework: 2 written reports required
9. Projects and Labs: N.A.

1. Title: Economics of Agricultural Marketing
2. Level: Undergraduate
3. Credits: 5
4. Objective: To give the students an understanding of the various marketing functions, agencies, and institutions which assemble, process, and distribute agricultural products.

Acquaint the student with the application of economic principles to decision-making in the marketing channel.

Develop an appreciation of the unique problems and complex nature of agricultural marketing from the producer to the consumer.

Evaluate the relationships and inter-dependencies of production, consumption, marketing services, and government in the agricultural marketing channel.

5. Text: The Agricultural Marketing System, Rhodes.

6. Outline: A. Introduction

1. Markets and marketing defined
2. Marketing Functions
  - allocation of resources
  - rationing or supplies
  - viewed as production of services and utility
3. Historical development and current importance of agricultural marketing
4. Marketing vs. procurement
5. Approaches to study of marketing - functional, commodity, institutional
6. Micro vs. Macro

- B. Commodity Futures Market

Material in this series of lectures is introduced at this time to provide background in futures to prepare students to begin "paper trading" as commodity speculators in the computerized trading game continuing through the remainder of the course.

1. Futures contracts and price quotations.
2. Mechanics of trading futures contracts.
3. Roles of commodity exchanges, clearinghouses, brokers.
4. Speculation vs. hedging.
5. Hedging strategies of farmers, merchants, warehouses, processors of grains and livestock products.

### C. The Competitive Environment

1. Marketing models as related to market structure, conduct and performance.
  - a. Pure (atomistic) competition.
  - b. Pure monopoly.
  - c. Oligopoly.
  - d. Monopolistic Competition.
2. Supply models as related to production costs and price expectation.
  - a. Very short-run.
  - b. Short-run.
  - c. Long-run.

### D. Competitive Organization of Farming and Agribusiness

1. Production vs. marketing decisions of farmers.
2. Marketing options of farmers.
3. Agribusiness control, structure and marketing options.

### E. Demand and Price Theory: Nature of Domestic Market

1. Demand shifters
2. The demand schedule
  - a. Shifts in demand vs. quantity demanded.
  - b. Dynamic equilibria.
3. Elasticity concepts.
  - a. Direct.
  - b. Cross-price.
  - c. Income.
4. Derived demand and changing demand characteristics in commodity and product marketing channels.

### F. Foreign Markets

1. Importance of export markets.
2. Nature of world market demand.
3. Export products and customers.
4. Conflicts of public interest.
  - a. Consumers.
  - b. Domestic policy.
  - c. Domestic producers.

### G. The Pricing Process

1. Perishables vs. storables.
2. Resource allocation and product rationing.
3. Supply and price variability.
  - a. Annual.
  - b. Seasonal.
  - c. Cyclical.

#### H. Transportation and Storage

1. Trends in transportation modes.
2. Regulation in transportation.
3. Spatial equilibria and the theory of "one-price."
4. Storage.
  - a. Trends.
  - b. Costs: the carrying charge.
  - c. Economics of the storage vs. sell decision.
  - d. Temporal equilibria.

#### I. Commodity Grading

1. Definition and classification of product quality.
2. Grading and product demand.
3. Importance and utility of grades for market participants.
4. Grades and purposes of grading.
  - a. Grains.
  - b. Livestock.
  - c. Fresh products.
  - d. Milk.

#### J. Market Participants and Channel Leadership

1. Definitions and roles:
  - a. Assemblers.
  - b. Wholesalers.
  - c. Brokers.
  - d. Speculative middlemen.
  - e. Jobbers.
2. Channel leadership.
  - a. Brands and trademarks.
  - b. Product differentiation and entry barriers.
  - c. Integration vs. coordination.
    - (1) Private, nationally advertised, and packer labels -- contract packing.

#### K. Systems of Marketing and Pricing

1. Price discovery systems.
2. Price setting systems.
3. Vertical coordination.
  - a. Production contracts.
  - b. Forward contracts.
  - c. Deferred pricing.
  - d. Piece-wage contracts.

#### L. Marketing by Farmer Groups

1. Cooperatives.
2. Bargaining groups.
3. Marketing orders and agreements.

#### M. Processor Procurement

1. Spot markets.
2. Contracts.
  - a. Procurement.
  - b. Production.
  - c. Labor.
3. Livestock.
4. Fruits and vegetables.
5. Grains and soybeans.

#### N. Processor Marketing

1. Branding, product differentiation and market segmentation
2. National brands.
  - a. Packaging, advertising and merchandising.
  - b. New product development and introduction.
  - c. Life cycles.
  - d. Product pricing.
3. Integration.
4. Synthetics and substitutes.

#### O. Wholesaling and Retailing

1. Organization.
  - a. Independents.
  - b. Affiliated groups.
    - (1) Voluntary.
    - (2) Cooperatives.
  - c. Chains.
  - d. Convenience stores.
  - e. Discount supers and franchise grocer departments.
2. Procurement.
  - a. Integration.
  - b. Private labels.
  - c. Brokers and jobbers.
3. Distribution

#### P. Food Retailing

1. Store organization, layout.
2. Pricing and margins.
3. Merchandising.
  - a. Display, packaging, facings.
  - b. P.O.P. materials.
  - c. Unit pricing.
  - d. Sampling.
  - e. Specials.
  - f. Trading stamps, games.
4. Recent innovations.
  - a. Electronic front ends.
  - b. Electronic funds transfer.

Q. Food Service

1. Evolution of chains, franchising.
2. Franchising principles.

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Agricultural Business Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objective: N.A.
5. Text: Marketing Farm Products, Shepherd, Futrell, and Strain, 6th Edition.
6. Outline:
  - I. Marketing problem as applied to:
    1. Farm input (feed, seed, fertilizer, etc.) companies
    2. Farm business
    3. Food and fiber processing and retailing companies
  - II. Basic parts of agricultural marketing problem
    1. Marketing functions
    2. Agency and business performance
    3. Agricultural markets and price discrimination
  - III. Breaking into an agricultural marketing business
    1. Evaluating market functions
    2. Business costs and profits
    3. Required capital and rates of return on capital employed
    4. Acquiring a market
    5. Incremental costing-pricing
  - IV. How and why do agricultural marketing businesses grow?
    1. Vertical integration
    2. Horizontal integration
    3. Conglomeration
  - V. Ownership forms in agriculture and agricultural market firms
    1. Individual ownership
    2. Full partnership
    3. Limited partnership
    4. Corporations
    5. Cooperatives
  - VI. Consumers -- special characteristics including age, composition, ethnic groups and income.
  - VII. Products
    1. Economic inferior
    2. Economic superior
  - VIII. Producers -- income and production by groups



IX. Pricing strategies

1. Pricing as a business game
2. Methods of pricing
3. Large item, e.g., land pricing

X. Effects of government programs on agricultural marketing

XI. Bargaining power

XII. Futures markets

7. Exams: 3 essay-type

8. Homework: N.A.

9. Projects and Labs: Field trip

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: N.A.
6. Outline:

- I. Introduction

- a. A Preview of the Entire Food System
- b. Marketing: What is it?
  1. returns to marketing
  2. returns to production

- II. Alternative Marketing Systems

- a. Market Pooling - The Farm-Mar-Co. Example
- b. Market Orders
  1. fruits and vegetables
  2. milk
  3. grain
- c. Tele-Communication Marketing of Livestock
- d. Marketing Competitively as Individuals

- III. Fundamental of Futures Trading

- a. Risk Shifting-- How it Works?
- b. Hedger
- c. Speculator
- d. Arbitrager
- e. The Mechanics
  1. major future trading
  2. commissions
  3. margin money
  4. delivery points
  5. other terms shown in class handout
- f. Information Relevant to Future Trading
  1. livestock reports
    - a. Cattle on Fed Report -- estimating future marketings
    - b. Pig Crop Report -- estimating future marketing
    - c. Feed Grain Situation -- Wheat Situation -- Stocks and Commodity Flows.

