This compilation of competitive events (tests) is designed for use with the competency-based Interstate Distributive Education Curriculum (IDECC). Following a brief description of the IDECC curriculum, tests are included in the following subject areas: advertising, apparel and accessories, finance and credit, food marketing, food service general merchandising, petroleum, and sales-marketing techniques. It is suggested that teacher-coordinators utilize the tests as (1) guidelines to the types of tests administered on the state and national level, (2) practice in test administration for both students and teachers, (3) competition on the local level prior to state and national events, (4) general achievement tests at the end of the semester or year, and (5) refreshment or development of competencies not yet achieved. (Test answers are not provided.) (LRA)
EXAMPLES OF WRITTEN COMPETITIVE EVENTS
1979-80

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
N. Flott"

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."
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PART I  What is IDECC?

The Interstate Distributive Education Curriculum is a body of knowledge, attitudes and skills in the form of 500 LAPs (Learning Activity Packages). The LAPs are tailored for secondary, post-secondary, or adult individualized curriculums.

The LAPs have been divided into ten traditional Distributive Education discipline areas of: Advertising, Communications, Display, Human Relations, Management, Applied Mathematics, Merchandising, Product & Service Technology, Operations and Selling.

The LAPs have the capability of preparing students in any of 76 occupations (69 core occupations). The 76 occupations span seven marketing institutions of Department Store, Food Store, Hotel/Motel, Restaurant, Service Station, Variety Store and Wholesaling.

COMPETENCY-BASED CURRICULUM

The IDECC curriculum is based on the research of Professor Lucy C. Crawford and staff, who interviewed 400 workers and managers to determine critical tasks performed by them in their jobs. This research was carried out between the years of 1965 and 1967 under a U.S.O.E. grant. Subsequent validation was carried out in Wisconsin and Nebraska. The result of their efforts produced a six-volume research paper which identified 983 competencies (knowledge, attitudes, skills) of job performance required by 96 occupations investigated in the seven marketing institutions above. The work employed the technique of critical task analysis, using six Virginia cities and towns as the field.
In 1969, the Wisconsin State Superintendent of Schools appointed a committee to work with Wayne Harrison, Consultant for Marketing and Distributive Education, to develop a curriculum. A total of 120 of the more common competencies were developed into LAPS. In 1971, a consortium of 11 states was formed to maximize resources. The Consortium agreed to divide the 983 competencies among the 11 states. When the work was completed in 1974, 500 LAPS with properly sequenced competencies were available for printing.

Each LAP contains from 1 to 14 competencies, averaging two per LAP. The number of competencies required for mastery of the individual occupation varies from 109 (Wholesaling Order Selector) to 679 (Variety Store Manager). Each occupation requires some 59 competencies common to the other 75 jobs, as there are many competencies which are common to two or more occupations in the study.

PART II

USING IDECC IN THE CLASSROOM

IDECC LAPS provide these major benefits to teachers:

1. Each LAP is a "total" instructional package of performance objectives, learning activities, resources and assessment instruments.
2. Curriculum is broadened to include 983 competencies required for 76 distributive occupations.
3. Provides more time to work individually with students (counseling, assisting, etc.).
4. Determines what is to be learned and in what order in relation to each student's occupational objective(s)
5. Provides the opportunity to receive computer assistance in the management phases of learning system implementation, including grouping students.

6. Provides for continuous accounting of student achievement.

7. Many new references are identified and keyed to learning activities.

8. IDECC can organize teacher's materials by adding them to or between LAPs.

9. Flexibility to utilize in local curriculum all of the materials all of the time, part of the time, or part of the materials part of the time.

10. Opportunity to share responsibility for learning with one's students rather than having to do everything.

11. A system to better articulate with higher levels of marketing education.

12. Helpful ideas are provided for the teacher.

13. Determine what is to be learned for students without specific career objectives.

The IDECC system provides these benefits to the students:

1. Opportunity to choose instruction for a number of occupations.

2. Opportunities to choose from a variety of learning activities (large group, small group, independent).

3. Opportunities to work individually with the teacher regarding personal, job or learning problems, and future plans.

4. Opportunities to learn relevant competencies directly related to a specific job or occupational cluster.

5. Opportunities for immediate feedback on progress.

6. Opportunities to be evaluated against a standard rather than against a group*.
7. Opportunities to learn at your own pace and go back and select alternative learning activities if objectives are not achieved on initial trials.

8. Advantage of having an individualized competency record listing competencies achieved and which may be presented to prospective employers.

9. Opportunities to develop responsibility and initiative by handling one's own learning.

10. Opportunities to explore a variety of occupations through idea and skill development.

11. Opportunity to work with small group activities, small peer group.

15 STEPS IN USING THE IDEEC SYSTEM

   It covers many retail occupations but not all marketing occupations.

2. File IAPs by LAP number or competency number.

3. Determine which competencies are needed by each student.

4. The Learning Manager decides which competencies students need first.

5. Learning Manager decides whether students can work individually or only in a group.

6. Administer pre-test, if pre-tests are used.

7. Learning Manager signs the competency record of students who pass pre-test.

8. Students choose another IAP.

9. Students who do not pass are given learning activities.

10. Post-tests are administered.

11. Students who pass post-tests are given new competencies.

12. Students who do not pass post-tests are recycled through other learning activities in the LAP.

13. When students pass, their competency records are signed and another IAP is selected. The total process is then repeated.
14. Students work in small groups or individually when common competencies are exhausted.

15. If the student finishes all competencies for his career objective before the end of the course, the Learning Manager counsels with the student and the decision is made whether:
   a. The student may graduate or take another course, or
   b. The student may select a more remunerative or just a different career objective which required additional competencies.

PART III

RELATIONSHIP OF DECA COMPETITIVE EVENTS TO IDEOC

For those schools using the IDEOC system, the process of competency development would proceed according to each student's identified career objective. Each student would complete the LAPs which correspond to each of the competencies available from that student's individualized plan. This may vary from 121 to 368 different competencies for the D.E. program.

The DECA competitive events contain tests over certain of these IDEOC competencies. The competencies are further identified on Master Employee/lower level/and Manager Owner (upper level.)

The list of competencies for DECA competency based competitive events has been divided into the following occupation categories:

    Petroleum
    Apparel & Accessories
    Finance and Credit
    Food Marketing
    Food Service
    General Merchandising
Booklets containing the IDECC LAP number, curriculum section, competency number and competency statement have been included for each occupation category of the competitive events and are available from:

IDECC
The Ohio State University
1885 Neil Avenue - 119 Townshend Hall
Columbus, Ohio 43210

IDECC LAPs can be used throughout the year, both for large group and independent study. However, students who need to be prepared for our state Career Development Conference use them to refresh or develop competencies not yet taught. (Our CDC is the first weekend in March). Students preparing for a series of events, such as petroleum or food distribution, know competencies. Some of these may not be taught until later in the spring and would put the student at an unfair advantage if he were tested on those in mid-semester. The LAPs provide the student with some specific materials to study the philosophy of the new competitive events is to test a sampling of competencies normally taught in a D.E. program. LAPs and other individualized materials, such as privately and publicly produced manuals, can be a great help to insure that the student is well-prepared not only for the competitive events, but for his/her career.
WAYS TO USE THESE SAMPLE TESTS

Teacher-Coordinators can use the sample tests contained in this manual in the following ways:

1. Guidelines to the types of tests administered on the state and national level.
2. Practice in test administration for both students and teachers.
3. Competition on the local level prior to state and national events.
4. General achievement tests at the end of the semester or year.
5. Refreshment or development of competencies not yet achieved.
Table of Contents for Tests

Advertising
Apparel and Accessories
Finance and Credit
Food Marketing
Food Service
General Merchandising
Petroleum
Sales-Marketing Techniques
# Advertising Services

**High School**

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1. Advertising is any paid form of personal presentation and promotion of ideas, goods, or services by an identified sponsor. T F

2. Advertising is concerned primarily with the promotion of tangible goods. T F

3. The basic distinction between advertising and publicity is that the former is delivered through space or time for which the advertiser has paid, while the latter is delivered without charge as part of the news or entertainment content of the medium. T F

4. Which of the following fundamentals must be observed by management when developing an advertising budget?
   a. The advertising budget is the translation of an entire advertising plan into dollars and cents.
   b. The budget must be constructed totally within the financial capabilities of the company.
   c. The budget must contain specific details on the allocation of funds to specific operations.
   d. No one method is ideal for all situations.
   e. All of the above.

5. What are three major methods for deciding how much a company is to spend on advertising?
   a. Task, fixed percentages, objective.
   b. Task, fixed percentages, subjective.
   c. Task, fixed percentages, unit of sale method.
   d. Fixed percentages, unit of sale, objective.
   e. All of the above.

6. Your company goal is to sell 100 units of your product per salesperson per year. Your sales force is 100. One call in five develops into a sale. You establish clearly from past experience that it takes about $30.00 of advertising revenue to generate fifty inquiries or calls. How much money will need to be spent on advertising to realize company goals?
   a. $10,000.00
   b. $50,000.00
   c. $30,000.00
   d. $100,000.00
   e. None of the above

7. As Advertising Manager of your company you have been given a budget for the next fiscal year of 3% of gross sales. You have calculated that to do an adequate job of advertising you will need about $140,000. If this is accurate, your company must gross approximately how much?
   a. $3,725,000
   b. $4,275,000
   c. $4,725,000
   d. $3,575,000
   e. None of the above
8. Generally, the advertising manager of a company will determine what portion of the total marketing effort is to be carried by advertising. T F

9. The detailed breakdown of the total advertising budget is usually determined by:
   a. The sales and advertising departments.
   b. Account executive in charge of the account.
   c. The client buying the media.
   d. The specific media running the campaign.
   e. All of the above.

10. Regardless of size or type of advertising agency, they all have three main functions:
    a. Organize, locate and sell.
    b. Creative, external and internal.
    c. Internal, organize and locate.
    d. Internal, organize and sell.
    e. None of the above.

11. Agency income is derived in two ways:
    a. Commission and fees.
    b. Flat rate and fees.
    c. Media cost minus discount and fees.
    d. Commission and flat rate.
    e. None of the above.

12. The advertising media may be broken down into four general groups. T F

13. Surveys have indicated that most men and women prefer what type of media:
    a. Radio
    b. Television
    c. Newspapers
    d. Billboards
    e. None of the above

14. On a typical city paper the advertising department is divided into which three functions:
    a. Semi-classified, classified, and display.
    b. Classified display, semi-classified, and classified.
    c. Semi-display, classified and display.
    d. Classified, display and display classified.
    e. None of the above.

15. In general, newspapers have two basic rates, and they are:
    a. Agency rate and local rate.
    b. Local rate and national rate.
    c. National rate and agency rate.
    d. Base rate and agency rate.
    e. None of the above.

16. A column inch is:
    a. One column wide and \( \frac{1}{2} \) inch deep.
    b. One half inch wide and \( \frac{1}{2} \) inch deep.
    c. One inch deep and one inch wide.
    d. Two inches wide and one inch deep.
    e. None of the above.
17. If a paper's rate for General Motors Corporation was 94¢ per line, then a 19 inch ad would cost:
   a. $175.00
   b. $17.86
   c. $275.00
   d. $250.00
   e. None of the above

18. The milline rate is used to:
   a. Compare true cost per person for two newspapers.
   b. Compare actual ad rates of two different papers.
   c. Compare costs of ads in two different papers.
   d. Compare different ad structures based on available financial data.
   e. All of the above.

19. If the Washington Post has a national rate of 98¢ per line and has a circulation of 1,245,000 people, what is the true cost per person?
   a. 75¢
   b. 70¢
   c. 65¢
   d. 80¢
   e. None of the above

20. In general, the cost of newspaper advertising depends on the:
    a. Base rate
    b. Efficiency of the paper
    c. Circulation
    d. Column inch rate
    e. None of the above

21. The American Broadcasting Company recently announced one of it's programs had a 26.8 rating. This means:
    a. 26.8% of all people in the U.S. saw the program.
    b. 26.8% of all people missed the program.
    c. 26.8% of the T.V. homes were tuned in.
    d. 26.8% of the total sets were tuned in.
    e. None of the above.

22. When an advertisement is inserted in a newspaper at the regular advertising rate and no stipulation made as to position, it is given what is called:
    a. L.O.R. Position
    b. L.A.R. Position
    c. R.O.P. Position
    d. L.O.P. Position
    e. None of the above

23. Which of the following media has the most flexibility?
    a. Radio
    b. Television
    c. Newspapers
    d. Billboards
    e. None of the above
24. Which of the following media is likely to deliver your advertising message at the highest cost per reader?
   a. Direct Mail
   b. Daily Newspapers
   c. Outdoor Posters
   d. National Magazines
   e. None of the above

25. The primary goal of retail advertising is:
   a. To inform people of products.
   b. To let people know of special sales.
   c. To persuade people to shop at a particular store.
   d. To cooperate with manufacturers and wholesalers.

26. A split-run is a:
   a. Method of selling used by retail merchants.
   b. Method of testing advertisements.
   c. Method of printing a bi-weekly newspaper.
   d. Method of newspapers for billing ads.
   e. None of the above.

27. Calendars are often used for:
   a. Position advertising
   b. Retail advertising
   c. Teaser advertising
   d. Specialty advertising
   e. None of the above

28. Promotional advertising focuses on the firm with the intent of building store prestige. T F

29. The newspaper with the lowest milline rate will often turn out to be the best. T F

30. The federal government, through which act has set up trade-practice rules for advertising and selling the products of many industries:
   a. Wheeler-Lea Act
   b. FTC Act
   c. Securities Exchange Act
   d. ICC Act
   e. None of the above.

31. The main reason for studying human relations in business is:
   a. Gain cooperation of others
   b. More productivity
   c. Psychic income
   d. Work satisfaction
   e. All of the above

32. The best way to make an employee feel successful
   a. Watch their work habits closely
   b. Praise them after every job well done
   c. Occasional praise and constructive criticism
   d. A strong employee review system
   e. All of the above
33. Your ad agency runs an ad in the Daily Sun for Sears, advertising skateboards for $6.00 instead of $26.00. It was your mistake, what should you do?
   a. Tell them it's their problem.
   b. Print a retraction.
   c. Offer to absorb the loss.
   d. Offer not to charge them for the ad.
   e. None of the above.

34. To effectively communicate through an ad you must always have good copy. T F

35. A reader's attention is difficult to secure because he spends less than_______
   glancing over an ad unless it gains his interest.
   a. 3 seconds
   b. 2 seconds
   c. 1 minute
   d. 2 minutes
   e. 1 second

36. Which of the following describe "good copy."
   a. Persuasive
   b. Simple
   c. Understandable
   d. None of the above
   e. All of the above

37. The formula every good ad follows is:
   a. I.A.A.S.
   b. B.I.L.S.
   c. A.I.D.A.
   d. S.A.L.E.
   e. I.A.D.A.

38. Which of these rules bring about successful communication through radio commercials?
   a. Store name and location must be dominant.
   b. Copy must tell a story.
   c. Commercial must stress immediacy.
   d. Message must be believable.
   e. All the above.

39. Consumer demand is how the customer communicates to America's businesses what he is interested in purchasing. T F

40. What is the main purpose of advertising?
   a. Computation
   b. Career interest
   c. Organization
   d. Communication
   e. All the above.
41. A client of your ad agency informs you if their sales don't increase they will drop you as their agency. What should your first action be at this point?
   a. Inform your supervisor.
   b. Consult additional staff for help.
   c. Allocate more time to this client.
   d. Rework client's ad campaign.
   e. None of the above.

42. Cooperative advertising is:
   a. an arrangement between several retail stores to cut costs.
   b. an arrangement between retailer and manufacturer to split costs.
   c. a good method of tie-in with national advertising.
   d. B & C
   e. None of the above.

43. A media salesperson is employed by their particular advertising medium to:
   a. Provide up-to-date market information that helps advertisers plan.
   b. Plan contests and surveys to help success of programs.
   c. Help the advertiser save money by using discount plans and rates.
   d. Supply helpful information on activities of competitors.
   e. All of the above.

44. The purpose of advertising is to convince people to buy the products which the retailer has ordered the most. T F

45. The ABC Statement is used to verify a publication's circulation. T F

46. The milline rate is the most useful information to an advertising man because it:
   a. is used in television advertising to determine cost per second per million people.
   b. is used in radio advertising to schedule time slots at periodic intervals to get maximum coverage.
   c. is used in newspaper advertising to compare the true cost per person between various newspapers.
   d. is used in advertising layout to determine cost per inch.
   e. None of the above.

47. A salute by Macy's Department Store for National DECA week would be considered:
   a. conventional advertising
   b. promotional advertising
   c. institutional advertising
   d. industrial advertising
   e. none of the above

48. Merchandise information is obtainable from:
   a. customers
   b. sales representatives
   c. competitors
   d. fellow sales workers
   e. all of the above
49. Which of the following is not a customer benefit?
   a. Certs gives you breath as fresh as springtime.
   b. Johnson's Baby Shampoo makes your hair ask to be touched.
   c. Mercedes has hand-made parts that fit perfectly and last for a lifetime.
   d. Flair pens make writing easy and fun.
   e. All of the above stress benefits.

50. Newspapers and magazines published for the employees are:
   a. called internal information systems.
   b. called house organs.
   c. called direct mail advertising.
   d. called quarterly reports.
   e. none of these.

51. Most companies advertise in the classified section of the paper. T F

52. Run of the paper means the ad will be placed in the paper at the place determined by the newspaper. T F

53. A column inch is:
   a. one column wide, 3 line deep.
   b. one inch wide, one column deep.
   c. one inch wide, 12 lines deep.
   d. one column wide, 12 lines deep.
   e. none of the above.

54. A promotional campaign includes:
   a. personal selling
   b. advertising
   c. display
   d. B & C
   e. all of the above

55. A double spread is two pages back to back. T F

56. Which of the following is a way of obtaining a direct mail list?
   a. buy from a mailing company
   b. use charge customers
   c. telephone book
   d. A & B
   e. all of the above

57. Which of the following is a way of presenting an exclusive item in an ad?
   a. omnibus advertising
   b. one-item advertising
   c. group advertising
   d. all of the above
   e. none of the above
58. Bait and switch advertising is deceptive but not illegal. T F

59. Prime time on a radio is around 7:30 in the morning. T F

60. Which of the following are types of interior displays?
   a. shelves
   b. kiosk windows
   c. shadow boxes
   d. A & C
   e. all of the above

61. Which of the following are major factors in the cost of a newspaper ad?
   a. circulation
   b. potential buyers in the circulation
   c. amount of advertising done by the business
   d. all of the above
   e. none of the above

62. Which of the following affects a store image?
   a. store layout
   b. advertising plan
   c. displays
   d. b & c
   e. all of the above

63. Which of the following affects a store image?
   a. price line
   b. merchandise
   c. store employees
   d. a & b
   e. all of the above

64. Prime time on television is 8:30 a.m. in the morning. T F

65. A display should take the potential customer through the following steps A I D C A. T F

66. A newspaper ad that is sixty column inches could be
   a. 6" x 10"
   b. 5" x 12"
   c. 2" x 30"
   d. 4" x 15"
   e. all of the above
67. You are running a sixty column inch, black and white, ad with an ROP advertising rate. How much would it cost?
   a. $ 85.80  
   b. 134.95  
   c. 88.50  
   d. 137.65  
   e. none of these

68. A 30 column-inch ad in black and two colors paid on the fifteenth of the month.
   a. $126.85  
   b. 137.65  
   c. 45.30  
   d. 139.71  
   e. none of the above

69. Figure the cost of a 150 column inch pre-printed insert in double truck, black and one color.
   a. $204.00  
   b. 206.05  
   c. 132.60  
   d. 277.45  
   e. none of the above

70. You are buying 40 shortie radio spots on KSPI for the month of February. What would the cost be?
   a. $70.00  
   b. 72.50  
   c. 75.00  
   d. 40.00  
   e. none of the above

71. You are going to run twenty-30-second spots on the radio at 7:00 a.m. paid on the 8th of the month. What would the cost be?
   a. $48.00  
   b. 60.00  
   c. 58.80  
   d. 68.80  
   e. none of the above

72. You are planning a 60-second spot announcements and pay your bill on the 5th of the month. What would the cost be?
   a. $148.00  
   b. 122.00  
   c. 142.08  
   d. 117.12  
   e. none of these
73. Vocational advertising directs the message toward people other than consumers.  T  F

74. The time factor in retail advertising is not an important factor to consider.  T  F

75. The operating revenue of an advertising agency comes from:
   a. commissions
   b. service fees charged to clients
   c. creative fees charged to media
   d. c & a
   e. a & b

76. The usual rate of commission is:
   a. 20% - 23%
   b. 10% - 14%
   c. 15%
   d. 18%
   e. could be all of the above

77. The usual rate for creative work is:
   a. 20% - 23%
   b. 10% - 14%
   c. 15%
   d. 18%
   e. none of the above

78. A cash discount of 5 percent is given by the medium if payment is made within ten days.  T  F

79. There are almost 4,500 advertising agencies, including branches, doing business in the U.S.  T  F

80. The most popular way for a client to check on media ratings in a large city, such as Kansas City or St. Louis, would be the
   a. local newspaper research staff
   b. arbitron
   c. independent research
   d. all of the above
   e. none of the above

81. When deciding on the media to use, most retailers use:
   a. cost guide formula
   b. circulation plus cost formula
   c. circulation formula
   d. all of the above
   e. none of the above
82. Direct mail and selected magazine articles can reach selected audiences with more precision than other media.  

83. For geographical selectivity the newspaper is probably best.  

84. Magazines and radio deliver pre-selected audiences.  

85. Magazines are probably better for immediacy than television.  

86. The Nielson Company use the following device in program audience research.

   a. arbitron  
   b. audimeter  
   c. trendimeter  
   d. surveymeter  
   e. none of the above  

87. Mortality rates for new television shows in prime time run as high as 70 percent.  

88. Saturation spot campaign is not recommended when a new market is being opened.  

89. Outdoor advertising accounts for about one percent of the total advertising budget.  

90. About 66 percent of outdoor advertising sales volume is from the poster.  

91. A billboard with a 100 showing means:

   a. 100 percent of the buying public will see the sign.  
   b. about 100 percent of the buying public will see the billboard in a two week period.  
   c. about 100 percent of the buying public will see the billboard in a four week period.  
   d. 100 percent will see the billboard in a two week period.  
   e. 100 percent will see the billboard in a four week period.  

92. The agency for checking on good poster locations is the:

   a. ABC  
   b. ACL  
   c. TAB  
   d. RAB  
   e. CAB  

93. The criterion of simplicity does not always apply when making commercials on complex items.  

94. The basic format for a radio show are:

   a. straight sell
   b. educational
   c. testimonial
   d. musical
   e. all of the above

95. T.V. commercials go through about the same number of modifications as radio.  T  F

96. Most retail copy leans toward the:

   a. specific
   b. general
   c. informative
   d. all of the above
   e. none of the above

97. The two types of fashion advertising are:

   a. high-style and volume
   b. volume and primary
   c. primary and high-style
   d. volume and high-style
   e. high-style and appeal

98. A significant innovation in the use of direct mail is the:

   a. computer
   b. fan-fold forms
   c. lower cost
   d. personal message
   e. all of the above

99. "Public Relations" copy covers all nonproduct advertisements.  T  F

100. The subject matter of institutional advertising:

    a. the product
    b. the idea
    c. the attitude
    d. the message
    e. all of the above
KSPI AM and FM Rate Schedule
LOCAL 9-R — EFFECTIVE JUNE 1, 1974

AM & FM RATES

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<td>1 Hour</td>
<td>$30.25</td>
</tr>
<tr>
<td>1/2 Hour</td>
<td>$15.70</td>
</tr>
<tr>
<td>1/4 Hour</td>
<td>$9.65</td>
</tr>
<tr>
<td>5 Minute</td>
<td>$6.05</td>
</tr>
<tr>
<td>Spot—60 Seconds</td>
<td>$3.05</td>
</tr>
<tr>
<td>Spot—30 Seconds</td>
<td>$2.40</td>
</tr>
<tr>
<td>&quot;Shortie&quot;</td>
<td>$1.75</td>
</tr>
</tbody>
</table>

*Minimum of 6 per day and a minimum of 50 shorties within 30 days of order. Ten seconds = single.

PER MONTH DISCOUNT

<table>
<thead>
<tr>
<th>Amount Range</th>
<th>Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50 to $100</td>
<td>2%</td>
</tr>
<tr>
<td>$101 to $150</td>
<td>4%</td>
</tr>
<tr>
<td>$151 to $200</td>
<td>6%</td>
</tr>
<tr>
<td>$201 to $250</td>
<td>8%</td>
</tr>
<tr>
<td>$251 and over</td>
<td>10%</td>
</tr>
</tbody>
</table>

Discount applies only on Station Rates and if paid by the 10th of the month. Applies to regular spots and programs only.

REMOTE BROADCAST RATES

<table>
<thead>
<tr>
<th>Remote Location</th>
<th>Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>6:30 a.m. — 8:30 a.m.</td>
<td>$3.10</td>
</tr>
<tr>
<td>12 Noon — 1:00 p.m.</td>
<td>$3.10</td>
</tr>
<tr>
<td>5:00 p.m. — 6:00 p.m.</td>
<td>$3.10</td>
</tr>
</tbody>
</table>

SPECIAL PROGRAMS AND FEATURES

<table>
<thead>
<tr>
<th>Program Duration</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-time signal hourly each day, per month</td>
<td>$205.00</td>
</tr>
<tr>
<td>One-time signal alternating hours each day, per month</td>
<td>$105.00</td>
</tr>
</tbody>
</table>

Remote broadcast rates are on request on OKLAHOMA STATE UNIVERSITY AND STILLWATER HIGH SPORTS and many other special programs and features, including short on the spot broadcasts.

Home of OKLAHOMA STATE UNIVERSITY

KSPI originates the Cowboy Sports Network

Courtesy of KSPI
GOTHAM DAILY NEWS
ADVERTISING RATES

EARNED RETAIL RATE SCHEDULE

Applicable only to local retail firms or service establishments for their own display advertising. Advertising not considered by the publisher as "local retail" will be charged at the general advertising rate.

(Based on column inches used per month)

<table>
<thead>
<tr>
<th>Inches Per Month</th>
<th>Rate per inch</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.24</td>
<td>1.68</td>
</tr>
<tr>
<td>25.49</td>
<td>1.51</td>
</tr>
<tr>
<td>50.99</td>
<td>1.43</td>
</tr>
<tr>
<td>100-199</td>
<td>1.36</td>
</tr>
<tr>
<td>200-299</td>
<td>1.32</td>
</tr>
<tr>
<td>300-399</td>
<td>1.29</td>
</tr>
<tr>
<td>400-599</td>
<td>1.26</td>
</tr>
<tr>
<td>600-799</td>
<td>1.23</td>
</tr>
</tbody>
</table>

At the end of each calendar month, advertising will be charged at the rate earned, according to above schedule. If account is not paid by the 10th of month following billing, advertiser will be charged 1 1/2 percent per month on unpaid balance.

PREPRINT INSERT RATES

65 percent of earned ROP advertising rate. We reserve the right to accept or decline any preprinted material.

EXTRA INSERTION DISCOUNT

Any advertisements originating in a Sunday, Wednesday, or Thursday edition, may be repeated (within 7 days) in a Monday, Tuesday, or Friday edition, without copy change, at advertiser's rate LESS 20 PERCENT DISCOUNT. Mechanical department time required to make copy changes for EID insertions will be billed at $10 per hour. Advertisements originating Monday, Tuesday, or Friday may be repeated Sunday, Wednesday, or Thursday under same terms and discount. EID minimum, 5 in.

MONTHLY CARD RATES

26 Consecutive Insertions  22.36 per inch
13 EOD                  13.78 per inch

For each change of copy requested before completion of month, a 5 percent charge will be made, with a minimum of $1. One change per month is allowed without charge after the first month. If a card advertisement is canceled before one month expires, total number of inches of space used will be charged to advertiser under the Earned Retail Rate Schedule.

