Spring 2009

Department of Agricultural Economics

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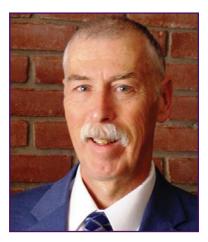


David Lambert to Lead K-State Agricultural Economics

Kansas State University has named David K. Lambert to lead its Department of Agricultural Economics. Lambert, who is a professor and former department chair in the Department of Agribusiness and Applied Economics at North Dakota State University, will assume his new responsibilities at K-State August 3.

"We are so pleased to have Dr. David Lambert come on board," said Fred Cholick, dean of K-State's College of Agriculture and director of K-State Research and Extension. "His international experience, as well as his years in research, teaching, and extension, will prove valuable as he guides our agricultural economics efforts. In addition, his time spent in government work will bring a new perspective to our college and the department."

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Students & Alumni Tour Southeast Asian Agribusiness

Mary Bowen

With expansive river valleys and deltas, rich soils, and a humid tropical climate, Southeast Asia has plentiful agricultural resources, but less than one-third of Southeast Asia's land is in agricultural use and most are small family or communal farms. Due to a growing population, the region is one of the largest marketplaces for food and the rapid economic growth of these countries shows potential for positive growth in the agricultural industry.

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Rice farmers in rural Vietnam



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The K-State Master of Agribusiness (MAB) distanceeducation program offered students and alumni a chance to learn about the food and agriculture industry in Southeast Asia during a trip to Malaysia, Thailand and Vietnam.

"The MAB trip to Southeast Asia was a great experience. We really enjoyed learning about the agribusiness and industry in the region. The cultural and historical tours really added to the experience. It was fascinating to learn how the different countries' government structures have influenced business and agriculture. It added a glimpse of the culture we might not have otherwise experienced if we traveled on our own," Leslie Svacina, Communications Director of Minnesota Agri-Growth Council, St. Paul, Minn., and MAB student said.

With stops in three countries, the group visited a variety of crop and livestock operations, agricultural and food-related industries, and aquaculture, including stops at the Malaysian Palm Oil Board, PKPS Tilapia Farm, and the Forest Research Institute of Malaysia in Kuala Lumpur, Malaysia; C.P. Retails and Marketing (CPRAM), Chiameng Rice Mill and the United Nations in Bangkok, Thailand; Dabaco Feed Mill and local wet markets in Hanoi, Vietnam; and a Cargill feed mill and small-to-large size back-yard hog farms outside of Ho Chi Minh City, Vietnam.

"The trip demonstrated to me how entwined our food systems are. On our first visit in Thailand, the tour of CP food processing facility allowed us to see first hand the use of competitively priced labor in the making of food which inevitably ends up on our dinner tables at home," Clair Doan, Manager of Commercial Banking – Agriculture at the National Bank of Canada, in London, Ontario said. "And at the Chiameng Rice Mill, rice was being processed for shipping to Canada; it was interesting to see our government regulated food labels in dual languages (French and English) being printed on large bags of rice destined for North America."

These visits also provided glimpses of an agriculture industry at varying stages of development. For example, palm oil, rice and ready-to-eat food industries in Malaysia and Thailand are highly developed with modern processing plants, while the rice industry in Vietnam still relies on hand planting and harvesting small plots of land. Some rice farmers are just beginning to modernize, showing great potential for growth. In addition, the visits gave the group a feel for the differences and similarities between Western and Eastern practices.

"It was interesting to see the different ways things are done. For instance, we visited three hog farms in Vietnam, all called 'backyard hog farms' because they are literally in the backyard. The largest farm had 30 sows and was a only few steps from the family's home in the middle of their village," Svacina said, "but they chose to use a U.S. feed source because of the company's reputation and the performance of the feed."



Allen Featherstone, Agricultural Economics Professor and Director of the Master of Agribusiness program, thinks people enjoyed getting a different perspective on agriculture. "While agriculture in Southeast Asia is different than in the U.S., Southeast Asia is an important importer of U.S. agricultural products including dried distillers grains along with other feed grains. Vietnam and Thailand are major suppliers of rice. In addition, Malaysia is the world's largest producer of palm oil which is second to soybeans as the largest contributor of vegetable oil. As such, Malaysia may be an important supplier of biodiesel."

Time was also set aside for enjoying the culture, shopping and sightseeing in each of the locations. Stops at famous sites such as Batu Caves, the Malaysian rain forest, Grand Palace, Halong Bay and the Cu Chi Tunnels were highlights. Group members had opportunities to shop for bargains in bustling night markets and enjoyed wonderful meals of combinations of fresh fish and chicken, fruit and rice.

