AQUACULTURE BUSINESS PLANNING
AND
ENTREPRENEURSHIP

Animal Sciences (AnSci) 490 Instructor:
2 credit hrs
Fall, 2005
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An Sci 490 is a new course emphasizing the practical aspects of planning and developing an aquaculture business. Course content will draw upon the instructor’s personal experience and materials from private sector consulting and developing a prawn/shrimp hatchery and farm business in Hawaii and will take the students through most phases of aquaculture business planning from the conception stage to the final business plan.

Each student will develop his or her own business plan as one of the course requirements. Classes will be on Wednesdays 4:30 pm. Lecture classes will be held in Agriculture Science Building room 204 (or reassign) and hands-on classes for developing spreadsheet-based production plans and business financials, using Excel, Quattro Pro, will be in the Ag. Sci computer lab down the hall.

Actual business documents will be used as text material including business plans, contracts, permit applications, loan applications, leases, blueprints, guarantees, confidentiality agreements, offerings, private placement memoranda, patent applications, insurance documents, articles of incorporation, partnership agreements etc.

Recommended prerequisites are some knowledge of basic biological science and aquaculture and the use of computer spreadsheets. These are not necessary and remedial tutorials can be given. Most important is a very strong interest in aquaculture and aquaculture business development. Persons in the private sector and in university business programs are encouraged to take the class. Space is limited to assure personal attention.

Please contact Dr. Malecha with your questions and interest even if you think you may not have the background.

Agricultural Sci. Bldg 302B
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Tentative topics (depending on the class makeup) could include:

- Introduction to aquaculture systems
- Choosing a species/technology
- Marketing assessment
- Timeline-based project planning, materials flow planning
- Site selection, land acquisition/leasing, environmental permits and impact compliance, construction planning
- Business structuring and forming a company (corporation, proprietorship, partnership, limited liability corporation)
- Capital acquisition, (what is debt, equity), debt/equity structuring
- Capital structure (investment, working capital), loan applications
- Components of a business plan, How to write a business plan
- Time-line spreadsheet production plans (tank by tank, pond by pond)
- Spreadsheet financial projections
- Spreadsheet cell reference tie-in between production plans and financials, what if scenarios,
- Pricing and sales, product form, marketing, value added products,
- Employment issues, insurance and liability issues
- Accounting and record keeping
- Intellectual property/confidentiality issues, legal issues,
- Starting up

Class deliverable. The sole class deliverable will be a full business plan written by each student or student group in a format suitable for presentation for obtaining business financing. Grading will be as follows:

Overall appearance and presentation: 10%
Attractiveness of market opportunity 15%
Value created by new product 15%
Operational and technical feasibility 15%
Competitive advantage of venture 15%
Capital structuring and financing 15%
Capability of management team 15%

A grade: 90-100%
B grade: 80-90%
C grade: 80%