

# The Syllabus

A newsletter for Master of Agribusiness students, alumni and friends

Volume 7, Issue 3 • Fall 2006

**Dr. Allen Featherstone**  
Program Director

**Lynnette Brummett**  
Program Coordinator

**Mary Bowen**  
Program Associate

785.532.4495  
mab.ksu.edu  
mab@agecon.ksu.edu

Master of Agribusiness  
Kansas State University  
Dept. of Agricultural Economics  
342 Waters Hall  
Manhattan, KS 66506-4011

## Russia trip great success

In August, 24 MAB students and alumni, faculty and staff, and other agriculturalists traveled to Russia and participated in the

second MAB international food and agribusiness trip. The purpose of the trip was to learn more about Russian agriculture. During the 12-day tour, the group visited various agricultural and food related facilities including a dairy farm and broiler facility. The tour also included visits to Cargill's refined

vegetable oil and sweetener plant in Efremov and a Caterpillar welding facility in St. Petersburg, as well as presentations by representatives from Monsanto and the Analytical Centre of Agri-Food Economics in Moscow. Participants learned about

Russian agricultural education during visits to Moscow State Agroengineering and St. Petersburg State Agrarian universities. Time was also set aside for sightseeing the many historical sights in Moscow and St. Petersburg.

"It was a great trip, a wonderful chance to

interact with not only MAB faculty, students, and alumni but also other agriculturalists from across the US," Max



Top, right: Tour participants pose for a group photo with Cargill employees at Efremov sweetener and vegetable oil facility. Photo by Cargill company photographer.

Above: The colorful onion domes of St. Basil's Cathedral on Red Square.

Irsik, MAB Alum and tour participant said. "The trip to Russia gave me a much greater appreciation for agriculture in the United States. We are light years ahead of them, and without inputs from both European and US scientists, economists and producers I

am not sure Russian agriculture could feed their own populace let alone compete in a global market for agricultural (food) products. With that said there is a tremendous untapped potential with regard to the Russian agriculture industry,"

We are now planning the next trip, and looking for your input on where we go. If you have an interest or any ideas, please email Mary at [mjbowen@ksu.edu](mailto:mjbowen@ksu.edu).

See page 5 for more photos and comments.

## Students complete thesis projects

To access an electronic version or view a thesis defense, log onto K-State On-Line, [www.online.ksu.edu](http://www.online.ksu.edu), with your eID and password. Go to the MAB Community Page, go to Content and click on Theses.

### Shannon Grapes-Kelly, class of 2003

Improving Efficiency in the Chappell / Lodgepole Branch of Adams Bank & Trust

### Cameron Nightingale, class of 2005

Economic Impacts and Influencers of Milk Quality

# MAB Global education and innovation

During the spring, the MAB program was awarded a grant by the United States Department of Agriculture (USDA) to enhance and expand our international elective, AGEC 710 Comparative Food and Agricultural Systems. MAB Program Director Dr. Allen Featherstone and Program Coordinator Lynnette Brummett traveled to Toulouse, France in September to meet with current AGEC 710 international instructors, as well as the new project partners.

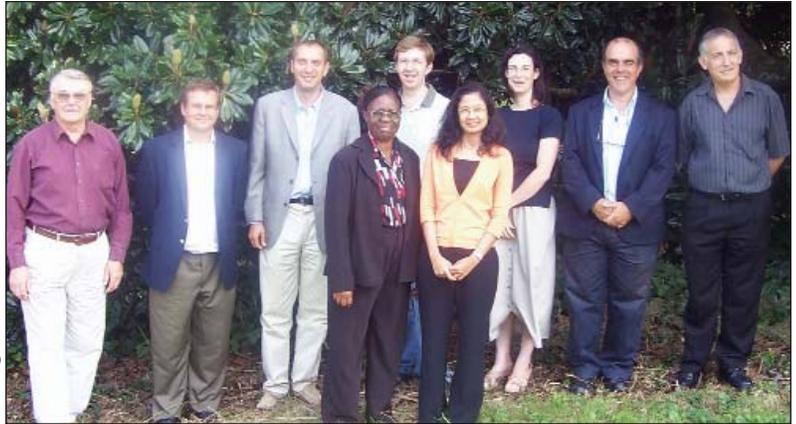
Currently, the course offers sections on the MERCOSUR, the European Union, Russia and the Former Soviet Union and East Asia. Three new modules will be added: sub-Saharan Africa, Oceania, and North America. There is also the possibility of adding a section on the Middle East and North Africa (MENA) or India. These additions will allow even greater global

coverage and understanding of agricultural systems throughout the world. As with the existing modules, the new sections will be taught by instructors from each region so students will learn about the global food and agribusiness industry from people who have experienced it first hand.