- IV. Forward Contracting

- V. Regular Price and Quantity Movements

- a. Long Term Trends
- b. Cycles
- c. Seasonals
- d. Short Term Trends

VI. Market Structure of the Food Industry

- a. Farm Inputs Industries
- b. The Farm Producer
- c. The Food Processing Industry
- d. The Food Retailing Industry
- e. The Restaurant Trade

VII. Public Policy

- a. Antitrust
- b. Price Discrimination
- c. Other Public Policies

VIII. Industry Policy

- a. Integration and Conglomeration
- b. Cooperatives
- c. Industry Practices

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objective: N.A.
5. Text: Marketing of Agricultural Products, Kohls and Downey.
6. Outline:
  - A. Introduction
    - Definition of Agricultural Marketing
    - Marketing is Complex and Costly
    - Marketing is Productive
    - Growth of Marketing
    - Marketing Efficiency
    - Historical Bench Marks in Agricultural Marketing
  - B. Analyzing Marketing Problems
    - The Marketing Process
    - Approaches to Marketing Problems
      - The Functional Approach
      - The Institutional Approach
      - The Behavioral Systems Approach
    - Organization of the Marketing Machinery
  - C. Consumers of Agricultural Products
    - The Ingredients of the Consumption Decision
    - Changes in Consumption Through Time
    - The Institutional Market for Food
    - Nonfood Markets for Agricultural Products
    - The Foreign Market for Agricultural Products
    - Important Export Products and Customers
    - Extent and Nature of Agricultural Imports
  - D. Agricultural Production
    - The Production Plant
    - The Production Unit
    - Characteristics of the Product
      - Raw Material
      - Bulky and Perishable Products
    - Characteristics of Production
      - Total Output
      - Annual variability in Production
      - Seasonal Variability in Production
      - Quality Variation
      - Geographic Concentration of Production
      - Adjustment of Production to Changing Conditions
    - The Farmer and Marketing

- E. Food Processing Industries
  - The Industry Structure
  - Organization and Firm Size
  - Problems of the Food Industry
  - Processing Problems
  - Buying Operations
  - Selling Operations
  - Agencies for Effecting Change
  
- F. Wholesaling and Retailing of Food
  - Food Wholesaling
  - Types of Wholesalers
  - Structure and Operations
  - Changes in the Wholesaler's Position
  - Food Retailing
  - The Retail Structure
  - The Corporate Chains
  - The Voluntary Chains
  - Self-service and the Supermarket
  - Market Implications of Retailing Developments
  
- G. The Cost of Marketing
  - The Food Marketing Bill
  - Major Ingredients in Total Marketing Bill
  - The Farmer's Share
  - Marketing Costs in the Future
  
- H. The Exchange Function-Price Discovery
  - Prices in a Competitive Economy
  - The Meaning of Demand
  - The Meaning of Supply
  - The Equilibrium Price
  - Elasticity of Demand and Supply
  - Relationship of Prices to Costs
  - The Market Area and the Law of One Price
  
- I. Governmental Price and Marketing Programs
  - Background for Aid
  - Agitation of the 1920's
  - The Depression Developments
  - Development of Parity
  - Support Programs
  - Surplus Disposal Programs
  - Price Controls
  - Impact of the Price and Income Programs in Marketing
  
- J. Government and Agricultural Marketing
  - Areas of Regulation
  - Regulations to maintain and Police Competition or Prevent Monopoly

Regulations to Control or Offset Monopoly  
 Conditions  
 Regulations to Facilitate Trade and Provide  
 Services  
 Regulations to Protect the Consumer  
 Regulations to Affect Commodity Prices Directly  
 Regulations to Foster Economic and Social  
 Progress

- K. Obtaining Bargaining Power  
 Farmers and Bargaining Power  
 Sources and Methods of Gain from Bargaining  
 Marketing Orders and Agreements  
 Extent of Marketing Orders  
 Potential Results of Marketing Orders  
 Voluntary Cooperative Bargaining  
 Potential Accomplishments of Cooperative Bargaining
- L. Collection and Use of Market Information  
 The Role of Market Information  
 Securing Adequate Market Information  
 Area to be Covered  
 Price Information  
 Other Market Information  
 Information Dissemination  
 Collection in Dissemination Agencies
- M. Standardization and Grading  
 Importance of Standardization  
 Advantages of Standardization  
 Determination of Standards  
 Criteria for Good Standards  
 Measuring Grade Factors  
 Determining the Limits of Grades  
 Health Regulations and Quality Standards  
 Place of Government in Standardization  
 Marketing agencies and Uniform Grading
- N. Transportation  
 Who Does the Job?  
 Development of Truck Transportation  
 Water Transportation  
 Air Transportation  
 Freight Rates  
 Reduction of Transportation  
 Rates and Their Regulation
- O. Storage  
 Storage Operations  
 Seasonal Production and Storage  
 Where Commodities are Stored  
 Changing Storage Patterns  
 Public Warehouse Supervision

Costs of Storage  
Storage and Seasonal Price Variations

P. Marketing of Selected Commodities

Livestock

Dairy

Poultry and Egg

Grain

Cotton

Tobacco

Produce

7. Exams: 2, quizzes

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Marketing
2. Level: Undergraduate
3. Credits: 3
4. Objectives: N/A
5. Text: Marketing of Agricultural Products, Kohls, 5th Edition.
6. Outline:
  - Introduction ---What's It All About?
  - Marketing Channels, Institutions, Agencies---The Who's in Marketing
  - Marketing's History and Importance---Old, But Not-So-Old
  - "Futures"---A Strange Market
  - Demand and Elasticity---Inevitable, and Forever
  - The Consumer Food Market---The 218,000,000-Headed Giant
  - People---What Makes Them Buyers and Consumers
  - People---How They Buy
  - Farm Food Production---Some "Givens"
  - Uniqueness of Agricultural and Food Products---Good News, Bad News
  - Marketing Services:
    - Assembly and Storage---Getting It All Together
    - Hedging---That Strange Futures Market Again
    - Grading---The Bad and the Beautiful
    - Transportation---From There to Here
    - Buying and Selling---The Connecting Link
  - Product Identification---Brand X vs. Brand Y
  - Packaging---"You Can't Tell a Book by Its ...."
  - Advertising---Telling It Like It Is(?)
  - New Product Development---A Better Mousetrap
  - Trade Practices---Marketers and How They Behave
  - Food Service Industry---Mc Who?
  - Government in Marketing---The Do's and Don'ts of the Umpire State



Consumerism---For the People?

Marketing Costs---Running Hard to Keep Up

Marketing Efficiency---Honorable but Elusive Goal

Commodity Marketing---How We Get the Goods

Ornamentals

Fruits and Vegetables

Grains

Dairy

Poultry and Eggs

Livestock and Meat

Review, Conclusions, Awards

7. Exams: 3 exams

8. Homework: Labs and exercises

9. Projects and Labs: Futures trading game, 2 papers, hedging report and marketing proposal.

1. Title: Agriculture Prices and Commodity Trading
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Agriculture Product Prices, by Tomek and Robinson.

