

**Instructor:** Dr. Dustin L. Pendell Phone: 970-491-2233  
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Office Hours: Tuesday 9:30-11 am, Wednesday 8:30-10 am (and by appointment)

**Teaching Assistant:** Mr. Alexander Maas E-Mail: [Alexander.Maas@colostate.edu](mailto:Alexander.Maas@colostate.edu)  
Office: B309 Clark  
Office hours: Tuesday 12 to 1pm and 4 to 5pm; and Wednesday 12 to 1pm

**Prerequisite:** AREC/ECON 202 (Principles of Microeconomics)

**Textbook:** None

**Additional Requirements:**

All students are required to sign up for a simulated web-based trading exercise. Cost is approximately \$25 per group.

You are required to purchase an iClicker remote for in-class participation. iClicker is a response system that allows you to respond to questions I will pose during class; sometimes you will be graded on that feedback (e.g., quizzes or in-class assignments). In order to receive credit, you will need to register your iClicker remote during an in-class registration process by the second week of class. In the event we have a quiz and you forget your iClicker remote, the batteries die, etc., you will not receive credit for that quiz. In the event I catch an individual with multiple remotes, please see Academic Integrity.

**COURSE OBJECTIVES:**

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

Specific course objectives include:

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

**GRADING:**

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

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

**Quizzes:** There will be several announced/unannounced **quizzes** that will be given throughout the semester. The quizzes will be worth 75 points in total.

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

**In Class Assignments:** There will be several announced/unannounced in class assignments related to lectures. The in class assignments will be worth 35 points in total.

Grade Scale:            **A:** 90-100%,   **B:** 80-89%,   **C:** 70-79%,   **D:** 60-69%,   **F:** <60%

	<u>Total Points Possible</u>
Tests	300
Homework	150
Simulation Trading Project	150
Quizzes	75
In Class Assignments	<u>35</u>
<b>Total Points</b>	<b>710</b>

Requirements for each grade category may be adjusted downward but will not be raised. Pluses and minuses will be awarded within each category at the instructors' discretion.

**Additional Important Information for AREC 310:**

**Attendance Policy:**

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

**Academic Integrity:**

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

**Cell Phones & Other Electronic Devices:**

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

**Office Hours & Appointments:**

I have an "open door" policy for visitors. You are always welcome to drop by, email or call me if have an issue that you wish to discuss. However, please realize that I have many other responsibilities beyond teaching this class, so I may be forced to schedule a time to discuss the issue with you later. I do schedule office hours each week that are set aside for meeting/talking with students from this class. If at all possible, I prefer that you try to use this time to meet/discuss with me. I will make every attempt to be in the office during these hours and will try to announce in class the days that I will not be available during this time.

**Accommodations:**

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

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**Tentative Course Outline AREC 310 – Fall 2011 (All topics may not be covered)**

<b>Week</b>	<b>Assignment</b>
Weeks 1-2	<ul style="list-style-type: none"> <li>• Review                             <ul style="list-style-type: none"> <li>○ Syllabus and Simulation Trading Project</li> </ul> </li> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 1 – Introduction to Food Marketing</li> <li>○ Chapter 2 – Analyzing Agricultural &amp; Food Markets</li> <li>○ Chapter 3 – Agricultural Production &amp; Marketing</li> </ul> </li> <li>• Lecture 1 – Introduction to Ag. Marketing</li> </ul>
Weeks 2-3	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 20 – Risk Management and the Futures Market</li> </ul> </li> <li>• Lecture 2 – Risk Management and the Futures Market</li> <li>• Begin Simulation Trading Project</li> </ul>
Week 4	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Agricultural Contracting Update: Contracts in 2008</li> </ul> </li> <li>• Lecture 3 – Contracts</li> </ul>
Weeks 4-5	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 8 – Price Analysis and the Exchange Function</li> </ul> </li> <li>• Lecture 4 – Demand, Supply, and Elasticities</li> </ul>
Week 6	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 8 – Price Discovery</li> </ul> </li> <li>• Lecture 5 – Price Discovery</li> <li>• <b>EXAM I</b></li> </ul>
Weeks 7 - 8	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 6 – Models of Market Behavior</li> </ul> </li> <li>Lecture 6 – Derived Demand, Derived Supply, and Marketing Margins</li> </ul>
Week 9	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 11 – Food Marketing Costs</li> </ul> </li> <li>• Lecture 7 – Food Marketing Costs</li> </ul>
Weeks 9-10	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 3 – Index Numbers</li> </ul> </li> <li>• Lecture 8 – Indices</li> </ul>
Weeks 10-11	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 9 – Spatial Characteristics of Markets</li> <li>○ Chapter 18 – Transportation</li> </ul> </li> <li>• Lecture 9 – Markets Across Space</li> </ul>
Weeks 11-12	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 10 – Local Markets and Interregional Trade (Schrimper)</li> </ul> </li> <li>• Lecture 10 – Interregional Trade</li> <li>• <b>EXAM II</b></li> <li>• Simulation Trading Project Ends</li> </ul>
Week 13/15	<ul style="list-style-type: none"> <li>• Read                             <ul style="list-style-type: none"> <li>○ Chapter 11 –International Trade (Schrimper)</li> </ul> </li> <li>• Lecture 11 – International Trade</li> <li>• Simulation Trading Project Report Due</li> </ul>
Week 14	<ul style="list-style-type: none"> <li>• <b>NO Class – Fall Recess</b></li> </ul>

Week 16	<ul style="list-style-type: none"><li>• Read<ul style="list-style-type: none"><li>○ Chapter 13 – Storage Decisions in the Marketing of Agricultural and Food Products</li><li>○ Lecture 12 – Storage</li></ul></li><li>• Review for Exam III</li></ul>
Week 17	<b><i>EXAM III December 14<sup>th</sup> @ 6:20 PM – 8:20 PM</i></b>