Kansas State and the University of Florida will work in collaboration with our international partners in creating the new modules and

then adapting the course for MAB students and eventually undergraduate students. Each

partnering institution will also have the opportunity to offer the course to their students.



AGEC 710 Collaborators: (beginning with back, left to right) Pavel Sorokin, Allen Featherstone, Nicolas Habert, Yann Duval, Lisa House, Daniel Conforte, Keith Woodford, Theodora Hyuha and Ravipim Chaveesuk

## Current Partners:

**Allen Featherstone**  
Kansas State University  
Manhattan, Kansas

**Ravipim Chaveesuk**  
Kasetsart University  
Bangkok, Thailand

**Daniel Conforte**  
Universidad ORT  
Montevideo, Uruguay

**Yann Duval**  
Bangkok, Thailand

**Nicolas Habert**  
Ecole d' ingénieurs de Purpan  
Toulouse, France

**Pavel Sorokin**  
Moscow State Agro-Engineering  
University  
Moscow, Russia

## New Partners:

**Lisa House**  
University of Florida  
Gainesville, Florida

**Theodora Hyuha**  
Makerere University  
Kampala, Uganda

**Keith Woodford**  
Lincoln University  
Christchurch, New Zealand

## K-State's "Changing Lives" Campaign

The Kansas State University Foundation is in the midst of the Changing Lives Campaign to raise \$500,000,000 by 2008 for university needs. Money raised will



support student scholarships and programs, recruiting and retaining faculty, facility

enhancements and technology infrastructure, as well as priorities such as KSU Libraries and International Programs. All gifts can be directed according to your wishes to specific departments and programs, including the **AgEcon Department and the Master of Agribusiness Program.**

If you are interested in making a donation to the Changing Lives Campaign, please let us know and we will put in contact with our Foundation development officer. For more information on the campaign, go to [www.found.ksu.edu/campaign/](http://www.found.ksu.edu/campaign/).

Syllabus 2

## Multi-audio Wimba gets students "chatting"

The AGEC 740 Seminar in Agricultural Economics Analysis students are the first MAB students to utilize the new Wimba Live chat sessions. As long as they have a microphone (internal or external) on their computer, Wimba allows each student the opportunity for audio input, as well as the standard typed response. Instructors also have greater flexibility in sharing multiple types of materials: Powerpoint presentations, spreadsheets, web pages and more.

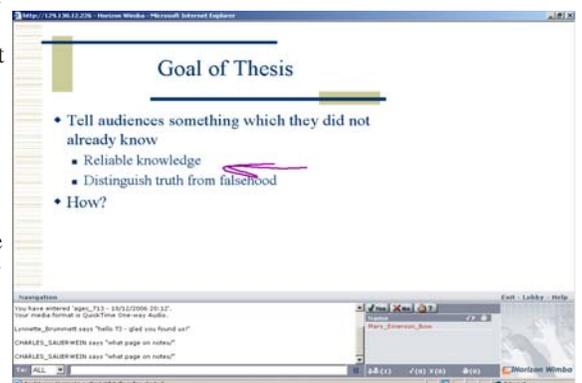
"It has a lot more features, that make communicating easy. It seems to be pretty fast and the ability to watch a presentation while being able to chat is nice," said Sarah Velasquez, class of 2007.

Another advantage of Wimba is the decreased time delay between responses. Charlie Sauerwein, class of 2007 student, said, "There is little if any time delay from the instructor talking, to the student typing in questions. This time delay was the most frustrating item from using the

old internet chat program. The audio is also clearer with the wimba program."

If the Wimba test chats continue to be successful in the AGEC 740 course, it will be integrated into other MAB courses beginning in January.

After a recent demonstration, AgEcon Professor Dr. Mike Woolverton is excited about using Wimba Live. "It is a huge improvement because of the two-way communication. It should allow for lively discussion and increased chat participation."





# Alumni Spotlight

## Laura Roessler

MAB Class of 2003  
Assistant Vice President, Rabo AgriFinance  
St. Louis, Missouri



by Cristina Mansfield

*The Alumni Spotlight focuses on an MAB alum, and is written by Cristina Mansfield, a 2004 graduate.*

Laura Roessler grew up in Central Illinois and studied Ag Economics at the University of Illinois, eventually joining GreenStone Farm Credit Services in Michigan as a credit analyst, underwriting and approving farm loans. She had long wanted to pursue her masters degree and it was after moving to Michigan that she found the K-State online Master of Agribusiness program. To prospective and enrolled students Laura reveals, "I did some of my hardest work in the program. It was absolutely worth it. I feel that I am part of a network."

Since graduation, Laura served on the MAB Advisory Board for almost two years. Alumni participation on the Board allows the program to gain perspective from members of the industry who have also completed the program. Laura provided MAB staff with thoughtful, insightful comments and input and her presence on the Board was much appreciated.