6. Outline:

I. A General View of Agriculture Prices--How Cash Prices are Made in the Pseudo-Free Market.

A. Price Differences

1. Time Difference--Regular Movements in Prices.

- a. Trends
- b. Cycles
- c. Seasonals

2. Quality Differences

3. Regional Differences

B. Price Analysis-Demand and Supply

1. Demand and Supply at Retail with Prices Passed Back to the Producer

2. Demand and Supply for Marketing Services

3. Demand and Supply at the Farm Level

4. Information Flows

C. The Economy: Major Indicators and Impacts, pp. 191-204

1. Following the Business Cycle

2. Government Programs

a. Monetary and Fiscal Policy

b. Farm Programs

D. Summary

II. Commodity Trading

A. A General View of Commodity Trading--Slide Presentation

B. Major Futures Exchanges

C. Futures Exchange Operation From Commission Agent to the Pit and Back

## D. Alternative Positions

1. Speculative
  - a. Cash
  - b. Forward Contract
  - c. Futures Contract
2. Spread
3. Straddle
4. Hedged Position
  - a. Cash and Futures Contract
  - b. Forward Contract and Cash
  - c. Forward Contract and Futures

## E. Taking a Position--The Strategy

1. The Forecast
2. Trigger Mechanism
3. Alternative Strategies

## F. Summary

## III. Land Prices, Appraisal, and Acquisition

- A. A Summary Price Analysis of Land Prices
- B. Leverage Capital and Its Application
- C. Appraising
  1. Capitalization Rate--A Method
  2. Comparative Values--A Method
- D. Summary

7. Exams: N.A.

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objective: To help the student understand the organization and operation of the food and fiber sector of the U.S. economy.
5. Text: Marketing Farm Products, by Shepherd and Futrell
6. Outline:
  - I. Introduction
    - A. Agricultural Marketing Problems
    - B. Analyzing Marketing Problems
  - II. The role of Demand and Supply in Marketing Problems
    - A. Demand
      1. Theory of demand
      2. Demand for farm products in the U.S.
    - B. Supply
      1. The supply of farm products
      2. Role of marketing system in bringing about equilibrium
      3. The necessity of market information
  - III. The Function of Prices
    - A. The theory of prices
    - B. Cycles in agricultural production and prices
    - C. Seasonal price fluctuations
  - IV. Future and Commodity Marketing Problems
    - A. Hedging and Speculation in the futures market
    - B. Decentralization in the marketing of agricultural products
    - C. Grades and standards
    - D. Livestock and meat marketing
    - E. Grain price and marketing
    - F. Cotton marketing
7. Exams: Major exams and quizzes
8. Homework: Yes
9. Projects and Labs: Yes

1. Title: Agricultural Price Analysis
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Agricultural Product Prices, Tomek and Robinson
6. Outline:

Introduction

Functions and graphs

Demand for agricultural products

Linear equations in one unknown

Demand for agricultural products (cont'd)

Elasticities

Systems of linear equations

Elasticities (con'd)

Supply of agricultural products

Determinants

Supply of agricultural products (cont'd)

Market structure and price

Determinants (con't)

Market structure and price (cont'd)

Regression

Marketing margins

Regression (cont'd)

Price differences associated with quality

Regression (cont'd)

Price variation through time

Estimating trends, seasonals and cycles

Mechanisms for discovering price

Moving averages

Spatial price relationships

Stochastic systems

Commodity futures markets

7. Exams: 3

8. Homework: N.A.

9. Projects and Labs: N.A.

1. Title: The Role of Prices and Markets in Our Agricultural Economy
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: To develop an understanding of the basic economic concepts that underlie the U.S. agricultural marketing system and to show how these principles influence the operation of our food and fiber industry.
5. Text: Agricultural Product Prices, Tomek and Robinson
6. Outline: Introduction
  - Price and market concepts
  - Price and market concepts, principles of demand
  - Principles of demand
  - Demand for agricultural products
  - Elasticities and related coefficients
  - Supply relationships and price determination
  - Work session, class project
  - Marketing margins
  - Spatial price relationships
  - Grades, standards and prices
  - Price variation through time
  - Work Session, class project
  - Mechanisms for discovering price
  - Aggregate farm prices
  - Futures markets: mechanics
  - Futures markets: functions
7. Exams: 2 exams, and quizzes
8. Homework: N.A.
9. Projects and Labs: Class projects and optional term paper.

1. Title: Agricultural Price Analysis
2. Level: Undergraduate
3. Credits: N.A.
4. Objective:
  - A. Developing theoretical frameworks that provide the outlines that lead us to ask the proper questions.
  - B. Developing empirical concepts that can be related to the theoretical questions.
  - C. Showing how to quantify variables that allow us to test the hypothesized answers to the questions suggested by the theoretical models.
  - D. Asking students to apply a theoretical framework and empirical concepts to a specific agricultural price problem (term paper).
5. Text: Agricultural Product Prices, Tomek and Robinson.
6. Outline: N.A.
7. Exams: 2 and quizzes
8. Homework: N.A.
9. Projects and Labs: Term paper.



1. Title: Marketing Economics in Agriculture
2. Level: Undergraduate
3. Credits: N.A.
4. Objective:
  1. To introduce the student to different marketing perspectives.
  2. To develop analytical models that may be used in marketing research to analyze and evaluate firm and market performance.
  3. To introduce welfare models of market performance.
5. Text: None required.
6. Outline:
  - A. Introduction
  - B. Agricultural Marketing Research
  - C. Agricultural Marketing Performance
    - a. Firm Efficiency
    - b. Industry Organization
    - c. Information Theory
    - d. Storage Theory
    - e. Vertical Coordination
7. Exams: 2
8. Homework: Problem Sets
9. Projects and Labs: N.A.

1. Title: Agricultural Prices
2. Level: Undergraduate
3. Credits: 3 Semester hours
4. Objective:
  1. To develop an understanding of the theory of product and factor price determination.
  2. To develop an ability to quantitatively analyze supply and demand relationships.
  3. To provide the student with an opportunity to develop his/her analytical skills for purposes of economic decision-making.
5. Text: Agricultural Product Prices, Tomek and Robinson.
6. Outline:
  1. Introduction to Agricultural Price Analysis
  2. Mechanisms for Determining Farm Prices
  3. Farm Commodity Price Variation
    - a. Trends
    - b. Cycles
    - c. Seasonal
  4. Price Aggregation
    - a. Index Numbers
      - i. Use
      - ii. Calculation-- Laspeyres and Paasche
    - b. Aggregate Prices
      - i. Farm--wholesale, received, paid, and parity
      - ii. Nonfarm--wholesale and cost of living
  5. Demand Analysis
    - a. Demand Theory
      - i. Individual consumer demand
      - ii. Market demand
      - iii. Derived demand
    - b. Demand Elasticities
      - i. Price
      - ii. Income
    - c. Shifts in Demand Functions
      - i. Product prices - substitutes and complements
      - ii. Income
      - iii. Population
      - iv. Institutional factors
  6. Supply Analysis
    - a. Derivation of Supply Curve - Theory of the Firm
    - b. Price Elasticities
    - c. Shifts in Supply Function
      - i. Factor prices
      - ii. Substitutes in production

- iii. Technological change
  - iv. Institutional factors
7. Multiple Regression
    - a. The Basic Model and Assumptions
    - b. ANOVA Table and F-test
    - c. Other Important Statistical Quantities
      - i.  $R^2$
      - ii. t-test
    - d. The Correlation Matrix
    - e. Computer Programs for Class Assignments
  8. Empirical Estimation of Supply and Demand Functions
    - a. Model Specification and Economic Theory
      - i. Endogenous and exogenous variables
      - ii. Distributed lags
      - iii. Deflators
    - b. Model Specification and Statistical Considerations
      - i. Degrees of freedom
      - ii. Functional form--linear and non-linear
    - c. Application of Statistical Results
      - i. Elasticities
      - ii. Forecasting
  9. Product and Factor Market Linkages
    - a. Role of Factor Markets
    - b. Impacts in Product Markets from Changes in Factor Markets
  10. Marketing Margins
    - a. Theoretical Considerations
    - b. Some Examples
  11. Price Equilibrium in Spatially Separated Markets with Emphasis on International Trade
    - a. A Two Region Case
    - b. Transfer Costs
    - c. Some International Trade Issues
      - i. Export controls
      - ii. Tariffs and quotas
      - iii. Exchange rate policy
      - iv. Economic welfare implications of government intervention
  12. Government Intervention in Pricing
    - a. Price supports
    - b. Production constraints
    - c. Grain reserves
    - d. Subsidized consumption and export

