FISH F340 Seafood Business
FALL 2014

Instructor
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Office Hours:
Monday to Friday: 11:00 a.m. to 12:00 p.m.; or by appointment

Meeting Times
9:30 – 11:00 a.m., Tuesdays and Thursdays, Room 225 Kodiak Seafood and Marine Science Center and by video conference

Course Description and Goals
This course presents the development and management of a successful seafood business from inception to operation. Practical application of business planning, obtaining financing, accounting, permitting, feasibility analysis, marketing, human resource management, and operational aspects of seafood harvesting and processing using case studies and guest lecturers from seafood industry will be introduced.

This course will be primarily delivered by lectures, supported by case studies to illustrate concepts presented.

At the end of this course, the student will understand the appropriate managerial and decision-making tools that are needed to start and run a seafood business, focusing on the harvesting and processing sectors. In addition to learning basic managerial skills, students will also understand and apply the tools that measure management performance and the profitability of the seafood business. At the end of the semester, the student will:

- Learn and know how to write a seafood business plan.
- Learn and know how to determine which type of business structure, such as private business, partnerships, and corporation would be best suited for his/her business.
- Learn and know how to conduct break-even analysis for planning purposes, and understand the uses of statement of cash-flow, income statement, and the balance sheet to maximize the profitability of a seafood business.
- Understand the permitting and regulatory process to start a seafood business. For example, if a student plans to start a seafood processing facility, he/she would know who to contact in the state of Alaska (e.g. Department of Environmental Regulation), what type of paperwork he/she needs, (e.g. HACCP - Hazardous Critical Control Point plan), and how to obtain the knowledge to comply with regulation (e.g. take a 3 day HACCP course with the Alaska Sea Grant Marine Advisory Program).

- Learn and know how to conduct seafood market research, put together and execute a marketing management plan that will optimally place a seafood product with highest return, and identify resources that can help a seafood business market their products (e.g. Alaska Seafood Marketing Institute).

The students of this class will have the opportunity to listen and ask questions with practitioners in the seafood industry such as seafood trader/brokers, commercial fishermen, seafood processing plant owner/operators, and/or seafood restaurant operators.

As part of the requirement of this course, the students will also have the opportunity to practice putting together a seafood business plan of their interest.

Prerequisites: FISH F261 or approval by Instructor.

Credits: 3 + 0

Special Needs

Please contact me as soon as possible if you need accommodations and course adjustments due to a disability so that I will make the necessary arrangements with the Office of Disabilities Services.

Reading Assignments

Currently, there are no specific text books devoted to the topic of Seafood Business. Thus the reading materials for the course will be obtained from various sources. However, there are two text books that the instructor will draw heavily upon to illustrate concepts on cost and profitability analysis, and market research, implementation, and measurement. Students are not required to purchase the text books. Selected readings from the books will be provided electronically through UAF Blackboard:

- Kay, R., W. Edwards, & P. Duffy. 2013. *Farm Management*. McGraw-Hill (7th Edition). 480 pp. ISBN: 978-0073545875
- Kotler, P. & G. Armstrong. 2013. *Principles of Marketing*. Prentice Hall (15th Edition). 720 pp. ISBN: 978-0133084047
- Readings will be provided on UAF Blackboard (http://classes.uaf.edu)

Grading

Grades will be assigned using a plus-minus system based on the following scale:

A > 93
A- 90-93
B+ 87-89
B 84-86
B- 80-83
C+ 77-79
C 70-76
C- 65-69

Point and percentage values for each evaluation are as follows:

Component	**Points**	**Percent Total**
Homework	250	25%
Mid-Term Exam	250	25%
Final Exam	250	25%
Term Project/Presentation	250	25%
Total	**1000**	**100%**

Homework Assignment

There will be 5 homework assignments. Each assignment is worth 50 points. All homework assignments are due by e-mail to me no later than 5PM one week after it is assigned. For example, if the homework set is assigned Tuesday, Oct 7, it is due no later than 5PM Oct 14 to my e-mail account. Late assignments will not be accepted and your missed work will be assigned a zero score. It is your responsibility to contact me at least three days before the assignment due date if you cannot turn it in due to a legitimate reason.