Laura's thesis examined the assessment of risk in borrowers, which - if improved - would reduce the use of capital and lower loan

**Completing the MAB** program says a lot to employers about dedication. They know it takes a lot to study while working and caring for family.

processing costs for lenders. Standard risk assessments use three to four financial ratios to measure the likelihood of producer default, including working capital (measured here by current ratio), solvency (measured by owner equity),

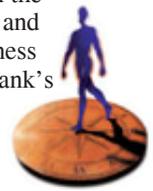
cash flow (measured by capital debt repayment capacity or CDRC) and loan to value.

In fact, only the first three variables listed above proved to be significant. Additionally, while lenders usually assume that cash flow is the most important predictor of default, Laura found that balance sheet strength (solvency) is more strongly correlated with defaults. Whereas historically ratings were applied more or less on judgment, (e.g. 'the ratios look good, the person has a good reputation and has never defaulted, so we will give them xx rating') studies such as Laura's allow assessors to generate a rating system for loans based on the probability default as determined by these three ratios. Her thesis was published as a journal article in the Spring 2006 Issue of the *Review of Agricultural Economics*.

By the time she completed the program, Laura was working in the Capital Market Department, underwriting very large loans often between \$10 and \$20 million. Today, she is an Assistant Vice President / Sr. Financial Analyst for Rabo AgriFinance, a U.S. subsidiary of the Dutch banking cooperative Rabobank, founded in the 1890s. On a day-to-day basis, Laura analyzes and reviews large real estate, operating, and equipment loans for agricultural producers.

Rabobank is the Dutch equivalent of Farm Credit - made up of a core group of customer-owned cooperatives - but unlike Farm Credit, Rabobank does not receive government backing. Rabobank is a full-tax paying entity in the U.S. and everywhere it operates

globally. For its first 20 years in the U.S. Rabobank focused on financing food and agribusiness companies, but in the last few years the bank has entered retail banking and agricultural production lending, building the business through acquisitions and organic growth. (Rabobank's most visible move in the retail ag lending sector was, for many, its offer to buy Farm Credit Services of America in late 2004.) Today, Rabobank's 40-branch retail banking network serves agricultural growers, businesses and communities in California; Rabo AgriFinance, the ag lender, provides "one stop shopping" for U.S. farmers and ranchers from over 70 locations nationwide. The bank currently has \$20 billion in commitments to U.S. agriculture, and finances all sectors and segments of the food and agriculture industry.



**Rabobank**

In addition to her regular work, Laura participates in the National FFA Organization's New Century Farmer Program sponsored by



Pioneer and Rabobank. This intensive five-day seminar for 19-23 year-olds working in production agriculture provides opportunities for sharing and sessions on topics ranging from global marketplace to farm financing, from demographic trends to risk management. As part of the program, Laura has taught business plan development and exemplifies how MAB alum can make their degrees applicable to the next generation.

According to Laura, successful farmers are becoming more sophisticated, globally-thinking businessmen every day. In the past, they did all their banking with their local bank president, someone they knew well and trusted. Today, they are becoming just as competitive as any other business. They are looking for better interest rates and access to the most money for the least amount of collateral. They are increasingly taking advantage of discounts and will order their supplies from the internet if they can get a better deal. They are also looking for lenders who understand the cyclicity and unique characteristics of the ag sector, and who commit to the long lending terms that agriculture requires. Rabobank's approach meets all these criteria, so it is a good fit.

What is the key to success? Laura suggests examining every opportunity that comes across your desk and keeping an open mind: "When we hire new people, I advise them to focus on the company as a whole and not just on the job. Don't take things at face value and always ask the question, 'why?' Not only do you learn about your company and things that may help you get ahead, but also if you are new to the company, you bring in a fresh perspective and may provide valuable insight."

**Focus on the company** as a whole and not just on the job. Don't take things at face value and always ask the question, "why?"

As a recent first-time mother, how does Laura manage all the details of her life? "My employer has been very supportive of my efforts to manage a career and family by allowing me to work part-time or from home. You have to decide that in the end what you are doing [working away from home] is what is best for you and your family otherwise you will second-guess yourself every day."

## MAB Alumni event planned

Plan on joining us for the second MAB alumni event in Junction City, KS (located 15 miles west of Manhattan). Events are scheduled for April 19-21, 2007 and will be held at the Courtyard by Marriott.

The program will kick-off Thursday evening with professional programming and continue through Friday afternoon. Saturday the group will attend the K-State spring football game and enjoy the festive atmosphere. *Be watching for more details!*

If you have thoughts on program topics or are interested in being on the planning committee, please contact Mary at [mjbowen@ksu.edu](mailto:mjbowen@ksu.edu).

