

FRE 515: Agribusiness Management

COURSE DESCRIPTION



Welcome to FRE 515, Agribusiness Management! This is a course in agribusiness management designed specifically for Master of Food and Resource (MFRE) students. This course can be taken by students with or without previous business experience. Topics covered include: accounting, finance, valuation, marketing, operations and production management, leadership, sustainability, entrepreneurship, and overall evaluation/analysis of an agribusiness.

Image of Dr. Karen Taylor

COURSE DETAILS

Course Duration: January 6th – April 8th Credits: 3

Class Location: MCML 154

Lectures:

Part I: January 6th – February 14th

Tuesdays: 10:00 am – 1:00 pm

Part II: February 24th – April 8th

Mondays / Wednesdays: 10:30 am – 12:00 pm

Site Visits: We will go on Site Visits during Part II. Fridays 9:00 am – 2:00 pm

Check the MFRE Schedule regularly for updates.

INSTRUCTOR

Instructor: Dr. Karen W. Taylor, PhD, MBA, P.Ag.

Email: kw.taylor@ubc.ca

Phone: 604-812-3356

Office hours: TBD. In Part I, I am able stay after each class to answer questions and discuss.

Office hours may be booked via email and held in person or online, whichever is most convenient.

Office location: MCML 352

Course Assistant: TBD

LEARNING OUTCOMES

By the end of this course, students will be able to:

1. Analyze financial statements, calculate key ratios and utilize findings to make informed management decisions.
2. Assess an agribusiness's value using EBITDA, Cash flow, Enterprise Value, and Discounted Cash Flows for purchases, sale, or financing decisions.
3. Examine agribusiness financing and sustainability finance by identifying capital sources and explore how sustainable finance is shaping the agribusiness market.
4. Learn from real-world agribusiness examples by applying concepts from case studies and site visits to actual agribusinesses, gaining insights from industry leaders on production management, sustainable practices, and the challenges of operating successful agribusinesses.

COURSE DETAILS

BIG QUESTION & REAL-WORLD APPLICATIONS IN CLIMATE, FOOD AND THE ENVIRONMENT:

1. How is an agribusiness analyzed to make strategic decisions, to determine value, and ensure future sustainability?
2. How are firms, investors, and lenders going to tackle climate-change and sustainability together?

This course is designed to further develop and analyze concepts learned in FRE 516 and apply them in a practical context with real-life examples in the agriculture, food and resource sectors. This is done as a combination of in-class lectures and site-visits in the Lower Mainland so students can see first-hand agribusiness in action! Topic coverage includes financial statement analysis and how it is used by owners, investors, lenders, and industry stakeholders to make decisions. We discuss how to value a business in terms of its assets, earnings, cash flow, and market factors. Students learn in depth about the real-world financing of agribusinesses, sources and uses of capital, and how sustainable finance is currently utilized. We discuss various production management techniques (JIT, LEAN, vertical integration, etc.), and what successful leadership looks like. The class will dive into what is recently occurring related to sustainable finance and how lending and businesses are preparing and learning to adapt to upcoming changes related to climate-change and sustainability reporting. We will also delve into how Artificial Intelligence (AI) is being used in the agriculture and food sectors, as well as by banks.

LEARNING MATERIALS

Class Notes: Class notes (in online format) will be available on the **Canvas website** prior to class. You may print and bring these notes to class each time, or you may view them electronically in class. These notes will generally be in power point and only provide basic information. Additional notes will need to be taken by student during class.

Reading Materials: A combination of theory and real-world examples will be used in this class. Readings from a variety of textbooks and online websites will be made available to students to read and learn the theory. Case information will be provided to students, including information on the industry and the agribusiness.

There is no textbook required for this course. Articles, book chapters, etc. will be provided to students and posted online. Below is a list of textbooks that may be of interest, but any information presented will be given in the power points slides or posted online through Canvas.

Source Textbooks:

- Barnard, Freddie L., et al. *Agribusiness Management (5th Edition)*. New York: Routledge, 2016.
- Berk, Jonathan, et al. *Fundamentals of Corporate Finance (Canadian Edition)*. Ontario: Pearson Education Inc., 2013. (or similar textbook)
- Higgins, Robert C. *Analysis for Financial Management (6th Edition)*. New York: Irwin-McGraw Hill, 2001.
- Schmitz, Andrew, et al. *Agricultural Policy, Agribusiness, and Rent-Seeking Behaviour (2nd Edition)*. Ontario: University of Toronto Press, 2010.
- Koller, Tim, et al. *Valuation: Measuring and Managing the Value of Companies, (7th Edition)*. Wiley, May 2020.

Case Studies: Case studies will be handed out to students during the term. These are sourced from Harvard Business Publishing and/or Ivey Publishing.

