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| **AGRIBUSINESS** | |
| |  |  | | --- | --- | | 1) | Selling cattle on a grid marketing contract at a feedlot will allow the farmer to \_\_\_. | |  | A) set a base price for various carcass quality and yield traits | |  | B) pay for each animal on its actual dressed weight | |  | C) price all animal carcasses as an average | |  | D) receive a higher price for higher quality carcasses | |  |
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| |  |  | | --- | --- | | 2) | An example of \_\_\_\_\_ is when milk is sterilized by heat, placed in sterilized containers, and stored for sale at ambient temperature. | |  | A) pasteurization | |  | B) pressurization | |  | C) canning | |  | D) aseptic processing | |  |
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| |  |  | | --- | --- | | 3) | An example of reducing production risk includes \_\_\_\_\_. | |  | A) crop diversification | |  | B) no crop rotation | |  | C) monoculture | |  | D) late planting | |  |
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| |  |  | | --- | --- | | 4) | A dairy marketing business that is typically owned by dairy farmer customers is a(n) \_\_\_. | |  | A) cooperative | |  | B) sole proprietorship | |  | C) investor-owned firm | |  | D) not-for-profit business | |  |
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| |  |  | | --- | --- | | 5) | An example of a strategic decision would be determining \_\_\_\_\_. | |  | A) when to sell grain | |  | B) milking times for a dairy | |  | C) what type of business/legal organization to choose | |  | D) fertilizer levels for crops | |  |
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| |  |  | | --- | --- | | 6) | The price at which an option buyer has the right to exercise the purchased option is called the \_\_\_. | |  | A) basis | |  | B) strike price | |  | C) spread | |  | D) option’s premium | |  |

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| |  |  | | --- | --- | | 7) | A(n) \_\_\_\_ can help to create a positive image of agriculture. | |  | A) public relations plan | |  | B) promotion | |  | C) advertisement | |  | D) advertising plan | |  |
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| |  |  | | --- | --- | | 8) | A successful salesperson needs to understand why and how \_\_\_. | |  | A) people eat | |  | B) sellers sell | |  | C) farmers grow | |  | D) customers buy | |  |
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| |  |  | | --- | --- | | 9) | A grain producer who wants the right, but**not**the obligation, to sell a particular commodity at a specific price would use a \_\_\_. | |  | A) basis contract | |  | B) put option | |  | C) cash forward contract | |  | D) call option | |  |
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| |  |  | | --- | --- | | 10) | Goods that are purchased from a foreign country are known as \_\_\_\_\_. | |  | A) foreign exchange | |  | B) imports | |  | C) exports | |  | D) tariffs | |  |
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| |  |  | | --- | --- | | 11) | An opportunity cost is \_\_\_\_\_. | |  | A) what one has to pay up front to pursue an opportunity | |  | B) the cash cost of an opportunity pursued | |  | C) the noncash cost of an opportunity foregone | |  | D) the cash cost of an opportunity foregone | |  |
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| |  |  | | --- | --- | | 12) | Deflation is the \_\_\_. | |  | A) price at which the interest rate will equal the inflation rate | |  | B) future value of a dollar in that it will buy less in the future than it will buy today | |  | C) decline in the price of goods and services | |  | D) farmer's profit margin will increase over time due to higher prices | |  |

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| |  |  | | --- | --- | | 13) | All of the following are costs to doing business **except \_\_\_.** | |  | A) capital expenditures | |  | B) net worth | |  | C) cost of human resources | |  | D) government regulations | |  |
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| |  |  | | --- | --- | | 14) | What is the common abbreviation for the production technology that has produced corn that is resistant to some commercial herbicides? | |  | A) GTO | |  | B) GMO | |  | C) PTO | |  | D) HMO | |  |
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| |  |  | | --- | --- | | 15) | A government-set, maximum allowable price is known as a price \_\_\_. | |  | A) limit | |  | B) floor | |  | C) ceiling | |  | D) subsidy | |  |

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| 2) | D |
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| 5) | C |
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| 9) | B |
| 10) | B |
| 11) | C |
| 12) | C |
| 13) | B |
| 14) | B |
| 15) | C |