

MAY 28-30
1996
CANCÚN
MÉXICO

EMERGING CHALLENGES



WORLD CONGRESS VI



III INTERNATIONAL
AGRIBUSINESS SEMINAR



PRE-CONGRESS SYMPOSIUM, MAY 27

Agri-Food Business Education and Research

Purpose: To provide a forum for examination of the changing landscape for education and research services in the agri-food industries. Fueled by global changes in market integration, information technologies, and capital markets, both the demand and supply for such services are experiencing intense pressure for change. Organized to maximize interchange between and among participants and presenters, the symposium will feature:

- presentations of the latest in research approaches and findings focused on the strategic challenges facing agribusiness decision makers and
- demonstrations of state-of-the-art applications of information technology to education and training of current and future agribusiness managers.

9:00 AM WELCOME

9:15 AM SESSION 1

VIEWS OF THE FUTURE: THE ROLE OF COLLABORATION IN ACADEMIC PROGRAMS IN AGRIBUSINESS

An international panel of leading agribusiness academics will participate in a moderated discussion focused on the future for academic programs in agribusiness. The panel discussion will emphasize the role of collaboration (among industry, government and academia) in shaping future research and education programs. Representing programs which currently exemplify collaboration, the panel participants will draw upon these successful experiences in helping to shape our perspectives of future possibilities.

10:45 AM BREAK

11:00 AM SESSION 2

A RESEARCH FAIR

Poster/Paper Presentation Session: Symposium participants will have the opportunity to directly interact with authors of poster/paper illustrating the leading thinking in research addressing the strategic challenges of agribusiness decision makers. Both innovative approaches and important findings will be displayed within the poster/paper decision.

12:15 PM LUNCH TIME

1:45 PM SESSION 3

ADDRESSING STRATEGIC CHALLENGES OF THE 21ST CENTURY

Organized Discussion Session: Participants will have the opportunity to select among discussion sessions focused on specific emerging challenges for agribusiness decision makers in the 21st century.

Active dialogue and discussion among session organizers and participants will be featured.

3:00 PM BREAK

3:15 PM SESSION 4

AN INFORMATION TECHNOLOGY FAIR

Dialogue and Demonstrations: The emerging role of advanced technology in education current and future sector manager is becoming widely recognized. During this information fair, participants will observe state-of-the-art applications of this technology and will directly interact with the creators of those applications.

NEC-63 SYMPOSIUM

Agricultural Commodity Promotion Policies and Programs in the Global Agrifood System

How do market integration, privatization, and industrialization affect farmer and government efforts to develop and expand export markets? The Regional Research Committee on Commodity Promotion (NEC-63) is co-sponsoring a symposium at the IAMA World Agribusiness Congress VI to examine this subject. NEC-63 has sponsored symposia over the past ten years to examine research, evaluation and management issues relating to generic promotion programs for agricultural commodities and food products.

Three sessions are being planned. A panel of program administrators, including Mr. August Schumacher, Administrator of the Foreign Agricultural Service of the U.S. Department of Agriculture (invited) will highlight the program. Other sessions will examine policy, trade and effectiveness issues relating to export promotion. Papers are being solicited for these sessions. This symposium is scheduled for Sunday and Monday, May 26-27, 1996, preceding the congress. Registration for the pre-congress

would allow you to attend to this symposium at no extra charge. Persons interested in providing a solicited paper should send an abstract (one or two pages), and a separate sheet indicating author's name, organization, current title, address, fax and phone number, plus a brief paragraph describing interests and activities in the area of commodity promotion.

Please send this information to:

John P. Nichols, Chairman NEC-63
Department of Agricultural Economics
Texas A&M University, College Station, TX 77843-2124
Phone (409)845 8491 • Fax (409)862 3019

Deadline for submission is March 15, 1996. Authors selected for presentation will be notified by April 5, 1996. All travel, registration and other expenses are the responsibility of the participants.



Market Integration

8:30 AM OPENING PLenary SESSION

Welcome: Thomas N. Urban, President IAMA and Chairman, Pioneer Hi-Bred International; Bruno Ferrari, INTEGER and Director, Fomento Cultural y Educativo Pulsar; Mexican Government Dignitaries have been invited, including President Zedillo.

9:30 AM SESSION 1

EMERGING TRENDS IN WORLD FOOD SYSTEMS: IMPLICATIONS FOR MANAGERS

The global food system is changing at a rapid pace. Managers need to be able to identify new and evolving opportunities in the competitive arena. Demographic trends and food market growth are important factors in understanding markets for food and agricultural products. Market dynamics, such as the increasing GDP and per capita incomes worldwide, are changing the composition of the global food system.