The Master of Agribusiness has lead tours of South America, visiting Brazil, Argentina and Uruguay in 2004, and Russia in 2006. The program is beginning to plan for the fourth international trip tentatively scheduled for April 16-May 1, 2010 to Australia and New Zealand.

"I thoroughly enjoyed traveling with the K-State group -- the mix of current students, staff, alumni and spouses all with an interest in agriculture allowed for interesting

discussions. I strongly encourage the participation in travel opportunities organized by the MAB program," Doan said. "Although it may not have been a restful trip, the busy schedule strengthened my education about global food and agribusiness management and allowed us to tour, meet and interact with real people in Malaysia, Thailand and Vietnam."

Above Left: Workers on the line at the Chiaming Rice Mill Above: A group photo outside the stair of Wat Rakhang Kositharam in Vietnam, home of King Rama I before he was crowned king in 1782. Wat means temple. Right: Clair Doan at rice mill. The mill specializes in different grades of Jasmine rice.



Doan tests the fragrance of a rice aged six months to compare with new rice recently harvested.

The fourth MAB Alumni Trip traveling to Australia and New Zealand is tentatively scheduled for April 16-May1, 2010

Alumna transitions from internship to career



Crystal Cline, agribusiness '08, on a farm visit in Montana.

Just over a year ago, then-college-senior Crystal Cline prepared to attend Kansas State University's ag career fair by researching a short list of companies. One of the nine companies on her list was an organization new to her called CHS.

"It was important for me to get a job in agriculture. As I learned more about CHS, I knew it fit me, my personality and where I wanted to go with my career," says Cline. An agribusiness major with an animal science minor, Cline spent much of her college career in the feed mill at Kansas State learning the intricacies of mixing feed for a variety of animals.

That paid off with the animal nutrition business of CHS. What started as an internship in sales and marketing grew into a full-time career as the CHS nutrition consultant and territory manager covering western Montana.

When Cline began her internship in Montana, the Bucyrus, Kan., native didn't know what to expect. She hoped to combine her knowledge of animal science and animal nutrition with her love of horses in an interesting summer experience that might offer career options. What she found brought her back to Montana after graduating in May 2008.

"I love being out here, working with customers and knowing that I'm really helping them in their businesses," she says, standing at the edge of a broad sweep of pastureland dotted with horses. "I had no idea how vast CHS is as a company. There's a lot of flexibility to advance my career here."

Cline, an avid outdoorswoman, puts on more than 1,200 miles each week visiting ranchers and feed dealers. Her background in raising and showing horses is invaluable in understanding customers and their needs.

"Paying attention to the details makes a difference in building relationships. It takes time, but it's so worth it," she says. She hopes to one day apply her knowledge and attention to detail to opening her own horse-breeding operation.

In 2009, Cline will take on managing a program that recognizes championship 4-H members who use Payback® products from CHS. It's a great way to support young people who are interested in agriculture and expose them to opportunities within CHS, she says.

"Students tend to look only to certain companies when it comes to careers in animal science and nutrition," she explains." But there are so many opportunities out here. They need to look seriously at CHS."

Faculty/Student Updates

Dr. Vincent Amanor-Boadu, was named Managing Editor - North America, of the International Food and Agribusiness Management Journal.

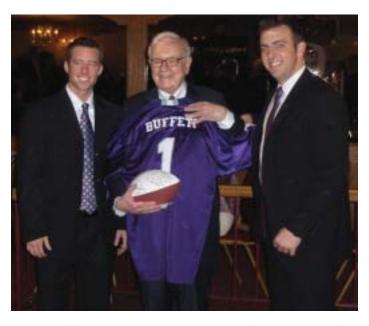
Dr. Joe Arata received the 2009 Kansas State University Presidential Award for Excellence in Undergraduate Teaching. The award recognizes his effectiveness and commitment as a teacher. Dr. Arata currently teaches AGEC 220 - Grain and Livestock Marketing Systems and AGEC 520 - Market Fundamentals and Futures Options Trading.

Dr. Ted Schroeder received the 2009 Distinguished Scholar Award from the Western Agricultural Economics Association for his enduring contribution to agricultural, resource, and environmental economics.

David Widmar, senior in agricultural economics, was named the 2009 Western Agricultural Economics Association Outstanding Senior. This award recognizes outstanding undergraduate seniors who have achieved excellence in their academic achievements and of whom much is expected of their future contributions to agricultural economics.

Mike Boland was recognized by Purdue University as part of the James C. Snyder memorial Lecture in Agricultural Economics with one of its Apex Awards which are given to mid-career alums who have distinguished themselves in their respective fields.