## 13. Price Differentiation Among Markets

- a. Space
- b. Time
- c. Form

7. Exams: 3

8. Homework: Several assignments during semester

9. Projects and Labs: Term paper.

1. Title: Agricultural and Natural Resource Product Marketing
2. Level: Undergraduate
3. Credits: 4
4. Objective: N.A.
5. Text: Fundamentals of Marketing, Stanton.
6. Outline:
  - A. What is "Marketing"?
  - B. "Market functions"
  - C. Market channel
  - D. Market system
  - E. The consumer
  - F. Market demand
  - G. Factors that influence
    1. prices
    2. seasonal variation
    3. price cycles
  - H. Pricing products and markups
  - I. Competition and pricing
  - J. "Product life cycle"
  - K. Advertising
  - L. Wholesaling, retailing, jobbing
  - M. Integration
  - N. Product and service marketing
  - O. Future markets and hedgings
  - P. Planning
  - Q. Other
7. Exams: 3 or 4
8. Homework: 2 assignments and 2 short papers
9. Projects and Labs: Term paper.

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: N.A.
4. Objectives: To develop a detailed picture of agricultural marketing;  
to develop the framework of the modern system of marketing farm products.
5. Text: The Agricultural Marketing System, Rhodes.
6. Outline: What is Marketing?  
Marketing Concepts  
Market System  
Approaches to Marketing  
  
Marketing Functions  
Value Added and Marketing Margins  
Measures of performance  
Equalization Process  
Middle Men  
  
Market Channels  
  
Principles of System Efficiency  
Conflicts in Distribution Channels  
  
Supply and Demand Reviewed
7. Exams: 5 quizzes, 2 exams, 1 final
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Agricultural Marketing
2. Level: Undergraduate
3. Credits: 3
4. Objective: Students will gain a practical application of fundamental economics to the field of agricultural marketing through simulated trading in the futures markets; develop the ability to identify and utilize sources of market information and to understand hedging as a mechanism for price risk minimization; and should be exposed to other selected topics of a timely nature, such as, market development, foreign trade, and direct marketing alternatives.
5. Text: Marketing of Agricultural Products, Kohls and Downey.
6. Outline:
  1. Introduction
  2. Study of marketing: functional, institutional, commodity.
    - a). functional,
    - b). institutional
    - c). commodity.
  3. Costs of marketing from farm to consumer.
  4. Futures markets:
    - a). characteristics,
    - b). terms,
    - c). operations.
  5. Middlemen, rationale for middlemen.
  6. Physical distribution with a survey of transportation terms and terms of sale.
  7. Hedging as a method of price risk minimization for both the producer and needer of agricultural commodities.
  8. Grading systems
    - a). problems in grading,
    - b). criteria for good grading systems.
  9. Market structure changes
    - a). monopolistic tendencies in food and fiber marketing,
    - b). vertical marketing systems.
  10. Direct marketing alternatives:
    - a). U-Pick,
    - b). Roadside stands,
    - c). farmers markets.
  11. California marketing orders
    - a). how implemented,
    - b). scope of operations.

12. Market development

- a). advertising and promotion from the viewpoint of commodity groups,
- b). corporate branded products.

13. International trade.

14. Trade negotiations.

7. Exams: 3

8. Homework: Yes

9. Projects: Term project and report.



1. Title: Economics of Agricultural Marketing
2. Level: Undergraduate
3. Credits: 5
4. Objectives: To give the student an understanding of the various marketing functions, agencies, and institutions which assemble, process, and distribute agricultural products.

Acquaint the student with the application of economic principles to decision making in the marketing channel.

Develop an appreciation of the unique problems and complex nature of agricultural marketing from the producer to the consumer.

Evaluate the relationships and inter-dependencies of production, consumption, marketing services, and government in the agricultural marketing channel.

5. Text: The Agricultural Marketing System, Rhodes.

6. Outline:

- A. Introduction

1. Markets and Marketing Defined
    2. Marketing Functions
      - . allocation of resources
      - . rationing or supplies
      - . viewed as production of services and utility
    3. Historical development and current importance of agricultural marketing
    4. Marketing vs. Procurement
    5. Approaches to study of marketing - functional, commodity, institutional

- B. Commodity Futures Markets

Material in this series of lectures is introduced at this time to provide background in futures to prepare students to begin "paper trading" as commodity speculators in the computerized trading game continuing through the remainder of the course.

1. Futures contracts and price quotations.
    2. Mechanics of trading futures contracts.
    3. Roles of commodity exchanges, clearinghouses, brokers.
    4. Speculation vs. hedging.
    5. Hedging strategies of farmers, merchants, warehouses, processors of grains and livestock products.

### C. The Competitive Environment

1. Marketing models as related to market structure, conduct and performance.
  - a. Pure (atomistic) competition
  - b. Pure monopoly.
  - c. Oligopoly.
  - d. Monopolistic Competition.
2. Supply models as related to production costs and price expectation.
  - a. Very short-run.
  - b. Short-run.
  - c. Long-run.

### D. Competitive Organization of Farming and Agribusiness.

1. Production vs. marketing decisions of farmers.
2. Marketing options of farmers.
3. Agribusiness control, structure and marketing options.

### E. Demand and Price Theory: Nature of Domestic Market

1. Demand shifters.
2. The demand schedule
  - a. Shifts in demand vs. quantity demanded.
  - b. Dynamic equilibria.
3. Elasticity concepts
  - a. Direct.
  - b. Cross-price.
  - c. Income.
4. Derived demand and changing demand characteristics in commodity and product marketing channels.

### F. Foreign Markets

1. Importance of export markets.
2. Nature of world market demand.
3. Export products and customers.
4. Conflicts of public interests.
  - a. Consumers.
  - b. Domestic policy.
  - c. Domestic producers.

### G. The Pricing Process

1. Perishables vs. storables
2. Resource allocation and product rationing
3. Supply and Price variability.
  - a. Annual.
  - b. Seasonal.
  - c. Cyclical.

## H. Transportation and Storage

1. Trends in transportation modes.
2. Regulation in transportation.
3. Spatial equilibria and the theory of "one-price."
4. Storage.
  - a. Trends.
  - b. Costs: the carrying charge.
  - c. Economics of the storage vs. sell decision
  - d. Temporal equilibria.

## I. Commodity Grading

1. Definition and Classification of product quality.
2. Grading and product demand.
3. Importance and utility of grades for market participants
4. Grades and purposes of grading.
  - a. Grains.
  - b. Livestock.
  - c. Fresh products.
  - d. Milk.

## J. Market Participants and Channel Leadership

1. Definitions and roles:
  - a. Assemblers.
  - b. Wholesalers.
  - c. Brokers.
  - d. Speculative middlemen.
  - e. Jobbers.
2. Channel leadership
  - a. Brands and trademarks.
  - b. Product differentiation and entry barriers.
  - c. Integration vs. coordination.
    - (1) Private, nationally advertised, and packer labels
    - Contract packing.