11:00 AM BREAK

11:45 AM SESSION 2

STRATEGIC FOOD AND AGRIBUSINESS MANAGEMENT ISSUES IN A CHANGING WORLD

With the saturation of consumption in the developed markets, the food market has shifted from a sellers to a buyers market. Strategies of most food and agribusiness companies -from farmers to retailers- had to be redesigned according to the fast changing market circumstances. Large multinationals, national brand-processors and suppliers of private labels are all competing in the same market. The market is differentiating in several niche markets and consumers seem to be increasingly less predictable. The large retail chains, having a direct contact with the ultimate consumer, seem to be placid in the changing of market power in the food business.

Speaker is Hermann Wijffels, Chairman, Rabobank and IAMA President elect

1:00 PM LUNCH TIME

2:00 PM CONCURRENT SESSIONS

SESSION 3A

MARKETING OPPORTUNITIES IN FUNCTIONAL/ NUTRACEUTICAL/NOVEL/DESIGNER FOODS

Consumer awareness of the crucial link between diet and health is growing. Heightened awareness of functional foods and nutraceuticals, along with demand for novel and designer foods, ushers in a new era of variety and innovation that has important implications for the global food system.

SESSION

EXAMPLES OF SUCCESSFUL MARKET INTEGRATION

Trends toward strategic alliances among vertically-allied firms and the emergence of multinational food companies have been observed for several years. The drive for enhanced efficiency within the global food system increasingly has been through vertical coordination of the various sectors of the system.

SESSION 3C

SOCIAL ISSUES TO BE ADDRESSED IN A CHANGING WORLD ENVIRONMENT BY THE FOOD AND AGRICULTURAL COMMUNITY

The reduction of subsidies to the agricultural sector, the globalization of the economy, and intense competition has forced many small- and medium-size producers out of the marketplace. This session will discuss what the existing agribusiness community can do about the problems besetting resource-challenged farmers and other social issues.

3:30 PM BREAK

4:00 PM CONCURRENT SESSIONS

SESSION 4A CASE STUDY

THE GRUPO BIMBO CASE

Case Leader: Ray A. Goldberg, Harvard University. Previous to the signing of NAFTA, the Mexican economy went through a process of eliminating tariffs and other restrictions to trade. As a result, imports of competitively-priced goods were permitted and the domestic industry faced competition from abroad. In response, Grupo Bimbo examined the issue of sourcing their raw materials from a deficient agricultural sector. This case study examines how inconsistency in supply and quality, lack of research and technology, strategic alliances, and accessing new markets in a changing environment affect what strategies Bimbo must adopt to remain a leader in the baked goods, pastries, and snack markets.


SESSION 4B

EFFICIENT CONSUMER RESPONSE (ECR)

Efficient Consumer Response (ECR) has been a topic of high interest among food retailers, wholesalers, and manufacturers as a way to quickly respond to consumer needs and reduce costs in the food chain. Changes in information technology, increased globalization of the food chain, and the opportunity to include input suppliers in the ECR system are impacting ECR programs.

SESSION 4C

DISCUSSION SESSION CONTRIBUTED BY MEMBERS (TO BE ANNOUNCED LATER)



WEDNESDAY, MAY 29

Knowledge-Based Food and Agricultural Systems

8:00 AM

SESSION 5

UNBUNDLING THE UNIVERSE: THE DECLINE OF BOSSES, BORDERS, BROKERS, BUFFER STOCKS, AND BULK OPERATIONS

For thousands of years the practical impossibility of "opening windows on worlds" has necessitated the creation of formal arrangements for trade. The impracticality of acquiring real-time information on, and maintaining contact with, people, events, and processes has resulted in the creation of buffer stocks, brokers, bulk operations, bosses, and borders. This session will highlight the future of knowledge-based food and agricultural systems and emphasize the emergence of nanotechnology and its implications for strategic management. It will address just-in-time supply, online markets, efficient consumer response, activity-based costing, and flat organizations.

9:30 AM

SESSION 6

POSTER AND INFORMATION FAIR

Demonstrations of information technology applied to agribusiness education and management will be featured. Opportunities to exhibit and view strategic management research posters will also be provided.

