

**Each team will complete and turn in only one copy of these pages.  
Other copies can be used to make notes and calculations**

**2010 National FFA Farm Business Management  
Career Development Event  
Team Activity**

**Expectations:**

The team activity evaluates the ability of a team's members to work together to use decision making and problem analysis skills while applying economic principles and concepts taught in farm business management.

**Evaluation:**

The team activity portion is evaluated as follows:

- involve all members of the team
- organize the team effort
- communicate with each other in resolving issues relating to the current situation
- reach consensus and agreement
- complete the analysis of possible alternatives and solutions
- communicate and submit in writing the team's consensus of solutions.

**Team Activity Focus:**

- Using the resource information answer the following questions  
**Note not all of the following questions relate directly to the resource information**

**1. What are the strengths of the Boone farm (List two possible answers)**

(5 points)

(5 points)

**2. What are some threats to the Boone farm business? (List three possible answers)**

(5 points)

(5 points)

(5 points)

**3. Mr. Boone's financial advisor has suggested that he write a vision statement for the Boone farm business. The financial advisor told Mr. Boone that if he would answer the following futuristic questions, he would help him write a vision statement. Assume that your team is Mr. Boone and answer the following questions.**

**a. What would you like your farm business to be like in 10 years?  
(List two possible answers)**

(5 points)

(5 points)

**b. What will be the purpose of your farm business?**

(5 points)

**c. What products and/or services will your farm business provide?  
List three products and/or services. (15 points)**

1.

2.

3.

**d. What will the community see as the valued characteristics of this farm  
business in the future? List two characteristics. (10 points)**

1.

2.

**4. The Boone farm has been raising burley tobacco, which is a crop that requires a high variable cost per acre. The enterprise budget shows that the expected cost per acre on cash rented land will be over \$3,000. Mr. Boone is concerned about protecting the investment.**

**a. List three ways he could reduce this investment risk.**

(5 points)

(5 points)

(5 points)

**b. What are potential risks (not noted in question 4.a.) associated with the production of Burley tobacco?  
List three potential risks**

(5 points)

(5 points)

(5 points)

**5. Almost all of the Burley tobacco raised in the United States is marketed overseas. What effect does a weak U.S. dollar have on the export of tobacco?**

(10 points)

**6. Conversely, what effect does a strong dollar have on the export of U.S. agricultural products?**

(10 points)

**7. Mr. Boone transplants 6500 tobacco plants per acre into his fields. He has been considering growing his own plants from seed for transplanting in a greenhouse on his farm. What analysis tool do you recommend he use to determine the feasibility of this idea?**

(10 points)

**8. What are some of the additional expenses he might incur if he were to grow his own plants from seed? (10 points)**

(10 points)

**9. Using the Burley tobacco (cash rent R 18) enterprise budget,**

**a. What will the total receipts be if the Boone farm has a 5% decrease in yield?**

(5 points)

**b. With a 5% decrease in receipts will the enterprise be profitable? Circle the correct response.**

(5 points)

YES

NO

**10. The Boone farm has several full time employees. What additional costs may be incurred by the farm operation when you have full time employees? List at least four answers. (20 points)**

1.

2.

3.

4.

**11. The Boone Farm has been selling their tobacco through a marketing cooperative. What are the characteristics of a cooperative? (page 10-12 FRBM) List four characteristics. (20 points)**

1.

2.

3.

4.

**12. List three important skills or competencies you have learned as a result of your participation in the Farm Business Management CDE. (15 points)**

1.

2.

3.