



FOOD MARKETING POLICY CENTER

NEWSLETTER

Department of Agricultural and Resource Economics
College of Agriculture and Natural Resources
University of Connecticut

Mission

The Food Marketing Policy Center conducts research on food and agricultural marketing and related policy questions. It facilitates research by maintaining large scale data bases and a visiting research scholars program. The general intent is to provide information that can contribute to improved performance of the food production and marketing system. Key users include farmer and consumer organizations, agribusiness firms, public agencies, state legislatures, and the U.S. Congress.

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Cooperating Research Personnel at Other Universities

Tirtha Dhar, Assistant Professor (Marketing), Sauder School of Business, University of British Columbia, Vancouver, BC, Canada.

Avi Goldfarb, Assistant Professor (Marketing), University of Toronto School of Business, Canada.

Christian Rojas, Ph.D. student, Dept. of Economics/Agricultural Economics, Virginia Tech.

Bart Bronnenberg, Associate Professor of Marketing, The Anderson School at UCLA.

Jason P. Hulbert, Ph.D. student, Dept. of Economics, University of Virginia, Charlottesville.

Cathy Roheim, Professor, Environmental and Natural Resource Economics, University of Rhode Island, Kingston.

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Personnel Changes

Adam David Rennhoff has completed his Ph.D. at the University of Virginia and is now an Assistant Professor in the Department of Economics and International Business, LeBow College of Business, Drexel University, Philadelphia, PA.

Maria Gonzalez, Research Associate, Agricultural Economics Branch, Agro-food Research and Technology Center, Zaragoza, Spain.

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Workshop on “Economic Measures of Interventions” held at UMass

Twenty-five researchers from around the country and from the European Union gathered at UMass on

December 2-3 for a workshop on food safety policy titled, “Economic Measures of Interventions.” The workshop was sponsored by the Food Safety Research Consortium (<http://www.rff.org/fsrc/>), a multi-disciplinary collaboration to improve public health. The Food Marketing Policy Center is a founding member of the consortium. The workshop’s goal was to develop an integrative modeling system approach for evaluating the effectiveness of interventions intended to improve public health by reducing foodborne safety risks. To contribute to successful risk management and prioritization of possible interventions, the workshop focused on the elements of a model that can successfully incorporate the technical effectiveness of interventions in reducing risk, the resulting benefits from improvements in public health, and the costs of intervention.

For more information on the workshop see: http://www.card.iastate.edu/food_safety/.

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Food Marketing Policy Center Graduate Assistantships Available, Fall 2005

The Food Marketing Policy Center in the Department of Agricultural and Resource Economics has graduate assistantships available at the Ph.D. level. Students with interest in organization of food industries and one or more of the following: demand and price transmission analysis, comparative analysis of U.S. and European foods systems, cooperatives, industrial organization economics, or antitrust policy are encouraged to apply. Support will be for four years. For further information, please contact Ronald W. Cotterill, Director, Food Marketing Policy Center, Storrs, CT 06269-4021. Tel. (860) 486-2742, Fax (860) 486-2461, or Email: Ronald.Cotterill@uconn.edu.

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AGRIBUSINESS: An International Journal update by R. W. Cotterill, Editor

Agribusiness, and more than a dozen other economic journals, are now available on line to subscribers at (www.interscience.wiley.com). The journal is also indexed in Econlit.

Instructions for manuscript submissions are available by email: (FMPC@UCONN.EDU). Manuscripts are submitted electronically to the same address. Articles appearing in Issues No. 3 and 4, 2004 are as follows:

***Agribusiness* 20(3) Summer 2004**

"Technical Knowledge for Food Product Innovation in Thailand" by Prasong Siriwongwilaichat and Ray J. Winger.

"An Analysis of Marketed Surplus Response of Cereals in Haryana State of India" by S.K. Goyal and Ernst Berg.

"Farmer-Owned Brands?" by Dermot J. Hayes, Sergio H. Lence, and Andrea Stoppa.

"Australian Wines in the British Wine Market: A Hedonic Price Analysis" by Bodo E. Steiner.

"Demand for Nonalcoholic Beverages: The Case of Low-Income Households" by Steven T. Yen, Biing-Hwan Lin, David M. Smallwood, and Margaret Andrews.