11:00 AM

CONCURRENT SESSIONS

SESSION 7A

THE DECLINE OF BOSSES, BORDERS, BROKERS, BUFFER STOCKS, AND BULK OPERATIONS: THE EMERGING UNIVERSE OF PRECISION.

Session would highlight new or over the horizon applications of:

- Information technology to the logistics chain in agribusiness -from applications of satellites to measuring the effectiveness of advertising or using novel ways to identify and track tastes and habits of shoppers-
- More precise knowledge of genetics and of nutrition, health or functional properties of components of agricultural or animal products, in order to design organisms providing more value or to "mine" existing plants or animals for valuable compounds. Contributions discussing regulatory and ethical issues connected with these applications will be considered.

SESSION 7B

THE CRITICAL ROLE OF INTELLECTUAL PROPERTY RIGHTS

This session will present an overall view of intellectual property rights (IPR) in developed and developing countries. It will include: the conditions which must prevail in developing countries to promote growth; the recent issues regarding intellectual property rights in the USA and Europe; and the increasing complexities of doing global business.

SESSION 7C

INTEGRATED CROP MANAGEMENT/ INTEGRATED PEST MANAGEMENT

The focus of this session is the food policy implications and practical applications of using Integrated Pest Management and related high technology food production systems on the world's most productive lands to ensure an adequate safe food supply and still preserve wildlife habitats and rain forests.

12:30 PM

LUNCH TIME

2:00 PM

CONCURRENT SESSIONS

SESSION 8A

THE DECLINE OF BOSSES, BORDERS, BROKERS, BUFFER STOCKS, AND BULK OPERATIONS: THE POWER OF INFORMATION—THE LEVELING OF THE PLAYING FIELD

A pervasive trend in the global food system is information technology, facilitating more direct contact among input suppliers and processors. Vertical coordination is enhanced by sharing information among vertically-allied firms and has portentous implications for brokers. The advent of information technologies continues to enhance productivity and propel falling transaction costs within the food system. The power of information to change the roles of various market participants will be explored in this session.

SESSION 8B

KNOWLEDGE CREATION: WHO WILL INVEST IN R&D AND WHY?

Budget restrictions in governments are affecting the investment in agricultural research across all borders. Private investment, however, seems to be growing in this area. This session will address the trends in public and private R&D funding and the dissemination of innovation; identifying long-term trends and comprehending the implications for the entire food system; and lessons from the U.S. public investment in agricultural R&D and their relevance for developing countries.

SESSION 8C

DISCUSSION SESSION CONTRIBUTED BY MEMBERS

3:30 PM

SESSION 9

POSTER AND INFORMATION FAIR (CONTINUATION OF SESSION 6)

Demonstrations of information technology applied to agribusiness education and management will be featured. Opportunities to exhibit and view strategic management research posters will also be provided.



Realities and Trends of Capital Flows

8:30 AM

CONCURRENT SESSIONS

SESSION 10A

EMPRESAS LA MODERNA (ELM): VERTICAL INTEGRATION IN AGRIBUSINESS

ELM is the agro-industrial division of Pulsar Internacional, a Mexico-based diversified conglomerate. ELM commands leading market positions in seeds, fresh fruit and vegetable production in North America, and is the largest packaging and tobacco/cigarette producer in Mexico. The case examines the emergence of vertically integrated agribusiness companies in the international arena, a strategy for integration, and implications for consumers and industry.

SESSION 10B

APPROACHES TO KNOWLEDGE-INTENSIVE BANKING

Information technology and market integration in the Western Hemisphere not only enhances the banking industry's ability to increase efficiency and improve performance in current activities, but also provides a unique opportunity to expand markets into new areas of service. Research-based banking will catapult the industry into meeting new customer expectations for such activities as evaluating their customers' markets and future environments in which they must operate. This session will address alternative approaches to knowledge-intensive banking.

SESSION 10C

DISCUSSION SESSION CONTRIBUTED BY MEMBERS

10:00 AM

BREAK

10:45 AM

SESSION 11

WHERE WILL ALL THE CAPITAL GO?

This session provides a global view of the realities and trends of capital flows in agribusinesses. Improvement in communications, trade liberalization, and market globalization are creating opportunities for fast capital movement among markets, especially in the so-called "emerging" markets. Analysis of the composition of capital flows, the quality of capital, and political and liquidity risks will be presented. The session will include the consequences of market integration and knowledge-based information systems on capital flows.