## K. Systems of Marketing and Pricing

1. Price discovery systems.
2. Price setting systems.
3. Vertical coordination.
  - a. Production contracts.
  - b. Forward contracts.
  - c. Deferred pricing.
  - d. Piece-wage contracts.

## L. Marketing by Farmer Groups

1. Cooperatives.
2. Bargaining groups.
3. Marketing orders and agreements.

#### M. Processor Procurement

1. Spot markets.
2. Contracts.
  - a. Procurement.
  - b. Production.
  - c. Labor.
3. Livestock.
4. Fruits and vegetables.
5. Grains and soybeans.

#### N. Processor Marketing

1. Branding, product differentiation and market segmentation.
2. National brands
  - a. Packaging, advertising and merchandising.
  - b. New product development and introduction.
  - c. Product pricing.
3. Integration.
4. Synthetics and substitutes.

#### O. Wholesaling and Retailing

1. Organization.
  - a. Independents
  - b. Affiliated groups.
    - (1) Voluntary.
    - (2) Cooperatives.
  - c. Chains.
  - d. Convenience stores.
  - e. Discount supers and franchise grocery departments.
2. Procurement.
  - a. Integration.
  - b. Private labels.
  - c. Brokers and jobbers.
3. Distribution.

#### P. Food Retailing

1. Store organization, layout.
2. Pricing and margins.
3. Merchandising
  - a. Display, packaging, facings.
  - b. P.O.P. materials
  - c. Unit pricing.
  - d. Sampling.
  - e. Specials.
  - f. Trading stamps, games.
4. Recent innovations.
  - a. Electronic front ends.
  - b. Electronic funds transfer.

Q. Food Service

1. Evolution of chains, franchising.
2. Franchising principles.

7. Exams: N/A

8. Homework: N/A

9. Projects and Labs: N/A

1. Title: Agricultural Prices
2. Level: Dual
3. Credits: N/A
4. Objectives: N/A
5. Text: Agricultural Product Prices, Tomek and Robinson.
6. Outline:
  - I. Introduction
  - II. Review and Extension of Principles of Price Determination
    - A. Demand for Agricultural Products
    - B. Demand Elasticities and Related Coefficients
    - C. Supply Relationships in Agriculture
    - D. Price Determination: Theory and Practice
  - III. Economic Models Applied to Price Differences and Variability
    - A. Price Variation through Time
    - B. Price Indexes
    - C. Marketing Margins for Farm Products
    - D. Price Differences Associated with Quality
    - E. Spatial Price Relationships
    - F. Behavior of Aggregate Farm Prices
  - IV. Pricing Institutions
    - A. Mechanisms for Discovering or Establishing Farm Prices
    - B. The Economics of Commodity Futures Markets
    - C. Government Interventions in Pricing Farm Products
  - V. Empirical Price Analysis
    - A. Empirical Estimation of Demand and Supply Relationships
      1. Choice of Variables
      2. Functional Form
      3. Time Dimension
      4. Time Series vs. Cross Section Data
      5. Special Problems in Estimation
      6. Reporting Results
    - B. Price Forecasting
      1. Naive Time Series Projections
      2. Forecasting From Regression Equations
      3. Judgemental Forecasts
      4. Evaluating and Using Forecasts
7. Exams: N/A
8. Homework: N/A
9. Projects and Labs: N/A

1. Title: Agricultural Prices

2. Level: Dual

3. Credits: N/A

4. Objectives:
- A. Develop an understanding of the basic relationships between farm prices and the general price level and the reasons for them; show how to evaluate changes in agricultural prices in the light of general price level changes.
  - B. Develop an understanding of how agricultural supply reacts to price changes, both in a static and a dynamic sense.
  - C. Develop an understanding of the basic factors affecting consumer demand and how they influence agricultural prices; develop some appreciation of the complexities of price behavior in multistage marketing systems extended in both time and space.
  - D. Develop an awareness of what kinds of production and marketing strategies can be adopted to influence agricultural prices.

5. Text: N/A

6. Outline:

Objective A

- 1. Review the history of the relationship of U.S. agricultural prices with the general price level.
- 2. Identify historic events associated with peaks and troughs of prices; identify the major turning point of the farm-nonfarm price relationship.
- 3. Understand the concept of a general price level.
- 4. Know how the general price level is measured.
- 5. Understand how measures of the general price level can be used to estimate changes in the value of commodities.
- 6. Understand the effects of inflation, deflation and currency revaluation on the general price level and on farm prices.

Objective B

- 1. Understand the concepts of supply elasticity and price flexibility and know reasons for the relatively low response of agricultural production to price changes.
- 2. Know the theories of aggregate supply and how these fit with observed trends in agriculture.
- 3. Understand the "cobweb cycle" theories of dynamic supply response.
- 4. Develop an awareness of some of the concepts of spatial pricing as it affects supply, resource utilization and resource pricing.

## Objective C

1. Know the concepts of income and price elasticities of demand. Understand the revenue effects of variations in the value of price elasticity coefficients.
2. Understand the concept of derived demand. Become aware that in multistage marketing systems, from the consumer to the farm level, different prices and price elasticities exist simultaneously.
3. Understand the reasons for the areas of community of interest and the areas of conflict of interest among parties that may exist under different pricing and marketing conditions in multistage systems.
4. Become aware of the element of time in commodity pricing by being able to distinguish between stock and flow markets for different farm commodities.
5. Understand how price determination takes place in stock and flow markets, to include spot and future market pricing in each.

## Objective D

1. Understand in general terms the various ways in which an industry can influence its price level.
2. Become aware of the various strategies designed to increase demand, e.g., product innovation, promotion and new uses for old commodities.
3. Know the objectives of governmental price support and acreage control policies, tariffs and import quotas.
4. Understand how price discrimination and export subsidies work.
5. Explore the potentials of "bargaining power" and withholding actions as strategies for influencing farm commodity prices.

7. Exams: N/A

8. Homework: N/A

9. Projects and Labs: N/A



1. Title: Prices of Agricultural Products
2. Level: Dual
3. Credits: 4
4. Objective: Developing quantitative measurements of economic relationships.
5. Text: N/A
6. Outline: I. Introduction: Forecasting as a way of life; Graphic Regression  
II. Theories of Price and Price Change  
III. Review of Statistics: Least Squares Regression  
IV. Time Series Decomposition
7. Exams: 2 exams plus take home final
8. Homework: two 2-page papers and data collecting
9. Projects and Labs: Term paper.

1. Title: Intermediate Market and Price Analysis
2. Level: Dual
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Agricultural Product Prices, Tomek and Robinson

6. Outline: I. Introduction

Objectives

Price Trends and Marketing Problems  
Tools of Analysis

II. Consumption and Demand Analysis

Characteristics of Individual Consumer Demand  
Demand Relationships  
Elasticity of Demand  
Interrelationships among Demand Elasticities  
Demand Elasticities at Alternative Market Levels

III. Production and Supply Analysis

Optimum Resource Combinations  
Measurement of Costs  
Elasticity of Agricultural Supply

IV. Price Determination and the Impact of Alternative Market Structure

Price Determination under Perfect Competition:

- Final product markets
- Derived demand for raw farm products
- Incidence of changes in retail demand, farm supply, and marketing margins

Imperfect Markets:

- Agricultural market structures and market structure analysis
- Conduct and performance in imperfect markets

Cooperatives in Agriculture:

- Impact on price and output decisions
- Bargaining impacts (bilateral monopoly)

7. Exams: N.A.
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Marketing, Consumption, and Price Analysis
2. Level: Dual
3. Credits: N.A.
4. Objective: N.A.
5. Text: Agricultural Product Prices, Tomek and Robinson.

Markets, Prices and Interregional Trade, Bressler and King.