ASSESSMENTS

Assignments (Best 5 out of 6)	20 %
Group Presentation	15 %
Midterm	20 %
Participation (Class & Site Visits)	10 %
Final Exam	35 %
TOTAL	100 %

Group Presentation: This is a Group Project involving Business Analysis & Valuation Determination.

Objectives: Students will have the opportunity to utilize the tools learned in class and take a deep dive into a business, analyze it, determine a valuation, and recommend if they would or would not invest in the business.

Changes may be made to the assessment, to the discretion of the instructor, and will be relayed to the students.

COURSE POLICIES

Assignments:

Unless otherwise indicated, assignments are due at 11:59 pm via Canvas on the due date. For each assignment, specifications will be provided of what to include in the final product. The grade received by the student for the assignment will be based on how well the student met the stated specifications, as well as any additional insight the student brings to the assignment. Therefore, for each assignment, it is important for each student to make sure that they understand the objectives and specifications, and ask questions if clarification is needed. This is the same approach that each student should take in their professional life. It is the responsibility of the student to fully understand assignment and course expectations.

Assignments are designated as Individual Assignments and must be submitted individually. Discussion and collaboration among students are strongly encouraged. However, for Individual Assignments, each student must do their own work and submit their original work. Identical submissions are a form of academic dishonesty and immediately receive a grade of zero and possibly negative affect your academic record.

Late Assignments: Late assignments will incur a 10% deduction for each day the assignment is late, including weekends, unless previously arranged for a qualified extension with the Instructor.

Missed Assignments: If you miss an assignment or need to reschedule an assignment, you must discuss this with your Instructor. If you have not discussed with your Instructor prior to the submission date, you will receive a grade of 0.

Exam Policies:

All exams will be in-person and will follow MFRE exam protocol (See Student Portal). Exams may be online, e.g., in Canvas, but students must be physically present, use the lock-down browser, and invigilated. If a student is unable to write an exam, they must have a verifiable doctor's note and must contact the Course Instructor, Course Assistant, and MFRE Program Coordinator before the scheduled exam date/time. If the documentation is considered legitimate, the Course Instructor will let you know how to proceed. **If you miss an exam and you have not previously discussed this with the Instructor, you will receive a grade of zero. Notification after the exam date is not acceptable and will result in a grade of zero.** Calculators may be utilized in class, on assignments, and during the exams.

Participation:

Participation is based on student engagement in class discussions, site visits, and outside of the classroom.

Criteria	Excellent (10 points)	Good (7 points)	Satisfactory (5 points)	Needs Improvement (2 points)	Unacceptable (0 points)
Frequency of Contributions	Participates frequently and consistently without dominating discussions.	Participates regularly but may not speak in every class.	Participates sporadically but contributes when called upon.	Rarely participates unless prompted.	Does not participate in discussions.
Quality of Contributions	Contributions are insightful, relevant, and promote further discussion.	Contributions are relevant and add value to the discussion.	Contributions are somewhat relevant but lack depth or connection to the material.	Contributions are minimal and show little understanding of the material.	No contributions are made.
Respectful Engagement	Actively listens to peers, responds thoughtfully, and shows respect for diverse opinions.	Engages respectfully with peers, though responses may not always be deep.	Listens but may not respond thoughtfully.	Shows minimal engagement with peers or dismisses differing views.	Disrupts discussions or shows disrespect to peers.

Group Presentation:

Group presentation is marked for the entire group. However, a peer review is given to each Group member to provide feedback on the level of participation of each individual Group member. A rubric will be provided to students as part of the Group Assignment. Marks may be adjusted, based on the peer review feedback.

Plagiarism:

All materials of this course (course handouts, lecture slides, assessments, course readings, etc.) are the intellectual property of the Instructor or licensed to be used in this course by the copyright owner. Redistribution of these materials by any means without permission of the copyright holder(s) constitutes a breach of copyright and may lead to academic discipline and could be subject to legal action. Further, audio or video recording of classes are not permitted without the prior consent of the instructor. If there is an incident of academic dishonesty, it will be discussed with the MFRE Academic Director and action will be taken, as per MFRE program policies.

Generative Artificial Intelligence (AI) Use:

The use of Generative AI tools at UBC is a course or program-level decision. Students are permitted to use AI tools for formative work such as gathering information or brainstorming but may NOT use it on any assessed work or final submission. Students are ultimately accountable for the work they submit, and any content therein. *Note: AI is a developing area and guidelines of its use may change.* Students are encouraged to learn the material and produce their own output, rather than AI generated output.