Q & A with Warren Buffett reward for ag econ student's persistence



Matt Hewitt (left), vice president of special events for the Student Finance Association and senior in finance and accounting, and Greg Foote (right), bond funds chairman of SFA and senior in agricultural economics, present Warren Buffet with a football jersey and a football signed by Bill Snyder.

In the Cloud Room on the 15th floor of an office building in Omaha, Neb., members of the Student Finance Association took part in a two-hour question-and-answer session with Warren Buffett last Saturday.

Buffett is the chief executive officer of Berkshire Hathaway and was named by Forbes Magazine as the richest person in the world in early 2008, but was moved to No. 2 in 2009 after losing \$25 billion last year.

During the question and answer session, Laura Liston, president of SFA and senior in finance and accounting, said Buffett answered very specific finance questions as well as general questions about life lessons, imparting his wisdom on the future field-of-finance students.

Greg Foote, bond funds chairman of SFA and senior in agricultural economics, said communication was one of the

most important issues Buffett discussed.

"He told all of us we are great students and have learned all this information ... [but you] have to communicate what you think to other individuals," he said.

Matt Hewitt, vice president of special events for SFA and senior in finance and accounting, described Bufett as funny, witty and down-to-earth and said the funniest comment Buffett made was that "strategic planning is a waste of time." He said this was because, as Buffett explained, any acquisition or merger should be a wise decision, so it would obviously be strategic.

The SFA group presented Buffett with a personalized K-State football jersey and a football signed by Coach Bill Snyder after the event.

"After lunch, he kept a smile on his face and took a picture with every single person who wanted to take a picture," Hewitt said.

Foote said in order to allow the group the opportunity to visit, he sent Buffett a written letter last fall and was told there was a two to three year waiting list for visits. Foote then got a hold of Buffett's secretary's e-mail address and began flooding her inbox with requests.

His persistence worked, and when a group canceled early this year, SFA was able to attend in its place. The K-State members made up just 27 of the event's 100-plus attendees, Foote said.

Hewitt said four other schools were also in attendance, including students from Australia, and the SFA students were the only undergraduate group.

Along with the question and answer session, the group visited Nebraska Furniture Mart and Borsheim's, a jewelry store, and had lunch at a steakhouse, which Buffett paid for, Liston said. Both Nebraska Furniture Mart and Borsheim's are subsidiaries of Berkshire Hathaway.

Foote said the trip will help the K-State SFA in the future and has also promoted K-State and the College of Business.

Hewitt said group members "hope we made a good impression for the future."

Masters in Agribusiness Scholarship makes graduate school possible

Amy Brusk wanted to go back to school, but quitting her job to do so was impossible.

"I realized my skills were based in a technical science and my clear weakness was a lack of business knowledge. I needed to fill that void, but I also had to find a program that would fit my schedule without having to give up my job," Brusk said.

As a grant specialist for the Department of Clinical Sciences in the K-State College of Veterinary Medicine, Brusk looked into both the K-State MBA and the Master of Agribusiness (MAB) program, but quickly determined the MAB program was the better choice for her situation.

"As I learned more about the MBA, I realized it was heavily populated and I would receive more one-on-one attention in the MAB program. I also wanted to stay consistent with my undergraduate degree in animal science. MAB's unique application of agriculture throughout business fulfilled all the outcomes I needed," she said.

With her decision made, Brusk was hesitant to start the degree program; the monetary obstacle of paying for school seemed too large to overcome. It was when Brusk learned she had received the Masters in Agribusiness Scholarship, along with one from an outside source, she saw the way clear to begin.

"I waivered for two years because of the time and money, when I received the scholarships they relieved the financial burden and I was able to begin the degree," Brusk said.

Scheduled to defend her thesis this April, Brusk is pleased she will soon have a master's degree under her belt.

"Bachelor's degrees are a dime a dozen, and a master's degree is what it's going to take in the current economic climate to climb the ladder and progress," Brusk said.

Lynnette Brummett, MAB Coordinator, said the program saw a tremendous increase in applications for January 2009.

"Industry awareness and the reputation of the program are causing individuals to look at the program, including those who may not have before," Brummett said.

"MAB is still relatively new, but with 12 completed cohorts, we have more and more graduates in industry, with their achievements and by word of mouth, the awareness of MAB is growing," she added.

Word of mouth is how current MAB student, Kevin Heikes, learned of the Master of Agribusiness program.

"The year before I began, I had two colleagues who had gone through the program. Talking to them about their experiences convinced me it was something I could pursue. I realized it was one of the top programs in the country and a lot of executive programs don't focus on agribusiness. I knew this would prove to be a good fit for me," he said.