Applied Consumption Analysis, Philips.

6. Outline:
  - I. The Role of Prices
  - II. Dimensions of Market Prices
    - A. Marketing margins
    - B. Time dimensions
    - C. Spatial dimensions
    - D. Analyses of market price relationships
  - III. Demand Analysis: The Consumer
    - A. Theory and the individual consumer
    - B. Engel curves
    - C. Demand curves from cross-section data
    - D. Separability
    - E. Demand for characteristics: the household production function
  - IV. Demand Analysis: The Market Perspective
    - A. Simultaneity and aggregation
    - B. Single equation demand models
    - C. Multi-equation models
    - D. Dynamic demand models
  - V. Supply Response--Briefly
  - VI. Commodity Models
    - A. Simple dynamics of complete models
    - B. Simulation of models
7. Exams: 1
8. Homework: 4 or 5 sets of consumption related analyses
9. Projects and Labs: N.A.

1. Title: N/A

2. Level: Dual

3. Credits: N/A

4. Objectives: N/A

5. Text: N/A

6. Outline:

I. Overview

II. Coordination Arrangements and Institutions

A. Futures Markets

B. Marketing Alternatives

C. Cooperatives

III. Market Information

A. Introduction

B. Grading

C. Forecasts and Price Variability

D. Search

E. Communication and Vertical Market Structure

IV. Marketing Costs and Margins

A. Margins

B. In-Plant and Assembly and Delivery Costs

C. Plant Size, Number and Location

D. Efficient Allocation Over Time, Form, and Space

7. Exams: N/A

8. Homework: N/A

9. Projects and Labs: N/A

1. Title: Agricultural Prices and Price Policy
2. Level: Dual
3. Credits: N/A
4. Objectives: Introduction to agricultural policy and its relationship to farm prices. Elements of the political decision making process are reviewed, as are the important economic forces in operation determining farm prices. Methods of analyzing prices and price patterns for policy purposes and production decision-making are discussed.
5. Text: Agricultural Product Prices, Tomek and Robinson.

"Analytical Tools for STudying Demand and Price Structures,"  
Foote.

6. Outline:

I. Introduction

- A. Nature, Methods, and Usefulness of Price Analysis
- B. Role of Government Policy in Price Formation
- C. Private versus Public Decision Making

II. Determinants of Demand, Supply, and Price

- A. Price and Trade Volume Determination
- B. Factors Affecting Supply and Demand
- C. Methods of Equilibrium Solutions
- D. Nature of Price Differentials
  1. Modes of differentials: market level, space, time and grade
  2. Technical analysis of price differentials
  3. Fundamental analysis of price differentials

III. Review of Correlation and Regression Analysis

- A. Meanings of Regression Coefficients
- B. Uses of Summary Statistics
- C. Simple and Multiple Regression
- D. Curvilinear Relations
- E. Sources and Meaning of the Residual

IV. Price Analysis Without Fundamental Factors

- A. Indexes and price Aggregates: Components, Uses, and Problems
- B. Price Trends
  1. Uses of trends
  2. Choice of time period 3. Methods of fit

## C. Price Cycles

1. Components of a cycle
2. Plotting and fitting cycles
3. Problems of variable periodicity and amplitude

## D. Price Seasonality

1. Simple and moving averages
2. Uses of seasonal indexes
3. Trends and variation in seasonality

## E. Price Noise

1. White and "off-white" noise
2. Noise as price risk

## V. Price Analysis With Fundamental Factors

- A. Choice of Dependent Variable: Structural and Reduced Forms
- B. Choice of Time Unit and Range
- C. Functional Forms, First Differences, and Serial Correlation
- D. Data Accuracy and Completeness
- E. Interpreting Estimated Elasticities

## VI. Special Problems of Price Forecasting

- A. Structural Estimates Versus Forecasts
- B. Elements of the Variance of a Forecast
- C. Methods of Forecasting
- D. Sources of Outlook Information
- E. Evaluating the Accuracy of a Forecast Model

## VII. Incorporating Effects of Government Policies in Price Analysis

- A. Objectives of Government Intervention in Agricultural Markets
- B. Methods of Government Intervention
- C. Modelling Government Programs for Price Analysis
  1. Buffer stocks
  2. Loan programs and deficiency payments
  3. Acreage or marketing limitations
  4. Consumption subsidies
  5. Tariffs and import restrictions
- D. Uses of Policy Variables

7. Exams: N/A

8. Homework: N/A

9. Projects and Labs: N/A

1. Title: Agricultural Marketing
2. Level: Dual
3. Credits: N.A.
4. Objectives: To help the student understand the organization and operation of the food and fiber sector of the U.S. economy.
5. Text: Marketing Farm Products, Shepherd and Futrell.
6. Outline:
  - I. Introduction
    - A. Agricultural Marketing Problems
    - B. Analyzing Marketing Problems
  - II. The role of demand and supply in marketing problems
    - A. Demand
      1. Theory of demand
      2. Demand for farm products in the U.S.
    - B. Supply
      1. The supply fo farm products
      2. Role of marketing system in bringing about Equilibrium
      3. The necessity of market information
  - III. The Function of Prices
    - A. The Theory of prices
    - B. Cycles in Agricultural Production and Prices
    - C. Seasonal Price Fluctuations
  - IV. Futures and Commodity Marketing Problems
    - A. Hedging and Speculation in the Futures Market
    - B. Decentralization in the marketing of Agricultural products
    - C. Grades and standards
    - D. Livestock and meat marketing
    - E. Grain Price and Marketing
    - F. Cotton Marketing
7. Exams: Major exams and quizzes
8. Homework: Yes
9. Projects and Labs: Yes

1. Title: Agricultural Marketing and Prices
2. Level: Dual
3. Credits: N.A.
4. Objectives: N.A.
5. Text: Agricultural Marketing, Purcell.
6. Outline:

Marketing in perspective

Market systems

Economic environment

Public policy and the marketing system

Government programs and their influence

Prices and pricing processes

Critique

Price analysis: Concepts and tools

Role of commodity futures in the marketing system

Trade in commodity futures

Hedging strategies and techniques

Decision processes and criteria

Critique

Market systems analysis

Market strategies

Developing trends, issues in marketing

Needs for more effective marketing systems

7. Exams: 3
8. Homework: N.A.
9. Projects and Labs: N.A.



1. Title: Food Marketing
2. Level: Dual
3. Credits: N.A.
4. Objectives: To give the student an understanding of the total systems concept of food marketing.
5. Text: Marketing of Agricultural Products, Kohls, and Downey, Fourth Edition.
6. Outline:
  - I. Introduction
    - A. Scope of Course
    - B. General Organization
  - II. Marketing Defined
    - A. Approaches to the Study of Marketing
    - B. Definition
    - C. The Expanding Role of Marketing
    - D. The Growing Responsibility of Marketing
    - E. Synthetics and Substitutes
  - III. Demand
    - A. Definition
    - B. Demand for Farm Products
  - IV. Supply
    - A. Definition
    - B. Supply of Farm Products
  - V. Pricing
    - A. Definition
    - B. Price Determination
    - C. Price Policies
    - D. Cycles
  - VI. Marketing Costs
    - A. Costs of Marketing Farm Commodities
    - B. Value Added, Productivity and Efficiency
    - C. Reduction of Marketing Costs
  - VII. Marketing Margins
    - A. Farm Level
    - B. Wholesale Level
    - C. Retail Level

## VIII. Marketing Functions

## A. Types and Definition

1. Exchange
2. Physical
3. Facilitating
  - a. Standardization
  - b. Grading
  - c. Financing
  - d. Risk Bearing
  - e. Market Information

## IX. Institutional Structure of Marketing

- A. Farm Level
- B. Wholesale
- C. Retail

## X. Market Power and Its Sources in the Food Industry

- A. Marketing Orders, etc.