.85 per insertion per inch
1.06 per insertion per inch

COLOR ADVERTISING

When mechanical limitations permit, display advertisements may be printed in black and color for the following extra charge:

<table>
<thead>
<tr>
<th>Description</th>
<th>Extra Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black and one color</td>
<td>49.15</td>
</tr>
<tr>
<td>Black and two colors</td>
<td>92.36</td>
</tr>
<tr>
<td>Black and three colors</td>
<td>135.55</td>
</tr>
<tr>
<td>Double Truck, black and one color</td>
<td>73.45</td>
</tr>
<tr>
<td>Double Truck, black and two colors</td>
<td>139.35</td>
</tr>
<tr>
<td>Double Truck, black and three colors</td>
<td>203.60</td>
</tr>
</tbody>
</table>

No ad of less than 40 column inches accepted in color
1. Corporate advertising refers to advertising by a business. T F
2. To obtain maximum effectiveness of an advertising activity an agency should be cost conscious. T F
3. An agency need not always coordinate their media plan. T F
4. In most cases (75%), the media plan is accepted by the client. T F
5. Agencies will use the following tools to measure advertising results:
   A. Simmons Report
   B. ASDS Report
   C. AAAA Report
   D. Arbitron
   E. None of the above
6. In determining the relative utility of advertising, the agency must consider:
   A. Product life-cycle
   B. Origin of product
   C. Importance of product to prospective customers
   D. B & C
   E. A & C
7. The primary functions of an advertising agency are:
   A. Classification, contact, demand creation
   B. Classification, contact, internal
   C. Creative, contact, internal
   D. Creative, contact, classification
   E. None of the above
8. Any given ad agency can do an effective job without having knowledge of all of the available media. T F
9. Consumer magazines are similar to "Psychology Today". T F
10. Trade magazines are similar to "Readers Digest". T F
11. Most likely Sports Illustrated would charge more for a half page ad than TV Guide. T F
12. A thirty second spot on the 1979 Superbowl would probably cost about:
    A. $75,000
    B. $250,000
    C. $350,000
    D. $450,000
    E. $500,000
13. Media should be analyzed by each agency in terms of character. T F
14. Media needs to be analyzed in terms of influence.  T  F
15. Media does not have to be geared to the market in every case.  T  F
16. An agency should determine the prime market area by looking at, among other factors:
   A. Income, style, location
   B. Income, type, location
   C. Habits, type, location
   D. All of the above
   E. None of the above
17. An agency must:
   A. Measure different newspapers
   B. Measure different television stations
   C. Measure one television or radio station against another
   D. Measure one magazine against another
   E. All of the above
18. The agency assumes sole responsibility for payment to the medium.  T  F
19. If the advertiser fails to pay, it is the medium's loss.  T  F
20. The medium will receive the appropriate discount through the agency.  T  F
21. The agency attests that the rate for which they contract is the lowest rate currently available.  T  F
22. The advertising is subject to the FCC approval.  T  F
23. The medium must approve all plans.  T  F
24. The medium can change the ad plan if they receive approval from:
   A. FAA
   B. FCC
   C. AAAA
   D. Medium's lawyer
   E. None of the above
25. The medium can change the ad plan if they receive approval from:
   A. Station program manager
   B. The advertiser
   C. The agency
   D. The agency and advertiser
   E. None of the above
26. All national television commercials are on film.  T  F
27. All local television commercials are on:
   A. Film
   B. Videotape
   (Cont'd)
27. (Cont'd)
   C. Film and videotape
   D. None of the above
   E. All of the above

28. Audio-tape is used with commercials on:
   A. Radio
   B. Television
   C. Radio and television
   D. All of the above
   E. None of the above

29. The agency department most responsible for coordinating all commercial work, including deadlines and legal approvals, is:
   A. Traffic
   B. Art
   C. Sales
   D. All of the above
   E. None of the above

For checking and verifying purposes:
30. Newspapers send clipsheets  T  F
31. Newspapers send tearsheets  T  F
32. Newspapers verify through sales representative  T  F
33. Magazines send:
   A. Tearsheets
   B. Clipsheets
   C. Sales representative
   D. A & B
   E. B & C

34. Television sends a sales representative  T  F
35. Television sends an affidavit  T  F
36. Radio sends clipsheets  T  F
37. Radio sends an affidavit  T  F
38. Outdoor advertising is checked by:
   A. National outdoor advertising association
   B. The agency
   C. The advertiser
   D. A & B
   E. B & C

39. The agency need not check orders against invoices.  T  F
40. The medium bills the advertiser.  T  F
41. The agency is always paid about 22% to 23% commission.  T  F
42. The agency may be paid:
   A. By commission
   B. By fee
   C. By days on job
   D. A & B
   E. A & C
43. Most print media allow a cash discount.  T  F
44. The costs are determined by:
   A. The agency
   B. The FCC
   C. U. S. Government
   D. The medium
   E. AAAAA
45. Most corporations must rely on the agency to determine their prime market area.  T  F
46. The reports dealing with printed media research come from:
   A. Nielsen
   B. Arbitron
   C. Simmons
   D. B & C
   E. A & B
47. The reports dealing with broadcast media research come from:
   A. Nielsen
   B. Arbitron
   C. Simmons
   D. B & C
   E. A & B
48. The agency account executive is responsible for originality in his client's ad plan.  T  F
49. Each agency is most likely to have about:
   A. Six or seven departments
   B. Three or four departments
   C. One department
   D. As many as needed
   E. None of the above
50. An ad agency would be most likely to solicit the following clients:
   A. General Motors and Ford
   B. TWA and Smaks
   C. United and Continental
   D. Pepsi-Cola and Coke
   E. All of the above

51. In 1978, the largest expenditures on advertising was by:
   A. General Motors
   B. Proctor and Gamble
   C. Ford Motor Co.
   D. AT&T
   E. McDonalds

52. Today, the great bulk of advertising money is devoted to:
   A. Television
   B. Newspaper
   C. Radio
   D. Position Media
   E. Direct Mail

53. The typical advertising budget has more money allocated to:
   A. Television
   B. Newspaper
   C. Radio
   D. Position Media
   E. None of the above

54. In a large newspaper, such as The Kansas City Star, each additional color on an ad will probably cost about:
   A. $50.00
   B. $150.00
   C. $200.00
   D. $250.00
   E. None of the above

55. Television time cost information is available through SRDS.  T  F

56. Trade journal ads are usually specialized.  T  F

57. In most newspapers, the agency will receive lower rates for national ads than for local ads.  T  F

58. To do a complete and effective campaign for a client, cost analysis should not be considered.  T  F

59. If an agency is careful in their analysis, research and media selection, they
59. (Cont'd)
should be able to determine within about 10% how effective their campaign
was for their client. T F
60. For print media the best type of ad is the:
   A. Split-run
   B. ROP
   C. Keyed
   D. Coupon
   E. None of the above
61. Agency campaigns sometimes strive for product differentiation. T F
62. Corporate ads often seek only identity. T F
63. The agency wanting to be very personal and selective in their campaign
would probably choose a great deal of:
   A. Newspaper
   B. Television
   C. Radio
   D. Direct mail
   E. Position media
64. The most versatile medium is:
   A. Newspapers
   B. Television
   C. Radio
   D. Direct mail
   E. Position media
65. Large agencies do not have division of labor. T F
66. The job of making certain that the client is satisfied with the agency
services falls upon:
   A. The agency
   B. The medium
   C. The account executive
   D. All of the above
   E. None of the above
67. Any misunderstandings arising between agency and client will usually be the
responsibility of:
   A. The agency
   B. The medium
   C. The account executive
   D. All of the above
   E. None of the above
68. The creative function within most agencies is usually:
   A. Divided into several departments
   B. Within one department
   C. Responsibility of the account executive
   D. Responsibility of top management
   E. None of the above

69. Media directors are responsible for:
   A. Checking on media popularity
   B. Informing the media of agency changes
   C. Buying media time and space
   D. Informing media of new creative techniques
   E. None of the above

70. After the campaign contract has been signed, the gathering of factual infor-
mation (research) prior to the ad campaign is often:
   A. Done by the media research department
   B. Done as a specialized agency function
   C. Done by Arbitron
   D. Done by Simmons research
   E. None of the above

71. Advertising agencies can grow in two ways:
   A. By hiring more personnel
   B. By recommending to top management that more advertisements be done
   C. By buying out other agencies and merging
   D. By acquiring new clients and expanding current client business
   E. None of the above

72. Catalogues, point-of-purchase materials, and direct-mail pieces usually in-
volve only 11% to 12% commissions.  T  F

73. If an agency "billed" $10 million with various media all on a commission
    basis, then its operating revenues from this phase of its activities would
    total about:
   A. $5 million
   B. $2.5 million
   C. $1.5 million
   D. $1 million
   E. $700,000

74. It is a basic 4A qualification that all agencies must:
   A. Not be under any advertiser control
   B. Not solicit unfair ads
   (Cont'd)
74. (Cont'd)
   C. Not become involved in FCC regulations
   D. Not screen all ads
   E. All of the above

75. There are about 6,000 agencies in the U.S. About one third of them are:
   A. One-person operations
   B. Have an average of about five employees
   C. Very large in nature, some employing more than 1,000 people
   D. All of the above
   E. None of the above

76. 4A member agencies handle about
   A. 80 to 85% of all agency business
   B. 70 to 75% of all agency business
   C. 60 to 65% of all agency business
   D. 50 to 55% of all agency business
   E. 40 to 45% of all agency business

77. 4A member agencies will initially:
   A. Study a possible client's product
   B. Analyze the market for a possible client
   C. Will advise client on how to get product profitably to the point of sale
   D. All of the above
   E. None of the above

78. The media plan will usually consist of:
   A. Markets to be researched
   B. Why markets cost what they do
   C. Projected marketing plans for two years
   D. A & C
   E. B & C

79. The general all-around formula for a good media plan is called:
   A. Contracting plan
   B. All market plan
   C. Media characteristics plan
   D. 4A general media plan
   E. None of the above

80. If an agency is a member of the National Outdoor Advertising Bureau, it will place all such advertising through the:
   A. 4A
   (Cont'd)
80. (Cont'd)
   B. SRDS
   C. NOAA
   D. NOAB
   E. None of the above

81. The FCC requires that all stations:
   A. Maintain an official log
   B. Give the lowest possible rates to bigger agencies
   C. Maintain quality in their commercials
   D. None of the above
   E. All of the above

82. The outside company hired by each agency to monitor all broadcast media is:
   A. Arbitron
   B. Nielsen
   C. Simmons
   D. SRDS
   E. None of the above

83. When an advertising agency arranges for the wholesaler and retailer to share the cost of the advertising campaign, it is termed:
   A. Productive advertising
   B. Institutional advertising
   C. Cooperative advertising
   D. Promotional advertising
   E. None of the above

84. Which of the following is a disadvantage of choosing a media representative over an ad agency?
   A. The representative has detailed knowledge of his media
   B. The representative has loyalty to his own media
   C. The representative would have more specialists to aid him
   D. The cost of media representative is less
   E. All of the above

85. Which of the following could be an example of a specialized agency service?
   A. Broadcast media
   B. Printed media
   C. Specialty media
   D. Position media
   E. All of the above
86. Which of the following would most likely have an in-house ad agency?
   A. One-unit hamburger stand
   B. Large retail store (Jones, Macy's, Sears)
   C. Car dealership
   D. Wholesale distributor
   E. None of the above

87. Which of the following time spans would most agencies which plan on a long-time basis utilize?
   A. 12 months
   B. 9 months
   C. 18 months
   D. 6 months
   E. None of the above

88. An advertising consultant is most likely to do which of the following?
   A. Marketing research
   B. Creative work
   C. Sales promotion
   D. Package design
   E. All of the above

89. What main factors do both advertising agencies and advertising managers usually consider when making media decisions?
   A. Competition
   B. Frequency and coverage
   C. Continuity
   D. Flexibility
   E. All of the above

90. The advertising agency is responsible to the:
   A. Media
   B. Client
   C. Advertisement
   D. People
   E. All of the above

91. Advertising agencies are compensated through:
   A. Commissions and fees
   B. Salary
   C. Reimbursement
   D. Base wage
   E. None of the above
92. Business people who plan an advertising budget in terms of anticipated sales must consider:
   A. Past sales
   B. Sales of competitors
   C. Present sales
   D. General economic conditions
   E. All of the above

93. Budgeting strategy involves analyzing the advertiser's
   A. Business
   B. Competition
   C. Available media
   D. All the above
   E. None of the above

94. Which of the following will not give advice to business people planning an advertising budget?
   A. Media representatives
   B. Advertising consultants
   C. Ad agencies
   D. Educational institutions
   E. None of the above

95. A general advertising agency will perform which of the following services for clients?
   A. A complete study of the client's product or service
   B. An analysis of the present and potential markets for the product or service
   C. Present a complete advertising plan based on the advertiser's objectives for approval
   D. Supply the advertiser with cost information necessary on audiences, circulation, media choice
   E. All of the above

96. Most larger agencies are organized into one of two main systems - the departmentmental system or the group concept. T F

97. In order to be eligible for a media commission, an agency must be recognized by meeting which of the following qualifications?
   A. Freedom from financial control by an advertiser or the owner of a medium
   B. Financial resources sufficient to meet obligations to the media owner
   (Cont'd)
97. (Cont'd)
   C. Personnel with sufficient experience and ability to serve general
      advertisers
   D. A, B, & C
   E. None of the above

98. In the departmental system of organization, a team of specialists is assigned
to an account executive, creating many small departments within the agency.
   T   F

99. Most agencies are located in smaller cities.   T   F

100. Advertising agencies are the only businesses that will receive a discount
from broadcast media.   T   F
STUDENT INSTRUCTION SHEET

PROCEDURES

You will be given a maximum of one hour to design an ad layout for tennis clothing. You are to design a 36 column inch layout of any form, as long as it meets the 36 column inch requirement.

The ad is for their pre-spring season. You will have the option to choose any or all of the products on the illustration and fact sheets to advertise, which include men's and ladies' tennis clothing. You may cut out the illustrations and glue them on your layout as you wish.

You may also design a logotype for J & S Sporting Goods if you so desire.

MATERIALS NEEDED

- Pencils
- Glue
- Scissors
- Ruler
- Copy Paper (provided by staff)
EVENT

You are to design a 36 column inch ad layout for "J & S Sporting Goods". The ad is for their pre-spring season. You may choose any or all of the products on the illustration sheet to advertise, notice that each item of clothing has two different sizes of illustration. You may cut the illustration out and glue them on your layout, as you wish. You may also design a logotype for J & S Sporting Goods. Information concerning the illustrations is included on the attached "Fact Sheet".
FACT SHEET

Name of Store: J & S Sporting Goods
Address: 1295 Broadway
          Central City, KS 67021
Phone Number: 624-0210
Store Hours: Monday - Saturday - 10:00 a.m. - 5:30 p.m.
            Sunday - - - - - - - 1:00 p.m. - 5:30 p.m.
            Open Thursday - - - 10:00 a.m. - 8:30 p.m.
Services: Layaway plan
         Accept: VISA and Master Charge

INFORMATION ON ILLUSTRATIONS

<table>
<thead>
<tr>
<th>Illustration</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>Ladies Tennis Dress</td>
</tr>
<tr>
<td></td>
<td>50% cotton/ 50% polyester</td>
</tr>
<tr>
<td></td>
<td>Color: White</td>
</tr>
<tr>
<td></td>
<td>Decorative Trim: Red and Blue</td>
</tr>
<tr>
<td></td>
<td>Low neck</td>
</tr>
<tr>
<td></td>
<td>Price: $27.95</td>
</tr>
<tr>
<td>B.</td>
<td>Ladies Tennis Dress</td>
</tr>
<tr>
<td></td>
<td>5% cotton/ 45% polyester</td>
</tr>
<tr>
<td></td>
<td>Color: White</td>
</tr>
<tr>
<td></td>
<td>Decorative Trim on side pockets: Green &amp; Yellow</td>
</tr>
<tr>
<td></td>
<td>Low neck</td>
</tr>
<tr>
<td></td>
<td>Price: $29.95</td>
</tr>
<tr>
<td>C.</td>
<td>Men's Tennis Shirt &amp; Shorts</td>
</tr>
<tr>
<td></td>
<td>Shirt: 100% knit polyester; Color: White</td>
</tr>
<tr>
<td></td>
<td>V-neck with ribbed band at bottom of shirt and sleeve</td>
</tr>
<tr>
<td></td>
<td>Decorative stripes on neck and sleeve: Red/Blue; Green/Orange Yellow/Orange</td>
</tr>
<tr>
<td></td>
<td>Price: $15.95</td>
</tr>
<tr>
<td></td>
<td>Shorts: 100% knit polyester; Color: White</td>
</tr>
<tr>
<td></td>
<td>Elastic waist, with shirt gripper inside waist</td>
</tr>
<tr>
<td></td>
<td>2 slant pockets; 1 back pocket</td>
</tr>
<tr>
<td></td>
<td>Price: $12.95</td>
</tr>
<tr>
<td>D.</td>
<td>Men's Tennis Sweater, Jacket &amp; Shorts</td>
</tr>
<tr>
<td></td>
<td>Sweater: 100% acrylic knit; Color: White</td>
</tr>
<tr>
<td></td>
<td>Layered look, combination sweater shirt look</td>
</tr>
<tr>
<td></td>
<td>2 button top</td>
</tr>
<tr>
<td></td>
<td>Contrasting stripes: Orange/Yellow; Red/Blue</td>
</tr>
<tr>
<td></td>
<td>Short sleeve</td>
</tr>
<tr>
<td></td>
<td>Price: $23.95</td>
</tr>
<tr>
<td></td>
<td>Jacket: 100% acrylic knit; Color: White</td>
</tr>
<tr>
<td></td>
<td>Spread collar</td>
</tr>
<tr>
<td></td>
<td>Slant pockets</td>
</tr>
<tr>
<td></td>
<td>Zipper front</td>
</tr>
<tr>
<td></td>
<td>Ribbed sleeves</td>
</tr>
<tr>
<td></td>
<td>Contrasting stripes, same as jacket</td>
</tr>
<tr>
<td></td>
<td>Price: $25.95</td>
</tr>
<tr>
<td></td>
<td>Shorts: SAME AS ILLUSTRATION &quot;D&quot;</td>
</tr>
</tbody>
</table>
Apparel and Accessories

High School

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<th>PAGE</th>
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<td>1</td>
</tr>
<tr>
<td>2. Human Relations</td>
<td>11</td>
</tr>
<tr>
<td>3. Mathematics</td>
<td>14</td>
</tr>
<tr>
<td>4. Merchandising</td>
<td>25</td>
</tr>
<tr>
<td>5. Selling</td>
<td>40</td>
</tr>
</tbody>
</table>
1. Whenever merchandise is advertised, the buyer should see to it that there is a (an) _____ of the merchandise in the store.
   A. Supply          D. Copy
   B. Picture         E. None of these
   C. Display

2. An arrangement of merchandise at or near the point of sale to attract customers to buy is known as a ________
   A. Promotion          D. Point of purchase advertisement
   B. Display            E. All of these
   C. Advertisement

3. Point of purchase displays are designed to attract customers to buy on -
   A. Contract          D. Contact
   B. Impulse           E. None of these
   C. Time

4. Products that are bought by people to satisfy their needs and wants are called _______ products.
   A. Utilities          D. Market
   B. Consumer          E. All of these
   C. Industrial

5. Materials used to produce other goods or services are called _____ goods.
   A. Personal          D. Industrial
   B. Market            E. None of these
   C. Consumer

6. Showing merchandise so effectively that customers want to buy it is the primary function of ______
   A. Advertisements          D. Sales
   B. Institutional displays E. None of these
   C. Displays

7. Window displays that are designed to sell merchandise are called _____ displays.
   A. Promotional          D. Seasonal
   B. Institutional        E. All of these
   C. One item

8. Displays that are created to build customer goodwill are known as ______ displays.
   A. Promotional          D. Seasonal
   B. One item            E. None of these
   C. Industrial
DISPLAY

9. One article is displayed in a window display to indicate _____.
   A. Seasonal appeal  D. Promotional appeal
   B. Control shrinkage  E. None of these
   C. Institutional support

10. A window that shows all the appliances made by one manufacturer is a _____.
    A. Line of goods  D. Sale
    B. Related merchandise  E. None of these
    C. One item

11. Cutouts, stands and racks are typical items used to make up _____.
    A. Impulse  D. Open
    B. Assortment  E. All of these
    C. Point of purchase

12. When items of varying sizes are used in a display, ____ must be considered.
    A. Size  D. Shape
    B. Proportion  E. All of these
    C. Color

13. If the left half of a display is identical with the right half, the display has _____.
    A. Proportion  D. Harmony
    B. Dominance  E. All of these
    C. Formal balance

14. The combination of similar shapes, lines or colors into an arrangement that is pleasing to the eye is called _____.
    A. Rhythm  D. Contrast
    B. Harmony  E. None of these
    C. Balance

15. Which of the following is not an example of spatial arrangements?
    A. Pyramid  D. Circle
    B. Stairstep  E. None of these
    C. Zig zag

16. Fixtures used to support or hold merchandise in a display are called _____.
    A. Cubes  D. Tables
    B. Props  E. All of these
    C. Pedestals

17. Fixtures specially designed to display hats are called _____.
    A. Mannequins  D. Millinery heads
    B. Stapling  E. None of these
    C. Ribbons
DISPLAY

18. In making signs, the essential supplies are paints and
   A. Inks                      D. Markers
   B. Letters                  E. All of these
   C. Signboard

19. Each company participating in a trade show has a(an) ___ where it
    welcomes visitors.
   A. Exhibit                  D. Contest
   B. Sweepstakes              E. None of these
   C. Product sample

20. In order that salesman may be able to answer any questions about the
    products, they should be supplied with
   A. Warranty information     D. Sales manual
   B. Product information      E. All of these
   C. Store policy on products

21. A display within a store that is raised on a platform is a(an) --- display
   A. Open                     D. Shadow box
   B. Closed                   E. None of these
   C. Built up

22. A secondary color is
   A. Red                      D. Green
   B. yellow                   E. None of these
   C. Blue

23. Cool colors are the following with one exception. Which one?
   A. Blue                     D. Purple
   B. Green                    E. None of these
   C. Yellow

24. Warm colors are used to create excitement. The following is a warm color.
   A. Red                      D. Red-orange
   B. Yellow                   E. All of these
   C. Orange

25. Which one is not a type of display?
   A. Shadow boxes             D. Built up
   B. Hanging                  E. All are display types
   C. Wall

26. City and state agencies may educate and inform the public in
   A. Trade shows              D. Industrial displays
   B. Promotional displays     E. None of these
   C. Home shows

DISPLAY

27. The feeling of completeness or oneness in a display is called
   A. Peace  D. Unity
   B. Gradation  E. None of these
   C. Harmony

28. The focal point is the
   A. Center of display  D. Emphasis
   B. Object being sold  E. All of these
   C. Center of interest

29. Which of the following is not important in fixed elements of planning displays?
   A. Budget  D. Materials
   B. Space  E. All are important fixed elements
   C. Seasons

30. What is the title of a style that is popular for a short time?
   A. Craze  D. Impulse
   B. Fad  E. None of these
   C. Style

31. The sign telling prices or special prices and information about a product in a display is called
   A. Portfolio  D. Showcard
   B. Price ticket  E. None of these
   C. Dennison Tag

32. Which of the following is a hue?
   A. Pink  D. White
   B. Red  E. All of these
   C. Brown

33. Which of the following is an element of proportion?
   A. Pyramid  D. Diagonal
   B. Step  E. All of these
   C. Zig zag

34. A tone on tone color scheme is
   A. One hue, varying in intensity
   B. One hue, varying in value
   C. Two hues, next to each other, the same in intensity and value
   D. Three hues next to each other
   E. None of these

35. A complementary color scheme is:
   A. One hue, varying in intensity
   B. One hue, varying in value
   C. Two hues, next to each other, the same in intensity and value
   D. Three hues next to each other
   E. None of these
36. A monochromatic color scheme is:
   A. One hue, varying in intensity
   B. One hue, varying in value
   C. Two hues, next to each other, the same in intensity and value
   D. Three hues next to each other on the wheel
   E. None of these

37. The intensity of the hue refers to:
   A. How much white has been added to the hue
   B. How light or dark it is
   C. Where it is on the color wheel
   D. How bright or dull it is
   E. None of these

38. The step concept refers to the:
   A. Balance of a display
   B. Proportion of a display
   C. Lighting effect
   D. Setting up schedule for it
   E. A and B

39. Which of the following is an element of rhythm?
   A. Repetition of shape
   B. Texture
   C. Radiation
   D. Both A and C
   E. All of these

40. Continuous line movement refers to:
   A. The rhythm of a display
   B. The point of eye contact
   C. Harmony
   D. Texture
   E. None of these

41. Red, yellow, and green are:
   A. Primary colors
   B. Achromatic colors
   C. Chromatic colors
   D. Complimentary colors
   E. None of these

42. Orange, violet, and green are:
   A. Primary colors
   B. Achromatic colors
   C. Chromatic colors
   D. Secondary colors
   E. Both C & D

43. Black, white, and gray are:
   A. Primary colors
   B. Achromatic colors
   C. Chromatic colors
   D. Secondary colors
   E. None of these

44. Line, shape, and size refer to:
   A. Props
   B. Lighting
   C. Harmony
   D. Balance
   E. All of these
45. Perfect symmetry may occur in:
   A. Formal balance        D. All of these
   B. Informal balance      E. None of these
   C. Step arrangement

46. The elements of display include:
   A. Balance              D. Both B & C
   B. Merchandise          E. All of these
   C. Lighting

47. A good display does which of the following?
   A. Builds prestige       D. Educates the public
   B. Publicizes the business E. All of these
   C. Publicizes the product

48. Which of the following is a phase of lighting?
   A. Primary               D. All of these
   B. Secondary             E. None of these
   C. Atmosphere

49. Emphasis refers to:
   A. Bright colors only    D. An aspect of harmony
   B. Initial eye contact   E. None of these
   C. Vitality

50. Harmony deals with:
   A. Space relations       D. Boundaries
   B. Agreement of parts    E. All of these
   C. Weights

51. Vertical lines are:
   A. Strong                D. Irritating
   B. Feminine              E. All of these
   C. Unstable

52. An effective display must have which of the following qualities?
   A. Balanced and straight D. Subdued and calm
   B. Effective and attractive E. None of these
   C. Bright and bold

53. Real purpose of a display is to:
   A. Show                   D. Communicate
   B. Sell                   E. None of these
   C. Advertise
54. Which of the following questions should be used to evaluate a display?
   A. Does the display attract attention
   B. Does the display create desire
   C. Does the display convince
   D. Does the display sell
   E. All of these

55. For a display man to know what appeal to use he must know:
   A. The when
   B. The how
   C. The why
   D. The what
   E. All of these

56. Which of these is not a design classification for a display window?
   A. Corner
   B. Island
   C. Ramped
   D. Lobby
   E. Stair step

57. Which of these is not a type of interior displays?
   A. Ramped
   B. Close
   C. Open
   D. Ledge
   E. Built up

58. What of the following cannot be used as a basis for a display?
   A. Price
   B. Color
   C. Style
   D. Fabric
   E. None of these

59. Why are arrangements of merchandise varied in displays?
   A. Added grace
   B. Change of pace
   C. Best showing of merchandise
   D. None of these
   E. All of these

60. Which is not a type of merchandise arrangement?
   A. Pyramid
   B. Step
   C. Zig zag
   D. Square
   E. Radiation

61. What type of merchandise is best suited for a pyramid arrangement?
   A. Scarves
   B. Cologne bottles
   C. Shirts
   D. Yard goods
   E. None of these

62. What type of balance does the pyramid arrangement have?
   A. Isometrical
   B. Symmetrical
   C. Straight
   D. Plain
   E. Unbalanced
63. Which arrangement is most artistic?
   A. Square
   B. Zig zag
   C. Looped
   D. Pyramid
   E. None of these

64. How many types of balance are there?
   A. Four
   B. Two
   C. Three
   D. Five
   E. One

65. Which of the following is a dimension of balance?
   A. Height
   B. Width
   C. Depth
   D. None of these
   E. All of these

66. What size dresses should you use in a display?
   A. 5-6
   B. 7-8
   C. 9-10
   D. 14 1/2
   E. 11-12

67. Which feature is used as theme in a ready to wear display?
   A. Type
   B. Style
   C. Material
   D. Color
   E. All of these

68. Which one would not be involved in displaying a ladies dress?
   A. Pressed
   B. Loose threads removed
   C. Button
   D. Remove tags
   E. Hide tags

69. Which size is best to use when displaying men's suits?
   A. 28
   B. 38
   C. 30
   D. 36
   E. 40

70. Through which stage should a good display carry the one looker?
   A. Computation
   B. Satisfaction
   C. Application
   D. Attention
   E. None of these

71. Vertical lines are considered
   A. dramatic
   B. Gentle
   C. Soft
   D. None of these
   E. All of these

72. Curving lines are considered?
   A. Arresting
   B. Vigorous
   C. Soft
   D. Abrupt
   E. All of these
73. Horizontal lines are considered?
   A. Flat  D. Abrupt
   B. Arresting  E. None of these
   C. Gentle

74. Informal balance is?
   A. Top heavy  D. More weight on one side
   B. Has the same on each side  E. None of these
   C. Deals with color

75. When a complaint from a competitor has been received the Federal Trade Commission can?
   A. Require the offender to send a written promise to discontinue a disputed practice
   B. Send negotiators to recommend punitive action and obtain a signed agreement
   C. Accept a short cut settlement called a consent order
   D. Issue a cease and desist order to the offender stating what practices are to be discontinued
   E. All of these are possible choices

76. Shopping and specialty goods, those items customers prefer to spend time on while making price and quality comparisons, are best located?
   A. Near the store entrance  D. On an upper floor of the store
   B. At the end of the aisle  E. None of these
   C. At the front of the department

77. Closed displays are used mainly for?
   A. Fragile items  D. Exclusive and rare items
   B. Expensive items  E. All of these
   C. Items that can be easily shoplifted

78. In selection of merchandise for window displays, the major factors to consider are?
   A. Sales appeal  D. All of these
   B. Eye appeal  E. None of these
   C. Time appeal

TRUE-FALSE

79. Merchandise label information should be turned into customer benefits for selling.

80. A small store is likely to spend a greater proportion of its promotional budget on a public relations material than a large store is.

81. Color is the presence or absence of light as it is reflected or not reflected from the surface of an object.

82. Colors are wave lengths of light.

83. Intensity refers to the range of grays from white through black.
DISPLAY— TRUE—FALSE

84. Tints are those hues closest to white.

85. Proportion is the equality of two things in weight, force and quantity.

86. A diagonal line expresses strength and stability.

87. Texture is the aspect of rhythm that relates to the individual's sense of touch.

88. Props, such as ribbon, lend easy eye movement in a display.

89. Radiation can be described as having a sunburst effect.

90. There are three types of balance.

91. A window display that emphasizes the spirit and meaning of Christmas, rather than attempting to make sales, is a good example of an institutional window.