"The Concept of Retailer Value: A Means-End Chain Analysis" by Hans Skytte and Karsten Bove.

"Captive Supplies and Cash Market Prices for Fed Cattle: The Role of Delivery Timing Incentives" by John R. Schroeter and Azzeddine Azzam.

"Are Cattle on Feed Report Revisions Random and Does Industry Anticipate Them?" by Jeffrey B. Mills and Ted C. Schroeder.

Book Review by William Knudson
Government Policy and Farmland Markets: The Maintenance of Farmer Wealth by Charles B. Moss and Andrew Schmitz.

***Agribusiness* 20(4) Autumn 2004**

"The Impact of Cooperative Structure and Firm Culture on Market Orientation and Performance" by Kyriakos Kyriakopoulos, Matthew Meulenberg, and Jerker Nilsson.

"Information Asymmetry and the Role of Traceability Systems" by Jill E. Hobbs.

"New Market Groupings Based on Food Consumption Patterns" by Ronald B. Larson.

"Competitiveness and Consumer Preferences of U.S. Fruits in Taiwan" by Jane Lu Hsu and Joyce Jong-Wen Wann.

"Logistics and Supply Chain Strategies in Grain Exporting" by William W. Wilson, Donald C.E. Carlson, and Bruce L. Dahl.

"Cotton Producers' Choice of Marketing Techniques" by Oscar Vergara, Keith H. Coble, Thomas O. Knight, George F. Patrick, and Alan E. Baquet.

"Assessing the Efficiency of Exchange Rate-Linked Subsidies (ERLS) for Non-Price Export Promotion: The Case of Cotton" by Laxmi Paudel, Murali Adhikari, Jack E. Houston, and Henry W. Kinnucan.

"The Coir Fiber Industry in Sri Lanka: Reasons for Its Decline and Possible Turnaround Strategies" by H.S. Rohitha Rosairo, Tamotsu Kawamura, and T.L.G. Sanjeevani Peiris.

Book Review by K.C. Talukdar and S. Bhuyan
Developing Agricultural Trade: New Roles for Government in Poor Countries, by Michael Hubbard.

Activity Report

Ronald W. Cotterill

(*Ag. Econ., University of Connecticut*)

Ron will deliver an invited paper at the Australian Agricultural and Resource Economics Society meeting titled, "Industrial Organization Analysis of Supermarket Retailing: Common Global Concerns that Play Out in Local Markets," Coffs Harbour, N.S.W., February 10, 2005.

Julie Caswell

(*Ag. Econ. University of Massachusetts*)

Julie Caswell has been selected as one of four faculty members to participate in the Distinguished Faculty Lecture Series for 2004-2005 at the University of Massachusetts. She will give her lecture titled, "A Food Scare A Day: Why Aren't We Better at Managing Dietary Risks?" on February 28. At that time she will be awarded the Chancellor's Medal.

Julie Caswell gave an invited plenary presentation on *Food Safety and Other Quality Attributes: A U.S. Perspective* at the 5th Congreso de Economía Agraria, Asociación Española de Economía Agraria (Spanish Agricultural Economics Association), Santiago de Compostela, Spain, September 16, 2004.

Jason P. Hulbert

(*Dept. of Economics, University of Virginia*)

Jason Hulbert is working on a paper titled, "A Dynamic Model of Multiproduct Firms: Advertising and Product Menu Choice in the Ready-to-Eat Cereal Industry" using cereal data provided by the Food Marketing Policy Center.

Robert J. Johnston

(*Ag. Econ., University of Connecticut*)

Rob has been working with Cathy Roheim of the University of Rhode Island (Environmental and Natural Resource Economics) to complete the final

report, "Consumer Preferences for Ecolabeled Seafood: Results of a Connecticut Survey." Completion is scheduled for December, 2004.

Concurrently, Rob and Cathy have nearly completed a manuscript with a working title, "A Battle of Taste and Environmental Convictions for Ecolabeled Seafood: A Choice Experiment." They anticipate submission of this paper to the *Journal of Agricultural and Resource Economics* within the next few weeks.

Based in part on the results of this work, Rob and Cathy will be submitting a preliminary proposal to Rhode Island Sea Grant to conduct further research regarding tradeoffs in seafood ecolabeling. Papers are also being planned for submission to the 2005 meetings of the American Agricultural Economics Association in Providence, Rhode Island.