COURSE SCHEDULE

Date	Class Topics
THEME 1: ANALYZING AN AGRIBUSINESS	
Tuesday January 7 10 am – 1 pm	<ul style="list-style-type: none"> • Introduction to the course and discuss course outline • Introduction to Canadian Agriculture and resources available • Review of Understanding Financial Statements
Tuesday January 14 10 am – 1 pm	<ul style="list-style-type: none"> • Analyzing Financial Statements • Calculating Ratio Analysis & identifying key financial metrics • Issues affecting Agribusinesses (growing livestock, crops, etc.) • Information on supply managed industries – as a Practice Assignment
Tuesday January 21 10 am – 1 pm	Assignment #1 Due (Monday) <ul style="list-style-type: none"> • Understanding the Profit Function; how to maximize profits, given the agricultural industry. Cash Flow, Break-even Analysis, Payback period • Impact of supply management system on how an agribusiness operates – how is it different than other competitive industries
THEME 2: BUSINESS VALUATION: ANALYZING A COMPANY (FOR SALE OR PURCHASE)	
Tuesday January 28 10 am – 1 pm	<ul style="list-style-type: none"> • How to analyze a business, the industry, the management team, etc. • Critically examining the strengths, weaknesses, opportunities, and threats of a business. • Enterprise Value, key ratios for valuing businesses
Tuesday February 4 10 am – 1 pm	Assign #2 Due (Monday) <ul style="list-style-type: none"> • Decision factors affecting the purchase and sale of a business. • Valuation vs. Appraisal
Tuesday February 11 10 am – 1 pm	<ul style="list-style-type: none"> • Clarify Enterprise Value, FCF, etc. Guest Lecturer (details TBD): Valuing Securities
MIDTERM (SPRING) BREAK: FEBRUARY 17th – 21st	
Mon / Wed February 24/26 10:30 am – 12 pm	Assign #3 Due <ul style="list-style-type: none"> • Review of Valuations – who buys a business? • Begin Financing an Agribusiness (Sources & Uses of Capital)
Monday March 3 10:30 am – 12 pm	Midterm
THEME 3 – FINANCING THE AGRIBUSINESS / SOURCES & USES OF CAPITAL	
Wed March 5 10:30 am – 12 pm	<ul style="list-style-type: none"> • Financing an Agribusiness (for purchase, expansion, merger, etc.) • Exploring sources and costs of capital • The role of debt, sub debt, mezz debt, equity investor, private equity firms, etc. • Collateral Discussion – what is taken for security to secure indebtedness
Friday, March 7 9:00am – 2:00pm	Potential Site Visit (details TBD)
Mon / Wed March 10 & 12 10:30 am – 12 pm	Assign #4 Due (Monday) <ul style="list-style-type: none"> • Exploring short-term and long-term source of capital and capital requirements for agribusinesses. • How is AI utilized in the world of finance.
Friday, March 14 9:00am–2:00pm	Potential Site Visit (details TBD)

THEME 4 –& PRODUCTION MANAGEMENT / SUSTAINABLE FINANCE / SUSTAINABLE AGRICULTURE		
Mon / Wed March 17 & 19 10:30 am – 12 pm	<ul style="list-style-type: none">• Production Management - Management practices used in Agribusiness such as vertical integration, LEAN, JIT, etc.• Cost & benefits of LEAN and other production methods.	
Friday, March 21 9:00am–2:00pm	<i>Potential Site Visit (details TBD)</i>	
Mon / Wed March 24 & 26 10:30 am – 12 pm	Assign #5 Due (Monday) <ul style="list-style-type: none">• Sustainable Finance, Sustainable Agriculture – what does this mean? What are banks doing to support sustainability? What are agribusinesses doing to become more sustainable?• <i>Guest Speaker on Sustainability (details TBD)</i>• Innovation, Leadership, Building & Exiting an Agribusiness• Personal Financial Literacy	
Friday, March 28 9:00am–2:00pm	<i>Potential Site Visit (details TBD)</i>	
Mon / Wed March 31 / April 2 10:30 am – 12 pm	Group Presentations	
Friday, April 4 9:00am–2:00pm	<i>Potential Site Visit (details TBD)</i>	
Monday April 7 10:30 am – 12 pm	Assign #6 Due (Monday) <ul style="list-style-type: none">• Class Wrap Up / Final Exam Review & Discussion• Student Choice of Topic	
Final Exam Period: April 12th – 27th We will schedule a review session prior to the Final Exam, if students would like. Final Exam Date TBD		

This Course Schedule is dynamic and may change.

Because there are several site visits, guest speakers, discussions with business owners, and changing work schedules, some classes may be rescheduled. Students will be advised in advance as the schedule changes.

An updated course schedule will be posted to Canvas regularly – we advise students to check it frequently.

MFRE PROGRAM - COURSE PROTOCOL POLICIES

Working with Others on an Assignment

You are encouraged to work with other students, but you must turn in your own individual assignment. If you have an answer that is too close to another student's answer, this will be considered academic dishonesty and this will be handled according to the MFRE and UBC policies.