92. A display of merchandise placed so that the customer can see and examine it is a closed display.

93. Yellow is the most effective color to use when displaying large quantities.

94. Red is a good color to use to direct attention to an important feature of display.

95. The cube is particularly effective in highlighting merchandise dramatically.

96. Dull textures in clothing decrease apparent size and conceal bulk because they absorb rather than reflect light.

97. Clinging fabrics, V-necklines, vertical lines, dainty prints and sleeveless garments should be shown for tall, thin, figures.

98. Advertising does not keep the consumers up-to-date and enables consumers to obtain a higher standard of living.

99. Line is an element of display.

100. Size of merchandise is not a big consideration in making a display.
<table>
<thead>
<tr>
<th>RATING SCHEDULE</th>
<th>POINT SPAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>0 1 2</td>
</tr>
<tr>
<td>Fair</td>
<td>3 4 5</td>
</tr>
<tr>
<td>Good</td>
<td>6 7 8</td>
</tr>
<tr>
<td>Excellent</td>
<td>9 10</td>
</tr>
</tbody>
</table>

**JUDGE'S EVALUATION SHEET**

1. Did student properly identify all salient characteristics of case study?
   - Poor: 0 1 2
   - Fair: 3 4 5
   - Good: 6 7 8
   - Excellent: 9 10

2. Was student able to identify true problem?
   - Poor: 0 1 2
   - Fair: 3 4 5
   - Good: 6 7 8
   - Excellent: 9 10

3. Did the student present, in the Judge's opinion, satisfactory alternatives?
   - Poor: 0 1 2
   - Fair: 3 4 5
   - Good: 6 7 8
   - Excellent: 9 10

4. Was the proper rationale given for the student's final decision among those alternatives?
   - Poor: 0 1 2
   - Fair: 3 4 5
   - Good: 6 7 8
   - Excellent: 9 10

**JUDGE'S COMMENTS** (any additional comments)
A large chain organization for whom Mr. Wright works has a policy of promoting employees to the management level when employees have had good sales records and profit showings. Those employees whose records are average are generally not promoted or assigned to smaller stores. Mr. Wright has been with the firm five years and has had consistently improved sales records annually until this year. In his particular department there are many household items. Six months ago large sections of homes near the store were torn down to make room for a new super highway, and the customers living in those homes have been forced to move to other neighborhoods. Accompanying his annual report, he included a statement about the changed character of the community. Not more than ten days after the report was submitted Mr. Wright was advised by a colleague that he and another employee will be transferred to a smaller store within two weeks. His chances for a promotion will be greatly reduced if he goes to a smaller store. As this matter is of vital importance to Mr. Wright, he goes to the Vice President and interrupts an important meeting. He demands to know why he is being transferred when his sales record has been so good. He explains why this past year sales were down—through no fault of his own and management would realize this if they had only looked at his report. The Vice President becomes very upset and cancels the meeting. If you were working at this store rather than Mr. Wright what action would you take?
Sandy Long has recently been appointed to the position of Buyer for an entire department. She has sixteen employees working for her, plus three cooperative education students, each working approximately eighteen to twenty hours per week. On most occasions her department leads all others in gross sales. She is very proud of her department and all of the employees under her supervision. After three weeks on the job her assistant buyer resigns. She needs a replacement as soon as possible. After contacting the personnel office and conducting ten interviews, she decides to hire Ann Reed. Ann was new to the area, but she had outstanding references. Her eight years experience as an Assistant Buyer in another city was also a valuable asset. As early as Ann's first week of work, Sandy knew she had made a good decision. The department looked better not only in terms of displays and neatness, but also sales were increasing. After two weeks, sales had equalled the entire previous months record. About six weeks later, Sandy was looking at some sales reports when she noticed a very apprehensive customer approach. One of the sales staff was there immediately to help. She heard the customer complain that the digital clock she purchased last week had broken down for the second time. She also said the salesperson who sold her the clock (also the one waiting on her) had mentioned a one year guarantee, however when she got home and opened the box there was no guarantee. She had called the store three times trying to get the matter fixed, but was given three or four people to discuss the matter with, but none of them had any knowledge about the clock or the guarantee. At that moment the Assistant Buyer rushed up to the salesperson and criticized her for selling a product under false assumptions. She also apologized for the salesperson to the customer and then took over the transaction, putting the salesperson in the background. At this point the customer was heard to say, "Well, it's about time I received some satisfaction from this store. I've stopped here two years and out of all the items I've returned, this transaction has been the least painful." As the department buyer, what should you do?
Student Instruction Sheet:

Procedures: The student is to take the test in the allowed time. They are to provide their own pencils.

Materials Needed: Scratch paper should be provided for the students to use during the test time.

Additional Comments: The student cannot use a calculator during the test.
1. Mrs. Thomas has decided to purchase several items. The items include:
   2 shirts - $17.00 and $18.00; 1 scarf - $3.00; 1 belt - $5.00; 2 rings
   - $4.50 and $3.00; and 1 necklace - $5.00. The total price of this
   merchandise that Mrs. Thomas will pay (include a 3% sales tax) was:
   (a) $55.50 (b) $57.17 (c) $50.00 (d) $35.64
   (e) None of above

2. Mrs. Williams has decided to put some items on layaway. The items include:
   1 dress - $35.00; 1 scarf - $5.00; and 1 pin - $6.00. Add $1.00 layaway
   fee and 3% sale tax. Figure a 20% Deposit upon which Mrs. Williams was
   required to pay. The deposit was:
   (a) $10.00 (b) $9.20 (c) $9.68 (d) $9.40
   (e) None of above

3. Kathy Bates has received her employee discount privilege after six weeks
   of work. She viewed several items which she wished to purchase. The store
   policy states that the discount rate is less 25% plus 3% sales tax rate.
   Kathy's selection included: 1 dress - $32.00; 1 blouse - $17.00; and
   1 skirt - $16.00. The regular sale price less the discount difference and plus
   3% sale tax was:
   (a) $48.75 (b) $50.00 (c) $50.21 (d) $55.21
   (e) None of above

4. Kathy Bates has also decided to purchase several items and place them
   on her charge account. She realizes that only a 10% discount is allowed.
   The items include: 1 belt - $5.00; 5 pairs of hose - .99c/pair; and
   1 purse - $15.00. The regular sale price less the discount difference and plus
   3% sale tax was:
   (a) $23.81 (b) $23.13 (c) $22.45 (d) $20.00
   (e) None of above

5. Mary Tell purchased 1 blouse - $16.00; 1 skirt - $18.00; and 1 scarf -
   $5.00. Mary paid the cashier with a (1) $50.00 and 7¢ change. Her
   correct change was: (Include 3% sales tax).
   (a) $10.00 (b) $9.80 (c) $9.90 (d) $5.09
   (e) None of above

6. A buyer purchases some dresses at $22.50 each. The retail price is after
   he marks the dresses up to obtain a markup of 43% based on cost:
   (a) $32.18 (b) $39.47 (c) $35.00 (d) $31.18
   (e) None of above

7. A buyer purchased 500 jackets costing $12. each to sell at $22.50 each.
   The initial markup percentage for these jackets was based on retail:
   (a) 40% (b) 45% (c) 47% (d) 25%
   (e) None of above
8. A buyer of women's furnishings paid $18.60 per dozen for some wool scarfs. The markup was 48% based on cost. The selling price per scarf was:
   (a) $3.00  (b) $2.98  (c) $1.55  (d) $2.29
   (e) None of above

9. A buyer has made a purchase of ladies umbrellas to be sold at a $5.00 price line. His department aims for a 30 percent markup on the retail price. Cost price of umbrellas was $3.25. The retail price was:
   (a) $10.00  (b) $15.00  (c) $5.00  (d) $5.50
   (e) None of above

10. A buyer buys handbags at $45.00 per dozen and sells them at $6.00 each. The markup percentage is based on retail:
    (a) 43%  (b) 40%  (c) 25%  (d) 42%
    (e) None of above

11. The actual stock on April 1 is $37,000 with "on order" in April amounting to $18,000. Sales are planned at $75,000 and on April 30th the stock is planned at $35,000. The open-to-buy for April is:
    (a) $75,000  (b) 55,000  (c) $91,000  (d) $50,000
    (e) None of above

12. Sales of $12,800 are planned for July. The department stock on July 1 is $37,000. The stock at the end of July is planned at $40,000. There is an "on order" of $24,000. The open-to-buy for July is:
    (a) $500  (b) $100  (c) $10,000  (d) $600
    (e) None of above

13. The open-to-buy for a department with planned purchase of $56,000 and an "on order" of $19,000 is:
    (a) $25,000  (b) $75,000  (c) $37,000  (d) $36,000
    (e) None of above

14. The Boys' Wear Department on Feb. 1 had a retail stock of $150,000. The sales planned for this month were $30,000. The stock sales ratio for the month of February is:
    (a) 5  (b) 6  (c) 8  (d) 4  (e) None of these

15. For the year, the shoe department had net sales of $2,500,000. The average stock carried during this period was $1,000,000. The annual rate of stock turn was:
    (a) 3  (b) 2.5  (c) 2  (d) 5  (e) None of these

16. The glove department's stock at the beginning of March was $67,500. Sales for the month were $15,900. The stock-sales ratio for March was:
    (a) 4  (b) 3  (c) 4.2  (d) 4.26  (e) None of above
17. In the lingerie department, it was decided for the month of February that a stock-sales ratio of 2.5 would be correct. If the sales for February was planned at $12,000, the amount of stock to be carried on February 1st was:
(a) $35,000  (b) $30,000  (c) $29,000  (d) $60,000
(e) None of above

18. The sales for October were $8,000; the stock October 1 at retail value was $24,000; the stock October 31 was $28,000. The stock turn for the month was:
(a) 3  (b) .3  (c) 2  (d) .4
(e) None of above

19. A hosiery department planned sales of $2,000,000 and wanted to achieve a stock turn of 4. The average stock carried for the period was:
(a) $500,000  (b) $8,000,000  (c) $600,000  (d) $200,000
(e) None of above

20. The planned net sales for a month are $9,630. The inventory at the beginning of the month was $8,216. The planned turnover for the year is 12. The stock needed to be on hand at the end of the month to yield the desired turnover is:
(a) $11,050  (b) $9,630  (c) $12,000  (d) $11,044
(e) None of above

21. The sales in the children's department for the year amounted to $416,000. The stock at the beginning of the year was $120,000 at retail, and the end of the year, the retail stock figure was $140,000. The stock turnover for this period was:
(a) 3  (b) 3.5  (c) 4  (d) 3.2
(e) None of above

22. The planned net sales for a four-month period are $81,600. The inventory at the beginning of the four-month period $30,180. The planned turnover for the year is 6. The amount of stock on hand at the end of four-month period to yield the desired turnover is:
(a) $51,420  (b) $50,420  (c) $50,000  (d) $60,000
(e) None of above

23. The Clothes Shop has the following information:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Inventory</td>
<td>$150,000</td>
</tr>
<tr>
<td>Sales</td>
<td>135,000</td>
</tr>
<tr>
<td>Purchases</td>
<td>75,000</td>
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<tr>
<td>Customer Returns</td>
<td>1,500</td>
</tr>
<tr>
<td>Markups</td>
<td>1,200</td>
</tr>
<tr>
<td>Purchases Returns</td>
<td>10,500</td>
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<td>Markdowns</td>
<td>7,500</td>
</tr>
<tr>
<td>Discounts</td>
<td>135</td>
</tr>
<tr>
<td>Ending Inventory</td>
<td>71,475</td>
</tr>
</tbody>
</table>

The amount of inventory shortage was:
(a) $3,000  (b) $3,080  (c) $3,090  (d) $2,000
(e) None of above
24. The net sales of Dept. 23 for the period under consideration are $100,000. The physical count revealed a $5,000 shortage. The shortage percentage for this period is:
   (a) 5%  (b) 4%  (c) 6%  (d) 2%
   (e) None of above

25. The seasonal plan for a department showed planned sales of $250,000 with a planned shortage of 2.5%. The planned dollar shortage is:
   (a) $6,250  (b) $6,350  (c) $7,250  (d) $6,000
   (e) None of above

26. A department showed the following figures for a six-month period:
   
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>$125,000</td>
</tr>
<tr>
<td>Retail Purchases</td>
<td>105,000</td>
</tr>
<tr>
<td>Open Inventory (Feb. 1)</td>
<td>175,000</td>
</tr>
<tr>
<td>Markdowns</td>
<td>7,500</td>
</tr>
<tr>
<td>Employee Discounts</td>
<td>3,000</td>
</tr>
<tr>
<td>Physical Inventory</td>
<td>140,000</td>
</tr>
</tbody>
</table>

   The shortage in dollars and shortage in percent were:
   (a) $4,200 and 3%  (b) $4,000 and 3.2%  (c) $4,000 and 3.5%
   (d) $4,200 and 3.2%  (e) None of above

27. The net sales in a department last year were $365,000. Book Inventory at year end was $67,500, and the physical inventory was $66,000. The shortage percentage was:
   (a) .4%  (b) 4%  (c) .3%  (d) .2%
   (e) None of above

28. If the book inventory at the close of the year is $1,500 at retail, and the physical inventory totals only $1,250. If the net sales are $15,000, the percentage of shortage is:
   (a) 2%  (b) 1.55%  (c) 1.5%  (d) .15%
   (e) None of above

29. The merchandise plan for Fall shows planned sales of $35,000, and a planned dollar shortages of .7%. The planned dollar shortages for Fall was:
   (a) $215  (b) $245  (c) $225  (d) $24.50
   (e) None of above

30. A new shop owner was reviewing figures with his accountant. Net sales for the first three months of business was $87,000 and the book inventory was $72,000. It was noted that the physical inventory was 2½% lower than book inventory. The shortage percentage was:
   (a) 2.1%  (b) 2.2%  (c) 2%  (d) 2.3%
   (e) None of above

31. The shortage in the hosiery department was $3,500. This is 5% of the department’s net sales. The sales volume of the department was:
   (a) $322,500  (b) $336,000  (c) $350,000  (d) $300,000
   (e) None of above
32. Esquire shop received 6 1/2 doz. briefcases at $26.50 each on May 20. Terms were 2/10 and n/30. He paid his bill on May 29. How much did he pay?
   (a) $2,108.34  (b) $2,067.00  (c) $2,025.66  (d) $172.25  (e) None of the above

33. A shirt cost $12.50. The store wants an initial mark-up of 60%. What is the retail price?
   (a) $13.25  (b) $19.00  (c) $20.83  (d) $20.00  (e) None of the above

34. A radio cost $12.00 and sold at retail for $18.00. What is percent of markup on cost?
   (a) 33.3%  (b) 50%  (c) 27%  (d) 60%  (e) None of these

35. What is the percent of markup on retail for problem 34?  
   (a) 33.3%  (b) 50%  (c) 27%  (d) 60%  (e) None of these

36. A salesman makes 3% on the first $2000 he sells and 6% on everything over that. In May he sold $6500 in goods. What is his commission?
   (a) $330.00  (b) $270.00  (c) $520.00  (d) $390.00  (e) None of the above

37. John receives a salary of $80.00 a week plus a 2% commission on sales. Last week he sold $2,250 in goods. What were his total wages?
   (a) $45.00  (b) $530.00  (c) $125.00  (d) $450.00  (e) None of the above

38. Edlins receive a shipment of goods. Their invoice had the following items: 12 shirts A $3.50; 24 socks @ .25c; 6 shorts @ .95c; and 12 ties @ $2.10. What is his total bill?
   (a) $78.90  (b) $75.50  (c) $67.50  (d) $68.90  (e) None of the above

39. A salesman receives 6% commission on $60.00 sweepers; 10% commission on $80.00 sweepers; and 20% on $100.00 sweepers. During the last week he sold four - $60 sweepers, three - $80. sweepers and six - $100 sweepers. What were his total earnings?
   (a) $316.00  (b) $158.40  (c) $257.00  (d) $195.40  (e) None of the above

40. At the beginning of the second quarter, a clothing store had an inventory of $26,450 at retail. Purchases for the period amounted to $19,370. Sales for the period were $20,740, markdowns were $980 and employee discounts were $270.00. What was the inventory at the end of the month at retail?
   (a) $25,080  (b) $23,830  (c) $26,330  (d) $24,520  (e) None of the above

41. Dale's Clothing wants to stock a line of shirts at $15.00 per shirt. They must have an initial markup of 35%. What can he pay for each shirt?
   (a) $10.10  (b) $9.09  (c) $11.11  (d) $12.00  (e) None of the above

42. If the owner's capital in a clothing store is $20,000, the amount he or she would need for fixed assets would be about $2,280.00. That represents what percent of initial capital?
   (a) 9.4%  (b) 11.4%  (c) 14.5%  (d) 12.4%  (e) None of these
43. The relationship between an owner's working capital and inventory should not exceed 80%. Thus for $18,200 working capital, inventory maximum is:
   (a) $14,550  (b) $15,550  (c) $14,560  (d) $15,460  (e) None of the above

44. If your clothing store anticipates a $5,000 net profit, and a return on investment of 8.13% is desired, an initial investment amount would be:
   (a) $51,800  (b) $70,110  (c) $71,500  (d) $61,500  (e) $62,500

45. One of your employees is to receive time and a half for overtime. She works a 52 hour week and her regular salary is $4.90 per hour. She also receives a 2 1/4% commission on all sales over $2,500. Her sales during her 52 hour work week amounted to $3,800. What was she paid?
   (a) $313.45  (b) $213.45  (c) $310.55  (d) $312.55  (e) None of the above

46. The cost of goods sold is $65.00 A 45% markup reflects what price?
   (a) $118.81  (b) $118.75  (c) $117.18  (d) $217.18  (e) $118.18

47. With the following extensions what would be your total cut taken by markdowns?
   14 @ $19.00 to $17.99  10 @ $17.00 to $15.99  7 @ $24.00 to $22.99
   4 @ $26.99 to $22.99
   (a) $31.31  (b) $47.31  (c) $47.47  (d) $31.47  (e) None of these

48. Find the total of the following sale including 5% sales tax.
   2 Radial tires @ $39.99; balancing of tires - $14.00; Oil change $12.50;
   4 qts. oil @ .68; windshield wiper blade @ $3.57; wash @ $5.00
   (a) $123.66  (b) $117.77  (c) $122.48  (d) $79.53  (e) None of the above

49. If you have a charge sale that has to be financed your annual percentage rate must be figured. If the amount financed equals $254.00 and the finance charge is $29.82 (figured on 12 months) what would the annual percentage rate equal.
   (a) 8.52%  (b) 11.74%  (c) 7.57%  (d) 12%  (e) None of the above

50. Salespersons are paid a weekly commission based on total sales. The commission rates are as follows: 3% on the first $1,000 of sales, 5% on the next $1,000, 7 1/2% on the next $1,000, and 10% on all sales over $3,000. Find the total earnings for Mr. Cramer. His total sales for the week were $5,065.42
   (a) $506.54  (b) $390.30  (c) $425.00  (d) $361.54  (e) None of the above

51. Determine the selling price of 3 1/8 yards of upholstery cloth that sells at $11.62 a yard.
   (a) $31.25  (b) $34.86  (c) $36.31  (d) $38.42  (e) None of the above
91. The open-to-buy formula is: 
\[
\text{Open-to-buy} = \text{planned ending stock} + \text{planned sales for the period} - \text{stock on hand at beginning of the period} - \text{merchandise on order}.
\]

92. Capital turnover measures the number of times during a period that the investment in merchandise is returned in sales.

93. If the stock turnover is based on a two-month period, the turnover is multiplied by 4 to determine the annual rate.

94. If the desired annual stock turnover rate is 12, the planned net sales for January are $10,000, and the opening inventory is $5,000, the amount of stock on hand at the end of the month is $15,000.

95. If a customer buys more than one item, the sale clerk must multiply the quantity sold by the price per item to determine the total amount for such a sale.

96. The sales check or ticket provides a written record to support each sale.

97. In delivering a package to customer, the cost of sending a package by parcel post depends on the weight of the package and the distance it is being sent.

98. In a COD sale, a customer pays cash when the merchandise is delivered.

99. Customers do not appreciate a cash register because it does not permit them to check the transaction at some later time.

100. When you round $34.275 to the nearest cent, you get $34.27.
74. The customer change should consist of the fewest possible coins and bills.

75. In the most cash drawers, bills are placed to the front of the cash drawer and the coins at the rear.

76. A bill received from a customer should be put in the cash drawer before making change.

77. The first step in accurate money handling is to arrange the money properly in the cash drawer.

78. The difference between the amount of the sale and the amount received is called the change due.

79. The selling price of an item should exceed its cost by an amount sufficient to cover operating expenses and still leave the desired profit.

80. The markdown occurs whenever merchandise is reduced, either from its original price or from a previously recorded price.

81. The formula for figuring markdowns is $Markdown = Previous selling + New lower price.$

82. Stock shortage or inventory shortage is defined as the difference between the book inventory and the physical inventory.

83. Stock turnover refers to the rate or number of times during any given period, that the dollar investment in inventory has been turned into sales.

84. Open-to-buy is an arithmetic calculation, made at frequent intervals, of the amount of merchandise that can be received during a period without exceeding the planned closing stock for the period.

85. In computing stock turnover on a cost basis, the formula is Rate of Stockturn = $\frac{Cost \ of \ Goods \ Sold}{Average \ Inventory(at \ cost)}$.

86. Markdown percentage is defined as the dollar value of net retail markdowns taken during a given period, divided by the dollar value of net sales for that period.

87. Making change requires concentration, accuracy, and practice.

88. The salesperson should realize that the recording of information in the cash register input must not need to be accurate.

89. The 3% sales tax on dollar is 4¢.

90. The 3% sales tax on three dollar is 9¢.
60. From the following figures, the book inventory for the period under consideration is:

- Opening Inventory: $25,000.
- Net Sales: $30,000.
- Customer Returns: $1,000.
- Markdown Differences: $4,000.
- Purchases: $40,000.

(a) $33,000  (b) $32,000  (c) $35,000  (d) $32,500  (e) None of above

Mark True or False

61. The markup is the amount of money which the merchant subtract from the cost of goods to arrive at the retail price from the article.

62. The cost of goods includes the actual amount the merchant pays for the merchandise plus the transportation costs involved in moving the merchandise from the vendor to the store.

63. The markup percentage is based on the retail price, not the cost price, of the article.

64. Cost price divided by cost percentage equals retail price.

65. The retail price of an article that costs $57 and is to have a markup based on the retail price of 40 percent is $79.80.

66. Store X grants its employees a 20% discount on all merchandise purchased. If a salesperson buys a dress which retails $16.95, the amount she pays is $13.56 (excluded the sales tax).

67. Open-to-buy is the amount that the buyer needs to purchase in a given month to meet the planned sales and stock figures.

68. Turnover is calculated by multiplying the net sales in an item for a period of time by the average inventory in that item for the same period.

69. The average inventory for the period is found by taking the sum of the beginning, ending, and intermediate inventories and dividing by the number of inventories taken.

70. Turnover indicates how many times during the period that the merchant has sold that particular item.

71. The cost is subtracted from the retail price to determine the amount of initial markup.

72. The markdown percentage is generally added to the retail price to find the cost of merchandise.

73. Since a customer seldom hands a salesperson the exact amount of money for a purchase, it is important for the salesperson to be able to make change.
52. Store employees are given a 25% discount on merchandise not on sale. Jan bought a shirt at $12.95 and two pairs of shorts at $6.00. What must she pay including 4% tax?
   (a) $27.71  (b) $28.82  (c) $27.70  (d) $28.80
   (e) None of the above

53. Dale's sporting goods store bought a gross of socks at .36¢ each. What is the total cost?
   (a) $36.00  (b) $43.20  (c) $12.96  (d) $51.86
   (e) None of the above

54. Dale's cash register had $187.50 cash in the drawer. $15.00 in paid-outs, and $2.50 void receipts. The total cash sales were $205.00. Was the drawer
   (a) $2.50 short  (b) $2.50 long  (c) even  (d)$17.50 long
   (e) None of the above

55. Sheila bought a sweater @ $34.00, 1 pair of slacks @ $15.95, and 2 pair of socks @ $2.50. The state tax is 4%. What was her total bill?
   (a) $57.15  (b) $54.95  (c) $57.14  (d) $56.95
   (e) None of the above

56. The total amount charged to the customer who bought 3 houses at $9.98 each, with a sales tax of 3% was:
   (a) $29.94  (b) $30.84  (c) $29.84  (d) $30.00
   (e) None of above

57. During a sale, a store advertised a 25% reduction on any purchase. The amount that the customer pay for the raincoat that was marked $59.95 was:
   (a) $44.69  (b) $14.99  (c) $44.96  (d) $45.00
   (e) None of above

58. The gross sales were $876,500. The customer returns and allowances were 10%. The net sales were:
   (a) $788,850  (b) $87,650  (c) $789,850  (d) $778,850
   (e) None of above

59. The cosmetics buyer placed the following order:
    3 doz eye liners, costing $24 per doz
    18 perfume sets, costing $5 each
Shipping costs were $4, and the cash discount allowed was 3%. The total cost of the merchandise ordered was:
   (a) $160.02  (b) $166.00  (c) $162.00  (d) $161.02
   (e) None of above
OCCUPATIONAL CATEGORY: APPAREL AND ACCESSORIES

INSTRUCTIONAL AREA: MERCHANDISING

1. A pre-selected group of buyers is a
   A. consumer panel
   B. consumer
   C. target market
   D. market
   E. all of the above

2. The ultimate consumer is the
   A. one who buys the product
   B. one who uses the product
   C. retail store
   D. retail buyer
   E. none of the above

3. A cash discount stated as 2/10, net 30 includes which of the following provisions?
   A. a discount of 2 percent if bill is paid written 30 days.
   B. a discount of 2/10 percent if bill is paid within 30 days.
   C. a discount of 2 percent if 30 units are purchased.
   D. no discount can be taken if paid on 30th day.
   E. none of the above.

4. Specialty merchandise implies that the product
   A. is a particular brand the customer prefers.
   B. has no reasonable substitute.
   C. is a particular style or model the customer prefers.
   D. of this type often found in Jewelry and Clothing Stores.

5. A cooperative is a store in which
   A. all customers cooperate by pricing their own products.
   B. store owned by consumers which attempt to provide members with discounts
   C. everyone cooperates.
   D. products are limited.
   E. none of the above.

6. Which of the following is not a qualitative characteristic of customers
   A. leisure time activities.
   B. fashion consciousness.
   C. concepts of values.
   D. average income for area.
   E. all of the above are qualitative.
MERCHANDISING

7. Which of the following is not found on the monthly operating statement?
   A. expenses
   B. open to buy
   C. sales
   D. turn over
   E. all are found in the MOS

8. A book of forms on which the retailer records purchases, sales, returns and price changes for merchandise is the
   A. merchandise journals
   B. income statement
   C. monthly operating statement
   D. merchandise classification ledger
   E. none of the above

9. Policies must be established to determine buying practices in the area of
   A. exclusiveness
   B. fashion or taste
   C. quality of merchandise
   D. variety and depth
   E. all of the above

10. Which of the following is a staple product?
    A. socks
    B. ski equipment
    C. tennis outfits
    D. Easter eggs
    E. none of the above

11. The formula for open to buy is
    A. planned ending stock plus planned sales minus stock on hand minus merchandise on order.
    B. planned ending stock plus planned sales plus stock on hand minus merchandise on order.
    C. planned ending stock minus planned sales plus stock on hand minus merchandise on order.
    D. planned ending stock plus planned sales minus stock on hand plus merchandise on order.
    E. none of the above.

12. A middleman who does not take legal title to goods is a(n)
    A. merchant middleman.
    B. full service wholesaler
    C. agent middleman
    D. limited wholesalers
    E. none of the above.
13. Which of the following is a reason to buy from a middleman rather than a manufacturer?

A. less time lost in delivery
B. poor items replaced sooner
C. product packaged to retailers specification
D. they carry a larger range and variety of merchandise
E. none of the above

14. Which of the following is an advantage of buying from a manufacturer?

A. retailer receives a lower price
B. sells a wider range of merchandise
C. manufacturer is conveniently located
D. receive more information about product
E. all of the above

15. These individuals analyse competitors merchandise and competitive prices

A. fashion coordinator
B. comparison shopper
C. buyer
D. merchandise manager
E. none of the above

16. Product characteristics reviewed when the retail buyer selects a product include which of the following?

A. price
B. packaging
C. brand name
D. product stage
E. all of the above

17. Dating refers to

A. a management rule concerning employees dating employees.
B. placing dates on sales receipt.
C. determination of the discount or due date on an invoice.
D. a management rule concerning employees dating managers.
E. none of the above.