Nathalie Lavoie

(*Ag. Econ. University of Massachusetts*)

Nathalie Lavoie presented, "Pricing-To-Market Using Disaggregated Data: Evidence from Canadian Wheat Exports" at the joint CAES-NAREA meetings in Halifax, NS, June 20-23, 2004 (paper joint with Sirisha Naidu).

Nathalie Lavoie presented, "Pricing-to-Market: Price Discrimination or Product Differentiation?" at the Annual Meeting of the American Agricultural Economics Association, Denver, CO, August 1-4, 2004 (paper joint with Qihong Liu).

Nathalie Lavoie presented, "Market Power in Direct Marketing of Fresh Produce: Community Supported Agriculture Farms" at the Annual Meeting, American Agricultural Economics Association, Denver, CO, August 1-4, 2004 (paper joint with Dan Lass and Rob Fetter).

Nathalie Lavoie presented, "Pricing-to-Market: Price Discrimination or Product Differentiation?" at an invited seminar at the University of Nebraska, Lincoln on October 15, 2004 (paper joint with Qihong Liu).

Ricky Volpe is working on a master's thesis entitled, "The Impact of Wal-Mart Supercenters on Grocery Prices in New England." The committee consists of Nathalie Lavoie (chair), Ron Cotterill (member), and Dan Lass (member).

Qihong Liu

(*Ag. Econ., University of Massachusetts*)

Qihong Liu attended the American Agricultural Economics Association meeting, Denver, Colorado, August 2004.

Rigoberto Lopez

(*Ag. Econ., University of Connecticut*)

Rigoberto Lopez gave a presentation entitled, "The Politics of Food," at a Symposium on World Food Politics at the Dodd Center, University of Connecticut, October 15, 2004, in celebration of World Food Day. He also gave a presentation on, "A Town-Level Assessment of Community Food Security in Connecticut" to the Connecticut Food Policy Council, Hartford, Connecticut, on October 14, 2004.

Benaissa Chidmi gave a presentation of a paper co-authored by Rigoberto Lopez and Ronald W. Cotterill, at the August 2004 American Agricultural Economics Association Meetings in Denver, Colorado. The paper is entitled, "Vertical Relationships in the Ready-to-Eat Breakfast Cereal Market: A Brand-Supermarket Level Analysis."

Sylvie Tchumtchoua (Ph.D. student) and Rigoberto Lopez finished the first draft of a report on community food security in Connecticut which has been supported by a USDA project managed by the Hartford Food System with supplementary support from the Center.

Maria Gonzalez (Ph.D., UConn 2004) continues her research on the comparative efficiency of U.S. milk processing plants using Data Envelopment Analysis. A copy of her report is due in January 2005.

Christian Rojas

(*Dept. of Economics, Virginia Tech*)

Christian Rojas and Everett Peterson are in the process of finishing a paper titled, "Demand Estimation with Differentiated Products: The Case of Beer in the United States" using the LNA data provided by the Food Marketing Policy Center.

Christian Rojas and Everett Peterson are also working on a paper that evaluates different game theoretic models of brewers pricing behavior, with an emphasis on the leadership model.

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Data Corner

Recent acquisitions include:

Trade Dimensions Market Scope. The Desktop Guide to Supermarket Share 2005.

Trade Dimensions High-Volume Retailers—The Alternate Channel Sourcebook, 2005 (formerly the *Directory of Mass Merchandisers*).

The Food Marketing Policy Center has extensive holdings of Competitive Media Reporting, Leading National Advertisers, national advertising data, 1987-1997. Contact the Policy Center for details on specific holdings.

The Food Marketing Policy Center subscribes to the following trade journals; the current holdings are listed for each publication:

Promo, Promotion Marketing Worldwide, November 1997-current.

Progressive Grocer, The Publication for Strategic Management, November 1987-current.

Sales and Marketing Management, January, 1989-current.

Supermarket Business, 1996-current.

Supermarket News, The Weekly Newspaper of Food Retailing, 1980-current.

Food Institute Report, 1984, 1985, 1988-current.

Private Label, The Magazine for the Brands. 1993-current.

Cooperative Grocer, For Retailers and Cooperators. 1994-current.

