

Overview

This event provides recognition for FBLA members who demonstrate an understanding of and skill in basic agribusiness concepts and procedures.

This is an individual online test.

Competencies and Task Lists

<http://www.fbla-pbl.org/competitive-event/agribusiness/>

Website Resources

- National FFA Organization
<https://www.ffa.org>
- Examrace
<https://www.examrace.com/Sample-Objective-Questions/Agriculture-Questions/>

AGRIBUSINESS SAMPLE QUESTIONS

- 1) The price of beef goes up in the grocery store due to a shortage of beef production in the country. This represents the economic concept of:
- A) supply and demand
 - B) inelasticity
 - C) elasticity
 - D) inflation

Competency: Economics

- 2) A well-known restaurant chain has an outbreak of salmonella poisoning from tomatoes. Business has declined for the restaurant chain since the report of the salmonella. The customer response to this situation represents economic
- A) elasticity
 - B) inelasticity
 - C) downturn
 - D) instability

Competency: Economics

3) The country whose per capita consumes the greatest amount of pork is:

- A) Denmark
- B) Hong Kong
- C) United States
- D) Argentina

Competency: Economics

4) _____ consists of real estate (land), buildings, house, and various types of improvements to real estate.

- A) suburban property
- B) personal property
- C) agricultural property
- D) real property

Competency: Economics

5) A depreciable asset's book value will equal its salvage value:

- A) every year of its useful life
- B) only at the mid-point of its useful life
- C) only at the end of the useful life
- D) only on the purchase date

Competency: Finance and Accounting

6) A farmer increases an investment in land, building, and equipment to increase the total units of production. The cost per unit of production

- A) decreases
- B) increases
- C) varies with the operator
- D) remains the same

Competency: Finance and Accounting

7) The most important reason for complete farm financial records should be:

- A) for income tax reporting and to meet the requirement for reporting hired labor
- B) to settle insurance claims
- C) to inform the bank of the success of the farm business
- D) to combine with production records to provide information for management decision making

Competency: Finance and Accounting

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- 8) Marian and Sara borrow \$175,000 on March 15. They expect to repay \$100,000 on October 15 and the remaining balance on November 15. Calculate the total interest obligation if the interest rate is 8% and interest is charged on the daily outstanding principle balance.
- A) \$6,904
 - B) \$8,718
 - C) \$8,666
 - D) \$7,500

Competency: Finance and Accounting

- 9) Less workers are need for farm production due to
- A) technology
 - B) organic farming
 - C) specialization
 - D) education

Competency: Health, Safety, and Environmental Management

- 10) One strategy to manage financial risk is
- A) maintaining a low debt/asset ratio
 - B) hedging the market
 - C) playing the futures market
 - D) borrowing money

Competency: Health, Safety, and Environmental Management

- 11) Holding combinations of investments is called
- A) diversification
 - B) verification
 - C) dissatisfaction
 - D) variations

Competency: Health, Safety, and Environmental Management

- 12) What is the government lending agency called that is operating under the authority of the U. S. Department of Agriculture
- A) Agriculture Lending Agency
 - B) Farm and Ranch Agency
 - C) Farm Systems Agency
 - D) Farm Services Agency

Competency: Health, Safety, and Environmental Management

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- 13) The length of time required at a specific temperature to destroy 90% of the microorganisms present is referred to as the
- A) F-value
 - B) G-value
 - C) C-value
 - D) D-value

Competency: Health, Safety, and Environmental Management

- 14) Companies that are serious about health initiatives who implement exercise and weight reduction programs for employees
- A) decrease the price of health insurance
 - B) increase the amount of employee resentment
 - C) increase the number of sick leave days taken by employees
 - D) increase the price of health insurance

Competency: Health, Safety, and Environmental Management

- 15) Which of the following is not an advantage of a C corporation.
- A) possible income tax savings for high income businesses
 - B) simplification of estate transfer
 - C) limited liability for each shareholder
 - D) assures a profit due to better management

Competency: Management Analysis and Decision Making

- 16) A farmer produces most of what his family needs. This kind of farming is called
- A) marginal
 - B) communal
 - C) corporate
 - D) subsistence

Competency: Management Analysis and Decision Making

- 17) SWOT analysis involves considering all of the following elements **except**
- A) weakness
 - B) strengths
 - C) training
 - D) opportunities

Competency: Management Analysis and Decision Making

18) If the price of wheat goes up relative to the price of corn:

- A) farmers will plant more corn and less wheat
- B) feeders will use less corn
- C) farmers will plant more wheat and less corn
- D) farmers will not change planting intentions

Competency: Management Analysis and Decision Making

19) Specialization in the production of crops and/or livestock generally results in:

- A) increased returns and decreased risk
- B) increased returns and increased risk
- C) decreased returns and decreased risk
- D) decreased returns and increased risk

Competency: Management Analysis and Decision Making

20) The government agency that regulates drainage of cattle yards and protects wetlands is the

- A) FDA
- B) EPA
- C) USDA
- D) FTC

Competency: Management Analysis and Decision Making

21) It means the establishment of standards for matters such as quality, size, weight and color; and once these are set it uses the criteria established in the standards.

- A) standardization and grading
- B) standardization and size
- C) standardization and modification
- D) standardization and criteria

Competency: Marketing

22) Cattle on feed should be marketed when:

- A) they have reached their maximum weight
- B) their marginal cost of gain is no longer below their selling price
- C) their average cost of gain is no longer below their selling price
- D) their marginal cost of gain is no longer below their original purchase price

Competency: Marketing

23) Agricultural marketing is a series of inter-connected activities such as planning production, growing and harvesting, grading, packing, transport, storage, agro- and _____ distribution and sale.

- A) food chemistry
- B) food microbiology
- C) food processing
- D) nutrition

Competency: Marketing

24) Organic farmers aim to sell their product to health-conscious consumers. The health-conscious consumer are a

- A) mass market
- B) secondary market
- C) primary market
- D) niche market

Competency: Marketing

25) Recent trends have seen the rise of a growing interest in contract farming and what?

- A) Albertsons
- B) food
- C) supermarkets
- D) Costco

Competency: Marketing

26) If you estimate your local cash price will be \$.15 under the future price at the time you deliver your corn, the approximate net selling price you can lock in by selling a futures contract at \$8.50 is

- A) \$8.60
- B) \$8.35
- C) \$8.50
- D) \$8.65

Competency: Marketing

27) In what state did irrigation increased the corn yield by 400 to 500% from 1940 to 1997

- A) Florida
- B) California
- C) Missouri
- D) Colorado

Competency: Terminology and Trends

28) Which agricultural commodity must be imported to the United States?

- A) sugar
- B) rice
- C) wheat
- D) coffee

Competency: Terminology and Trends

29) The Food, Conservation, and Energy Act passed by the U.S. Congress in 2008 also is called:

- A) the Patient Protection and Affordable Care Act
- B) the Green Energy Initiative
- C) the Farm Bill
- D) the Farmers Full Employment Act

Competency: Terminology and Trends

30) Who famously predicted that the Earth would not be able to support its growing population, but technologies such as the Green Revolution have allowed the world to produce a surplus of food.

- A) Jeremy Bentham
- B) John Stuart Mill
- C) Thomas Robert Malthus
- D) David Ricardo

Competency: Terminology and Trends