18. Which of the following terms is used when the retail store deducts the transportation costs from the invoice?

A. FOB origin
B. FOB origin, freight prepaid
C. FOB destination
D. FOB origin, Freight allowed
E. none of the above
19. The equation used to find the cost of goods is
   A. cost plus transportation
   B. cost minus discounts
   C. cost plus transportation minus discounts
   D. cost plus transportation minus discounts plus mark up
   E. none of the above

20. Which of the following is not an example of a fixed expense?
   A. salaries
   B. rent
   C. advertising costs
   D. taxes
   E. none of the above

21. Which of following is not an example of a variable expense?
   A. sales salaries
   B. delivery costs
   C. supplies
   D. utilities
   E. none of the above

22. Which of the following is not a reason for shrinkage?
   A. breakage
   B. sales
   C. spoilage
   D. deterioration
   E. none of the above

23. Which of the following is an external factor used in pricing?
   A. Federal legislation
   B. price lines
   C. Image
   D. leader pricing
   E. none of the above

24. Most retail businesses have this price policy
   A. one-piece policy
   B. variable price policy
   C. leader-pricing policy
   D. dual-price policy
   E. none of the above
MERCHANDISING

25. A small shop within a department store that capitalizes on current ideas, moods, or trends in fashion is called a
   A. Department store
   B. Variety store
   C. Specialty store
   D. Boutique
   E. none of the above

26. Under this shipping arrangement, the manufacturer pays the freight costs and retains title to the goods until they are delivered to the buyer.
   A. FOB origin
   B. FOB destination
   C. FOB origin, freight allowed
   D. FOB destination, charges reversed
   E. none of the above

27. The buyer can tell what items have sold well by studying past
   A. advertisements
   B. turnover
   C. Income
   D. sales records
   E. none of the above

28. A written record, completed by the salesclerk, that carries a customer's request for merchandise that cannot be supplied from stock is called a
   A. rain check
   B. order slip
   C. want slip
   D. receipt
   E. none of the above

29. Limiting the range of prices at which a particular type of merchandise is offered for sale is known as a (n) ___________ policy.
   A. price lining
   B. odd pricing
   C. round lot
   D. scheduling
   E. none of the above

30. Goods that carry the label of the retailer who sells them rather than the manufacturer's brand name are called
   A. public brands
   B. local brands
   C. private brands
   D. popular brands
   E. none of the above
31. Stores that buy large quantities of certain lines of merchandise often find it best to buy directly from
   A. manufacturers
   B. middleman
   C. agent middle men
   D. retailer
   E. none of the above

32. A deduction from list price for people in the industry is called a
   A. reduction
   B. cash discount
   C. trade discount
   D. markdown
   E. none of the above

33. A contract between a buyer and a supplier is known as a
   A. want slip
   B. receipt
   C. purchase order
   D. sale
   E. none of the above

34. A projection, in dollars, of the sales goals of a department or an entire store is a(n)
   A. quota
   B. merchandise plan
   C. sales plan
   D. merchandise goals
   E. none of the above

35. Money used to buy assets is called
   A. working capital
   B. stock
   C. owner's equity
   D. equity capital
   E. none of the above

36. Current assets will turn into cash within
   A. one year
   B. 2 years
   C. 6 months
   D. 5 years
   E. none of the above
37. The minimum amount of stock that should be on hand for each type of goods sold and the quantity that should be reordered are shown in the
   A. basic list
   B. merchandise plan
   C. basic stock list
   D. reorder control
   E. none of the above

38. The merchandising function adds which utilities to a product
   A. time
   B. place
   C. form
   D. price
   E. all of the above

39. In pricing merchandise, the buyer must consider the prices that are being charged for the same goods by
   A. variety
   B. competing
   C. department
   D. retail
   E. all of the above

40. Sacrificing profits on a few items in order to attract customers is known as
   A. reduction
   B. sales discounts
   C. leader pricing
   D. none of the above

41. Direct check is
   A. a check of merchandise against the invoice.
   B. a check in which the checker does not receive an invoice.
   C. a check in which a few random packages are checked against the invoice.
   D. a check of whether the merchandise is the quality ordered.
   E. none of the above.

42. Spot check is
   A. a check of merchandise against the invoice.
   B. a check in which the checker does not receive an invoice.
   C. a check in which a few random packages are checked against the invoice.
   D. a check of whether the merchandise is the quality ordered.
   E. none of the above.
43. A bill of
   A. is the evidence that delivery has been made.
   B. a contract between the shipper and carrier.
   C. a log of all shipments received.
   D. none of the above.
   E. all of the above.

44. Pre-retailing is
   A. the marking of the manufacturer's standard price on a package.
   B. deciding upon the retail price of an item when the purchase order
      is prepared.
   C. the merchandise arrives at the store premarked with appropriate
      information.
   D. all of the above.
   E. none of the above.

45. Preticketing is
   A. the marking of the manufacturer's standard price on a package.
   B. deciding upon the retail price of an item when the purchase
      order is prepared.
   C. the merchandise arrives at the store premarked with appropriate
      information.
   D. all of the above.
   E. none of the above.

46. A basic stock list is
   A. the process of putting a retail price on each item of merchandise.
   B. a form showing the minimum amounts of each item that must be on
      hand.
   C. keeping sufficient quantities of stock available.
   D. the list of items needed to open the store each day.
   E. none of the above.

47. Shop lifting is
   A. theft of stock from the floor by a customer.
   B. theft of stock from the company by an employee.
   C. a person with an abnormal impulse to steal.
   D. A & B
   E. none of the above.

T  F
( ) ( ) 48. If a salesman receives a P.M., it means he must work during the afternoon.
( ) ( ) 49. Marking information is for the benefit of the customer as well as the
    salesperson.
50. The invoice is an official request for merchandise to be sent from the supplier.

51. When an employee steals from a company, it is called embezzlement.

52. The best type of ticket to use on leather is
   A. pin ticket
   B. ringseal ticket
   C. gummed label
   D. string ticket
   E. none of the above

53. The best type of ticket to use on a shirt is
   A. folding pin ticket
   B. button ticket
   C. hole pin ticket
   D. wedge ticket
   E. none of the above

54. Which of the following are ways to protect against theft
   A. watch customers
   B. Ignore interruptions when making change
   C. store layout
   D. approach or acknowledge customers on entry into department
   E. all of the above

55. Resources for a perpetual-inventory are
   A. sales check
   B. price tickets
   C. reserve requisitions
   D. cash register tapes
   E. all of the above

56. Which of the following is not a type of inventory control?
   A. dollar-control system
   B. unit-control system
   C. physical inventory price control system
   D. all of the above
   E. none of the above

57. Stock turnover is
   A. a method of inventory in which all records are kept on the basis of cost of merchandise.
   B. merchandise that has been in stock longer than average time.
   C. the number of times that the average amount of stock is sold during a period of time.
   D. number of times a quantity of stock is turned into sales during a period of time.
   E. none of the above.
58. Rate of stock turnover is
   A. a method of inventory in which all records are kept on the basis of cost of merchandise.
   B. merchandise that has been in stock longer than average time.
   C. the number of times that the average amounts of stock is sold during a period of time.
   D. number of times a quantity of stock is turned into sales during a period of time.
   E. none of the above.

59. Inventory control is a system by which a retailer keeps track of his purchases, his sales, and the goods on hand.

60. Physical Inventories are always done only once a year.

61. A perpetual inventory is less time consuming than a physical inventory system.

62. A high stock turnover figure is cause for concern.

63. An increased rate of stock turnover can decrease the need for mark downs.

64. EOM dating is
   A. the practice of allowing the buyer an extra number of days before credit terms begin.
   B. the practice in which the credit period begins at the end of the month of purchase.
   C. the practice in which the credit period is based on the date appearing on the bill.
   D. the length of time for which sellers extend credit to buyers.
   E. none of the above.

65. ROG dating is
   A. the practice of allowing the buyer ten days before credit terms begin.
   B. the practice in which the credit period begins at the end of the month.
   C. the practice in which the credit period is based on the date appearing on bill.
   D. the rate of goods for which sellers extend credit to buyers.
   E. none of the above.

66. Trade discount is
   A. the amount that the seller allows the buyer to deduct from a bill if paid within a certain time.
   B. reduction in price given to those who buy before the usual selling season.
   C. the reduction in price given to retailers who buy in large quantities.
5. D. the seller paying for transportation. E. none of the above.

Quantity discount is

A. the amount that the seller allows the buyer to deduct from a bill if paid within a certain time.
B. reduction in price given to those who buy before the usual selling season.
C. the reduction in price given to retailers who buy in large quantities.
D. the seller paying for transportation.
E. none of the above.

T F
( ) ( ) 68. Title is legal ownership of goods.
( ) ( ) 69. When goods are taken on consignment the buyer has title to the goods.
( ) ( ) 70. Customer preferences may vary but all customers throughout the country buy at the same time during the fashion cycle.
( ) ( ) 71. Volume is an important factor in pricing policy, and a neighborhood grocery store will usually charge a lower price for its merchandise than a supermarket since the neighborhood store's sale volume is likely to be higher.

72. If the ABC Retail Store had kept an average inventory worth $25,000 last season from August to January and had sales for the season of $50,000, then the stock turnover for the season would have been

A. 50 percent
B. 2 percent
C. 1 percent
D. 3 percent
E. none of the above

73. _______ is the actual units of merchandise that a buyer can order for delivery during a given period of time.

A. Sales-stock ratio
B. Stock turn (unit basis)
C. Open-to-buy
D. Average unit purchase
E. None of the above

74. All the other figures in a merchandising plan must be based on

A. anticipated sales
B. stock on hand
C. new business trends
D. past records
E. none of the above
75. A wholesaler is more likely to require the retailer to order a minimum number of units than is a manufacturer.

76. If a pair of jeans sell for $30 and the markup is $12, the markup percentage is __________.
   A. 60 percent
   B. 250 percent
   C. 25 percent
   D. 40 percent
   E. none of the above

77. The pricing policy for some businesses includes the use of the odd-cent price endings for merchandise in the belief that the customer ends to concentrate on the dollar amount rather than the cents.

78. If you purchase a $39.00 sweater at your place of employment using your 20% employee discount, how much will this sweater cost you? (without tax)
   A. $19.00
   B. $35.00
   C. $31.20
   D. $32.40
   E. None of the above
79. Which of the following is not one of the three basic fashion terms?
   A. Design
   B. Fashion
   C. Style
   D. Fad
   E. None of the above

80. ________ refers to the lines and characteristics of an article of clothing that make it different from others of the same general kind.
   A. Fashion
   B. Style
   C. Cut
   D. Proportion
   E. None of the above

81. ________ refers to styles being worn by fashion leaders, but not by the general public.
   A. Fad
   B. Stylish
   C. Fashion cycle
   D. High fashion
   E. All of the above

82. Which of the following is not a major stage of the fashion cycle.
   A. Acceptance as high fashion
   B. General acceptance
   C. Creation by designer and presentation to fashion leaders
   D. Decline of obsolescence
   E. Variable opinion

T or F 83. All fashions rotate through the fashion cycle at the same speed.

T or F 84. The Retailer in the apparel field must try to anticipate and answer every question concerning customer demands for fashion merchandise.

85. A salesperson benefits from knowing his merchandise because
   A. it gives the customer confidence in the salesperson as an authority.
   B. it gives him confidence in his own ability.
   C. it gives him the information he needs to answer questions and objections.
   D. it enables him to do a better job.
   E. All of the above
86. Which of the following is not a merchandise selling point?
   A. Suitability
   B. Durability
   C. Versatility
   D. Security
   E. Ownership

87. Merchandise information is needed to make effective selling points. Which of the following is the least important information?
   A. Who produced the merchandise
   B. How to care for merchandise
   C. Materials used in the merchandise
   D. How merchandise will perform
   E. How the merchandise is made

88. Where can you learn merchandise information?
   A. Merchandise labels
   B. Manufacturers
   C. Merchandise manuals
   D. Fashion publications
   E. All the above

89. A Merchandise Manual may be prepared by a
   A. Large Department store
   B. Trade association
   C. Manufacturer
   D. Salesperson
   E. All of the above

T or F 90. It is necessary for an apparel and accessory employee to have textile knowledge.

91. When merchandising a large department store, you should arrange according to:
   A. Departments
   B. Size
   C. Styles
   D. F. ors
   E. All of the above

T or F 92. You should always arrange clothing according to size.

T or F 93. You should never hang shirts and sweaters on the same rack.
94. The way your store is merchandised changes according to

A. Sales  
B. Seasons  
C. Promotional planning  
D. Styles  
E. All the above

95. Which of the following has not affected the world of fashion?

A. Consumer purchasing power  
B. Location of retail establishments  
C. Increased travel and faster communication.  
D. Shortened work week  
E. Women in the labor force

96. What city is considered the world capital of the ready-to-wear industry?

A. New York  
B. San Francisco  
C. Paris  
D. London  
E. Kansas City

97. In terms of merchandising, which of the following means a fashion that remains in style for an extended period of time.

A. Fad  
B. Creation  
C. Classic  
D. Leader  
E. None of the above

98. Chain stores and variety stores are now in the fashion business.

T or F

99. Style obsolescence has nothing to do with planned obsolescence

T or F

100. Merchandising is only important in the apparel and accessory category.

T or F
EVALUATIVE ITEMS (CIRCLE THE NUMBER OF ITEMS)

1. Approached customer properly dressed in business attire

2. Open sale with suitable
# Finance and Credit

## High School

<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
<th>PAGE</th>
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<td>1. Communications</td>
<td>1</td>
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<td>2. Human Relations</td>
<td>4</td>
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<td>3. Management</td>
<td>10</td>
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<tr>
<td>4. Mathematics</td>
<td>18</td>
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<tr>
<td>5. Operations</td>
<td>25</td>
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</table>
EVENT:

You are a candidate for one of six management positions in the expansion program of the company for which you work. As a candidate for one of these six positions, you are to prepare a written report and have an interview with your boss to discuss the report.

The report is to be used as the instructions, or policies, you would have your employees use when interviewing customers that are applying for personal loans. Your report is to include five items you consider most important when granting credit for a personal loan and the reasons each is important. Your reasons should provide the general information needed by your employees to answer the questions that may arise from the credit interview. You are to use five of the following items in your report.

1. Character
2. Capacity
3. Collateral
4. Conditions
5. Conformity
6. Capital
7. Consideration

As soon as your report is completed, or the thirty minutes is up, you are to hand your report to the person in charge of this event. As soon as a judge is available, the report will be given to him/her for immediate rating. You will then report to that judge, who is to be considered as your boss, for an interview. The interview may include questions about your reasons for selecting items in your report, or may be about competencies included in this event.

NOTE: YOU ARE TO WAIT HERE UNTIL THE JUDGE IS READY FOR YOUR INTERVIEW.
EVALUATIVE INSTRUMENT & DIRECTIONS FOR WRITTEN REPORT:

DIRECTIONS: Read the competencies and how they are to be rated. When you are familiar with what the contestants are to accomplish, then read their reports and rate each competency according to how well you feel it was handled. IT'S IMPORTANT ALL REPORTS ARE RATED - BE CONSISTENT, RATE ALL IN SAME MANNER.

EVALUATION = WRITTEN REPORTS:

Competency #1. Know that the ability to communicate skillfully in good English is essential to a person's business advancement.

<table>
<thead>
<tr>
<th>Excellent sentence structure.</th>
<th>Generally Good structure.</th>
<th>Fair structure.</th>
<th>Poor structure.</th>
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<td>10</td>
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Competency #2. Use written communications in forms and reports. (Are the contestant's reasons for using an item clearly expressed.)

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<td>Item #3.</td>
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<td>Item #4.</td>
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<td>Item #5.</td>
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Competency #3. Know the approaches which can be used in assigning duties and delegating authority so that everything is completely clear.

<table>
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<tr>
<th>Assignments definite</th>
<th>Assignments not entirely clear</th>
<th>Assignments questionable</th>
<th>No assignment attempted</th>
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Competency #4. Handle customer's inquires for general information.

Contestant's instructions cover general information:

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<th>Above Average</th>
<th>Satisfactory</th>
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TOTAL POINTS FOR WRITTEN REPORT (80 Possible)
EVALUATIVE INSTRUMENT FOR INTERVIEW: Contestant Number

DIRECTIONS: Before starting to judge, confer with the other judges and select the topics that will be discussed with the contestants. Try to select topics that will conform with the competencies listed below.

Competency #5. Believe that the voice is an important medium through which selling is accomplished.

Believes voice is Voice is important Voice is seldom Voice doesn't important medium some of the time important medium make any difference

8 5 3 0

Competency #6. Be aware that the voice can be used to express conviction and convey confidence.

Displayed confidence Displayed confidence Displayed some Displayed little was very convincing. with fair expression confidence, only conviction. confidernce and/or conviction.

5 3 1 0

Competency #7. Know the situations in which to use a technical language or commonly understood language.

Used technical terms Uncertain use of Questionable use Improper use of properly, well timed. technical terms technical terms technical terms

7 4 2 0

TOTAL POINTS FOR INTERVIEW (20 Possible) ...

TOTAL POINTS FOR WRITTEN REPORT (From other page) ...

TOTAL POINTS THIS EVENT ...
EVENT ITSELF (Written test, case problems, etc.):

Description of Event:

The student will be a manager trainee in the credit department of a large chain department store. Everyone who deals in credit with the store must come through the student's credit department, whether they are new or previous customers. The manager is off today and the student is in charge of the department.

A well-known local television personality wants to charge purchases totaling $185.00. He doesn't have a store credit card and does not wish to fill out an application form because of the personal information requested.

The student will have 15 minutes to review the instructions. After this time, the student will be directed to a judge. The student will spend 10 minutes with the judge during which time he will be asked six questions.

Store's Policies:

1. Everyone must fill out a credit application before receiving credit.
2. No credit to anyone under 18 years of age.
3. Only store credit is accepted—no Mastercharge or Visa.
4. A limit of $500.00 credit unless an okay is received by the manager.
5. If a credit card is lost or stolen, it must be reported immediately to the manager. The customer is responsible for the first $50.00 charged and one-fourth of all other charges.
6. A 15% fee is added onto all late payments.
7. The interest rate is set in accordance with state and federal regulations; it is currently 1½% per month.
STUDENT INSTRUCTION SHEET:

Procedures:
You will have 15 minutes to review these instructions. When your 15 minutes are up, you will be directed to a judge. If the judge happens to not be ready for you, wait by the instruction table until advised the judge is ready. Do not go back and look at the instruction sheet as this will disqualify you. You will be with the judge for 10 minutes and judged on your conduct during this time. When instructed that time is up, leave as directed.

Materials Needed:
You will need no special materials for this event.

Comments:

You, the student, are a manager trainee in the credit department of a large chain department store. Everyone who deals in credit with the store must come through the credit department. The credit manager is off today and you are in charge of the department.

The following are your store's policies:

1. Everyone must fill out a credit application before receiving credit.

2. No credit to anyone under 18 years of age.

3. Only store credit is accepted—no Mastercharge or Visa.

4. A limit of $500.00 credit unless an okay is received by the manager.

5. If a credit card is lost or stolen, it must be reported immediately to the manager. The customer is responsible for the first $50.00 charged and one-fourth of all other charges.

6. A 15% fee is added onto all late payments.

7. The interest rate is set in accordance with state and federal regulations; it is currently 12% per month.
Application for your JUNE'S CHARGE ACCOUNT

[Table with detailed information about the applicant, spouse, and previous employment, address information, and other financial details.

RETAIL INSTALLMENT CREDIT AGREEMENT

JUNE’S CHARGE ACCOUNT

I agree with respect to all purchases charged to my Charge Account:

(1) To pay the cash sale price of all purchases and a Finance Charge, if applicable, as provided herein.

(2) If full payment of the New Balance at the end of a billing period is received within 27 days after its closing date, no Finance Charge will be added in the next billing period. If full payment of the New Balance is not received within 27 days after its closing date, a Finance Charge may be imposed in the next billing period computed on the Previous Balance of that period (i.e., the New Balance of the previous period) without deducting payments and credits, or adding purchases, made in that period. The Finance Charge is computed by applying to such Previous Balance periodic rates of 1.6% per month on the first $500 thereof (subject to a minimum charge of $0.50) and 1% on the amount in excess of $500. Corresponding to Annual Percentage Rates of 18% and 12%, respectively.

(3) To pay at least 1/6th of the New Balance shown on each monthly billing statement (but not less than $10, or the balance, if less) which payment must be received within 27 days after its closing date.

(4) To understand that you have the right to:
(a) declare all or any part of my indebtedness to be due and payable if I default in making any payment when due;
(b) charge attorneys fees not exceeding 20% of the amount owing on the account, if referred for collection to an attorney, not a salaried employee of JUNE'S or any other holder; and change the terms of the account from time to time (consistent with applicable law) to be effective not less than 30 days after giving written notice.
(c) To avoid unauthorized purchases being made on my account, to report the loss or theft of my credit card immediately to the Credit Office of the nearest JUNE'S store in person or by telephone, with prompt confirmation by letter.

(5) To pay any unauthorized purchases being made on my account, to report the loss or theft of my credit card immediately to the Credit Office of the nearest JUNE'S store in person or by telephone, with prompt confirmation by letter.

(6) The credit card issued to me is the property of JUNE'S and will be surrendered to it upon demand.

(7) JUNE’S may limit the amount of credit to be extended hereunder or terminate this account, upon giving me written notice thereof; but JUNE’S may void itself of the terms of this agreement until full payment of the entire balance with Finance charge and date of payment has been received.

(8) The credit card issued to me is the property of JUNE'S and will be surrendered to it upon demand.

NOTICE TO SELLER:

(1) The buyer may at any time pay the total indebtedness under this agreement.

(2) Buyer is entitled to a completely filled in copy of this agreement.

Seller:
JUNE’S
DEPARTMENT
STORE

Buyer

DEPT.

AMT.

DEP.

CITY

STATE

ZIP CODE

CREDIT MAN

CASHIER

MIDDELETON

DEPT. NO.

EMPL. ID.

ANTONIO VARGAS

52X

316
OCCUPATIONAL CATEGORY: Finance & Credit
INSTRUCTIONAL AREA: Human Relations

EVALUATIVE INSTRUMENT AND DIRECTIONS (Answer key, Judge's evaluation form, etc.):

Judge's Evaluation Form:

Please complete this form immediately following the student interview. Only judge those items the student covers in the interview. Judge the student as if he/she were a manager trainee.

Excellent - Rate in top 10%
Good - Rate in next 20%
Average - Rate in next 40%
Fair - Rate in next 20%
Poor - Rate in next 10%

1. The student's appearance and mannerisms helped create a good impression:

   Excel  Good  Avg  Fair  Poor
   10     8      6     4     2

2. Student maintained a positive and objective point of view:
   a. At all times
   b. Most of the time
   c. Occasionally
   d. Some of the time
   e. Little of the time

   5     4      3      2     1

3. Question #1:
   a. Student explains store policy
   b. Student discovers (not told) customers objection
   c. Showed interest in customer

   Excel  Good  Avg  Fair  Poor
   5      4      3      2     1
   10     8      5      3     1
   5      4      3      2     1
4. Question #2:
   a. Student reassures the customer
   b. Offers to help fill out application
   c. Explains why information is needed

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<th>Avg</th>
<th>Fair</th>
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5. Question #3:
   a. Explains manager is off for the day
   b. Student offers to assist customer

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<th>Avg</th>
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6. Question #4:
   a. Student is understanding and business-like
   b. Student explains information is confidential
   c. Student offers to assist customer

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<th>Avg</th>
<th>Fair</th>
<th>Poor</th>
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7. Question #5:
   a. Student explains advantages of store credit

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8. Question #6:
   a. Student assures customer of confidentiality

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</tbody>
</table>
9. Student exercises self-control throughout the situation:
   a. At all times | 5
   b. Most of the time | 4
   c. Occasionally | 3
   d. Some of the time | 2
   e. Little of the time | 0

10. Student left you (the customer) with favorable impression of the store:
   a. Completely favorable | 5
   b. Mostly favorable | 4
   c. Somewhat favorable | 3
   d. Unfavorable | 1

TOTAL FOR JUDGED EVENT  
100 possible
STUDENT INSTRUCTION SHEET:

Procedures:

You will have forty minutes to take this test. Work as fast and accurately as you can. If you do not know the answer to a question, go on to the next question. You may have time to come back to it.

This test is divided into related sections. There are True-false and multiple choice questions in each section. On the true-false questions mark "A" for True and "B" for false. On the multiple choice questions mark the letter on the answer sheet which matches the letter of the correct answer.

Any talking, copying or giving answers to another student will result in you being disqualified from this test.

Materials Needed:

Several #2 pencils, test and answer sheet.
Role of Credit in our economy

1. The use of credit has had little effect on our economy.
2. Over 90% of our country's population uses credit at one time or another.
3. Credit has acted as a stimulus for our economy.
4. The basic factor in credit is trust.
5. Credit is good for consumers but bad for business.
6. A person may rightly demand credit.
7. A decrease in credit would increase sales.
8. Stores are at an advantage not to offer credit to customers.
9. Credit is bad for consumers but good for business.
10. A drastic reduction in credit would have what effect on our economy?
    a. little effect  b. increase production and consumption  c. decrease production and consumption  d. increase business expansion  e. none of these
11. All of the following reasons makes business want to use or extend credit except?
    a. buy merchandise  b. attract loyal customers  c. increase sales  d. increase collections expense  e. none of these

About Expenses

12. Management is responsible for carrying out planned expense control budgets.
13. Controlling expenses is an important factor in increasing profit.
14. A decrease in expenses means an increase in net profit.
15. A $251 dollar reduction in supplies expense would:
    a. increase gross profit $251  b. decrease gross profit $251  c. have no effect on gross profit  d. affect only that expense account  e. none of these

Negotiable Instruments

16. A negotiable instrument in usually transferrable.
17. A negotiable instrument is either written or oral evidence of some contractual obligation and is usually transferrable.
18. Of the following, which are examples of negotiable instruments?  
    i. Checks  
    ii. promissory notes  iii. cashier's checks  iv. money orders  a. 1,3,4  b. 1,2,4  c. 2,3,4  d. 1,2,3  e. 1,2,3,4
19. Two parties must understand and refer to the same things when making a contract in order for that contract to be valid.

20. A contract for one party to provide counterfeit money in exchange for money could be enforceable in a court of law.

21. A contract must have all of the following to be valid except: A. agreement B. be between competent parties C. based on genuine assent D. about legal substance E. none of these

22. In order to have an agreement there must be: A. an offer and a counter offer B. offer and acceptance C. an offer D. acceptance E. none of these

23. Between which two parties can there be a contract? A. a 21 year old male and a 21 year old female B. a 17 year old male and a 60 year old male C. a 25 year old (while intoxicated) and a 40 year old D. a 62 year old convict and a 27 year old dancer E. none of these

24. What happens when one party fails to keep his part of a contract? A. both parties are free of all obligations B. the contract is still valid C. the contract is breached D. the party at fault gets his hand slapped E. none of these

25. A contract in which title to the merchandise does not pass to the buyer until full payment has been made is: A. conditional sales contract B. chattel mortgage C. revolving charge D. open account E. none of these

26. The statute of limitations pertains to: A. the legal rate of interest B. the amount of damages you may collect C. the period of time in which one may bring suit D. the lady in New York Harbor E. none of these

Use the following four basic credit policies as possible answers for question 27-33.

1. Liberal granting of credit and liberal collections.
2. Liberal granting of credit and strict collections.
3. Strict granting of credit and liberal collections.
4. Strict granting of credit and strict collections.

27. Which of the four policies would tend to increase sales the most? A. 1&2 B. 3&4 C. 1&3 D. 1&4 E. none of these

28. Which of the four policies would tend to increase sales the least? A. 1 B. 2 C. 3 D. 4 E. none of these

29. Which of the four policies would probably increase expenses the most? A. 1 B. 2 C. 3 D. 4 E. none of these

30. Which of the four policies would probably result in the largest amount of uncollectable accounts? A. 1 B. 2 C. 3 D. 4 E. none of these

31. Which of the four would probably result in the fewest uncollectable accounts? A. 1 B. 2 C. 3 D. 4 E. none of these

32. Which of the four policies would an exclusive, high quality store probably use? A. 1 B. 2 C. 3 D. 4 E. none of these
33. Which of the four policies would a major department store chain probably use?
A. 1  B. 2  C. 3  D. 4  E. none of these

About Personnel

34. Money is the only criterion for job satisfaction.

35. Management should know the requirements of a job, both mental and physical, before a person is hired for that job.

36. A person who is overqualified for a job will be happy with that job.

37. Skill is all it takes for an employee to perform well in his job.

38. Motivation is as important as skill in making a good employee.

39. Morale is a physical characteristic that some people have more of than others.

40. A personnel policy is an established course of action to be followed consistently in handling a problem dealing with employees.

41. In order to develop employee pride, recognition of work... A. should be general, not specific  B. should not be given generously  C. should be for completion of work only  D. should be given fairly to those who merit it  E. none of the above

42. Employee pride in working may be affected by. A. attitudes of parents  B. attitudes of friends  C. attitudes of supervisors  D. attitudes of one's self  E. all of the above

43. If a person has only the minimum qualifications for a job: A. the employee is responsible for improving his qualifications  B. management should train him to improve his skills  C. management should wait to see if he likes the job  D. management should demote him  E. none of these

44. In order for a worker to be motivated and productive he must be: A. paid well  B. be watched carefully  C. doing a job he is interested in  D. threatened occasionally  E. all of these

45. A worker who is dissatisfied will: A. affect only his job performance  B. affect his fellow employees  C. cause problems for his company's competitors  D. help his company  E. all of these

46. The person in charge of training an employee: A. should know the skills he is trying to teach  B. is not very important to the business  C. should try to motivate the employee  D. both A & C  E. none of these

47. Which of the following would increase employee morale: A. unsafe working conditions  B. poor supervisors  C. bossy supervisors  D. average pay  E. none of these.