The homework assignments will not only assist you in understanding how to operate a seafood business but also assist you in developing critical thinking to identify opportunities and/or to solve potential problems. For example, a set of financial data of a seafood operation may be presented to ask you to determine the viability of the operation. Another assignment may ask you how you would handle a customer complaint of the seafood you sold them did not conform to specifications.

Exams

There will be two exams, one mid-term and one final. The final exam will be accumulative. Unless there is an emergency, request for making up an exam will only be honored if a legitimate reason is provided to me at least one week prior. Both the mid-term and the final worth 250 points and 25% of the grade each.

Term Project/Presentation

The term project/presentation will require you to write a business plan of a seafood operation of your choice. Depending on the size of the class, this will be a group effort. You will learn the mechanics of putting together a business plan during the first 4 weeks of the semester and you will have 9 more weeks to put together and refine the business plan. I will work with each group outside of class to guide you through the process. The business plan is due no later than 5 pm Dec 04 to me by e-mail. I will then distribute each of the business plans to the rest of the class to evaluate. Each group will have 10 minutes to present the business plan and 10 minutes for question and answer by the rest of the class. More specific guidance and information will be given over the course.

Honor System

Unless you are specifically instructed, all assignments submitted are expected to be your own work. The faculty, staff, and students of University of Alaska Fairbanks do not

tolerate any academic dishonesty. Any cheating, plagiarism, and other violations will be reported. Moreover, you will automatically fail this course.

Course Outline

Topic	Date	Readings
INTRODUCTION		
The Concept of Profit and the Profit Triangle	Sep 04	Readings
Alaska Seafood in the Global Market Place	Sep 09	Kotler, Ch 19; Readings
THE SEAFOOD BUSINESS PLAN		
Why Planning? Components of a Business Plan	Sep 11	Kay Ch 2; Readings
Components of a Business Plan (continued)	Sep 16	Readings
Cost Considerations and Break-even Analysis	Sep 18	Kay Ch 9; Readings
Homework Assignment No. 1 Due	Sep 18	
Cost Considerations and Break-even Analysis (continued)	Sep 23	Kay Ch 9; Readings
Market Research and the Marketing Plan	Sep 25	Kotler Ch 3; Readings
Market Research and the Marketing Plan (continued)	Sep 30	Kotler Ch 4; Readings
SETTING UP THE SEAFOOD BUSINESS		
Permits and Regulations	Oct 02	Readings
Homework Assignment No. 2 Due	Oct 02	
Permits and Regulations (continued)	Oct 07	Readings
Financing and Corporate Structure	Oct 09	Kay Ch 20; Readings
Corporate Structure (continued) and Tax Considerations	Oct 14	Kay 20; Readings
TERM PROJECT DISCUSSION and REVIEW FOR MID-TERM	Oct 16	No Reading
MID-TERM EXAM	Oct 21	No Reading
OPERATING A SEAFOOD BUSINESS		
Leadership, Management, and Operational Considerations	Oct 23	Kay Ch 21, 22; Readings
Management and Operational Considerations (continued)	Oct 28	Kay Ch 21, 22; Readings
Homework Assignment No. 3 Due	Oct 28	
Logistics and Supply	Oct 30	Readings
Sales and Marketing - Principles	Nov 04	Kotler Ch 6, 7
Sales and Marketing - Application	Nov 06	Kotler Ch 10; Readings
Sales and Marketing – Outcome Measurement	Nov 11	Readings
MEASURING THE PROFITABILITY OF A SEAFOOD BUSINESS		
Balance Sheet and its uses	Nov 13	Kay Ch 4, Readings
Homework Assignment No. 4 Due		
Income Statement and its uses	Nov 18	Kay Ch 5, Readings
Cash-Flow Statement and its uses	Nov 20	Kay Ch 13, Readings
Feasibility Analysis and Time Value of Money	Nov 25	Kay Ch 17, 18; Readings
Thanksgiving	Nov 27	No Class
SPECIAL TOPICS		
Guest Lectures from Industry e.g. Seafood Broker	Dec 02	No Readings
Homework Assignment No. 5 Due	Dec 02	
Guest Lectures from Industry e.g. Seafood Plant Manager	Dec 04	No Readings
Term Project – Business Plan Due	Dec 04	

PROJECT PRESENTATIONS and WRAP-UP

Student Presentations	Dec 09	No Readings
Student Presentations and Review for Final Exam	Dec 11	No Readings