## XI. The Consumer, Agriculture, Government

- A. How America Spends Its Retail Food Dollar
- B. Consumerism -- A Passing Fad?
  1. Dual Pricing
  2. Open Coding - Perishables
- C. Consumer Advocates and the Food Industry

7. Exams: 3

8. Homework: Yes

9. Projects and Labs: Price analysis paper and general market reports.

1. Title: Agricultural Marketing and Price Analysis
2. Level: Dual
3. Credits: N.A.
4. Objectives: To familiarize the student with concepts and models important in the study of agricultural marketing; to introduce the student to industrial organization theory including some of its agricultural applications; to examine techniques of price analysis with special emphasis on econometric modelling of agricultural supply and demand relationships.
5. Text: (1) Agricultural Product Prices, Tomek and Robinson.  
 (2) American Industry: Structure, Conduct, Performance, Caves.
6. Outline: I. The Basics: Marketing Concepts, Models, And Mechanisms.
  1. Introduction to marketing
  2. Elasticities: computation and use
  3. Derived demand and marketing margins
  4. Prices over time
    - a. trends, seasonals, cyclical
    - b. futures market
    - c. cobweb model
  5. Location analysis
    - a. price equilibrium in spatially-separated markets
    - b. space and transfer cost
    - c. efficient organization within markets
  6. Subsector analysis and vertical coordination
  7. Marketing alternatives
- II. A Useful Theory And Its Applications: Industrial Organization
  1. History and overview
  2. Structure
  3. Conduct and price theory
  4. Performance
- III. Applications Of Supply-Demand Theory: Price Analysis
  1. Methods of analysis: graphical and statistical
  2. Modelling supply and demand relationships
  3. Special modelling topics
  4. Distributed lag models
  5. Simultaneous systems
  6. Forecasting and projections

7. Exams: 2

8. Homework: 6-8 (problem sets, short papers, critique)

9. Projects and Labs: Industrial organization project and price analysis project.

1. Title: Advanced Agricultural Marketing
2. Level: Dual
3. Credits: 3 hours
4. Objective: The application of economic theory to the problems of agricultural marketing firms. Students are expected to acquire the ability to place marketing problems in the appropriate framework for analysis and interpretation. Emphasis on demand, pricing, and policy implications. Specific emphasis placed on commodity futures markets and feasibility analysis.
5. Text: N.A.
6. Outline:
  - I. Introduction
    - A. Concept of Market and Marketing
    - B. Approaches to Studying Marketing
    - C. Review of Basic Supply and Demand Elasticity Concepts
  - II. Price Differences and Variability
    - A. Marketing Margins
    - B. Price Differences Associated with Quality
    - C. Spatial Price Relationships
    - D. Price Variation Through Time
    - E. Aggregate Price Behavior
  - III. Pricing Institutions
    - A. Mechanisms for Price Discovery
    - B. Forward Pricing
      1. Futures Markets
      2. Contracting
      3. Marketing Strategies Using Forward Pricing
    - C. Government Intervention in Pricing Farm Products
  - IV. Feasibility Analysis
7. Exams: N.A.
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Agricultural Market Organization and Performance
2. Level: Dual
3. Credits: N.A.
4. Objective: At the conclusion of this course, given the market structure within which a firm operates, you should be able to identify existing interrelationships between market organization, competitive behavior of marketing firms and market performance of agribusiness industries and: (1) analyze the impact of a changing market organization on the relative competitive position of all segments of the agricultural marketing system, and (2) identify policy implications for both the producer of agricultural products and the marketing agencies involved.
5. Text: Industrial Organization and Prices, Koch.  
American Industry: Structure, Conduct, Performance, Caves, Third Edition.
6. Outline:
  - I. Agricultural Marketing System - Scope and Perspective
  - II. Imperfect Competition - Theoretical Framework
  - III. Industrial Organization - Framework
  - IV. Trends in Agribusiness Influencing Structure, Conduct and Performance
    - A. Technolgical Changes
    - B. Economies of Scale
    - C. Vertical Integration and/or Coordination
    - D. Conglomerate Growth
    - E. Product Differentiation
    - F. Cooperatives
  - V. Trends External to Agribusiness Influencing Structure, Conduct and Performance
    - A. Transportation
    - B. Communications
    - C. Government Programs
  - VI. Market Structure and Pricing Efficiency
  - VII. Public Regulation of Agricultural Markets
  - VIII. Structural Framework and Marketing in Perspective
7. Exams: 2
8. Homework: 5-6 short written assignments throughout semester
9. Projects and Labs: N.A.

1. Title: Agricultural Market Organization and Institutions
2. Level: Dual
3. Credits: 3 hours
4. Objective: To develop student ability to evaluate economic (and to a lesser extent social and institutional) consequences of alternative market organizational arrangements.
5. Text: None required
6. Outline:
  - I. Introduction.
  - II. Markets and Marketing, Concepts and Theory.
  - III. Historical Perspective.
  - IV. Empirical Market Organization Studies.
  - V. Theory and Application of Alternative Market Organizational Arrangements.
  - VI. Analysis of Relevant Court Cases (selected cases).
  - VII. Competition in Agricultural Markets - The Balance of Power.
  - VIII. Recent Structural Trends
  - IX. Market Structure and Economic Development
7. Exams: 2
8. Homework: N.A.
9. Projects and Labs: One period seminar, and paper.

1. Title: Markets and Trade
2. Level: Dual
3. Credits: N.A.
4. Objective: N.A.
5. Text: Markets, Prices and Interregional Trade, Bressler and King.
6. Outline: Part I. Prologue

Introduction to Spatially-Oriented Market Models  
 The American Economy: Colonial Days Through the Civil War  
 Development of An Advanced Economy: The 1870's to the 1970's  
 Economic Interdependence and Interregional Trade

Part II. The Spatial Dimension of Market Price

Market Price in An Exchange Economy  
 Spatially Separated Markets: The Two-Region Case  
 Multiregion Point Trading Models: Fixed S and D  
 (Continued) Variable Supplies and Demands  
 Space and Transfer Cost  
 Site-Price Surfaces and Market Areas  
 Minimizing Transfer Costs

Part III. Plant Costs and Plant Location

Plant Costs: Theory  
 Plant Cost: Measurement  
 Selecting Efficient Plant Locations  
 Distribution Systems and Spatial Monopoly

Part IV. Form, Time, and Space Dimensions of Market Price

Prices and Costs with Alternative Product Forms  
 Space-Form Models and Product Boundaries; Point Trading  
 Choice of Product Form: Dispersed Production  
 Temporal Market Price Relationships: Two Period Case  
 Multi-Period Price Relationships  
 Price Differentiation Among Markets: Space  
 Price Differentiation: Form, Time, and Space  
 Nonprice Factors Affecting Trade

Part V: Regional Specialization and Trade

Equilibrium Short-Run Trade Flows  
 Measurement of Regional Production Potentials  
 Opportunity Costs and Resource Use  
 Long-Run Regional Specialization  
 Hour Exam II



Part VI: Spatial Arrangement of Economic Activity

Site Rents and Production Zones  
Land Use Equilibrium with Multiple Markets  
Production Location: Localized Raw Material  
Production Location: Multiple Raw Materials  
General Equilibrium in An Isolated Region  
Linear Programming Formulation of Spatial Equilibrium  
Multiple-Region Production and Trade Models  
Location Rents  
Trade in Intermediate Commodities

Part VII: Efficiency in Marketing

Long-Run Effects of Market Control Schemes  
Efficient Marketing Firms  
Efficient Marketing Systems

7. Exams: N.A.
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Agricultural Market Regulation
2. Level: Dual
3. Credits: N.A.
4. Objective: N.A.
5. Text: N.A.
6. Outline:
  1. Aspects of structure
  2. Market relationships among firms
  3. Market power and bargaining
  4. Organization of products
7. Exams: N.A.
8. Homework: N.A.
9. Projects and Labs: N.A.