48. Which of the following would do the most to improve employee morale A. more job satisfaction  B. increased pay  C. less work  D. shorter hours  E. none of these.
49. A well organized personnel department needs:  
A. a well paid person in charge 
B. established policies and procedures  
C. good looking secretaries  
D. a large budget  
E. none of these

50. Employee involvement in decision-making which affects them does what to morale?  
A. no affect on morale  
B. worsens morale  
C. improves morale  
D. has nothing to do with morale  
E. none of these

51. A good supervisor wants all of the following except:  
A. his employees to feel important  
B. to care about their work  
C. establish good human relations with employees  
D. feel they are important to the company  
E. none of these

52. A supervisor should be concerned with all of the following except:  
A. employee needs and wants  
B. employee feelings and attitudes  
C. employees liking him  
D. employee output  
E. none of these

53. All of the following are rules a supervisor should follow except:  
A. enforce rules fairly  
B. praise in private, criticize in public  
C. give credit to employees for a job well done  
D. praise in public, criticize in private  
E. none of these

54. The following are also rules a supervisor should follow except:  
A. blame employees for their own mistakes  
B. show respect for employees  
C. maintain good communications  
D. involve employees in decision making  
E. none of these

55. In order to be effective, a personnel policy should be which of the following:  
A. definite  
B. consistent  
C. flexible  
D. practical  
E. all of these

56. Problems involving employee relationships occur:  
A. never  
B. always  
C. frequently  
D. seldom  
E. none of these

57. The purpose of personnel policies is to:  
A. improve the business  
B. show the employee who is boss  
C. provide a basis for handling problems  
D. A & C  
E. B & C

58. All of the following are areas needing personnel policies except:  
A. promotions  
B. dismissals  
C. evaluations  
D. hours' and wages  
E. none of these

59. Which of the following is not a reason for company policies:  
A. maintain high morale  
B. reduces confusion or disagreement among employees  
C. provides basic guidelines for making decisions  
D. increases potential for business to make a profit  
E. none of these

About Stocks and Bonds

60. U.S. Treasury notes are issued with a 10 year maturity.

61. Bearer bonds may be cashed by whomever has possession of them.

62. Equity is another word for ownership.

63. Blue chip is a term applied to stocks of strong, well-established companies with long dividend-paying records.

64. A bull market exists when the broad trend of the market is down.

65. Corporations split their stocks to lower the stocks price.
66. A stock warrant is an option granted to the holder to buy additional shares of common stock.

67. When interest rates go up, prices of preferred stocks go down.

68. Municipal bonds are attractive to investors in a high income tax bracket because these bonds are free from federal income tax.

69. One of the following bond ratings is considered to be speculative: A. AAA B. BBB C. CCC D. DDD E. none of these

70. One of the following is the best bond rating. A. A B. AAA C. BBB D. C E. none of these

71. To determine the current yield of a bond, you would need to know: A. the market price and coupon rate B. the face value, coupon rate, and maturity date C. the market price and maturity date D. the coupon rate and maturity date E. none of these

72. When computing market price, one way to determine the accrued interest on a bond is to: A. multiply the interest rate by the bond’s face value B. divide the number of days and months involved by the bond’s face value C. use the formula PXR=I D. use the bond interest table E. none of these

73. "And interest" when applied to bonds means that the: A. buyer of these bonds will get extra cash B. seller must pay the buyer the interest C. accrued interest from the last payment date must be added to the price of the bond D. interest payment is deferred until the bond matures. E. none of these

74. The market price of bonds is seldom quoted at $1,000 because: A. few people want to pay that much for them B. they are usually sold at the discount C. they are usually sold at a premium D. long-term interest rates fluctuate E. none of these

75. The security behind general obligation bonds is: A. the general obligation of the voters B. the fair taxing power of the political subdivision which issues them C. the general revenue from all toll bridges D. the general revenue from all property taxes E. none of these

76. A bear market means: A. A Merrill-Lynch bull is loose B. the market is up and has been going up for some time C. the market is down and has been going down for some time D. the Hamms bear is loose E. none of these

77. A bull market means: A. the Merrill-Lynch bull is loose B. the market is up and has been going up for some time C. the market is down and has been going down for some time D. the Hamms bear is loose E. none of these

78. Preferred stockholders differ from common stockholders in that they: A. take a greater risk and receive greater returns B. are lenders, not owners C. are entitled to payment of a fixed amount if dividends are declared D. can force the corporation into receivership E. none of these
79. The dividend of a 6% preferred stock with a par value of $100 would be:  
A. $60  
B. $600  
C. $100  
D. $6  
E. none of these

80. A bank announces a 2 for 1 stock split. The split:  
A. doubles the number and  
values of shares  
B. doubles the number of shares but does not affect their total  
value  
C. doubles the value of shares but does not affect their number  
D. doubles  
the number of stockholders  
E. none of these

A $1.00 par common stock has a market value of $75. The earnings are $5 per  
share, and it has paid quarterly dividends as follows:  50¢, 75¢ 75¢ & $1.00.  
Based on these four dividends, what is the current return?  
A. 4%  
B. 5%  
C. 5 2/3%  
D. 6 2/3%  
E. none of these

82. If a stock is earning $8 per share and the price-earnings ratio is 16 to 1,  
what is the stock's current market value?  
A. $8  
B. $16  
C. $64  
D. $128  
E. none of these

83. The bid price of a stock is the price at which:  
A. a seller can sell it  
B. a buyer can buy it  
C. traders are willing to buy it on the floor of the  
New York Stock Exchange  
D. traders are willing to sell it on the floor of the  
New York Stock Exchange  
E. none of these

84. Over the past 30 years stock prices have:  
A. equaled the rate of inflation  
B. kept abreast of the rising cost of living  
C. declined with the rising cost  
of living  
D. not served as a hedge against inflation  
E. all of these

About accounting functions

85. The income statement discloses whether or not a corporation is making money.

86. The FIFO method of inventory evaluation gives a low cost to items sold and  
therefore results in a higher profit from sales.

87. Many corporations continuously borrow money from banks.

88. Cost of goods sold includes the outlay for inventories, wages, and supplies.

89. A corporation is in a good financial position for the year if its current ratio  
is 2 to 1.

90. Corporations normally do not pay out all of their net income to their stock-holders  
in the form of dividends.

91. A balance sheet follows the basic accounting equation  
A. assets = liabilities.  
B. assets = liabilities - capitalization.  
C. assets = liabilities - stockholders' equity.  
D. assets = liabilities + stockholders' equity.

92. Accounts receivable are  
A. debts incurred by the corporation's customers.  
B. notes due from banks.  
C. mortgages held by the corporation.  
D. overdue debts of the corporation.
93. Depreciation is termed "accumulated depreciation" on a balance sheet because
A. machines and equipment become worn out or obsolete.
B. the rate of depreciation allowed by the IRS depends on the type of building
C. it is not an out-of-pocket expense
D. the rate of annual depreciation is accumulated over the years

94. Accounts payable are
A. a current liability
B. a current asset
C. a long-term liability
D. a part of capital stock

95. Depreciation is not
A. an out-of-pocket expense
B. deductible under IRS rules
C. a bookkeeping item
D. a decrease in the value of fixed assets

96. Current ratio is computed by dividing
A. current assets minus inventories by current liabilities
B. current assets by current liabilities
C. current liabilities by current assets
D. current assets by liabilities and stockholders' equity

97. One of the following indicates the profitability of a company:
A. pretax profit margin.
B. current ratio
C. acid test ratio
D. times-interest-earned ratio

98. Net income on stockholders' equity is computed by dividing
A. the stockholders' equity by the net income
B. the net income by the stockholders' equity
C. the stockholders' equity by sales
D. the net income by the number of outstanding shares.

99. Earning per share is computed by dividing
A. the net income by the number of outstanding shares
B. the number of outstanding shares by the net income
C. the gross income by the number of outstanding shares
D. the number of outstanding shares by the gross income

100. Dividend return per common share is computed by dividing
A. the current market price of a share by the dividend
B. the current assets by the current liabilities
C. the book value per share by the dividend
D. the dividend per share by current market price.
Multiple Choice:

**INSTRUCTIONAL AREA: MATH**

1. Add the following numbers: 76430 + 61732 + 720 + 32146 + 18 + 683.
   A. 177129  B. 277119  C. 182729  D. 171729  E. none of these

2. If one dozen items cost $14.00, then 48 items cost:
   A. 961.20  B. 57.60  C. 56.60  D. 566.00  E. none of these

3. 18% of 521.00 equals:
   A. 93.78  B. 93.70  C. 93.78  D. 9.378  E. none of these

4. 24 is 15% of what number?
   A. 1,500  B. 240  C. 150  D. 15  E. none of these

5. Add the following numbers: 6231 + 132 + 1326 + 2163 + 62
   A. 9915  B. 9814  C. 9124  D. 9914  E. none of these

6. 26.7% of 300 equals:
   A. 80.10  B. 80.01  C. 80.001  D. 801.0  E. none of these

7. Change the fraction, 7/8, to a percent:
   A. 8.75  B. .875  C. .975  D. .775  E. none of these

8. Change the fraction, 2/5, to a percent:
   A. 42  B. 4.2  C. 35  D. 3.5  E. none of these

9. Change 75% to a fraction:
   A. 7/8  B. 3/4  C. 5/8  D. 5/4  E. none of these

Use the following information for questions 10-13. Red Zombie, an employee for Ace Dept. Store receives a 30% discount on all purchases. He buys the following items with the prices listed: (1) doll house @ $12.95; (3) Cry Baby dolls @ 6.95; (2) tool boxes @ $40.99; (1) gum ball machine @ $4.22.

10. What is the total retail price, excluding tax, of the purchases?
    A. 120.00  B. 72.25  C. 65.11  D. 115.50  E. none of these

11. What is the net price Red will pay excluding tax?
    A. 45.58  B. 84.00  C. 50.58  D. 80.85  E. none of these

12. If the tax percentage is 4% what is the amount of tax Red will pay?
    A. 3.36  B. 33.60  C. .36  D. 1.82  E. none of these

13. How much money, excluding tax, will Red Zombie save because of his discount?
    A. 37.00  B. 35.00  C. 42.00  D. 19.53  E. none of these

Complete the following extensions.

14. 2½ yards @ $.40 equals
    A. 1.00  B. .10  C. 10.00  D. 5.00  E. none of these

15. 1¼ dozen @ .76/doz. equals
    A. .59  B. .76  C. .89  D. .95  E. none of these

16. 2¼ doz. @ .25 each equals
    A. .57  B. 9.00  C. 9.57  D. 7.75  E. none of these

17. 32 oz. steak @ $2.79/lb equals
    A. 2.79  B. 5.25  C. 5.58  D. 2.81  E. none of these
Use the following information for questions 18--35. Jon Denton, manager of Dizzy Dean's Department Store, has broken his calculator. He needs your help in preparing a report by giving him the answers to questions 18-35. Use the sales information below.

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<th></th>
<th>Monday</th>
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<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
<th>Total</th>
</tr>
</thead>
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<td>21.60</td>
<td>476.20</td>
<td>100.90</td>
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<tr>
<td>Dept B</td>
<td>720.30</td>
<td>273.40</td>
<td>540.60</td>
<td>542.10</td>
<td>624.10</td>
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<tr>
<td>Dept C</td>
<td>420.00</td>
<td>674.30</td>
<td>532.10</td>
<td>473.00</td>
<td>932.20</td>
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<tr>
<td>Dept D</td>
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<td>550.00</td>
<td>671.10</td>
<td>472.20</td>
<td>876.70</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2359.80</td>
</tr>
</tbody>
</table>

18. Monday's total sales are:
   A. 2326.85  B. 2316.85  C. 2316.75  D. 2316.86  E. none of these

19. Tuesday's total sales are:
   A. 1692.00  B. 1699.80  C. 1619.90  D. 1619.91  E. none of these

20. Wednesday's total sales are:
   A. 3744.80  B. 3744.90  C. 2744.80  D. 2745.80  E. none of these

21. Thursday's total sales are:
   A. 2460.80  B. 2460.90  C. 2461.80  D. 2461.70  E. none of these

22. Friday's total sales are:
   A. 3670.70  B. 3670.60  C. 37.70   D. 3770.60  E. none of these

23. Department A's total sales for the week are:
    A. 23590.90 B. 2360.80 C. 2359.80 D. 2459.80 E. none of these

24. Department B's total sales for the week are:
    A. 2700.60 B. 2700.40 C. 2700.50 D. 270.06 E. none of these

25. Department C's total sales for the week are:
    A. 3031.60 B. 3131.60 C. 3032.60 D. 3029.60 E. none of these

26. Department D's total sales for the week are:
    A. 2944.90 B. 2945.00 C. 2945.20 D. 2945.10 E. none of these

27. Department E's total sales for the week are:
    A. 1776.15 B. 1776.16 C. 1776.25 D. 1776.14 E. none of these

28. What percentage of the total sales were from Department A?
    A. 18.4%  B. 19.4%  C. 18.1%  D. 19.1%  E. all of these

29. What percentage of the total sales were from Department B?
    A. 27%  B. 22%  C. 21%  D. 20%  E. all of these

30. What percentage of the total sales were from Department C?
    A. 22.7%  B. 23.7%  C. 2.37%  D. 2.3%  E. all of these
31. What percentage of the total sales were from Department D?
   A. 22%  B. 23%  C. 24%  D. 25%  E. All of these

32. What percentage of the total sales were from Department E?
   A. 22%  B. 23%  C. 24%  D. 14%  E. All of these

33. What percent of Thursday's sales were in Department C?
   A. 1.91%  B. 19.1%  C. 20.2%  D. 19.2%  E. None of these

34. What percent of Department A's sales were made on Friday?
   A. 40.4%  B. 24.4%  C. 44.2%  D. 42.4%  E. None of these

35. If the month's sales were $50,000, what percent of those sales were made this week?
   A. 2.25%  B. 22.5%  C. 26.2%  D. 27.8%  E. None of these

36. Sam Snuff, owner of Snuff's Stuff, Inc., needs 130 wiffle balls for the Christmas season. He needs the merchandise soon. He has four possible sources from which to buy. They are summarized as follows:

   Supplier #1 terms
   ordinary dating
   bill due in 30 days
   45 day delivery

   Supplier #2 terms
   n/30 EOM
   45 day delivery

   Supplier #3 terms
   30 day delivery
   5/10; n/30 MOM

   Supplier #4 terms
   30 day delivery
   1/15; n/45 ROG

36. Supplier #1 is giving a:
   A. cash discount  B. chain discount  C. quantity discount  D. seasonal discount  E. None of these

37. Supplier #2 is giving a:
   A. cash discount  B. chain discount  C. quantity discount  D. seasonal discount  E. None of these

38. Supplier #3 is giving a
   A. cash discount  B. chain discount  C. Quantity discount  D. seasonal discount  E. None of these
39. Supplier #4 is giving a: A. cash discount   B. chain discount  C. quantity discount  D. seasonal discount  E. none of these

40. The net price from supplier #1 would be: A. 266.50   B. 273.00   C. 279.50   D. 286.00   E. none of these

41. The net price, including discounts, from suppliers #2 would be: A. 357.50   B. 355.70   C. 244.00   D. 244.40   E. none of these

42. The net price from supplier #3, including discount, would be: A. 253.50   B. 267.80   C. 255.30   D. 254.41   E. none of these

43. The net price from supplier #4, including discount, would be: A. 254.70   B. 257.40   C. 260.00   D. 260.50   E. none of these

44. If the balls are needed within 50 days the buyer should buy from: A. #1   B. #2   C. #3   D. #4   E. none of these

45. If the balls are needed within 35 days the buyer should buy from: A. #1   B. #2   C. #3   D. #4   E. none of these

46. If the store buys from supplier #1 and his invoice was dated Nov. 16, and he receives the merchandise on Nov. 30, when would the bill be due? A. Nov. 30   B. Dec. 16   C. Dec. 15   D. none of these

47. If the store buys from #2, the invoice is dated Nov. 16 and he receives the merchandise on Dec. 1, the bill would be due on: A. Dec. 30   B. Dec. 31   C. Dec. 16   D. Nov. 30   E. None of these

48. If the store buys from #3, the invoice is dated Nov. 14, and the merchandise is received on Dec. 1, what day do the terms start? A. Nov. 30   B. Nov. 15   C. Nov. 14   D. Nov 25   E. none of these

49. What is the lest day to take advantage of the discount from supplier #3? A. Dec. 1   B. Nov. 30   C. Nov. 24   D. Nov. 25   E. none of these

50. What is the due date if the discount is not taken? A. Dec. 15   B. Dec. 30   C. Dec. 14   D. Dec. 1   E. none of these

51. If the store buys from #4, invoice is dated Nov. 16, and merchandise is received on Dec. 1, what day do the terms start? A. Nov. 30   B. Nov. 15   C. Dec. 1   D. Dec. 15   E. none of these

52. What is the last day to take advantage of the discount for supplier #4? A. Dec. 1   B. Dec. 15   C. Dec. 16   D. Dec. 30   E. None of these

53. What is the due date if the discount is not taken? A. Jan. 30   B. Jan. 15   C. Jan 14   D. Jan. 15   E. None of these

54. Ordinary dating means A. terms start when merchandise is ordered   B. terms start on invoice date   C. terms start when merchandise is received   D. terms start at owners discretion   E. None of these

55. ROG dating means A. Terms start when merchandise is ordered   B. terms start on invoice date   C. terms start when merchandise is received   D. terms start at owners discretion   E. none of these

56. EOM dating means A. terms start when merchandise arrives   B. terms start on last day of the month   C. terms start on the first day of the following month   D. terms start or 15th of the month   E. none of these
57. MOM means  A. terms start when merchandise arrives  B. terms start on the last day of the month  C. terms start on the first day of the following month  D. terms start on 15th of the month  E. None of these

53. Anticipation is  A. terms are anticipated by buyer  B. seller allows interest to be subtracted according to how early bill is paid  C. buyer pays interest, if bill is paid early  D. you anticipate this answer  E. none of these

59. Extra dating is  A. buyer and seller start dating  B. terms start as usual  C. terms start whenever buyer desires  D. allowing extra days before terms start  E. none of these

Use the following information for problems 60 - 71. Last years sales by month
Jan = 2,480.  Feb = 8,250  March = 7,000  April = 14,500  May = 12,450  June = 14,750  July = 15,400  August = 16,400  Sept. = 17,800  Oct. = 21,700  Nov. = 29,300  Dec. = 37,250.

Management expects the following changes in sales for the following year. Changes are expressed in percents.
Jan = +4%  Feb. = +2%  March = +12%  April = +5%  May = +7%  June = -.5%  July = +8.5%  August = +14%  Sept. = -2.7%  Oct. = +10%  Nov. = +6%  Dec. = -1.5%

60. January sales will be  A. 257.90  B. 2597.20  C. 25,979.20  D. 25792.00  E. None of these

61. February sales will be  A. 8415.00  B. 800.50  C. 8085.00  D. 84150.00  E. none of these

62. March sales will be  A. 6160.00  B. 7804.00  C. 6106.00  D. 7840.00  E. none of these

63. April sales will be  A. 13,775.00  B. 1522.50  C. 1377.50  D. 15,225.00  E. none of these

64. May sales will be  A. 1332.15  B. 13,321.50  C. 14,442.80  D. 11,578.50  E. none of these

65. June sales will be  A. 14,012.50  B. 1401.25  C. 14,676.25  D. 1467.63  E. none of these

66. July sales will be  A. 1478.40  B. 16,016.00  C. 16,061.00  D. 14,784.00  E. none of these

67. August sales will be  A. 14,104.50  B. 14,104.60  C. 1869.90  D. 18,696.00  E. none of these

68. Sept. sales will be  A. 22,606.50  B. 2260.40  C. 22,606.00  D. 17,319.40  E. none of these

69. October sales will be  A. 23,870.00  B. 1953.00  C. 19,530.00  D. 19,535.00  E. none of these

70. November sales will be  A. 31,085.00  B. 27,524.00  C. 27,542.00  D. 31,080.50  E. none of these

71. December sales will be  A. 36,091.25  B. 31,662.50  C. 42,837.50  D. 37,008.75  E. none of these

72. An item costing $10.00 with expenses of $2.50 would have to sell for what and still make a profit of $2.00.  A. 16.00  B. 12.50  C. 14.50  D. 14.00  E. None of these
73. An item selling for $52.00 with expenses of $18.50 and making a profit of $6.00 cost at the store: A. 48.00 B. 275.00 C. 25.70 D. 27.50 E. none of these.

74. An item costing $25.00 sells for $50.00 with expenses of $32.50 will have a profit of A. 7.50 B. 5.70 C. 7.05 D. 5.07 E. none of these.

Use the following graph to help answer questions 75-89:

75. During what month was the dollar amount of profit the highest? A. September B. November C. May D. December E. none of these.

76. During what month was the percentage of profit the highest? A. September & August B. August & July C. August & December D. December & June E. none of these.

77. What is the total dollar amount of profit? A. 50,000 B. 52,000 C. 5,200 D. 45,000 E. none of these.

78. What is the approximate dollar average of profit during the year? A. 466.67 B. 4,666.67 C. 433.33 D. 4,333.33 E. several of these.

79. Which months had a dollar profit of $3500? A. June B. March C. May D. Dec. E. none of these.

80. The lowest amount of dollar profit was A. 3.00 B. 30.00 C. 300.00 D. 3000.00 E. none of these.

81. During how many months did the store make $4,500 in profit? A. 1 B. 2 C. 3 D. 4 E. none of these.

82. The monthly average percent of profit is A. 3.14% B. 4.13% C. 5.2% D. 4.3% E. none of these.

83. What are the total sales during the year? A. 126,060.60 B. 126,066.00 C. 1,260,606.06 D. 1,250,000.00 E. none of these.

84. What percent is January's dollar profit less than the monthly average? A. 82% B. 25% C. 31% D. 69% E. none of these.

85. What is the difference in the percentage of profit between April & November? A. .5% B. .05% C. 5% D. 50% E. none of these.

86. The dollar amount of sales for the month of August is: A. 4,500.00 B. 900,000.00 C. 90,000.00 D. 9000.00 E. none of these.
87. The dollar amount of sales for May is: A. $125,000.00 B. 12,500.00 C. 50,000.00 D. 500,000.00 E. none of these

88. The difference between the total dollar amount of sales of August and May is: A. 3,500.00 B. 4,000.00 C. 40,000.00 D. 35,000.00 E. none of these

89. What is the difference in dollar profit between December and May? A. 5000.00 B. 500.00 C. 1000.00 D. 50.00 E. none of these

90. Add 937 and 9.3702: A. 94639 B. 9463.702 C. 946.3709 D. 946.3702 E. None of these

91. Add 6231 and 427.6231: A. 6658.6231 B. 6685.6231 C. 70,000.00 D. 66.58 E. none of these

92. Add 732 and 37642 and 3824.04: A. 5000.00 B. 42198.04 C. 42198 D. 4219.804 E. none of these

93. Multiply 732 by 62.6: A. 45832.2 B. 45823.2 C. 4582.32 D. 45822.3 E. none of these

94. Multiply 73245 by 63156: A. 4625861220 B. 4625860020 C. 4625681220 D. 4652681220 E. none of these

95. Multiply 21432 by 98743: A. 2116257699 B. 2116259976 C. 21122659976 D. 2112658876 E. none of these

96. You need 150 items costing $25.00 each with terms of 5/10 N/30. The total price, excluding discount is: A. 187.50 B. 3562.50 C. 375.00 D. 3750.00 E. None of these

97. The amount of the discount is: A. 187.50 B. 3562.50 C. 375.00 D. 3750.00 E. none of these

98. The price including discount is: A. 187.50 B. 3562.50 C. 375.00 D. 375.00 E. none of these

99. Another supplier gives you a price for the same item of $32.00 with discounts of 10% 5%. The net price from this supplier is: A. 3898.00 B. 3889.80 C. 3898.90 D. 3899.00 E. none of these

100. Which supplier is cheaper? A. #1 B. #2 C. Same from both D. both E. none of these
Section I: True - False

1. The "three C's" are the factors that a merchant checks to determine whether or not an applicant is a good credit risk.

2. The credit interview gives the store an opportunity to have its credit interviewer advise the customer of the advantages of having a good credit rating.

3. The local credit bureau usually checks the application.

4. Stores normally attempt to discourage credit use because it tends to decrease patronage of the store.

5. The customer's signature on the charge sales check only serves to prove the customer made the purchase.

6. About 5% of all accounts receivable require garnishment or other formal or legal action.

7. A store may determine an individual customer's buying habits by his credit billings.

8. Credit cards add little to the total cost of goods for consumers.


10. The income statement states the firm's financial position on a given date.

11. The balance sheet measures the firm's success in making a profit.

12. The cash flow statement shows where money has come from and where it has been spent.

13. When opening the teller's window, there is a specific compartment in the cash drawer for each denomination of coins and currency. From left to right, the front compartments are for pennies, nickels, dimes, and quarters.

14. When a customer is making a deposit at the tellers window, the first thing the teller should do after greeting the customer, is to mention the amount of deposit and amount received.

15. When a customer is making a cash deposit, the teller should place the money in the cash drawer immediately.

16. It is not important for the bank teller to count back the change after a deposit.

17. When taking large denominations of bills, you should always check both sides of the bill.
18. When a store is choosey as to whom it grants credit and is strict in its collection policy, it has liberal credit and strict collection policy.

19. Strict credit and liberal collection policies is when credit is granted to all consumers and there is no pressure in collections.

20. The liberal collection and strict credit policy is used when a store grants credit to anyone and there is no pressure in the collections of late accounts.

Section II: Matching Multiple Choice

A. Commercial Bank       C. Non-Commercial Bank       E. Investment Bank
B. Savings Bank           D. Trust Company          

21. Permitted to perform bank functions in addition to guaranteeing titles and managing real estate.

22. Specializes in accepting savings accounts.

23. Confines its business largely to transactions with businessmen and business institutions.

24. Primarily interested in promoting the organization, financing and management of industrial concerns.

A. Endorser       C. Drawer       E. Endorsee
B. Co-signer      D. Drawee       

25. A person who guarantees that the loan to another person will be repaid.

26. The person who endorses a negotiable instrument and transfers it to someone else.

27. The person who receives a negotiable instrument.

28. The bank that is ordered to transfer or pay the negotiable instrument.

A. Prime Rate       C. Legal Rate       E. Cashier's Check
B. Certified Check   D. Contract Rate   

29. The lowest rate of interest.

30. The bank may charge this rate of interest in the absence of any agreement as to the interest rate.

31. Check upon which the bank guarantees that there is money being held specifically to pay the check when presented.
32. Check on the bank that issues it.

A. Restrictive Endorsement  D. Special Endorsement
B. Blank Endorsement  E. Qualified Endorsement
C. Cashier's Endorsement

33. Used when the endorser does not want to assume any further responsibility for the negotiable instrument.

34. The negotiable instrument is payable to and the funds are for the use of only one purpose as specified.

35. The negotiable instrument must be signed by the person to whom it was sent before it can be transferred to anyone else.

36. Permits the negotiable instrument to be transferred to someone else without any restriction.

A. Intermediate Credit  C. Revolving Credit  E. Long-Term Credit
B. Short-Term Credit  D. Installment Credit

37. Credit extended on account to be paid in 30 days to one year.

38. Credit extended on account to be paid in 1 to 5 years.

39. Credit extended on account to be paid in regular payments until goods are paid for.

40. Credit extended on account to be paid in regular monthly payments depending upon amount of the unpaid balance of the account.

Section III: Multiple Choice

41. In our economy "the ________ is where lenders and borrowers meet."  (A) Bank  (B) Finance Company  (C) Buyer's Market  (D) Credit Market  (E) None of Above

42. If our economy is operating at full steam, the creation of additional money can do little except:  (A) decrease prices  (B) increase prices  (C) keep prices stable  (D) make prices unstable  (E) None of above

43. A personal check is written and signed by (A) the individual offering it  (B) the person receiving it  (C) the financial institution  (D) B and C  (E) None of above

44. The check that is most susceptible to fraud is (A) personal  (B) government  (C) two party  (D) Traveler's  (E) None of above

45. A money order (A) can be passed as a check  (B) is usually sent in the mail  (C) can be sold in stores  (D) all of these  (E) None of these
46. Unless presented with a current automobile operator's license, you should not accept as identification (A) library cards (B) Social Security cards (C) birth certificates (D) all of the above (E) None of the above

47. A big reason why stores get stuck with bad checks is because (A) people feel they make too much profit (B) of employee apathy (C) people are dishonest (D) of employer incentives (E) None of the above

48. Most checks returned because of insufficient funds (A) are written by dishonest people (B) is the banks collection problem (C) clear the second time you deposit them (D) must be prosecuted immediately (E) None of the above

49. The service charge per month for retail installment accounts is generally (A) 0% (B) 5% (C) 1.5% (D) 6% (E) 18%

50. The credit plan that imposes a limit on the amount to be charged and requires a monthly payment depending on the amount owed is called the (A) Ready Credit Plan (B) Revolving Charge (C) Regular 30 day Account (D) Installment Account (E) None of the above

51. A business firm determines the amount of credit to extend by the customer's (A) character (B) capital (C) capacity (D) all of these (E) None of these

52. Information about applicants for consumer credit is secured by businesses from (A) banks (B) credit bureaus (C) employers (D) A and B only (E) A, B, and C

53. Loans are granted by all of the following except: (A) banks (B) credit unions (C) finance companies (D) credit bureaus (E) None of the above

54. The following business (es) rely on credit to assist them in business operations. (A) wholesalers (B) retailers (C) agents (D) manufacturers (E) All of these

55. Dating, as related to business, refers to: (A) the practice of placing a date on the invoice that indicates when terms will begin to apply (B) the socializing between males and females (C) the practice of placing the date of purchase on the invoice (D) the practice of placing the date the merchandise was shipped on the invoice (E) None of the above

56. In evaluating a credit applicant which of the following factors should be given the most weight: (A) ability to pay (B) business history (C) prospects for future (D) associates (E) wealth

57. In filling out his application, the potential credit customer gives (A) job record (B) other credit accounts (C) marital status (D) employer (E) all of the above
58. All of the following are classified as current assets except:
   (A) cash  (B) accrued income  (C) interest income  (D) notes receivable  (E) account receivable

59. Notes that a business gives creditors, for which it will later pay cash, are called
   (A) notes receivable  (B) notes payable  (C) bonds  (D) stocks  (E) none of the above

60. The debtor of any credit transaction is the person
   (A) who borrows the money  (B) who loans the money  (C) who sells the good or service  (D) who is financially wealthy
   (E) None of the above

61. Which of the following are/is considered a fixed asset
   (A) merchandise inventory  (B) supplies  (C) office equipment  (D) both A and B  (E) All of these are fixed assets

62. Which of the following are/is considered operating expenses
   (A) salary expense  (B) delivery expense  (C) supplies expense  (D) only B and C  (E) all of these are operating expenses

63. Which of the following are/is a current liability:
   (A) notes payable  (B) allowance for bad debts  (C) delivery expense
   (D) both A and B  (E) all of these are current liabilities

64. Initially credit was issued
   (A) only to wealthy customers  (B) by small businesses needing increased sales to remain in business
   (C) at the customers request only  (D) by large businesses to run small businesses out of business
   (E) None of the above

65. In 1968 President Lydon B. Johnson signed the
   (A) Federal Credit Protection Act  (B) Consumer Credit Protection Act
   (C) Truth-in-Credit Act  (D) Federal Consumer Credit Control Act  (E) None of the above

66. The first state to have a law to protect consumers was
   (A) Kansas  (B) Ohio  (C) New York  (D) Massachusetts  (E) Illinois

67. The fastest growing type of credit today is
   (A) regular 30 day accounts  (B) installment credit  (C) revolving charge
   (D) coupon book plans  (E) None of these

68. The customer's credit limit is established and equal to this credit limit is issued to the customer.
   (A) a regular 30 day account  (B) installment credit
   (C) an option term plan  (D) a coupon book plan  (E) None of the above

69. The credit application includes space(s) for information on:
   (A) the name and address of the customer  (B) how long he has lived at that address
   (C) whether he owns his home or rents  (D) A and C only  (E) All of the above
70. An applicant's character refers to (A) his ability to pay (B) his income (C) the assets of the individual (D) his willingness to accept responsibility (E) None of these

71. An applicant's capacity refers to: (A) his ability to pay (B) his willingness to accept responsibility (C) the assets of the individual (D) length of time individual has held one job (E) None of the above

72. An applicant's capital refers to (A) his ability to pay (B) his willingness to accept responsibility (C) the assets of the individual (D) length of time individual has held one job (E) None of the above

73. Of the "three C's" of credit, _______ is considered the most important. (A) character (B) conditions (C) capacity (D) capital (E) None of these are more important than the others.

