

**2009 DAIRY FOODS
MARKETING EXAM**

26. A major reason the federal government establishes minimal farm milk prices is
- a) to insure that all dairymen have a market for milk
 - b) to insure that all processors have adequate milk for manufacture of butter and cheese
 - c) to insure an adequate supply of pure and wholesome milk for the consumer
 - d) to provide federal control of the production of milk
27. Federal milk marketing orders **do not** control
- a) to whom milk is sold
 - b) from whom milk is purchased
 - c) grade A milk standards of production and processing
 - d) any of these
 - e) both A and B
28. The market price used in the Federal Milk Mark Order program to establish class prices of milk are those of
- a) Butter, nonfat dry milk and cheddar cheese
 - b) Cottage cheese and ice cream
 - c) Fresh milk and cream
 - d) All varieties of cheese
29. Which time of year is demand for dairy products typically the lowest?
- a) spring
 - b) summer
 - c) fall
 - d) winter
30. Who pays directly to the U. S. D. A. Milk Market Administration for the operation of Federal Orders?
- a) milk producing farmers
 - b) processors of the milk
 - c) retail sellers of the milk
 - d) consumers
31. Most recent data shows the most fluid milk was sold in what type of container?
- a) Paper
 - b) Plastic
 - c) Glass
 - d) Metal (tin) cans

32. There are four classes of milk under federal orders and they provide for

- a) classification according to the relative safety of each class
- b) payment for milk according to its quality
- c) payment for milk according to its cost of production
- d) payment for milk according to its end use

33. Why are some assets, depreciated in accounting practices?

- a) They last more than one year
- b) Expense costs over more years
- c) Supply and demand
- d) Unified Marketing Plan

34. Based on ice cream consumption figures, the second most popular flavor is

- a) Strawberry
- b) Cookies n' cream
- c) Vanilla
- d) Chocolate

35. What percent of exported U.S. dairy products are sold without a subsidy?

- a) 0%
- b) 50%
- c) 80%
- d) 95%

36. Under Federal milk marketing orders Class III milk is used to make

- a) ripened cheeses
- b) cottage cheese
- c) butter and dry milks
- d) ice cream
- e) all of these

37. What percent of today's youth consume the recommended amount of dairy products?

- a) 10%
- b) 30%
- c) 50%
- d) 75%

38. In 2007, the U.S. achieved a record for dairy exports. What amount was exported?

- a) \$ 3 billion
- b) \$ 13 billion
- c) \$ 33 billion
- d) \$ 333 billion

39. Milk marketing cooperatives

- a) provide marketing power for dairy farmers
- b) are not permitted by Federal Orders
- c) operate only outside Federal Orders
- d) are controlled by Federal Orders
- e) are private businesses owned by corporations

40. Milk that is used to make butter is classified as which class in Federal Orders?

- a) Class I
- b) Class II
- c) Class III
- d) Class IV

41. What national beverage chain announced they would switch from whole milk to 2 percent in all of its stores by the end of the year?

- a) Starbucks
- b) Krispy Kreme
- c) Dunkin Donuts
- d) Caribou Coffee

42. What is the top dairy county in the U.S. based on the amount of milk marketed?

- a) Merced, California
- b) Tulare, California
- c) Lancaster, Pa
- d) Stearns, Minn.

43. In federal order markets, milk sold for consumption in fluid form is

- a) Class I
- b) Class II
- c) Class III
- d) Class IV

44. Milk covered by Federal orders is often known as _____ or milk eligible for fluid use.

- a) Manufacturing grade
- b) "Grade B"
- c) "Grade A"
- d) "Grade F"

45. According to a report compiled by the Institute for Food Technologists, _____ is now America's favorite at-home snack.

- a) Cheese
- b) Yogurt
- c) Ice cream
- d) Chocolate Milk

46. Milk is what percent water?

- a) 42 percent
- b) 63 percent
- c) 87 percent
- d) 58 percent

47. In regards to commodities, what best defines hedging?

- a) Taking no action
- b) The act of buying and selling stock
- c) The act of protecting yourself against price possibilities
- d) The act of buying and selling commodities

48. According to the Food and nutrition Board of the National Academy of Sciences, all people need at least _____ milligrams of calcium per day.

- a) 1,000,000
- b) 1,000
- c) 100
- d) 10

49. In regard to prices paid by consumers for milk, federal milk marketing orders are intended to

- a) set them fairly on a monthly basis
- b) adjust them according to consumer purchasing patterns
- c) adjust them according to total farm milk production
- d) adjust them according to both supply and demand
- e) leave them to be determined in the marketplace

50. Pooling in Federal Milk Marketing Orders is

- a) the comingling of milk from two or more producers
- b) the comingling of milk from two or more markets
- c) a system of fairly distributing payment among milk processors in a market
- d) a system of paying producers within a market according to uses of the milk
- e) none of the above