For Heikes, the benefits of an MAB degree are multiple.

"I actually didn't take the MAB to get a raise or get a promotion. I'm doing this to broaden my own skill set. My company is young and entrepreneurial. My goal is to be in a setting where I have the knowledge and the tools to help grow the company," he said.

"What really strikes home for me, is that when you go back to work on a second degree, the experiences relate to what you're doing every day. Actually applying business scenarios, and further skills learned in class in your business



MAB student, Kevin Heikes, pauses while working on his homework at the Spring 2009 on-campus session

environment is incredibly motivating."

With some career experience and a young daughter, he and his wife recognized he was at a point where family-life would never be more accommodating to achieve his degree.

"There are students in class with me who have kids' sports and activities every night of the week, so I know it's doable, however, it made sense for us to start at this point in our lives," he said.

"The way it is designed, that you can have a career and family while you go through the program is an important advantage," Heikes added.

But a career and young family wasn't Heikes' only concern as he headed back to school. Funding his education by himself requires careful planning.

"I received a scholarship to help me balance life while I'm in school. A scholarship means someone believes in what you're doing and the financial aid is a great help. I'm very thankful for it," he said.

Describing his experience with the Master of Agribusiness program, Heikes calls it a time of growth.

"I'm an operations person, very black and white in my approach, a master's degree refines you and allows you to see the grey in situations and causes you to think differently."



For many professionals looking to re-train or augment their skills in agribusiness, one of the most difficult propositions is paying for graduate school amidst their family and career responsibilities. Professionals accepted into the Masters in Agribusiness program are a self-selecting group of highly motivated achievers. With your contribution, the Masters in Agribusiness Alumni Scholarship fund helps make "going back to school" a possibility.

The Scholarship Fund supports and honors outstanding graduate students or prospective graduate students in K-State Agricultural Economics Masters in Agribusiness program.

Program emphasis changes over time requiring new ideas and sources of funding, but the results never change. Through this fund friends and alumni of K-State Agricultural Economics have an opportunity to help ensure the success of outstanding students in the MAB program, and the University's positive impact on agriculture.

For more information or to contribute please contact **Allen Featherstone**, professor afeather@ksu.edu or 785.532.4441

Kim Schirer, director of development KIMS@found.ksu.edu or 785.532.7517 www.found.ksu.edu

Make A Difference Today

Supporting the Department of Agricultural Economics is easier than you think. You can select the method of giving that best suits you. If you want to make an outright gift of cash, you have several options.

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Visit www.found.ksu.edu, click Give Now. Select New Gift and enter The Masters in Agribusiness Alumni Scholarship with the number 031490 when designating your gift.

By Mail

Mail your contribution to the KSU Foundation, 2323 Anderson Ave., Ste 500, Manhattan, KS 66502. To make sure the Department of Agricultural Economics benefits from your generosity, be sure to include a note that indicates your desire to designate your gift to The Masters in Agribusiness Alumni Scholarship with the number 031490.

By Phone

Call the KSU Foundation at 1-800-432-1578.

Did you know?

Many employers have programs that will match charitable contributions made by their employees and sometimes, their retirees. If your employer offers a program like this, it could increase the size and impact of your gift.

Ouestions?

If you have questions about making a gift to the Department of Agricultural Economics, please contact Senior Director of Development for the College of Agriculture Kim Schirer at 785-532-7517 or by email at kims@found.ksu. edu.

MAB student named 2009 Top Producer



Lon Frahm, Colby, Kansas, was named 2009 Top Producer of the Year during the Top Producer Seminar in Chicago, Illinois.

Frahm, an accomplished pianist and tenor soloist, has succeeded at the last thing he ever wanted to do when he was a child. In fact, he was devastated - angry and insulted actually - when he received the results of his high school aptitude test. The career best suited for him: farmer.

However, he has willingly persevered and accomplished much within his farming business, building it into a multi-million dollar business. Without question, Frahm is the epitome of a top producer, but he stands out for his superior management of employees, whom he credits for much of his success. Though none of his direct family members are involved in the operation on a daily basis, Frahm Farmland's employees are very much part of this family business.

Frahm keeps no secrets from his employees, which surprises many people in this small town and runs against conventional thinking of many in farm country.

"I share my financials with all the employees," Frahm says. "I don't show the actual tax returns, but everything else they know. It creates a lot of engagement and gives them a sense of ownership they wouldn't have otherwise. I think it's a great way to do business. Keeping secrets is a lot of work."