74. Cycle billing refers to (A) delivery of bills on bicycles (B) monthly billing of accounts (C) rotating the billing periods of customers (D) both B and C (E) None of these

75. About _____ of all store accounts receivable require some action by the retailer to enforce payment beyond the routine means of reminders. (A) 8% (B) 15% (C) 22% (D) 80% (E) None of these

76. A store may obtain records from charge accounts on (A) frequency of shopping (B) effects of advertising on purchases (C) relationship of purchases to each other in a similar category (D) A and C (E) All of the above

77. The retailer must pay the credit card company a percentage of each sale normally (A) 1 to 3% (B) 1 to 2% (C) 3 to 6% (D) 2 to 4% (E) None of the above

78. If a credit card holder loses his credit card he may be held liable for (A) the first $50. (B) the first $100. (C) the first $500. (D) all purchases made before credit card company is notified (E) None of the above

79. The federal act which regulates companies which review personal financial records is (A) Fair Credit Billing Act (B) Equal Credit Opportunity Act (C) National Credit Reporting Act (D) Fair Credit Reporting Act (E) None of the above

80. The federal act which makes it unlawful for any creditor to discriminate against an applicant because of sex or marital status is (A) Fair Credit Billing Act (B) Equal Credit Opportunity Act (C) National Credit Reporting Act (D) Fair Credit Reporting Act (E) None of the above

81. This act allows merchants to offer discounts to customers who pay cash instead of using credit cards. (A) Fair Credit Billing Act (B) Equal Credit Opportunity Act
82. This act states "a creditor shall not request information about birth control practices or family planning intentions (A) Fair Credit Billing Act (B) Equal Credit Opportunity Act (C) National Credit Reporting Act (D) Fair Credit Reporting Act (E) None of the above"

83. Each morning a supply of change for use during the day must be placed in the tellers window. This is called: (A) the days receipts (B) the bank (C) drawer of money (D) the working cash (E) None of the above

84. When a bank teller counts back your change after a deposit, he should start counting (A) with the amount of the deposit (B) with the amount the customer gave him (C) backwards from the amount given him (D) just give the customer back his change (E) None of the above

85. All of the following are characteristics of installment credit except (A) usually requires a down payment (B) the seller has the right to repossess the goods (C) the customer owns the article at the time the sale is made (D) interest amounts must be stated in exact dollars (E) All of the above are characteristics of installment credit.

Section IV: Case Problem Multiple Choice

<table>
<thead>
<tr>
<th>1</th>
<th>19</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>after date</td>
</tr>
<tr>
<td>3</td>
<td>promise to pay to the order of</td>
</tr>
<tr>
<td>4</td>
<td>Payable at</td>
</tr>
<tr>
<td>5</td>
<td>Value received with interest at</td>
</tr>
<tr>
<td>6</td>
<td>No. Due</td>
</tr>
<tr>
<td>7</td>
<td>Dollars</td>
</tr>
</tbody>
</table>

PROMISSORY NOTE

In the following questions, you will be asked to analyze the above promissory note.
86. Number one refers to (A) date on which note is due (B) date on which note is issued (C) date on which note is requested (D) date on which bank was founded (E) None of the above

87. Number two refers to (A) date on which note is due (B) day on which note is issued (C) the amount the borrower promises to pay (D) period of time from the date of issue until note is to be paid (E) the person who promises to make payment.

88. Number three refers to (A) the principal (B) the principle (C) payee (D) maker (E) drawer

89. Number four refers to (A) the principal (B) the principle (C) payee (D) maker (E) date note was issued

90. Number five refers to (A) rate paid for the use of money (B) maturity value of note (C) amount borrowed (D) date note is due (E) None of the above

91. Number six refers to (A) date on which note is issued (B) days from date of issue until the note is to be paid (C) the one to whom a note is payable (D) date on which note is due (E) the payee

92. Number seven refers to (A) the bank officers authorization signature (B) the maker (C) the payee (D) the signature of the person who receives the note (E) None of the above

Walker-Wilson Company
Income Statement
For year ended December 31, 1975

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>2,580,000</td>
</tr>
<tr>
<td>Gross profit</td>
<td>$ 420,000</td>
</tr>
<tr>
<td>Less: Operating expenses</td>
<td></td>
</tr>
<tr>
<td>Selling</td>
<td>$22,000</td>
</tr>
<tr>
<td>General and administrative fees</td>
<td>40,000</td>
</tr>
<tr>
<td>Lease payment on office bldg.</td>
<td>28,000</td>
</tr>
<tr>
<td>Gross operating income</td>
<td>$ 330,000</td>
</tr>
<tr>
<td>Depreciation</td>
<td>100,000</td>
</tr>
<tr>
<td>Net operating income</td>
<td>$ 230,000</td>
</tr>
<tr>
<td>Add: Other income</td>
<td></td>
</tr>
<tr>
<td>Royalities</td>
<td>15,000</td>
</tr>
<tr>
<td>Gross income</td>
<td>$ 245,000</td>
</tr>
<tr>
<td>Less: Other expenses</td>
<td></td>
</tr>
<tr>
<td>Interest on notes payable</td>
<td>$ 8,000</td>
</tr>
<tr>
<td>Interest on first mortgage</td>
<td>25,000</td>
</tr>
<tr>
<td>Interest on debentures</td>
<td>12,000</td>
</tr>
<tr>
<td>Net income before income tax</td>
<td>$ 200,000</td>
</tr>
<tr>
<td>Federal income tax (at 40%)</td>
<td>80,000</td>
</tr>
<tr>
<td>Net income, after income tax, available to common stockholders</td>
<td>$ 120,000</td>
</tr>
<tr>
<td>arnings per share (EPS)</td>
<td>$.20</td>
</tr>
</tbody>
</table>
### Walker-Wilson Company Balance Sheet (thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>Dec. 31, 1974</th>
<th>Dec. 31, 1975</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$52</td>
<td>$50</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>175</td>
<td>150</td>
</tr>
<tr>
<td>Receivables</td>
<td>250</td>
<td>200</td>
</tr>
<tr>
<td>Inventories</td>
<td>355</td>
<td>300</td>
</tr>
<tr>
<td>Total current assets</td>
<td>$832</td>
<td>$700</td>
</tr>
<tr>
<td>Gross plant and equipment</td>
<td>$1,610</td>
<td>$1,800</td>
</tr>
<tr>
<td>Less depreciation</td>
<td>400</td>
<td>500</td>
</tr>
<tr>
<td>Net plant and equipment</td>
<td>1,210</td>
<td>1,300</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$2,042</td>
<td>$2,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Dec. 31, 1974</th>
<th>Dec. 31, 1975</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$87</td>
<td>$60</td>
</tr>
<tr>
<td>Notes payable, 8%</td>
<td>110</td>
<td>100</td>
</tr>
<tr>
<td>Accruals</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Provision for federal income taxes</td>
<td>135</td>
<td>130</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>$342</td>
<td>$300</td>
</tr>
<tr>
<td>First mortgage bonds, 5%</td>
<td>520</td>
<td>500</td>
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<tr>
<td>Debentures, 6%</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Common Stock</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(600,000 shares)</td>
<td>$600</td>
<td>$600</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>380</td>
<td>400</td>
</tr>
<tr>
<td>Total net worth</td>
<td>$980</td>
<td>$1,000</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>$2,042</td>
<td>$2,000</td>
</tr>
</tbody>
</table>
Walker-Wilson Company
Statement of retained earnings
For year ended December 31, 1975 (thousands of dollars)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance of retained earnings, Dec. 31, 1974</td>
<td>$380</td>
</tr>
<tr>
<td>Add: Net income, 1975</td>
<td>120</td>
</tr>
<tr>
<td></td>
<td>500</td>
</tr>
<tr>
<td>Less: Dividends to stockholders</td>
<td>100</td>
</tr>
<tr>
<td>Balance of retained earnings, Dec. 31, 1975</td>
<td>540</td>
</tr>
</tbody>
</table>

Given the above financial statements for Walker-Wilson Company, answer the following questions.

93. The current ratio for the Walker-Wilson Company is (rounded to hundreds) (A) 2.4 (B) 2.33 (C) 0.43 (D) 0.48 (E) None of the above
94. The quick or acid ratio for the Walker-Wilson Company is (rounded to hundreds) (A) 1.33 (B) 0.75 (C) 0.67 (D) 1.5 (E) None of the above
95. The debt ratio for the Walker-Wilson Company is (rounded to the nearest percent) (A) 53% (B) 1000% (C) 10% (D) 50% (E) None of the above
96. The inventory turnover ratio for the Walker-Wilson Company is (A) 12 times (B) 10 times (C) 8 times (D) 4 times (E) None of the above
97. The gross operating income for the Walker-Wilson Company is (A) $235,000 (B) $230,000 (C) $420,000 (D) $330,000 (E) None of the above
98. The Walker-Wilson Company had an increase in total net worth of (A) $1,000 (B) $20 (C) $2,000 (D) $500 (E) None of the above
99. The Walker-Wilson Company had a gross income of (A) $330,000 (B) $200,000 (C) $120,000 (D) $245,000 (E) None of the above
100. Dividends to stockholders for the Walker-Wilson Company is (A) $100 (B) $10,000 (C) $100,000 (D) $1,000 (E) None of the above
Food Marketing
High School

TABLE OF CONTENTS

1. Advertising
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2. Human Relations
   3
3. Mathematics
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4. Operations
   22
5. Selling/Human Relations
   31
The company you work for is planning to open a new grocery store. The area they have chosen is an outlying district of a large city. They have located within a small shopping center with eight other stores, none of which are grocery. In fact, there is no other grocery store in the general area. Within walking or short driving distance there are about 3,000 families whose incomes are estimated to be in the mid to upper income area.

Because your store is just beginning business next month, you need to set up an advertising budget. Although you plan to spend .5% of sales each month on advertising, this month you have set aside an additional sum of $2,000 to be spent on promoting the new store. Although normally your advertising dollars will go to newspaper advertising, this month you will want to use some other types of media. You have checked within your community and found the following rates apply:

- Newspaper $500 per page, $250 per half page
- Radio $25 per 30 seconds, $40 per 1 minute
- Direct mail 23¢ per unit
- T.V. $200 per 30 seconds

Plan your advertising to make the best use of your money budgeted. You may use one or all of the media listed, or if you have other ideas, you could present them.

Grand opening day will be May 12. Good Luck!
### EVALUATION INSTRUMENT

Judge will rate each participant on a scale of 1 - 10, with 10 being the highest and 1 being the lowest score.

1. **Was participant well prepared? (Ideas on paper, etc.)**
   - Yes
   - No
   - 1 2 3 4 5 6 7 8 9 10

2. **Did participant have a good mix of media?**
   - Yes
   - No
   - 1 2 3 4 5 6 7 8 9 10

3. **Did participant suggest additional media?**
   - Yes
   - No
   - 1 2 3 4 5 6 7 8 9 10

4. **Did participant have knowledge of advantages of various media?**
   - Yes
   - No
   - 1 2 3 4 5 6 7 8 9 10

5. **Could participant defend his ideas?**
   - Yes
   - No
   - 1 2 3 4 5 6 7 8 9 10

6. **Would participant's selection of media reach the largest number of people?**
   - Yes
   - No
   - 1 2 3 4 5 6 7 8 9 10

7. **Did participant's ideas have merit?**
   - Yes
   - No
   - 1 2 3 4 5 6 7 8 9 10

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Total ____________________
1. Learning to act on problems and situations is called developing skills. a. initiative b. judgement c. business d. production e. both a and c.

2. "Getting along with others" is the definition of a. cooperation b. judgement c. human relations d. job effectiveness e. Both a and b.

3. The main object of good human relations is to gain the of other people. a. respect b. influence c. affection d. cooperation e. all of the above.

4. Studies have shown that when employees are allowed to have coffee breaks, production a. remains constant b. decreases slightly c. increases d. decreases e. None of the above.

5. People most often loose jobs because a. they cannot do the work b. they fail to get to work on time c. they can't get along with people d. they do not produce enough e. None of the above.

6. An employer gets a chance to size up a persons human relations abilities during a. the first week at work b. the interview c. the first day of work d. None-of-the above.

7. During the interview, questions are always avoided that refer to a. Past work experience b. questions already asked on the application c. educational background d. reason for leaving the last job e. None of the above.

8. Any advancement beyond a carry out boy or sacker will be evaluated by a. a proficient checker b. an executive from the home office c. your fellow employees d. your supervisor e. None of the above.

9. Good human relations skills are not necessary if you work as a. a sacker b. a checker c. a stocker d. warehouse worker e. None of the above.

10. If you want to tell a checker who has worked at your store for three years and this is your sixth week, that she is throwing merchandise too hard you must use a. courtesy b. kindness c. tact d. respect e. None of the above.
11. In order to incourage a customer to return to your store it is up to you to use a. tact b. courtesy c. good judgement d. initiative e. None of the above.

12. In a supermarket, the carry-out clerk is important because he is the a. first b. best c. last d. only e. None of the above.

13. Getting along well with the customer is referred to as a. human b. customer c. good will d. employee e. All of the above.

14. When applying for a job in a supermarket the most important trait in determining good character is a. dependability b. enthusiasm c. intelligence d. honesty e. None of the above.

15. In food marketing and distribution it is necessary to have a real a. knowledge b. interest c. aptitude d. touch e. None of the above.

16. A person who does not let personal problems interfere with job performance is said to be a. dependable b. enthusiastic c. career minded d. industrious e. None of the above.

17. Most supermarkets promote people a. Outside the store b. with college degree c. they know best d. from within the store e. none of the above.

18. A cost conscious employee a. needs a raise more often b. is thrifty with store time and supplies c. should be assigned to the task of marking stock d. needs very little pay to be happy e. None of the above.

19. A loyal employer a. is at work on time every day b. belongs to the Union c. does not tell anybody confidential information d. shops at his own store e. None of the above.

20. Misunderstandings and errors are most often the fault of ineffective a. records b. bookkeeping c. communications d. employer relations e. None of the above.

21. If you were stacking cans and one fell on your toe resulting in a trip to the hospital, the expense would be covered by a. Company policy on accidents b. Workmans compensation c. your health insurance d. companies employee insurance e. All of the above.

22. When an employee has lost his job and cannot find work, the state pays him a. to find a job similar to his old one
22. b. unemployment insurance  c. unemployment checks of $150
   per week  d. unemployment refunds  e. None of the above.

23. The deduction from your paycheck used for pensions of retired
   workers or payment to support the dependants of a deceased
   worker is called  a. FICA  b. State withholding
   c. Federal withholding  d. Income tax  e. None of the above.

24. Division of work by different levels of responsibility and au-
   thority is called  a. horizontal division  b. vertical
   division  c. latteral division  d. orlative division
   e. None of the above.

25. If your store has clear out line of authority you will not have
   to answer to more than  a. one immediate supervisor
   b. one co-worker  c. one subordinate  d. one or two
   managers  e. None of the above.

26. When you are given more responsibility it should always be accompa-
   nied by corresponding  a. pay  b. authority  c. ability
   d. work load  e. None of the above.

27. When you are in a position of high authority you are responsible
   for the acts of your  a. managers  b. company
   c. subordinates  d. co-workers  e. All of the above.

28. An example of formal organization of communications in a super-
   market is  a. gossip  b. the grapevine  c. the
   bulletin board  d. rumors  e. None of the above.

29. In order to know why another person acts the way he does you must
   make an effort to  a. talk with him  b. believe him
   c. understand him  d. trust him  e. None of the above.

30. In order to have successful relationships with co-workers, you
   must  a. accept the responsibility for your actions
   b. make excuses for them  c. be loyal at all costs  d. do
   a majority of the work  e. None of the above.

31. In the formal organization, communications are most often handled
   in form.  a. written  b. exclusive
   c. oral  d. second person  e. None of the above.

32. A method of communication that is usually faster than the formal
   communication system is  a. formal gossip  b. the grape-
   vine  c. written  d. formal rumors  e. None of the above.

33. If you work in produce and one of your co-workers starts talking
   about the produce manager you should  a. set the story straight
   b. be sure they have their facts straight  c. not say anything
   d. ask questions  e. None of the above.
34. What is the intention of the department manager saying "make that dump cart overflow." You should a. ask him for more merchandise so you will have enough b. fill the cart as full as possible c. put some cans on the floor to make the cart appear overflowing d. tell him that's too many e. None of the above.

35. You are the head checker and you see that on register 4. Sue and Bill are making slams at each other so you know you must a. go quickly and tell them to stop it b. make a judgment on its effect on the business then take appropriate action c. talk to the manager about the problem next week d. schedule them at different times e. None of the above.

36. As a supervisor you must keep discipline among a. your subordinates b. your co-workers c. the managers d. your many customers e. None of the above.

37. If you started as a sacker and now you are the manager of a large supermarket you can consider yourself as being beyond a. criticism b. improvement c. discipline d. satisfaction e. None of the above.

38. As a supervisor you hear that many people are talking about co-workers and arguing with your suggestions, you are aware of a problem known as a. exhaustion b. morale c. personal turnover d. productivity e. None of the above.

39. Any clothing is appropriate for work if you work a. in the stockroom b. behind the counter all day c. up front at the register d. as a carryout e. None of the above.

40. Joe works in the back room and has a habit of coming in 5 minutes late each day. As a supervisor you should a. fire him b. ask him to make up time lost c. tell him to correct the problem immediately d. give him a book on company policy e. None of the above.

41. If you have trained Sue to check very rapidly and accurately you should a. leave her alone b. check later to see how she is doing c. watch her daily for her first month at work d. check with the carry-out boy to see how she is doing e. All the above.

42. The most important thing an employee can do on a job is called a. human relations b. job performance c. legibility d. loyalty e. None of the above.

43. One of the most important traits a person must have to work in a supermarket is a. sympathy b. apathy c. honesty d. loyalty e. None of the above.
44. You are head of paper products and find that all napkins are not being put out. As supervisor you must a. put more out even if you do it yourself b. insist on smaller orders c. convince your subordinates to put more out in the time allotted d. design new ways to put out stock e. None of the above

45. Gene will not work fast enough. As a co-worker you should a. ask him if he needs help b. show him how you do the job c. assure him he is improving d. encourage him to beat his own record e. All of the above

46. Your best friend is talking about Larry and you know your friend is right, you should a. agree with him b. find a new friend c. tell him to shut up d. do your job as if you never heard e. None of the above

47. As a good employer you know that someone is always right and you should not argue. That person is the a. manager b. customer c. your co-worker d. your subordinate e. None of the above

48. Controlling your emotions is a sign of a. confidence b. maturity c. sincerity d. semantics e. None of the above

49. Personality is a. acquired by study b. inherited c. a result of experience and environment d. changeable e. None of the above

50. First impressions a. are usually right b. are usually wrong c. are harmful d. are very helpful e. None of the above

51. If you are a democratic leader you will a. encourage participation b. demand fellowship c. rule with a free reign d. get more done e. None of the above

52. Staff functions are those that a. accomplish the primary goals of the business b. support line functions c. hire the needed staff of personnel d. Make work for line function e. None of the above

53. A good manager can effectively supervise a. any number of people b. about five people c. a limited number of people d. anyone with a staff function e. None of the above

54. The employer-employee relationship is a. one of dominance by the employer b. a partnership c. one of exploitation d. on an equal basis e. None of the above

55. The ability to analyze is important for a. only a boss in a business b. employees in supermarket operation c. people in constructed relationships d. managers in supermarket operation e. None of the above
56. Finding the simple obvious and practical way of doing something is  
a. beating the system b. finding the easy way out c. common sense d. judgement e. None of the above.

57. A customer is yelling at you to do something about this wet lettuce.  You should  
a. get a towel and dry the lettuce  b. look for a dry head of lettuce c. explain why it is wet d. Argue the point of having wet lettuce.

58. To promote return business the most important person in the store to the customer is  
a. the manager b. the checker because of errors c. the stock boy because he can help d. the carry-out boy because he is the last contact e. None of the above.

59. When you are finished with your job you should  
a. sit down b. see your supervisor c. look for more work to do d. punch out early e. None of the above.

60. If you show skill in customer relations you  
a. know most of your customers b. are friendly to all customers c. try to help as many as you can d. do not leave one customer to help another e. All of the above.

True and False

61. Human relations in business are the same as human relations in private life.

62. The primary goal of human relations in supermarkets is to avoid arguments with your co-workers.

63. Increased production is one goal of human relations in supermarket's.

64. A good practitioner of human relations can be successful on the job even without any technical skills.

65. The ability to get along with others is a natural trait that you either have or do not have.

66. Human relations off the job require less skill because less is at stake.

67. How you relate to your supervisor, your co-workers, and your customers will require a conscious effort.

68. A lower standard of human relations practices is required of non-selling employees of a business than of selling employees.

69. Tact is the ability to say one thing and mean something else.

70. There is a significant relationship between a person's appearance and his personality.
True and False

71. An attitude is the way you think or act that reflects your disposition or opinion toward a subject.

72. A sincere interest in others is an emotional characteristic.

73. Success or failure in what you do has little effect on your self-confidence.

74. In the employer-employee relationship, the only concern of the employer is having satisfied employees.

75. Employers provide supervision primarily to catch the mistakes of employees.

76. When a supervisor delegates a task to a subordinate, he is no longer responsible.

77. Employee grievances are usually caused by human relations problems.

78. It is possible for one leader to embody all three types of leadership—democratic, autocratic, and free-rein.

79. The best way to handle a problem with your boss is to discuss it with his boss.

80. In the human relations sense you are a member of many informal organizations.

81. Natural leadership emerges in the informal organization.

82. As far as human relations is concerned, as an employee you need only be interested in formal organization.

83. Basically people are alike and can be treated the same way.

84. If you have done a good piece of work, then you should claim credit for it.

85. The informal organization serves no useful purpose to the business manager.

86. One key to human relations is to realize how people can differ.

87. Management's concern and efforts to improve human relations have had little influence in increasing production.

88. Management looks at leadership, communication, participation, and organization with the intent of improving human relations.

89. The qualities that make up leadership are inborn.
True and False

90. Experience is the primary element in most supervisory development programs.

91. The abilities required of a good supervisor are the same as those required of a good operative employee.

92. The ability to delegate authority and responsibility is an ability required of supervisory personnel.

93. A supervisor should be prepared to accept criticism from those he supervises.

94. A supervisor should be aggressive, have a high degree of creativity, and be highly active.

95. Employee participation refers to the level of participation by employees in company-sponsored activities such as sporting teams and clubs.

96. Employee participation results in increased employee satisfaction and higher productivity.

97. Food marketing is the most highly union-organized field of employment.

98. Looking for hidden meanings in what others say is the best way to find out what others really mean.

99. In training others, if you show the whole job at once, it is too confusing and will hinder the learning process.

100. An organization chart shows the way in which the work of an organization is divided.
1. The price of five cans of peaches at 2 for 49c would be:
   a. $1.47  
   b. $1.23  
   c. $.98  
   d. $.79  
   e. none of the above

2. At the Fancy Food Store the price of a 3/4 pound package of franks is 59c. At that rate, the price of one pound is?
   a. $.65  
   b. $.78  
   c. $.79  
   d. $.98  
   e. none of the above

3. The Fancy Food Store regularly sells bananas at 2 pounds for 40c. The store offered a special on bananas at 2 pounds for 33c. If a customer buys a bunch of bananas weighing 20 ounces, the cost of the bananas will be?
   a. $.12  
   b. $.18  
   c. $.05  
   d. $.11  
   e. none of the above

4. In the previous problem the savings to the customer would be?
   a. $.06  
   b. $.10  
   c. $.04  
   d. $.08  
   e. none of the above

5. At the end of your work day at Fred's Super Market, you count the following amount of change in your cash drawer: $.15 in pennies, $1.20 in nickels, $2.40 in dimes, $6.75 in quarters, 13 one dollar bills, 6 five dollar bills, 9 ten dollar bills, and a check for $15.00. The detailed audit strip shows $6.25 paid out, and $172.90 total cash received. How much is your cash over or short?
   a. $.25 over  
   b. $.35 over  
   c. $.25 short  
   d. $.35 short  
   e. none of the above

6. At the rate of 10 oranges for $.45 how many could your customer buy for $2.25?
   a. 22  
   b. 45  
   c. 50  
   d. 35  
   e. none of the above
7. Your store sells tootsie rolls at 6 for 15¢. How much would you charge a customer for 5 tootsie rolls?
   a. $.10   d. $.11
   b. $.15   e. none of the above
   c. $.12

8. The produce department of your store shows a net profit of 5%. Cost of goods sold were $48,000, expenses were $28,000, gross margin was $32,000. What was the dollar amount of total sales?
   a. $80,000   d. $85,000
   b. $75,000   e. none of the above
   c. $90,000

9. In the previous question what effect would the lowering of expenses to $23,200 have on net profit?
   a. Reduce net profit to 4%   d. Increase cost of goods sold
   b. Increase net profit to 6%   e. none of the above
   c. Reduce gross margin $4,800

10. Expenses for your department amount to $19,200. Cost of goods sold is $44,800. What amount of sales do you need to reach a break-even point?
    a. $75,000   d. $45,000
    b. $64,000   e. none of the above
    c. $53,000

11. If clothes line rope sells at 17¢ a foot and a customer buys 3½ yards, the cost will be?
    a. $.77   d. $.75
    b. $.86   e. none of the above
    c. $.94

12. If a customer buys 13 pounds of celery and the price is 7¢ a pound, the total cost would be:
    a. $.81   d. $.72
    b. $.91   e. none of the above
    c. $1.01

13. If a person buys $5.27 of goods and gives you $10.00, the change you should give him is:
    a. 4 ones, 3 quarters, 1 dime, and 2 pennies
    b. 4 ones, 2 quarters, 1 dime, and 3 pennies
    c. 4 ones, 2 quarters, 2 dimes, and 3 pennies
    d. 4 ones, 3 quarters, 2 dimes, and 3 pennies
    e. none of the above
14. The cash register reads $278.95 and the paid outs are $4.62. The actual cash count is $274.18. This means you are:
   a. $.18 short
   b. $.15 long
   c. $.17 long
   d. $.17 short
   e. none of the above

15. The produce department has purchased merchandise that cost $7,500. The fixed dollar markup is $400 and the residual markup is 25%. What is the break-even point for the department?
   a. $17,000
   b. $1,738
   c. $173
   d. $16,000
   e. none of the above

16. In balancing the audit tape against the register cash drawer, which item must first be subtracted?
   a. Cash fund
   b. Overages
   c. Refunds
   d. Shortages
   e. none of the above

17. The correct procedure for correcting overrings is to:
   a. Re-ring the sale
   b. Void the overring and have your supervisor sign audit tape
   c. Place overring ticket in register
   d. Explain overring to customer
   e. all of the above

18. When starting the days business the salesperson should:
   a. Check the amount in the till
   b. Place all bills face up
   c. Set the correct date on the register
   d. Check paper on receipt and audit printers
   e. all of the above

19. Customers checks are usually cashed:
   a. At the cash register
   b. In the credit office
   c. At the front desk
   d. By the manager
   e. none of the above

20. Your store pays 2¢ for 10oz. bottles, 3¢ for 16oz. bottles, and 10¢ for 32oz. bottles. If a customer returns 2-32oz., 1-16oz., and 6-10oz. bottles, as cashier you would refund:
   a. $.25
   b. $.32
   c. $.22
   d. $.41
   e. none of the above
21. If within the period of one month sales amounting to $175 were placed on the produce department keys when they should have been placed on the grocery department keys the following would be the result:

a. a stock shortage in the grocery department
b. the produce manager would buy an extra $175 stock
c. the grocery department manager would purchase $175 less than he should
d. none of the above are correct
e. a, b, and c are all correct

22. On the facing page you will find a scale chart. The weight column shows produce being weighed. What is the weight shown?

a. 1 lb. 12 oz.  d. 1 lb. 9 oz.
b. 1 lb. 11 oz.  e. none of the above
 c. 1 lb. 10 oz.