1. Title: Agri-Industry Organization and Public Policy
2. Level: Dual
3. Credits: N.A.
4. Objective:
  1. To improve skills of scholarship and intellectual craftsmanship.
  2. To develop a working understanding of industrial organization theory and the interrelationships between market structure, conduct, and performance.
  3. To improve skills of analysis of contemporary public policy issues relevant to the organization of agriculturally-related industries and markets.
  4. To increase understanding of the process of public policy formulation in the agricultural sector of the U.S. political economy.
5. Text: N.A.
6. Outline:

#### Organizational Meeting

- I. Current Issues Confronting the U.S. Market Economy
- II. The Economic Theory of Industrial Organization
  - A. Business Firms and Industries
  - B. Market Structure
  - C. Market Conduct
  - D. Market Performance
- III. Empirical Evidence
  - A. Large Firms
  - B. Market Concentration
  - C. Barriers to Entry
  - D. Product Differentiation
  - E. Criminal Liability of Business Executives
  - F. Objective Functions of Business Firms
  - G. Business Conglomeration
  - H. Consumerism
  - I. Agriculture and The Food System
- IV. Policies to Regulate Competition
  - A. Regulation of Competition
  - B. Regulation of Behavior

MIDTERM EXAMINATION

V. Technocracy: An Alternative Perspective

VI. The Public Policy Formulation Process  
Introduction of POLIGAME

POLIGAME: First Caucus

VII. Antitrust Issues in Agriculture

POLIGAME: Hearings

POLIGAME: Hearings

POLIGAME: Hearings

POLIGAME: Final Caucus

7. Exams: 2

8. Homework: Reading

9. Projects and Labs: Poligame

1. Title: Agricultural Market Analysis
2. Level: Dual
3. Credits: N.A.
4. Objective: N.A.
5. Text: Industrial Market Structure and Economic Performance, Scherer.

6. Outline:

Market Structure: Outline and Definitions

Introduction to Industrial Organization

Competition and Monopoly Theory

Structure of U.S. Industry

Structural Determinants

Oligopoly Theory

Oligopoly Coordination: Facilitation

Oligopoly Coordination: Limitations

Oligopoly Pricing

Oligopsony

Price Discrimination

Conglomerate Size

Macroeconomics: Administered Prices

Macroeconomics: Stability

Product Differentiation

Technological Innovation

Patent System

Appraisal and Policy Approaches

Antitrust: Price-Fixing

Antitrust: Structural Control

Antitrust: Conduct Restrictions

Public Regulations

7. Exams: 2

8. Homework: N.A.

9. Projects and Labs: N.A.

## Appendix

## Comprehensive List of Participating Universities

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- Auburn University, Department of Agricultural Economics & Rural Sociology<sup>1</sup>
- University of Arizona, Tucson, Department of Agricultural Economics<sup>1,3</sup>
- University of Arkansas, Department of Agricultural Economics & Rural Sociology<sup>1</sup>
- University of California, Davis, Department of Agricultural Economics<sup>1,3</sup>
- Stanford University, Stanford, Food Research Institute<sup>2</sup>
- California State University, Fresno, Department of Agricultural Economics<sup>1</sup>
- California State Polytechnic University, Pomona, Department of Agricultural Business Management/International Agriculture<sup>1</sup>
- Colorado State University, Ft. Collins, Department of Economics<sup>1</sup>
- University of Connecticut, Storrs, Department of Agricultural Economics & Rural Sociology<sup>1</sup>
- University of Delaware, Newark, Department of Agricultural & Food Economics<sup>1</sup>
- University of Florida, Gainesville, Department of Agricultural Economics<sup>1,3</sup>
- University of Georgia, Experiment, Department of Agricultural Economics<sup>1</sup>
- University of Hawaii, Manoa, Department of Agricultural & Resource Economics
- University of Idaho, Moscow, Department of Agricultural Economics<sup>1,2,3</sup>
- University of Illinois, Urbana, Department of Agricultural Economics<sup>1,3</sup>
- Southern Illinois University, Carbondale, Department of Agribusiness Economics
- Purdue University, West Lafayette, Department of Agricultural Economics<sup>1,2,3</sup>
- Iowa State University, Ames, Department of Agricultural Economics<sup>1,2</sup>
- Kansas State University, Manhattan, Department of Agricultural Economics<sup>1,2</sup>
- University of Kentucky, Lexington, Department of Agricultural Economics<sup>1,2,3</sup>
- Murray State, Murray Kentucky, Department of Economics<sup>1</sup>
- Louisiana State University, Baton Rouge, Department of Agricultural Economics and Agribusiness<sup>1,3</sup>
- University of Maine, Orono, Department of Agricultural & Resource Economics<sup>1</sup>
- University of Maryland, College Park, Department of Agricultural & Resource Economics<sup>1</sup>
- University of Massachusetts, Amherst, Department of Food & Resource Economics<sup>1</sup>
- Michigan State University, East Lansing, Department of Agricultural Economics<sup>3</sup>
- University of Minnesota, St. Paul, Department of Agricultural & Applied Economics<sup>1,2,3</sup>
- Mississippi State University, Department of Agricultural Economics<sup>1,3</sup>
- University of Missouri, Columbia, Department of Agricultural Economics<sup>1</sup>
- University of Nebraska, Lincoln, Department of Agricultural Economics<sup>1</sup>
- University of New Hampshire, Department of Agricultural Economics<sup>1</sup>

North Carolina State University, Raleigh, Department of Economics & Business<sup>2</sup>  
 North Dakota State University, Fargo. Department of Agricultural Economics<sup>1</sup>  
 Ohio State University, Columbus, Department of Agricultural Economics &  
 Rural Sociology<sup>1,2,3</sup>  
 Oklahoma State University, Stillwater, Department of Agricultural Economics<sup>1,2,3</sup>  
 Oregon State University, Portland, Department of Agriculture & Resource  
 Economics<sup>1,3</sup>  
 Pennsylvania State University, Department of Agricultural Economics & Rural  
 Sociology<sup>1</sup>  
 University of Rhode Island, Kingston, Department of Resource Economics  
 Clemson University, Department of Agricultural Economics & Rural Sociology<sup>1</sup>  
 South Dakota State University, Brookings, Department of Economics<sup>1,3</sup>  
 University of Tennessee, Knoxville, Department of Agricultural Economics<sup>3</sup>  
 University of Tennessee, Martin, Department of Economics<sup>2</sup>  
 Middle Tennessee State University, Murfreesboro, Department of Agriculture  
 Texas A&M University, Department of Agricultural Economics  
 Washington State University, Pullman, Department of Agricultural Economics<sup>1,3</sup>  
 West Virginia University, Morgantown, Division of Resource Management<sup>1,3</sup>  
 University of Wisconsin, Platteville, Department of Agricultural Industries<sup>1</sup>  
 University of Wisconsin, Madison, Department of Agricultural Economics<sup>1,2,3</sup>  
 University of Wisconsin, River Falls, Department of Agricultural Economics<sup>1,3</sup>  
 University of Wyoming, Laramie, Division of Agricultural Economics<sup>1,3</sup>

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<sup>1</sup> Universities contributing undergraduate level outlines.

<sup>2</sup> Universities contributing Dual level course outlines.

<sup>3</sup> Universities contributing Graduate-level course outlines.