Cheese Reporter, Serving the World's Dairy Industry Weekly, 2000-current.

The Griffin Report of Food Marketing, 1991-current.

Hoard's Dairyman—The National Dairy Farm Magazine. February 2003-current.

The Milkweed, The Farmer's Milk Marketing Report, October 2000-current.

Contact Adam N. Rabinowitz (860) 486-2826 for a complete listing of data and reference works available.

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Food Marketing Policy Center Publications Catalog

We have updated the list of the publications that are available through the Center. Call (860) 486-1927, write for a copy, or print it from our Home Page: <http://www.fmcp.uconn.edu>

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Recent Papers and Publications

Azzam, A., Lopez, E., and R. A. Lopez. "Imperfect Competition and Total Factor Productivity Growth." *Journal of Productivity Analysis* 22 (November 2004): 173-184.

Bonanno, A. and R.A. Lopez. "Private Labels and Supermarket Milk Prices." *Journal of Agro-Food Industrial Organization*: 2004, Vol. 2, No. 2:in print.

Caswell, Julie A. "Ethics, Globalization, and Hunger: Food Safety Standards in Rich and Poor Countries." Commissioned paper presented at the H.E. Babcock Workshop on Ethics, Globalization, and Hunger: In Search of Appropriate Policies. Cornell University, Ithaca, NY, November 17, 2004.

Caswell, Julie A. and Spencer Henson. *Precaution in Food Safety Regulation: Comparing the European, Canadian, and U.S. Perspectives*. Presentation in Symposium on The Precautionary Principle and the Law of Unintended Consequences at the Annual Meeting of the American Agricultural Economics Association, Denver, August 2004.

Chidmi, Benaissa, Rigoberto Lopez and Ronald W. Cotterill. "The Dairy Compact, Market Power, and Milk Prices in Boston." *Agribusiness*. Forthcoming 2005.

Dhar, Tirtha P., Jean-Paul Chavas, Ronald W. Cotterill, and Brian W. Gould. "An Econometric Analysis of Brand Level Strategic Pricing Between Coca Cola and Pepsi Inc." *Journal of Economics and Management Strategy*. Revised and resubmitted.

Erdem, Seda. 2004. *Decision-Making Tools for Effective Reduction of Foodborne Health Risk*. M.S. thesis, 154 pp.

Fouayzi, Hassan, Julie A. Caswell, and Neal H. Hooker. In Press. "Motivations of Fresh-Cut Produce Firms to Implement Quality Management Systems." *Review of Agricultural Economics*.

Kim, Donghun. In Press. Estimation of the Effects of New Brands on Incumbents' Profits and Consumer Welfare: The U.S. Processed Cheese Market Case. *Review of Industrial Organization*.

Lavoie, Nathalie and Qihong Liu. “Pricing-to-Market: Price Discrimination or Product Differentiation?” Under review at the *Journal of International Economics*. The working paper (no. 2004-11) is available at:
<http://www.umass.edu/resec/workingpapers/resecworkingpaper2004-11.pdf>.

Liu, Qihong and Konstantinos Serfes. “Customer Information Sharing among Rival Firms.” *European Economic Review*. Revised and resubmitted.

Liu, Qihong and Konstantinos Serfes. “Price Discrimination, Market Structure and Efficiency.” *Canadian Journal of Economics*. Revised and resubmitted.

Liu, Qihong and Konstantinos Serfes. “Imperfect Price Discrimination in a Vertical Differentiation Model.” *International Journal of Industrial Organization*. Revised and resubmitted.

Maldonado, E.S., S.J. Henson, J.A. Caswell, L.A. Leos, P.A. Martinez, G. Aranda, and J.A. Cadena. 2004. “Cost-Benefit Analysis of HACCP Implementation in the Mexican Meat Industry.” *Food Control* 16(4):375-381.

Tchumtchoua, S. and R.A. Lopez. *A Town-Level Assessment of Community Food Security in Connecticut*. A Report for the Connecticut Food Council and the Hartford Food System, November 22, 2004, 54 pages.

Tian, Li and Ronald W. Cotterill. “Constrained Price, Address, or Logit Brand Demand Models: An Econometric Comparison in the Boston Fluid Milk Market.” *Agribusiness*. Forthcoming 2005.

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