Business responsibility is very important to Frahm and something he learned at the young age of 28 when his father died of a heart attack. As the oldest of three children, Frahm was charged with keeping the farm together and providing financial security for his mother and two siblings. No small task considering this happened right in the middle of the 1980s farm crisis. Today, his brother and sister are partners in the business, but Frahm is the on-site manager of the farm that has been in their family for six generations.

Dr. Terry Kastens, K-State Ag Econ, was an instructor of Frahm when he participated in the K-State MAST program, "He's one of the best farm managers that I know. Besides his modern innovation with equipment and facilities, he's innovative in the way he treats his employees. He's also a life-long learner, always wanting to further his knowledge in agriculture and especially economics."

Upcoming Events

Wild 4 Ag Weekend

May 8-9, 2009

The College of Agriculture and Ag Alumni Board work hard to provide activities and events to reconnect alumni. Wild 4 Ag weekend has been scheduled for May 8th and 9th. We hope you consider joining us to recognize our outstanding alumni, to play a little golf and welcome our newest members to the alumni association. RSVP Deadline for all events is April 30, 2009. To RSVP for any of the events for the weekend or get more information, contact Sharon Thielen at sthielen@ksu.edu or at 785-532-5121.

Risk & Profit Conference

August 20-21, 2009

An annual conference hosted by the Department of Agricultural Economics that provides an opportunity for key agricultural decision makers to interact with each other and with faculty. For more information contact Rich Llewellyn at 785-532-1504.

Ag Lenders Conferences

September 30, 2009 in Garden City

October 7, 2009 in Manhattan

K-State's annual Agricultural Lenders Conferences are designed to provide the Kansas financial community with updates on current agricultural topics. For more information contact Rich Llewellyn at 785-532-1504.

Insurance Workshop

November 12, 2009

Crop insurance agents, agricultural lenders, marketing consultants, and other farm/ranch consultants will help their clients make more profitable risk management decisions. Farmers and ranchers will apply the information to their own decisions regarding crop insurance coverage levels and types. For more information contact Rich Llewellyn at 785-532-1504.

MAST - Management Analysis & Strategic Thinking

November 16 & 17, 2009 - February 23 \$ 24, 2010 MAST is a distance education program for contemporary farmers and ranchers. The program consists of two on-campus sessions and 3 months of distance education modules covering topics of land, machinery, finance, human resources, marketing, tax/policy and risk management. For more information contact Alicia Goheen at 785-532-4434.

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Lambert earned a Ph.D. in agricultural and resource economics from Oregon State University, and master's and bachelor's degrees from the University of California, Davis. He also spent one and a half years at Georg August Universität in Göttingen, Germany, first in the University of California's Education Abroad Program and later as a research assistant.

He has been on faculty at NDSU since 1998. Prior to that he was an assistant and later, associate professor at the University of Nevada, Reno from 1984 to 1998.

During his years at NDSU and the University of Nevada, Reno, he taught graduate and undergraduate courses, authored numerous journal articles, and is currently nearing the end of his three year term as the editor of the Journal of Agricultural and Resource Economics.

"I am very excited to soon be a part of a great university that is preparing tomorrow's leaders through its excellent educational programs, is providing research-based answers to today's agricultural and natural resource problems, and is working with the state's public and private decision makers to help them make the best choices for their families, their businesses, and for the people of the state," Lambert said.

He and Cybil Perkins, married now for 27 years, met as undergraduates while both attended UC Davis. Cybil is the assistant editor for the Journal, and serves in numerous volunteer roles around the Fargo area. The couple has two sons. Tyler is a junior at Hamline University in St. Paul, Minnesota, and Dylan is a sophomore in high school.

As head of the Department of Agricultural Economics within K-State's College of Agriculture, Lambert will lead a department that includes 54 faculty members, including the Kansas Farm Management Program. In the current academic year, 300 undergraduate students are enrolled in the department's agribusiness and agricultural economics degree programs. The department also has 108 graduate students enrolled in

the Master of Agribusiness (M.A.B.), master of agricultural economics (M.S.), or the doctorate of economics (Ph.D.) programs.

The department also has an active research program providing both public and private decision makers with valuable insight into important agricultural economics, agribusiness, and rural development issues.

In order to convey that research-backed information to Kansans and others, K-State's agricultural economics department provides information and education on issues of significance to agriculture and rural areas in Kansas. The department's extension and outreach program consists of state specialists, area specialists, and KFMA economists, making K-State's agricultural economics extension team one of the largest of its kind in the country. K-State's agricultural

economists host the annual Risk and Profit Conference for producers and other agribusiness professionals, as well as many other educational outreach programs throughout the state.