HOST HOTEL

The main Congress hotel is the Fiesta Americana Coral Beach, one of Cancún's top and most luxurious hotels, with the best facilities to host a Seminar this big and important. All of its rooms are at least junior suites, and **INTEGER** and **IAMA** negotiated excellent rates in Mexican pesos (the peso closed last year at approximately \$7.50 per dollar, which would make the rates even more attractive in dollars for a hotel of this category). If you want to stay at the Fiesta Americana Coral Beach Hotel, please fax the enclosed registration form to the hotel, or call them directly at the number given in the form, identifying yourself as part of the "AGRO" group.



TRADE FAIR AND BUSINESS AREA

During the three days of the Congress, our sponsors will have a constant Expo of their companies, which you will have the chance to visit during the Congress, especially during the breaks. Additionally, our sponsors will provide the participants with business meeting rooms, to take advantage of this wonderful opportunity to meet with so many players of the food and agribusiness industry, and maybe even close some really good deals.



CULTURAL TOURS FOR SPOUSES



There are numerous visits that can be arranged on a "do it yourself" basis, and a special desk will be provided for perusal and selection of these options. However, due to high demand for selected tours, reservations for four of the most popular options can be made in advance through your registration forms and payment can be made along with the registration fees. A brief description of these tours follow.



XCARET ADVENTURE TOUR

Xcaret, nature's sacred paradise, was for more than ten centuries one of the most important Mayan ceremonial centers and seaports. *Xcaret* means small cave, originally known as Pole, the port where Mayans from all over the peninsula came to purify their bodies and souls in sacred baths in the *cenote* waters and *tamascales*, a mandatory ritual before sailing to Cozumel to worship *Ixchel*, Goddess of Fertility. Today, it is an eco-archaeological park with infinite natural and historic wonders.

Xcaret is a marvelous mystic place where everything invites life, meditation and energy. It's the perfect combination: Mayan Ruins, the turquoise Caribbean waters to enjoy a great snorkeling among multicolored fish, the jungle, a blue lagoon, natural caves and an unbelievable underground river trip, 1,700 ft. long (obligatory life vest).

Transportation would be in an air conditioned motor coach, and the cost of the tour is US\$52.00. All day tour.

WEDNESDAY

TULUM

Tulum is an antique Mayan city, one of the most representative of that civilization. It is the only Mayan city built in the sea front, which enhance its natural beauty still more. *Tulum* is located approximately 81 miles from Cancún, and once used to be a commercial port. You will be able to admire the Descendent God Temple and the Castle.

On the same visit you will be able to make an additional stop at *Xel-Ha*, a *cenote* a lagoon where the Mayas used to make sacrifices for the gods. Nowadays it is a great opportunity to admire, besides its history, its natural beauty which provides excellent opportunities for snorkeling.

Transportation would be in an air conditioned motor coach, and the cost of the tour is US\$55.00. All day tour.

CANCÚN CITY AND SHOPPING TOUR

Participants will find articles ranging from typical items to incredible jewelry design, old fashion designs and delicious French perfumes. There are items to suit any budget. The tour departs directly to downtown to visit the flea market. On the way, an official guide will inform about Cancún history and give some tips that will help with the shopping. Tips include where to buy handicrafts, artesanías and silver. For example, at the flea market it is a must to bargain for every article, price can drop to a 50% of the stated one. At the flea market, participants will find a wide selection of pottery, ornamental plates, typical rugs, among other things, and most of them hand made by top artisans.

From downtown the tour will head in direction to the hotel zone in their way to Cancún's sophisticated and biggest shopping malls: Plaza Caracol or Plaza Kukulcán, where excellent items can be found, like jewelry, famous fashion clothing designs, art galleries, fine restaurants and French perfumes, some of which will be less expensive than the US.

Transportation would be in an air conditioned motor coach, and the cost of the tour is US\$8.00. Partial day tour.

ONE AND A HALF DAY VISIT TO CHICHEN-ITZA

Farther inland, 125 miles west of Cancún, are the restored ruins of *Chichen-Itza*. They are probably the most famous Mayan site in the Yucatán Peninsula. Built near two large wells, *Chichen-Itza* was abandoned and revived three different times and its architecture reflects the influence by a fusion of different cultural architectural styles, including the *Toltecs*, a warlike civilization from the central part of México, in which you may see carvings and designs of jaguars, eagles and feathered serpents.