## Upcoming Events

### October

Accepting applications for MAB Class of 2009

### November 2

Deadline to order cap and gown from K-State Student Union Bookstore

### November 3

Last day to submit name for the Fall Commencement program

### November 27

Approval to schedule final examination and diploma information forms due

### December 1

Departmental and alumni scholarship applications due for 2007

### December 8

K-State Fall commencement

### December 15

Final copy of thesis due to graduate school

### January 2-7, 2007

Campus Session

### March 19-23, 2007

Campus Session

### April 19-21, 2007

Alumni Event & spring football game

**Sara Sellers**, class of 2007, and her fiance, Enzo Zouaoui, announced their engagement. An April wedding with celebrations in Texas and Morocco are planned.

**Clay Mead**, class of 2008, recently became the Gelbvieh Association in Nebraska (GAIN) Field Representative. He is in charge of the state publication and website, as well as helping with promotion and marketing of the breed for association members.

**Sandra Alton**, alum, accepted a full-time position with Agricorp, where she has been working since last spring as Research Assistant. Sandra also entered livestock in the Canadian Junior National Shorthorn Show and her entry won Grand Champion Female in early August.

**Leanne Hoagland**, class of 2007, and her husband, Brett announce the birth of their son, Connley James on September 15. Connley weighed 8 lbs 8 oz and was 21 inches long.

**Robert Deraas**, class of 2003, is now the Operations Manager for CHS Sunflower in Grandin, ND. CHS Sunflower is a division of CHS Inc. processing and distributing confection sunflower for snacks and baking use.

**Jess Thompson**, alum, was recently promoted to President of 1st Independence Lawrenceburg. He also acquired Marshall's Spirit Shoppe in Lawrenceburg, Ky.

**Chris Carey**, class of 2007, accepted a position as Safety Manager at Fehr Foods, "Home of the Lil' Dutch Maid Cookies," in Abilene, Texas.

**Mike Schuele**, class of 2008, and his wife, Marlene, announce the birth of their daughter, Halle Michelle, on August 27. Halle was 19.5 inches long and 6 lbs 8.5 oz.

**Jim Zook**, alum, celebrated the completion of a new ethanol plant ahead of schedule and below budget. The plant started operation on August 31, 2006.

**Ed Stephenson**, class of 2008, and his wife announce the birth of their son, Edward Chance III on July 18.

**Kate Repair Duke**, class of 2008, and her fiance, Adam Duke, were wed on August 12. The couple also purchased their first home in Chapel Hill N.C.

**Marvin Knoeber**, class of 2005, has moved from Garden City, Kan. and is now residing in Fort Collins, Colo.

**Paula Prindiville**, class of 2008, is now an Sales Consultant for Scholastic Books in Fenton, Mo.

**Stacie Garvert**, class of 2007, has accepted a position as a Fixed Income/Equities Trader for Leuthold Weeden Asset Management in Minneapolis, Minn.

**Cindy Birchmeier**, alum, and her husband, Darron, announce the birth of their son, Blake Michael on May 16. He weighed 6 lbs 10 oz.

**Angie Pierce**, alum, accepted an Energy Trader position with Musket Corporation (an affiliate of Love's) in Oklahoma City, Okla.

**Young Jung**, class of 2007, and his wife, Soo Yee, announce the birth of their son, Jay on June 22. Jay was 7.7 lbs and 22 inches.

**Michelle Evosovich**, alum, and her fiance, Rich Adams, announce their engagement. They are planning a December 2 wedding in Lincoln City, Ore.

In the news

# Russia continued from page 1



Equipment at the Dmitrov Dairy farm outside of Moscow.



Workers at Elinar Broiler facility near Moscow.

*"The trip to Russia gave me a much greater appreciation for agriculture in the United States."*

- Max Irsik, MAB Alum and trip participant

*"The tractor utilization education that Russian students have the opportunity to obtain was incredible and the faculty of both universities seemed to be very dedicated to their students and programs."*

- Sara Sellers, class of 2007 and trip participant



Stain-glass window St. Isaac's Cathedral in St. Petersburg.



Trinity Gate at the Kremlin.

*"Whenever I think about this great trip to Russia, I just keep coming back to a comment from one of the interpreters: 'visiting Russia will make you appreciate that the definition of normal is different for each person on earth.'"*

- Keith Kennedy, MAB Alum and trip participant



Class of 2008 students Marcella Warner, Catia Jorge and Joel Phelps at Moscow State Agro-Engineering University.



The Dmitrov Dairy farm outside of Moscow. The farm milks 500 cows three times a day.

## Master of Agribusiness

Kansas State University  
324 Waters Hall  
Manhattan, KS 66506-4011  
235