Complete the following computations using the scale chart, and the weight shown.

23. Lettuce 2 lbs. for 39¢:

a. $.64  d. $.32
b. $.66  e. none of the above
c. $.33

24. Grapes @ 55¢ a pound:

a. $.93  d. $.79
b. $.46  e. none of the above
c. $.97

25. Radishes @ 19¢ a pound:

a. $.26  d. $.30
b. $.28  e. none of the above
c. $.32

26. Mushrooms @ 94¢ a pound:

a. $1.52  d. $.80
b. $.83  e. none of the above
c. $1.58

27. Careful use of the cash register will:

a. become automatic in time  d. cost the store money
b. reduce inventory shortages e. none of the above
c. not be important at the beginning of your job

28. The amount of money a store receives from the sale of goods is called?

a. total sales  d. gross sales
b. net sales  e. none of the above
c. allotted sales
29. A gross of flashlight batteries would be;
   a. 12 batteries  
   b. 36 or 3 dozen batteries  
   c. a broken box of batteries  
   d. a box of mixed batteries  
   e. none of the above

30. The average net profit for supermarkets is;
   a. 40%  
   b. 35%  
   c. 15%  
   d. 4%  
   e. none of the above

31. Cost of operation would include;
   a. salaries  
   b. purchases  
   c. profit expected  
   d. break-even point  
   e. all of the above

32. Calculate the exact amount of the following purchase: 1 broom @ $2.96, 2 lbs. hamburger @ 99c a pound, 2 cans of corn @ 3/69c.
   a. $4.40  
   b. $4.39  
   c. $5.40  
   d. $5.41  
   e. none of the above

33. Equals gross sales less any returns or adjustments;
   a. gross margin  
   b. net profit  
   c. operating expenses  
   d. net sales  
   e. none of the above

34. Amount of money left after a payment of all costs and expenses;
   a. operating expenses  
   b. net sales  
   c. net profit  
   d. cost of goods sold  
   e. none of the above

35. The amount the retailer actually pays for his merchandise;
   a. operating expenses  
   b. gross margin  
   c. net sales  
   d. net profit  
   e. none of the above

36. The produce department had a gross margin of $6,000 last month, operating expenses were $5,500 for the same period. The department showed a;
   a. $500 loss  
   b. $500 profit  
   c. need cost of good sold to show profit or loss  
   d. increase in sales  
   e. none of the above
37. In the previous problem gross margin would have included;
   a. net sales less cost of goods sold
   b. the profit
   c. net sales plus cost of goods sold
   d. all expenses
   e. all of the above

38. When planning mark-ups the retailer must estimate the following;
   a. total sales
   b. expenses for the period
   c. price reductions
   d. profit goal
   e. all of the above

39. $2.79, $6.42, $7.21, and $1.98 The total of the previous figures is;
   a. $17.30
   b. $18.40
   c. $19.50
   d. $17.40
   e. none of the above

40. 15 grapefruit @ 2/39c would be;
   a. $2.93
   b. $2.54
   c. $5.85
   d. $2.63
   e. none of the above

Find the total of the following figures

41. 23
   142
   621
   + 492
   a. 1178
   b. 1268
   c. 1278
   d. 1078
   e. none of the above

42. 362
   623
   112
   + 14
   a. 1010
   b. 1111
   c. 1000
   d. 1011
   e. none of the above

43. 3621
   408
   7123
   + 62
   a. 1214
   b. 10214
   c. 10244
   d. 11214
   e. none of the above

44. 6215
   382
   21
   + 8
   a. 6626
   b. 6666
   c. 6536
   d. 6615
   e. none of the above
45. 21  
6284  
3  
+ 721 

46. 61  
423  
28  
+ 482 

47. 108  
826  
601  
+ 82 

48. 3682  
741  
826  
+ 42 

49. 976  
315  
793  
+ 26 

50. 1826  
63  
961  
+ 23 

51. Five items priced 3/$100 would cost;  
a. $1.66  
b. $1.67  
c. $1.68  
d. $1.69  
e. none of the above

52. Two items priced 7/$100 would cost;  
a. $.50  
b. $.25  
c. $.29  
d. $.42  
e. none of the above
53. Two items priced 3/17¢ would cost;
   a. $.14
   b. $.13
   c. $.12
   d. $.11
   e. none of the above

54. Two items priced 3/19¢ would cost;
   a. $.14
   b. $.13
   c. $.12
   d. $.11
   e. none of the above

55. Four items priced 3/19¢ would cost
   a. $.26
   b. $.27
   c. $.28
   d. $.29
   e. none of the above

56. Four items for $1.98 each would sell for;
   a. $7.82
   b. $6.92
   c. $7.81
   d. $7.92
   e. none of the above

57. Three items at 49¢ each would sell for;
   a. $1.50
   b. $1.48
   c. $1.49
   d. $1.47
   e. none of the above

58. Nine items at 79¢ each would sell for;
   a. $7.10
   b. $6.11
   c. $7.90
   d. $7.01
   e. none of the above

59. Five items at 3/25¢ would sell for;
   a. $.43
   b. $.42
   c. $.41
   d. $.40
   e. none of the above

60. Seven items at 39¢ would sell for;
   a. $2.73
   b. $2.72
   c. $2.71
   d. $2.70
   e. none of the above
TRUE AND FALSE

1. T F The change fund must be deducted from the register before it can balance.

2. T F Refunds are subtracted from the register drawer.

3. T F The register tape and the change drawer must always match in business.

4. T F An overring occurs when an item is rung up on the register for more than it is priced.

5. T F Items rung up on the wrong department, but for the correct amount have no need to be corrected.

6. T F The change making function on the new electronic registers completely eliminates the danger of giving the customer the wrong change.

7. T F If an overring is not corrected, the register will reflect a shortage.

8. T F The change fund should be at least $50.00

9. T F Money tendered should be deposited in the cash drawer before the customer is given change.

10. T F All bottles that are returnable are marked as such.

11. T F The honor system of bottle return is one of the best methods for a store to set up.

12. T F Most stores have their own policies on returned bottles.

13. T F When risk of price reduction is great, higher-than-average markup is normal.

14. T F The number one factor which one should consider when setting prices is type of customer you serve.

15. T F Food stores are lucky in that they don't have to consider overhead as an expense.

16. T F The equation, cost - markup = retail, is one of the most often used in business.

17. T F Cereal companies sometimes put trading stamps in magazines to get people to try their products.
18. T F Under certain conditions, merchandise might be priced so low that markup does not cover expenses.

19. T F Multiple-pricing allows retailers to offer different prices to different types of customers.

20. T F Gross sales are usually more than net sales.

21. T F Employees salaries are paid out of cost of goods sold.

22. T F Gross profit is the amount of money left over after expenses.

23. T F Sales must be estimated when planning markups.

24. T F Balancing of the cash drawer is the responsibility of the head cashier.

25. T F Multiple-pricing and group-pricing are the same.

26. T F Although the register has the ability to show change due customer, the sales person must still count change.

27. T F Sales registers provide fast and efficient recording of sales only if the operator is properly trained.

28. T F No one has to pay for trading stamps.

29. T F Trading stamps are not legal in all states.

30. T F Most suppliers quote prices on a retail basis.

31. T F Initial markup and markon have the same meaning.

32 T F When a business is notified of a price change, it is not necessary to change shelf prices until your next shipment.

33. T F The main reason the head cashier takes register readings during the business day, is to keep employees honest.

34. T F Cash register errors should be taken care of before the next item is rung up.

35. T F Cashiers can prevent inventory shortages.

36. T F When balancing the audit tape against the cash drawer shortages should first be subtracted.

37. T F Five items priced 3/79¢ would cost $1.32.
38. T F Six items at 23¢ each would cost $1.28.
39. T F Seven items at 21¢ each would cost $1.47.
40. T F Eight items priced 4/79¢ would cost $1.59.
1. A bill of lading is a contract between a shipper and a carrier.

2. Merchandise is ordered by using a written paper called a purchase order.

3. Goods in a grocery chain are usually sent to the stores from a central grocery warehouse.

4. Most grocery stores do not use a receiving room for incoming merchandise because it occupies too much room.

5. In a supermarket, snack and bakery products are delivered and stacked on shelves by the supplier salesman.

6. Checking-in merchandise on the sales floor is not a safety hazard or inconvenience to your customers.

7. Well-filled racks and shelves make customers feel they are being offered a wide selection of merchandise.

8. The term FIFO is a stock rotation term meaning First-In First-Out.

9. A stock inventory is the difference between the amount of merchandise that a store estimates it has and the amount it actually has.

10. A kleptomaniac is a shoplifter with an abnormal impulse to steal.

11. Shortchange artists seldom work in pairs because it increases their chance of being caught.

12. Shortchange artists pick on the more experienced cashier because it is more of a challenge.

13. Counterfeiting is a lying art.

14. A manager or security person should be called after spotting a shoplifter.

15. You should always thank your customers.

16. The money given by the customer is always left on the change plate until the customer has received her change.

17. While technically valid, a check written in pencil is generally not acceptable and should not be cashed in your store.

18. A check is acceptable when the name of the bank has been written in with ink on the face of the check.

19. Payroll checks may have the firm's name printed, typed or written on the face of the check.

20. Blank lines on checks are acceptable.

21. The written amount and the numerical amount on a check must be the same.

22. When you are bagging and in a hurry, it is okay to snap the bag open.
23. Since bags are inexpensive it is not necessary to worry about using a sack that is too large.
24. Whenever possible you should use the customer's name when greeting them.
25. Bad price marking can cause your store to lose a lot of money.
26. Cans are usually marked after they are removed from their shipping cases.
27. Most products in the supermarket have a clear space on their tops or on their labels where the price should be marked.
28. Any ink may be used in price-markers, since they use a low grade of ink.
29. Cashiers will find that their cash count will balance each day.
30. In Kansas you do not need to purchase a product in order to "cash in" a coupon.
31. Temperature is an important element when working with produce.
32. Humidity is not an important element when working with produce.
33. The purpose of a produce workroom is to transfer produce from the delivery truck to the storeroom as rapidly and carefully as possible.
34. A sales budget is an estimate of sales to be made during a specific time.
35. There are two types of expense budgets, they are fixed and continual.
36. The front end operation in a supermarket includes both the check-out counters and service counter.
37. Checks with a company name rubber stamped on them are usually acceptable.
38. Many stores limit the amount on a check.
39. A customer's driver's license is a good form of check I.D.
40. The duties of the courtesy booth are constantly expanding because customers demand more services.
41. An _____ is a bill for the goods that specifies how and when the shipment was made and what the terms of payment are.
   a. invoice  
   b. purchase order  
   c. packing slip  
   d. apron  
   e. none of the above
42. Getting the incoming merchandise from the receiving area to the sales floor requires that the food store develop a system that will _____.
   a. properly receive the goods  
   b. check the goods  
   c. mark the goods for sale  
   d. distribute the goods to the proper selling area in the store  
   e. all of the above
43. The _____ marks the incoming merchandise.
   a. cashiers  d. manager  
   b. receiving clerk  e. none of the above  
   c. merchandiser  

44. Checking merchandise directly against the invoice is known as the _____.
   a. quantity check  d. bulk check  
   b. quality check  e. none of the above  
   c. direct check  

45. The _____ determines whether the merchandise is of the grade ordered by the store.
   a. quantity check  d. bulk check  
   b. quality check  e. none of the above  
   c. direct check  

46. After merchandise has been marked, it must be distributed to _____ areas.
   a. selling or storage  d. jobber area  
   b. selling only  e. none of the above  
   c. storage only  

47. Damaged goods reports contain information pertaining to _____.
   a. the date of the report  d. amount of loss or damage  
   b. name and address of the shipper  e. all of the above  
   c. purchase order number  

48. The pre-marking service offered by some suppliers or vendors is called _____.
   a. re-marking  d. item marking  
   b. non-marking  e. none of the above  
   c. pre-ticketing  

49. Which of the following steps is not included in re-marking.
   a. putting a new ticket on the merchandise  
   b. remove old price  
   c. show old price  
   d. show only new price  
   e. none of the above  

50. Stockkeeping in a grocery should be done by _____.
   a. the stock crew  d. none of the above  
   b. cashiers who are not busy  e. all of the above  
   c. management personnel  

51. When older merchandise is brought to the front of the shelf or to the top of the stack, this is called _____.
   a. basic stock list  d. stockkeeping  
   b. pre-retailing  e. none of the above  
   c. rotating the stock  


52. A reasonable stock shortage is between _____.
a. 1.5 and 2 percent  
b. 2 and 5 percent  
c. 5 and 10 percent  
d. over 10 percent  
e. none of the above

53. When a customer steals stock from the sales floor this is called _____.
a. imbezzlement  
b. shoplifting  
c. stock shortage  
d. reverse sales  
e. none of the above

54. Which retailing technique has not made shoplifting easier than it was a few years ago?
a. self-service layout  
b. fewer store personnel  
c. open counter displays  
d. increase of night openings  
e. none of the above

55. Reserve stock in a grocery store is usually kept _____.
a. under counters  
b. in drawers  
c. in stockrooms  
d. on the sales floor  
e. all of the above

56. Which method is used by grocery stores to protect their stock.
a. Employees trained in good stockkeeping procedures.  
b. Surveillance systems are set up.  
c. Employees are trained to spot shoplifters.  
d. Stores layout to discourage shoplifting.  
e. all of the above

57. Which is not a good stockkeeping practice.
a. handle merchandise carefully  
b. keep old stock in back because it makes shelves easier to stock  
c. dust and clean stock  
d. keep stock neatly arranged  
e. none of the above

58. When you see someone shoplift you should ______.
a. run up and grab him  
b. call your supervisor  
c. call the police  
d. do nothing because a false accusation could mean your job  
e. none of the above

59. When should you approach a shoplifter after spotting him?
a. after the shoplifter leaves the store  
b. immediately  
c. after the manager returns  
d. when the police arrive  
e. none of the above
60. Which of the following is not a safeguard in protecting the stores money.
   a. Walk away from the cash drawer when it is open.
   b. Always close the cash drawer when it is not in use.
   c. Never record a sale with the cash drawer open.
   d. When making change, do not allow the cash drawer to open all the way.
   e. none of the above.

61. The Kansas State sales tax is _____.
   a. 3%
   b. 3 1/4%
   c. 3 1/2%
   d. 4%
   e. none of the above

62. There will be times when the check you are cashing is not made out to your store, but will be made out to the person who is cashing it. This is called _____.
   a. a travelers check
   b. a two party check
   c. a business check
   d. a personal check
   e. none of the above

63. When you must refuse to cash a customer's check for a good cause, you should _____.
   a. call the police
   b. use courtesy and tact and call the manager
   c. ask for his clout
   d. call over another cashier
   e. none of the above

64. The first rule of proper bagging is to _____.
   a. keep the area clean
   b. don't wear your hair long
   c. don't chew gum
   d. don't flirt with the customers
   e. none of the above

65. Who is the real boss in any retail supermarket?
   a. the manager
   b. the customers
   c. the other employees with seniority over you
   d. the D.E. coordinator
   e. none of the above

66. When a customer has a complaint which is not a good tip to follow _____.
   a. let the customer talk
   b. encourage the customer to talk
   c. pre-answer their questions
   d. listen attentively
   e. none of the above
67. If you are indirectly responsible and "run" into a customer, you should ______.
   a. apologize to the customer
   b. assume the responsible
   c. try to work out a satisfactory solution, in keeping with store policy.
   d. relieve the customer's embarrassment
   e. all the above.

68. When marking merchandise how would you mark an item "2 cans for 39¢," correctly?
   a. 2.39¢
   b. 2/4/39¢
   c. 2/39¢
   d. 2/for 39¢
   e. none of the above

69. As a general rule, all items should be marked on the ______.
   a. side
   b. top
   c. bottom
   d. front
   e. none of the above

70. Items with interchangeable lids should be marked on their ______.
   a. side
   b. top of lid
   c. bottom
   d. front
   e. none of the above

71. Which is not a rule when re-pricing an item?
   a. remove old price, using a solvent on cans
   b. re-stamp all items
   c. clean the shelf
   d. initial the price change sheet
   e. all of the above

72. Taking a cash reading means ______.
   a. taking the money and counting it
   b. taking stored totals from the registers and match them against the actual money
   c. recording your cash inventory for a certain period
   d. allowing the customers to read the cash amount on the amount tender key
   e. none of the above

73. When balancing a register you try to ______.
   a. have more money than is recorded in the machine
   b. have less money than is recorded in the machine
   c. have exactly the amount that is recorded in the machine
   d. balance with your manager
   e. none of the above

74. If the cash register totals call a certain amount of money, and there is not enough on hand it is said to be ______.
   a. over
   b. balanced for the day
   c. temporarily balanced
   d. short
   e. none of the above
75. You should check your price marking equipment to see if it is in good shape ______.
   a. once a month           d. when your supervisor tells you to
   b. before you start to use it  e. none of the above
   c. once a week

76. If marking stamps are not replaced in their base immediately after use ______.
   a. they will soon dry out     d. they will be broken or damaged
   b. they will be misplaced or lost         e. none of the above
   c. they will be stolen

77. Cash shortages are not important because ______.
   a. grocery stores make large profits
   b. it is hard to check up on cashiers
   c. the profit margin is so high
   d. managers don't care because they trust their employees
   e. none of the above

78. How many pennies are in a full roll?
   a. 25       d. 100
   b. 30        e. none of the above
   c. 50

79. How many one dollar bills are in a package?
   a. 10        d. 100
   b. 25        e. none of the above
   c. 50

80. The cash register has two tapes that are printed by it. The one you give the customer is called ______.
   a. an audit strip  d. a scotch tape
   b. a receipt tape e. none of the above
   c. a detail tape

81. The tape printed for audit reasons is called ______.
   a. an audit tape  d. a correction tape
   b. a receipt tape e. none of the above
   c. a simulation tape

82. If a grocery store cash register had three department keys, they would be ______.
   a. meat, pork, grocery       d. produce, fruit, vegetable
   b. dairy, grocery, milk     e. none of the above
   c. meat, grocery, produce

83. Why should a checker always verify his/her beginning change fund?
   a. to see if it is correct  
   b. to check the amount in the grocery department
   c. to verify the head cashier's debit amount
   d. to practice counting money  
   e. none of the above
84. The ideal stock turn in a grocery store is _____.
   a. 50 times a year  d. 2 times a year
   b. 12 times a year  e. none of the above
   c. 6 times a year

85. Which is not an advantage of increased turnover?
   a. total profits increase  d. goods are more likely to be fresh
   b. decreases mark down  e. none of the above
   c. lowers total profit

86. Which has the most rapid turnover rate?
   a. a jewelry store  d. a department store
   b. a grocery store  e. all are the same
   c. a clothing store

87. Net sales over average inventory equals _____.
   a. stock turn  d. cost of goods sold
   b. average purchases  e. none of the above
   c. goods available for sale

88. When unloading larger pieces of meat you should _____.
   a. stick a hook in it and put it on a rail.
   b. carry it over your back so you won't hurt yourself.
   c. put it in carts
   d. use a crane
   e. none of the above

89. The produce department accounts for a _____.
   a. 7% of the total dollar sales
   b. 20% of the total dollar sales
   c. 50% of the total dollar sales
   d. over 50% of the total dollar sales
   e. none of the above

90. Gross profit on produce is _____.
   a. the highest of any department
   b. about 20 - 30 percent
   c. decreasing as electricity rates go up
   d. are the same as 50 years ago
   e. all of the above

91. Which is not a major problem in a produce department?
   a. shrinkage  d. damage
   b. spoilage  e. none of the above
   c. timeliness
92. In the workroom produce is unpacked and _____.
   a. timed  d. packaged 
   b. weighed  e. all of the above 
   c. priced 

93. Which is not a step in receiving produce?
   a. check the invoice against the purchase order 
   b. move items immediately to the cooler 
   c. count each case or crate 
   d. destroy damaged goods 
   e. none of the above 

94. Keeping accurate records in the grocery business is important because it ________.
   a. lets you know your costs 
   b. lets you know what merchandise is on hand 
   c. lets you know what merchandise is on order 
   d. none of the above 
   e. all of the above 

95. As a new manager you want to set up a record keeping system. Who would you not go to?
   a. trade association  d. data processing center 
   b. wholesaler  e. none of the above 
   c. city manager on farm products sold 

96. The most controllable expense in a grocery store is _______.
   a. advertising expense  d. rent expense 
   b. salary expense  e. none of the above 
   c. utility expense 

97. Most stores set budgets by ________.
   a. figuring a set percentage of last years sales 
   b. increasing last years by the cost of living 
   c. by executive order 
   d. all of the above 
   e. none of the above 

98. Checkstands are found at the front of the store because of ________.
   a. convenience  d. both a & b 
   b. security  e. both b & c 
   c. design simplicity 

99. Which equipment may be found at the check stand?
   a. order separators  d. scales 
   b. safety boxes  e. all of the above 
   c. bagging shelves 

100. Which is not a service offered in courtesy booths?
    a. bottle returns  b. merchandise returns  c. sell sandwiches and drinks 
    d. cash checks for customers  e. none of the above
The participant is an employee of a food store. A customer approaches them with their purchases and the participant "checks them out." As the participant does this, he/she should follow all the rules of customer relations, speed and bagging.
OCCUPATIONAL CATEGORY: Food Marketing

INSTRUCTIONAL AREA: Selling/
          Human Relations

<table>
<thead>
<tr>
<th>PROCEDURES TO BE EVALUATED</th>
<th>TOTAL POSSIBLE</th>
<th>STUDENTS SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did bagger reach inside bag and spread the corners?</td>
<td>0 - 5</td>
<td></td>
</tr>
<tr>
<td>Were canned goods and heavy or bulky items placed in the bottom of the bag?</td>
<td>0 - 5</td>
<td></td>
</tr>
<tr>
<td>Was sharp edged merchandise placed evenly to prevent ripping or tearing?</td>
<td>0 - 5</td>
<td></td>
</tr>
<tr>
<td>Were fragile and crushable items placed at the top of the bag?</td>
<td>0 - 5</td>
<td></td>
</tr>
<tr>
<td>Were soaps, bleaches, ammonia, and odor causing merchandise bagged separately?</td>
<td>0 - 5</td>
<td></td>
</tr>
<tr>
<td>Were any items thrown or dropped into the bags?</td>
<td>0 - 5</td>
<td></td>
</tr>
<tr>
<td>Merchandise was not packed above the top of any one bag.</td>
<td>0 - 5</td>
<td></td>
</tr>
<tr>
<td>Smiled and greeted customer.</td>
<td>0 - 10</td>
<td></td>
</tr>
<tr>
<td>Called out prices.</td>
<td>0 - 10</td>
<td></td>
</tr>
<tr>
<td>Passed items back to bagger firmly.</td>
<td>0 - 10</td>
<td></td>
</tr>
<tr>
<td>Computed the price of a single unit of a multiple priced item correctly.</td>
<td>0 - 10</td>
<td></td>
</tr>
<tr>
<td>Counted change back to customer</td>
<td>0 - 10</td>
<td></td>
</tr>
<tr>
<td>Showed courtesy and consideration at all times.</td>
<td>0 - 10</td>
<td></td>
</tr>
<tr>
<td>Thanked the customer and asked her to come back again.</td>
<td>0 - 10</td>
<td></td>
</tr>
<tr>
<td>Is ticket correct?</td>
<td>0 - 10</td>
<td></td>
</tr>
<tr>
<td>TIE BREAKER - What amount of time was taken to check the order?</td>
<td></td>
<td>154</td>
</tr>
</tbody>
</table>
FOOD SERVICE

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DESCRIPTION OF THIS EVENT

This test contains some True/False and some multiple-choice questions. In answering the True/False statements use the columns with the T or F above the columns on the answer sheet. In answering the multiple choice items, your multiple-choice answer will correspond with the column letter. Answer all questions on the IBM answer sheet.

1. Which is not a major type of information found in a restaurant advertisement
   a. The type of facility
   b. The general prices
   c. The Location of the restaurant
   d. The kind of food featured
   e. the phone number

2. Advertisers that use catalogs, circulars, and handbills are said to be using advertising known as
   a. cooperative advertising
   b. promotional advertising
   c. direct advertising
   d. institutional advertising
   e. none of the above

3. A piece of type that carries the name of a firm or a design symbolic of that business is called
   a. an omnibus
   b. the cymark
   c. schettio
   d. the logotype
   e. all of the above

4. Any paid form of nonpersonal presentation and promotion of ideas, goods, or services, by an identified sponsor is called
   a. a display
   b. a sales demonstration
   c. an advertisement
   d. a promotional device
   e. all of the above

5. The 'C' in the AIDCA formula stands for
   a. Creativity
   b. Contrast
   c. Color
   d. Creditability
   e. Conciseness

6. Newspaper Advertising represents what percent of the total dollar amount spent annually on advertising
a. 20%
b. 25%
c. 30%
d. 35%
e. more than 35%

7. The arrangement of the copy and artwork on the printed page is called
   a. printing
   b. editing
   c. layout
   d. advertising
   e. sales promotional device

8. The most widely used method of radio advertising consists of
   a. spot announcements
   b. segment announcements
   c. market segmentation advertising
   d. time advertising
   e. none of the above

9. When an advertisement is submitted with no stipulation as to where it is to be placed in the newspaper, is called
   a. ROP
   b. AWA
   c. NFD
   d. a classified ad
   e. none of the above

10. Which type of advertisement contains a variety of unrelated items
    a. group advertisements
    b. omnibus advertisements
    c. multiple mat advertisements
    d. federici advertisements
    e. none of the above

Jeffrey Bayer is the advertising manager of TIFFANY'S GREASY SPOON, a chain of restaurants in south western Kansas. Recently, during the month of May, he directed an advertising campaign, which his boss, Bobby Schettina wanted to evaluate to see if the costs involved in the advertising campaign were justifiable. From the figures below you will be asked several questions.

Sales for the month of May $420,000
Sales for the month of April $350,000

Advertising costs for May
Newspaper $11,000
Radio $1,000
Television $2,000

Advertising Costs for April
Newspaper $8,000
Radio $500
Television $1,500

PROFIT MARGIN 10%

Important note: You are to assume that the general economic scene is stable, the competition is the same, and there are no new government policies that would affect business conditions.
14. From the figures on the proceeding page, could Jeffrey tell Bobbie that the campaign was a financial success.
   a. Yes
   b. No
   c. Undeterminable without more data
   d. Only for the month of April

12. The gross profit was
   a. increased
   b. decreased
   c. remained the same
   d. undeterminable

13. The change in gross profit for April was
   a. $70,000
   b. -$70,000
   c. $40,000
   d. $2,300
   e. undeterminable without more data

14. The change in gross profit for May was
   a. $70,000
   b. $63,000
   c. $40,000
   d. undeterminable without more data

15. The increase in sales for May was
   a. $4,000
   b. $14,000
   c. $70,000
   d. none of the above

THE NEXT QUESTIONS WILL BE TAKEN FROM INFORMATION PROVIDED ON THE SHEET ON THE NEXT PAGE.
<table>
<thead>
<tr>
<th>Column 1</th>
<th>Column 2</th>
<th>Column 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern Fried Chicken or Roasted Pork</td>
<td>Cornbread Dressing</td>
<td></td>
</tr>
<tr>
<td>Hot Fruit Cobbler with Ice Cream</td>
<td>Biscuits and Strawberry Muffins</td>
<td></td>
</tr>
<tr>
<td>Our truly Sam-sational Something-for-Everyone Salad Bar</td>
<td>Mashed Potatoes &amp; Gravy or Candied Yams</td>
<td></td>
</tr>
<tr>
<td>Independence 3720 S. Noland Rd. 461-0132</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Children's Menu Available</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overland Park 9545 Antioch 381-4486</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

JASPER'S HEART & A SOUL

ANOTHER AWARD...

JASPER'S
JASPER'S 434 N. WOLLMAN STREET
\[\text{155 W. LINDSAY, LONG BEACH, CALIF. 90802}\]

JASPER'S is proud to announce that we have just been awarded the coveted Travelers' Choice Award for excellence in food & service. This is our third year in a row we have been honored with this prestigious award. We wish to thank all of our hard-working & dedicated employees who have made these awards possible.