Chichen-Itza was founded in 445 AC by the Mayans. *Chi* means mouth and *Chen* means well in Mayan, mouth of the well. *Itza* was the group of Mayan tribes that first settled on the area. The most impressive structure is the *Kukulcan* pyramid. *Kukulcan* means feathered serpent in the Mayan language, the pyramid is 70 ft. high and has an awesome site at the top. This is also the site of a remarkable phenomenon: on both *Equinox* and *Solstice* (March 21 & 22 and September 21 & 22) at sunset, the descending sun creates an illusion of a descending serpent on the north staircase of the pyramid.

Other remarkable sites to behold and explore in *Chichen-Itza* are the *cenote* (sacred well) where sacrificial victims were cast; the temple of the warriors; the observatory, where the Mayans studied the stars; and the ball court, the largest of its kind in the Americas, where it was an honor for the winners to be sacrificed. The tour includes transportation in an air conditioned motor coach on Friday with continental breakfast, entry to the archaeological ruins with an authorized guide and the light and sound show at night. Participants would stay the night at the Maya Land Hotel, which would include an American breakfast the next morning, returning to Cancún by noon on Saturday via motor coach including an open bar on the way back. The price of this tour is US\$92, based on double occupancy, and it has limited availability.



REGISTRATION INFORMATION

Registration fees include attendance in all of the Congress sessions, luncheons, dinners, receptions and coffee breaks offered, and a copy of the conference proceedings. Spouse or guest registration fees include receptions, luncheons and dinners.

You will be provided in the registration form with two lists of different categories from the food and agribusiness industry. One list is for your own company, in order to be able to classify your company. The second aims at knowing which types of firms you would be interested in meeting with, in order to promote possible match makings.



TRANSPORTATION

INTEGER and IAMA have arranged to have special round trip transportation from the airport to the host hotel at a special price of US\$15.00 per person (the normal cost of a round trip taxi would be of around US\$40.00). The company will clearly identify itself as the official transportation supplier for the seminar.



CNAS TRAVEL GRANTS

The Center for North American Studies (CNAS) is providing funding for five travel grants (\$1,000 each) to assist faculty at universities in Mexico desiring to participate in the Sixth World Agribusiness Congress to be held in Cancun, Mexico, May 27-30, 1996. CNAS was organized in 1993 to foster collaborative studies of the food and agribusiness systems of North America. The Center is located in the Department of Agricultural Economics at Texas A&M University, with associated activities at Louisiana State University, Texas A&M at Kingsville, and Texas A&M International University at Laredo. Through the travel grant program the Center desires to extend its existing collaboration in Mexico by identifying academics who are developing education and research programs in the area of agribusiness and by assisting them in developing future cooperative programs. The World Agribusiness Congress at Cancun provides an excellent venue for advancing this agenda.

How to Apply:

Travel grants will be awarded on a competitive basis to faculty employed full time by universities or institutes of higher education in Mexico and whose primary area of work is related to the study of economics or management of agribusiness firms and/or the food and agribusiness sector of the economy. Interested faculty should send a one-page (maximum) statement of interest plus a brief resume to the IAMA Business Office at the address shown below. The statement of interest should include the objective or purpose for attending the Congress and an explanation of the benefits anticipated from participation both for the individual and their institution.

Each award will consist of \$1000 which will cover the registration fee for the Congress plus much of the cost for hotel and food. Award winners will be expected to register for the Congress and participate fully in its activities. Awardees will also be expected to provide a written report at the conclusion of the Congress outlining information obtained which will be useful in developing the future agribusiness education and research programs.

Award winners will be determined by a committee established through the IAMA Business Office. All decisions are final. For further information contact the IAMA Business Office or Dr. A. Gene Nelson, CNAS Director, Department of Agricultural Economics, Texas A&M University, College Station, Texas 77843-2124 (tel. 409-845-2116) (fax 409-862-1653.)

Send applications to:

TRAVEL GRANTS
IAMA Business Office
Department of Agricultural Economics
Texas A&M University
College Station, TX 77843-2124

With the support of:



Rabobank



INTEGER, Centro de Excelencia Empresarial
Calzada del Valle 106 Ote. Col. del Valle
Garza García, Nuevo León
C.P. 66220 México
Ph. (528) 356 1313 • Fax: (528) 356 1326
E-mail: mail@integer.mx
Internet: <http://www.integer.mx/>

International Food and Agribusiness Management Association
Department of Agricultural Economics
Texas A&M University
College Station, Texas 77843-2124, USA
Tel: (409) 845 2118 • Fax: (409) 862 1487
E-mail: IAMA@TAMU.EDU
Internet: <http://iama.tamu.edu/iama/>