Recordings

There is no required distribution of recordings of class. Recording will be provided based upon on the decision of the course instructor. Classes are designed as and are intended to be in-person.

Copyright

All materials of this course (course handouts, lecture slides, assessments, course readings, etc.) are the intellectual property of the instructor or licensed to be used in this course by the copyright owner. Redistribution of these materials by any means without permission of the copyright holder(s) constitutes a breach of copyright and may lead to academic discipline and could be subject to legal action. Further, audio or video recording of classes are not permitted without the prior consent of the instructor.

Missing Classes/Labs

Students are expected to attend all classes, labs, or workshops. If you cannot make it to a class, lab, or workshop due to a medical or personal emergency, email your Instructor, your Course Assistant, and Olivier Ntwali, MFRE Program Coordinator ahead of time to let them know.

Respectfulness in the Classroom

Students are expected to be respectful of their colleagues at all times, including faculty, staff and peers. This means being attentive and conscious of words and actions and their impact on others, listening to people with an open mind, treating all MFRE community members equally and understanding diversity.

Respect for Equity, Diversity, and Inclusion

The MFRE Program strives to promote an intellectual community that is enhanced by diversity along various dimensions including status as a First Nation, Métis, Inuit, or Indigenous person, race, ethnicity, gender identity, sexual orientation, religion, political beliefs, social class, and/or disability. It is expected that all students and members of our community conduct themselves with empathy and respect for others.

Centre for Accessibility

The [Centre for Accessibility](#) (CfA) facilitates disability-related accommodations and programming initiatives designed to remove barriers for students with disabilities and ongoing medical conditions. If you are registered with the CfA and are eligible for exam accommodations, it is your responsibility to let Olivier Ntwali, Academic Program Coordinator, and each of your Course Instructors know. You should book your exam writing with the CFA using its [exam reservation system](#): for midterm exams or quizzes, at least 7 days in advance; and final exams, 7 days before the start of the formal exam period.

MFRE PROGRAM - ACADEMIC HONESTY POLICIES

Plagiarism and Academic Dishonesty

Academic dishonesty and plagiarism are taken very seriously in the MFRE program. All incidences of plagiarism will be escalated to the MFRE Academic Director with penalties ranging from a mark of zero on the assignment, exam or course to being required to withdraw from the program. Note: If a student needs to extend his/her program due to a failed course or unsatisfactory progress, they will have to pay the full MFRE tuition fees for that term/s.

Academic misconduct that is subject to disciplinary measures includes, but is not limited, to the following:

- **Plagiarism**, which is intellectual theft, occurs where an individual submits or presents the oral or written work of another person as his or her own. Correct citations must be provided where applicable for all reports/assignments. In all MFRE courses, material will be submitted to a service which UBC subscribes to, called TurnItIn. This service checks textual material for originality. For more information, review the [TurnItIn website](#).
- **Using Generative Artificial Intelligence (AI) tools** like ChatGPT, Bard, or other Generative AI models to generate content or conduct analysis for evaluations, without proper citation and or if asked not to use AI, is considered plagiarism and academic misconduct. If students use AI in their submissions, they must cite the AI generator using citations consistent with the UBC Academic Honesty Standards.
- **Cheating**, which may include, but is not limited to falsification of any material subject to academic evaluation, unauthorized collaborative work; or use of unauthorized means to complete an examination.
- **Working with Others on an Assignment** is encouraged, but you must turn in your own individual assignment. If you have an answer that is too close to another student's answer, this will be considered academic dishonesty and a grade of zero will be applied and the matter handled according to the MFRE and UBC policies.
- **Resubmission of Material**, submitting the same, or substantially the same, essay, presentation, or assignment more than once (whether the earlier submission was at this or another institution) unless prior approval has been obtained from the instructor(s) to whom the assignment is to be submitted.
- **Use of Academic Ghostwriting Services**, including hiring of writing or research services and submitting papers or assignments as his or her own.

Student Responsibility: Students are responsible for informing themselves of the guidelines of acceptable and non-acceptable conduct for examinations and graded assignments as presented via MFRE Code of Conduct; MFRE Turn it in, Course Syllabus, MFRE Instructors; Canvas and UBC academic misconduct policies.

Penalties for Academic Dishonesty: Penalties for academic dishonesty are applied at the discretion of the MFRE program. Incidences of academic misconduct may result in a mark of zero on the assignment, examination, or course, required withdrawal from the program, and/or the matter being referred to UBC Graduate Studies.

LAND ACKNOWLEDGMENT

UBC's Point Grey Campus is located on the traditional, ancestral, and unceded territory of the xwməθkwəyəm (Musqueam) people. The land it is situated on has always been a place of learning for the Musqueam people, who for millennia have passed on their culture, history, and traditions from one generation to the next on this site.

Welcome to FRE 515!
I hope you will learn a lot and HAVE FUN!! 😊