JASPER'S 405 V. 75TH STREET
KF-SE (314) 363-1003

- OPEN DAILY FOR LUNCH & DINNER -

Children's Menu Available

Independence 3720 S. Noland Rd. 461-0132
Overland Park 9545 Antioch 381-4486
16. Advertisement #1 is an example of which kind of ad
   a. omnibus
   b. display
   c. institutional
   d. promotional
   e. all of the above

17. The size of ad #1 is
   a. 4\frac{1}{2} inches by four inches
   b. 4\frac{1}{2} inches by two columns
   c. 18 column inches
   d. 9 column inches
   e. 4\frac{1}{2} x 4\frac{1}{2}

18. The type used in ad #1 is probably an example of
   a. Commercial type
   b. Helvetica type
   c. San Serif type
   d. Roman type

19. Advertisement #2 is an example of which kind of ad
   a. omnibus
   b. classified
   c. institutional
   d. promotional
   e. all of the above

20. Advertisement #2 is probably
   a. 12 column inches
   b. 22 column inches
   c. 2 x 12
   d. 11 x 2
   e. 3 columns by twelve inches

21. In Advertisement #2, the $4.50 is probably
   a. 72 point
   b. 36 point
   c. 18 point
   d. 9 point
   e. none of the above

22. If the rate that the Western Kansas Times charged for these
23. variety of ads was $3.00 for the standard agate line, and ad
24. #1 was five inches deep and had the same size wide as on the
25. layout sheet, and ad #2 was ten inches deep and had the same width as shown on the layout sheet, what would it cost.
   a. $840.00
   b. $ 60.00
   c. $1,680.00
   d. $120.00
   e. $ none of the above

** PUT YOUR ANSWER DOWN ON LINES 22, 23, 24 and 25***
26. Location #8 would be the location for the
   a. bread and butter plate
   b. the plate of toast
   c. cereal bowl
   d. the coffee pot

27. Location #1 would be for the
   a. saucer
   b. plate of toast
   c. bread and butter plate
   d. cereal bowl

28. Location #3 would be the location for the
   a. cereal bowl
   b. breakfast plate
   c. the main course
   d. bacon & eggs
   e. all of the above

29. Location #11 is the location for the
   a. coffee pot
   b. creamer
   c. coffee cup
   d. all of the above

30. Location #9 is the location for the
   a. syrup
   b. coffee pot
   c. water glass
   d. creamer
31. Sales checks should be placed
   a. to the left of the customer paying
   b. to the center of the table
   c. by the cover of the host
   d. all of the above

32. After every course,
   a. dishes are removed from the left and beverage glasses from the right
   b. dishes are removed from the right and beverage glasses from the left
   c. both glasses and dishes are removed from the right
   d. both glasses and dishes are removed from the left
   e. it is proper to remove glasses and dishes from whichever side is most convenient.

33. Wine glasses are placed
   a. beside the water glass
   b. above the water glass
   c. to the left of the water glass
   d. to the right of the water glass
   e. above the main course dish

34. Corked wine should be stored
   a. vertically in a proper wine rack away from sunlight
   b. upside down
   c. standing up
   d. on its side
   e. both c and d

35. Which is an example of a proper garnish
   a. parsley
   b. watercress
   c. an orange slice
   d. an onion ring
   e. all of the above

TRUE AND FALSE

36. T F White wine comes from white or yellow-green grapes and red wine comes from red or purple grapes exclusively.

37. T F Champaign is an example of a non-still wine.

38. T F Place and remove all food from the right of the guest

39. T F Place and remove all beverages from the left of the guest

40. T F Place dishes on the table with the five fingers of the hand under the lower edge and slide the plate gracefully onto the table or underliner, is the proper way to serve.

41. T F Avoid reaching in front of the guest and across one person in order to serve another

42. T F Present serving dishes on the right side so the guest can serve himself
43. T F Place individual serving trays of bread and rolls above and to the right of the forks.

44. T F Serve butter, cheese, and cut lemon with shaved ice

45. T F Serve relishes, pickles, and olives with a fork or spoon

46. T F Set fruit juice, cereal bowls, and soup bowls and dessert dishes on an underliner before placing them on the table

47. T F Napkins are always placed to the left of the plate.

48. T F Red & White; white; red and green; orange and black, are examples of the use of color to express symbolism

49. T F Blue is a color used to express purity.

50. T F When you add darkness to a color, it is called tint

51. T F There are four primary colors

52. T F Violet is a tertiary color

53. T F Chroma is the same thing as intensity

54. T F Hue is the pure color such as primary and secondary colors

55. T F Displays that have and use thin vertical lines create an effect of height and relaxation.

56. Which of the following terms is not a term used in television.
   A. CU  B. Network  C. Spot  D. storyboard  E. All of these are TV terms

57. The most common type of printing method is:
   A. Lithography  B. Gravure  C. Relief  D. Letterpress  E. Cold type

58. The groove is letter ___.
59. The point body is letter ___.
60. The serif is letter ___.
61. The type face is letter ___.
62. The nick is number ___.

Numbers 58 to 62 have to do with the metal type at the left. Match the terms in each question with the letter that refers to that part of the piece of type.
63. The main purpose of the headline is:
   A. To create interest    B. To create attention    C. to stimulate desire
   D. To produce credibility    E. To incite action to buy

64. A paper mache or composition impression of an advertisement used in molding
    a stereotype plate for printing in newspapers is called
   A. Layout    B. Matrix    C. illustration    D. Logotype    E. prepressed component ad

65. The last S in KISS stands for
   A. Script    B. Spot    C. Stupid    D. Serif    E. Sign

66. An agate line
   A. is 1/14 of an inch    B. is a term used in measuring newspaper space
   C. Is less than a column inch    D. All of these    E. None of these

67. Which of the following is not a strong point of outdoor advertising
   A. Can stimulate excitement    B. Permanence    C. Repeated message
   D. Impressive size    E. None of the above

68. The arrangement of copy and art on the printed page is called the
   A. Illustration    B. Layout    C. Script    D. Copy    E. litho-plate

69. Which of the following is not a form of non-personnel presentation of goods
    and services.
   A. Selling    B. Advertising    C. Display    D. Direct Mail    E. All of these

70. The kind of advertising that seeks to convince the customer that the advertiser
    is a good and desirable firm to do business with is called
   A. Pioneer advertising    B. Omnibus Advertising    C. Product Advertising
   D. Institutional Advertising    E. Promotional Advertising

71. through 80. Match each of the following advertising media by writing
   A. for periodicals    B. For Mass Media    C. For Direct Advertising
   D. For Indirect Advertising    E. For all of the Above

71. Newspapers
72. Billboards
73. Circulars
74. Trade Journals
75. Radio
76. Magazines
77. Television
78. The Goodyear Blimp
79. Catalogs
80. Bus Cards
81. Which of the following is not one of the key elements in the definition of Advertising. A. paid form B. ideas, goods, and services C. an identified sponsor D. non-personal presentation E. non-paid form

82. The 100% media is A. newspaper B. radio C. television D. The Blimp E. none of the above

83. When Roger Smith, a Kansas City restaurant advertises with financial help of Red Crawfish, the parent company, this is an example of A. National Advertising B. Local Advertising C. Regional Advertising D. Trade Advertising E. None of the above

Through 100 Answer the following questions T for True, and F for False.

84. The type of advertising that is directed toward the person who will use the good or service is known as consumer advertising.

85. The customary commission allowed by advertising media to advertising agencies is 20%.

86. Advertising is an unnecessary expense passed on to the consumer.

87. More than 90 business in America spend more than $10,000,000 annually.

88. Bait advertising causes little concern since the American Association of Advertising Agencies was founded.

89. The NAB is an association which has developed comprehensive advertising codes.

90. Advertising produces immediate sales and helps the advertiser to get nearer to the consumer.

91. The most appealing color combination is black and white.

92. The three primary colors are yellow, red, and green.

93. The symbol \% stands for paragraph.

94. Most small restaurants rely on advertising agencies for help in preparing ads.

95. Newspapers are an example of periodical mass media.

96. All measurement in advertising is based on agate type.

97. Most local car dealers advertise on national television.

98. Prime time is from 6:00 to 11:00 on the East Coast.

99. If you were an advertiser for a national restaurant chain you would have better results advertising in car and driver magazine than in gourmet because car & driver has a larger circulation at a lower price.

100. Word of mouth advertising is the most important type of advertising for most reputable restaurants.
STUDENT INSTRUCTIONS:

PROCEDURES: You will have five minutes to read Tiffany's management policies and procedures memo. You will be given a (3 x 5) file card upon which you will be permitted to jot down notes. You may take the file card with you to the judges table, but you are expected to use it as a reference not a script.

The judge will be an employee who has just been hired as a waiter/waitress. It will be your responsibility to explain the policies and procedures of the company that are expected of him/her. You will have only five minutes to do so, and will also have to answer questions asked of the employee.

*NOTE Do not use the card (3 x 5) to read from it is a reference.

MATERIALS NEEDED: Two sharp pencils for notes, pencil sharpener.
Tiffany's was founded by John McIntosh in 1923, with the intent of serving the finest homemade food west of Bonner Springs, east of Topeka. The accent of our operation is on fast food at a low price of the best quality available, served by the highest skilled personnel in Kansas.

COMPANY PHILOSOPHY

ORGANIZATIONAL CHART

PERSONNEL POLICIES

I. Health Examination

All employees must have a physical examination annually by the company physician at Tiffany's expense. All employees must hold a valid health certificate and have a current chest X-ray certificate.

II. Health Insurance

Tiffany's is a member of Blue Cross/Blue Shield and will subsidize 90% of the cost of insurance. The remaining 10% will be paid by the employee.

III. Sickness (short term)

Employes who, due to illness are unable to work are required to notify the management at least five (5) hours of their scheduled time that they are supposed to report for work. Failure to call can result in termination.

(long term)

In the event that an employee becomes ill for any length of time, longer than one week, his or her employment will be considered terminated unless a doctor's excuse is presented within the first week of illness.

IV. Leave of Absence

Any employee who, for personal or health reasons without a medical excuse, are absent from work, may be granted no more than thirty days leave without pay. This is up to the discretion of the manager. Any absence longer than thirty days will constitute termination.

V. Payment of Wages

Waiters, waitresses, and buspersons will start at the beginning rate of no less than $3.30 per hour.

Employees will be evaluated every 90 days. New employees are considered automatically under probation, and may be terminated without notice or severance pay within the first ninety days of employment. Employees, after evaluation, will be terminated, continued on probation, or given a raise.

Employees will be paid on the 1st & 15th of each month. All hours recorded on the employees time card from the 1st to the 15th, will be paid on the 30th. All hours recorded on the employees time card from the 16th to the 30th will be paid on the 15th of the month.
VI. Overtime
Employees who work more than 40 hours a week will receive a bonus rate of pay at 1 1/2 times their normal rate of pay.

VII. Vacation Pay
Employees that have continuously been employed by Tiffany's for more than 12 months, are entitled to two weeks paid vacation based on the weekly average pay received during the preceding 12 months.

VIII. Uniform & Grooming
All personnel are expected to arrive to work on time, free from body odor, dressed in uniform and ready to work. Employees will not be permitted to clock-in until ready for work.

   Waitress/Bus-girls
   Black dress shoes and stockings (without runs).
   Hair neat and combed, no earings, or heavy makeup.
   Black jumper with white ruffled blouse and western string tie (black) Black apron provided.

   Waiter/Bus-boy
   Black dress shoes and socks, (shoes shined)
   Hair neat and not longer than collar length. No beards.
   Black dress slacks, white formal ruffled shirt with black western string tie.
   Red vest (provided by Tiffany's)

 IX. Telephone
There is a pay phone located in the lobby for personnel use. This phone may be used during breaks only if an emergency arises. The house phone is restricted for business use and may not be used by employees without permission.

SET-UP DUTIES
Each waiter/waitress will be assigned a station consisting of between 10 to 16 chairs (four tables) changed on a rotating basis daily. The waiter/waitress should set up his or her side stand with the following items:

1) Plates, silverware    5) Fresh Coffee
2) Cups & saucers       6) Ice water & Glasses
3) Salt, Pepper, sugar, & cream 7) Candles, Polish silver & Glasses
4) Tablecloths & Napkins 8) Butter & Condiments

SIDE DUTIES
Each waiter/waitress is required to do side duties to be determined by the head waiter/waitress. (cut up bread, bring out butter, fill condiment bottles, etc.)

HANDLING CUSTOMERS
Remember that the customer is a guest, be tactful, get the manager rather than arguing. Check on the customer often and thank them for allowing you to serve them and ask them to come back. (Other polilcis will be given during training)
<table>
<thead>
<tr>
<th>Description</th>
<th>Poor</th>
<th>Fair</th>
<th>Average</th>
<th>Good</th>
<th>Excellent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Appropriate Appearance</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>2) Ability to put the employee at ease.</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>3) Voice &amp; Politeness</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>4) Enthusiasm &amp; Attitude</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>5) Clarity and Conciseness of policies and procedures.</td>
<td>4</td>
<td>8</td>
<td>12</td>
<td>16</td>
<td>20</td>
</tr>
<tr>
<td>6) Ability to handle questions</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>7) Overall presentation: illustrating and showing the importance of each policy and procedures.</td>
<td>4</td>
<td>8</td>
<td>12</td>
<td>16</td>
<td>20</td>
</tr>
<tr>
<td>8) Concluding and greeting the employee</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>8</td>
<td>10</td>
</tr>
</tbody>
</table>

TOTAL: 14
You are to assume the role of headwaiter/waitress at Tiffany's. It is Tuesday night and business will be slow. The chef has just informed you that he made too many orders of prime rib and baked potatoes. If these items are not sold they will have to be thrown away. Tiffany's operates on a narrow profit margin. It is your duty to help the restaurant by suggesting to customers that they order the prime rib and baked potato dinner.

Your first customer after this notification has just finished looking over the menu and has given you their order of Cornish Game Hen with rice, tossed salad and a half bottle of white wine.

You will be evaluated on your ability to tactfully persuade the customer to order prime rib and baked potato.
<table>
<thead>
<tr>
<th>Item</th>
<th>Excellent</th>
<th>V.Good</th>
<th>Fair</th>
<th>Poor</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>approached the customer correctly for the selling situation</td>
<td>10</td>
<td>8</td>
<td>6</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>was groomed properly</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>spoke clearly and distinctly</td>
<td>10</td>
<td>8</td>
<td>6</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>determined customer needs</td>
<td>10</td>
<td>8</td>
<td>6</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>was interested in customer's problem</td>
<td>10</td>
<td>8</td>
<td>6</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>met objections tactfully</td>
<td>20</td>
<td>16</td>
<td>12</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>used suggestive selling</td>
<td>20</td>
<td>16</td>
<td>12</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>closed the sale effectively</td>
<td>10</td>
<td>8</td>
<td>6</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td><strong>TOTAL POINTS</strong></td>
<td><strong>100</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL JUDGED POINTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
PART I

For the following problems use the menus at the end of the test to calculate the bills.

1. A party of four had the following order:
   a. Filet mignon, baked potato, buttered peas, sliced pickled beet, green apple pie.
   b. Cream of asparagus & mushroom soup, sauté calf's liver, mashed potatoes, cauliflower au gratin, coffee parfait.
   c. Chicken, rice, eggplant, sherry wine jelly with whipped cream.
   d. Salmon steak, buttered peas, cauliflower, sherbet.

   1. $13.45  2. $12.89  3. $13.89  4. $13.50  5. None of these

2. A party of two:
   a. Florida shrimp cocktail, onion soup, roast leg of lamb, baked potato, peas, vanilla Blanc Mange.
   b. Chopped beefsteak, mashed potatoes, peas, sherbet.

   1. $6.15  2. $6.40  3. $7.15  4. $7.40  5. None of these

3. Two people came for lunch:
   a. Club sandwich, coca-cola, ice cream eclair.
   b. Chilled vegetable juice, liverwurst sandwich, chocolate ice cream soda.

   1. $3.70  2. $3.75  3. $3.80  4. $3.65  5. None of these

4. Three people for lunch:
   a. Sliced ham sandwich, coffee, strawberry pie a la mode.
   b. Sliced eggs on toast with pimento cheese sauce, hot chocolate.
   c. Swedish meatballs, buttermilk.

   1. $4.80  2. $4.60  3. $4.70  4. $4.79  5. None of these

5. Using problem #1 what would be the change from a $20 bill.

   1. $5.10  2. $6.12  3. $6.13  4. $7.11  5. None of these

6. Using problem #2 what would be the change from a $20 traveler's check.

   1. $13.70  2. $13.60  3. $12.60  4. $12.50  5. None of these

7. Using problem #3 what would be the change from a $10 bill.

   1. $7.25  2. $6.25  3. $6.15  4. $7.15  5. None of these

8. Using problem #4 what would be the change from a $10 bill.

   1. $6.31  2. $5.21  3. $6.21  4. $5.31  5. None of these
notice line number 1 is extension 9 and question 9. The answers to these questions will have to be computed by the student on scratch paper. On the bottom of the page is a list of answers. You are to choose the correct answer and then bubble it in on the computer answer sheet. DO NOT WRITE ON THIS CHART.

INVENTORY

<table>
<thead>
<tr>
<th>Line Number</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Cost Price</th>
<th>Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Buns</td>
<td>540</td>
<td>doz.</td>
<td>$.15</td>
<td>9.</td>
</tr>
<tr>
<td>2</td>
<td>Lg. cold cups</td>
<td>10</td>
<td>case</td>
<td>$15</td>
<td>10.</td>
</tr>
<tr>
<td>3</td>
<td>Md. cold cups</td>
<td>12</td>
<td>case</td>
<td>$13</td>
<td>11.</td>
</tr>
<tr>
<td>4</td>
<td>Reg. cold cups</td>
<td>10</td>
<td>case</td>
<td>$12</td>
<td>12.</td>
</tr>
<tr>
<td>5</td>
<td>Shake cups</td>
<td>4</td>
<td>case</td>
<td>$15</td>
<td>13.</td>
</tr>
<tr>
<td>6</td>
<td>Sundae cups</td>
<td>3</td>
<td>case</td>
<td>$8</td>
<td>14.</td>
</tr>
<tr>
<td>7</td>
<td>Plates</td>
<td>600</td>
<td>doz.</td>
<td>$3</td>
<td>15.</td>
</tr>
<tr>
<td>8</td>
<td>Paper bags</td>
<td>3</td>
<td>gross</td>
<td>$9</td>
<td>16.</td>
</tr>
<tr>
<td>9</td>
<td>Steaks</td>
<td>60</td>
<td>lb.</td>
<td>$5.40</td>
<td>17.</td>
</tr>
<tr>
<td>10</td>
<td>Hamburger</td>
<td>100</td>
<td>lb.</td>
<td>$.95</td>
<td>18.</td>
</tr>
<tr>
<td>11</td>
<td>Cheese</td>
<td>30</td>
<td>lb.</td>
<td>$1.25</td>
<td>19.</td>
</tr>
</tbody>
</table>

9) 1. $6.25 2. $7.25 3. $7.75 4. $6.75 5. None of these
10) 1. $1,000 2. $150.00 3. $250.00 4. $1,500 5. None of these
11) 1. $256 2. $240 3. $166 4. $140 5. None of these
12) 1. $140 2. $20 3. $120 4. $220 5. None of these
13) 1. $25 2. $46 3. $66 4. $56 5. None of these
14) 1. $26 2. $23.50 3. $28 4. $32 5. None of these
15) 1. $300 2. $180 3. $200 4. $400 5. None of these
16) 1. $26.90 2. $27.25 3. $25 4. $28 5. None of these
17) 1. $324 2. $314 3. $224 4. $214 5. None of these
18) 1. $95 2. $85 3. $105 4. $100 5. None of these
19) 1. $38 2. $37 3. $37.50 4. $36.50 5. None of these
20) 1. $1,096.25 2. $1,196.25 3. $1,186.25 4. $1,296.25 5. None of these
PART II

DIRECTIONS: Below are ten customer checks. For each check compute the subtotal and tax to be charged to the customer. Note: sales tax is 34% on a dollar. Note - Round off to next penny if half or more.

<table>
<thead>
<tr>
<th>SUB.</th>
<th>TAX</th>
<th>TOT.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tiffanys</th>
<th>21 &amp; 22 &amp; 23</th>
<th>24 &amp; 25 &amp; 26</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

21. The subtotal is:
A. $8.65  B. $9.84  C. $8.85  D. $8.55  E. $8.44

22. The tax total is:
A. 30¢  B. 31¢  C. 32¢  D. 33¢  E. 34¢

23. The total bill is:
A. $8.83  B. $8.84  C. $8.85  D. $8.86  E. $8.87

24. The subtotal is:
A. $6.45  B. $7.45  C. $7.25  D. $6.25  E. $7.35

25. The tax total is:
A. 23¢  B. 24¢  C. 25¢  D. 26¢  E. 27¢

26. The total bill is:
27. The subtotal is:
   A. 7.39   B. 7.49   C. 6.89   D. 7.89   E. 6.48

28. The tax total is:
   A. 24¢   B. 28¢   C. 26¢   D. 31¢   E. 27¢

29. The total bill is:
   A. 7.12   B. 7.41   C. 7.50   D. 7.60   E. 7.65

30. The subtotal is:
   A. 13.60   B. 13.70   C. 14.50   D. 14.60   E. 14.70

31. The tax total is:
   A. 45¢   B. 46¢   C. 47¢   D. 48¢   E. 49¢

32. The total bill is:
   A. 14.08   B. 13.99   C. 14.98   D. 13.46   E. None of these

33. The subtotal is:
   A. 21.66   B. 21.89   C. 22.66   D. 22.89   E. 23.69
34. The tax total is:
   A. 67¢ B. 76¢ C. 77¢ D. 72¢ E. 55¢

35. The total bill is:
   A. 22.42 B. 24.14 C. 22.86 D. 22.66 E. 23.95

36. The subtotal is:
   A. 18.10 B. 18.30 C. 18.30 D. 18.40 E. 18.50

37. The tax total is:
   A. 64¢ B. 65¢ C. 66¢ D. 67¢ E. 68¢

38. The total bill is:
   A. 18.74 B. 18.85 C. 18.96 D. 19.07 E. 19.18

39. The subtotal is:
   A. 10.48 B. 9.48 C. 10.38 D. 9.38 E. None of these

40. The tax total is:
   A. 32¢ B. 33¢ C. 37¢ D. 38¢ E. None of these

41. The total bill is:
   A. 10.80 B. 9.82 C. 9.81 D. 10.81 E. None of these

42. The subtotal is:
   A. 8.80 B. 8.90 C. 9.80 D. 9.90 E. None of these

43. The tax total is:
   A. 30¢ B. 31¢ C. 34¢ D. 35¢ E. None of these

44. The total bill is:
45. The subtotal is:
   A. 14.64  B. 14.69  C. 15.24  D. 15.29  E. 15.69

46. The tax total is:
   A. 58¢  B. 56¢  C. 57¢  D. 51¢  E. 52¢

47. The total bill is:
   A. 15.25  B. 16.71  C. 15.21  D. 15.80  E. 16.20

48. The subtotal is:
   A. 31.84  B. 31.94  C. 32.84  D. 32.94  E. None of these

49. The tax total is:
   A. 1.15  B. 1.11  C. 1.09  D. 1.12  E. 1.10

50. The total bill is:
   A. 34.00  B. 33.00  C. 34.09  D. 34.10  E. 34.11

PART III

51. 16+94+71+39+65+15=
   A. 200  B. 400  C. 500  D. 300  E. 600

52. 96+14+53+57+12+68=
   A. 200  B. 300  C. 400  D. 500  E. 600

53. 17+21+72+45+21+24=
   A. 200  B. 300  C. 400  D. 500  E. 600

54. 34+25+51+18+61+11=
   A. 100  B. 200  C. 300  D. 400  E. 500

55. 51+37+42+23+14+33=
   A. 100  B. 200  C. 300  D. 400  E. 500

56. 18.09+.78+4.46+12.26=
   A. 34.59  B. 34.49  C. 35.59  D. 35.49  E. None of these

57. 10.10+1.21+15.57+7.75=
   A. 34.73  B. 34.53  C. 34.63  D. 33.53  E. 33.63
58. \(1.75+16.29+1.25+75.03=\)  
A. 94.42  B. 94.22  C. 93.42  D. 93.22  E. 94.32

59. \(17.26+9.04+40.76+.39=\)  
A. 67.45  B. 66.45  C. 67.55  D. 66.55  E. None of these

60. \(9+5+7+6+10+12=\)  
A. 47  B. 45  C. 59  D. 49  E. 55

61. \(7,259-367=\)  
A. 6,892  B. 6992  C. 6,792  D. 6,902  E. None of these

62. \(19,864-5,976=\)  
A. 12,888  B. 14,888  C. 13,988  D. 13,888  E. None of these

63. \$18,965.25-9,876.37=\)  
A. $9,108.98  B. $9,188.98  C. $9,180.98  D. $9,088.98  E. $9,088.88

64. \(9,627-519=\)  
A. 9,108  B. 9,008  C. 9,118  D. 9,018  E. None of these

65. \(24,719-6,348=\)  
A. 18,471  B. 18,371  C. 19,471  D. 19,371  E. None of these

66. \(8,572-398=\)  
A. 8,274  B. 8,284  C. 8,174  D. 8,074  E. None of these

67. \(41,587-6,453=\)  
A. 35,134  B. 35,234  C. 34,134  D. 34,234  E. None of these

68. \$16,399.28-5,489.49=\)  
A. $11,919.79  B. $10,919.79  C. $11,909.79  D. $10,909.79  E. None of these

69. \(38,473.32-9,485.86=\)  
A. 28,987.56  B. 28,988.56  C. 28,988.46  D. 28,987.46  E. None of these

70. \(39,283.45-3,847.38=\)  
A. 35,436.10  B. 35,436.07  C. 35,436.17  D. 35,446.10  E. None of these
As manager of Tiffany's in order to determine the retail selling price of your food on the menu. Below is a chart of 15 items that you sell, and their cost to you. You must compute the mark-up based on the cost and determine the retail selling price. Choose the answers on the bottom that correspond to the chart.

*Note any fraction of a penny raise to the next penny.

<table>
<thead>
<tr>
<th>ITEM</th>
<th>COST</th>
<th>% MARK-UP</th>
<th>MARKUP</th>
<th>SELLING PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>COKE</td>
<td>12¢/can</td>
<td>50%</td>
<td>(71)</td>
<td>(72)</td>
</tr>
<tr>
<td>Beer</td>
<td>30¢/can</td>
<td>32%</td>
<td>(73)</td>
<td>(74)</td>
</tr>
<tr>
<td>Orange Juice</td>
<td>5.60/gal.</td>
<td>46%</td>
<td>(75)</td>
<td>(76)</td>
</tr>
<tr>
<td>Tomato Juice</td>
<td>4.10/gal.</td>
<td>36%</td>
<td>(77)</td>
<td>(78)</td>
</tr>
<tr>
<td>Pineapple Juice</td>
<td>4.60/gal.</td>
<td>40%</td>
<td>(79)</td>
<td>(80)</td>
</tr>
<tr>
<td>Lemonaid</td>
<td>6.90/gal.</td>
<td>40%</td>
<td></td>
<td>(82)</td>
</tr>
<tr>
<td>Prune Juice</td>
<td>2.19/gal.</td>
<td>45%</td>
<td></td>
<td>(84)</td>
</tr>
<tr>
<td>Imported Beer</td>
<td>8.15/case</td>
<td>49%</td>
<td>(85)</td>
<td>(86)</td>
</tr>
<tr>
<td>Wine</td>
<td>3.90/bottle</td>
<td>62%</td>
<td>(87)</td>
<td>(88)</td>
</tr>
<tr>
<td>Ground Beef</td>
<td>1.19/lb.</td>
<td>81%</td>
<td>(89)</td>
<td>(90)</td>
</tr>
<tr>
<td>Fish</td>
<td>.49/lb.</td>
<td>65%</td>
<td>(91)</td>
<td>(92)</td>
</tr>
<tr>
<td>T-Bone Steak</td>
<td>2.89/portion</td>
<td>75%</td>
<td>(93)</td>
<td>(94)</td>
</tr>
<tr>
<td>Filet</td>
<td>3.09/portion</td>
<td>70%</td>
<td>(95)</td>
<td>(96)</td>
</tr>
<tr>
<td>Strip Steak</td>
<td>3.19/portion</td>
<td>70%</td>
<td>(97)</td>
<td>(98)</td>
</tr>
<tr>
<td>Ice Cream</td>
<td>10.59/Tub</td>
<td>45%</td>
<td>(99)</td>
<td>(100)</td>
</tr>
</tbody>
</table>

Answers

71. A. 12¢  B. 9¢  C. 15¢  D. 18¢  E. None of these
72. A. 15¢  B. 19¢  C. 27¢  D. 24¢  E. None of these
73. A. 8¢  B. 9¢  C. 70¢  D. 11¢  E. None of these
74. A. 38¢  B. 39¢  C. 40¢  D. 41¢  E. None of these
75. A. 2.57  B. 2.58  C. 2.59  D. 2.60  E. None of these
<table>
<thead>
<tr>
<th></th>
<th>A.</th>
<th>B.</th>
<th>C.</th>
<th>D.</th>
<th>E.</th>
</tr>
</thead>
<tbody>
<tr>
<td>76.</td>
<td>8.20</td>
<td>8.19</td>
<td>8.18</td>
<td>8.17</td>
<td>None of these</td>
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<tr>
<td>77.</td>
<td>14.76</td>
<td>1.47</td>
<td>1.48</td>
<td>.14</td>
<td>None of these</td>
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<tr>
<td>78.</td>
<td>28.86</td>
<td>4.24</td>
<td>4.57</td>
<td>5.58</td>
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<tr>
<td>79.</td>
<td>1.86</td>
<td>1.85</td>
<td>1.83</td>
<td>.19</td>
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<tr>
<td>80.</td>
<td>4.79</td>
<td>6.44</td>
<td>6.45</td>
<td>6.43</td>
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<tr>
<td>81.</td>
<td>.28</td>
<td>.27</td>
<td>2.75</td>
<td>2.76</td>
<td>None of these</td>
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<tr>
<td>82.</td>
<td>7.17</td>
<td>7.18</td>
<td>9.66</td>
<td>9.65</td>
<td>None of these</td>
</tr>
<tr>
<td>83.</td>
<td>1.00</td>
<td>.99</td>
<td>.98</td>
<td>.97</td>
<td>None of these</td>
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<tr>
<td>84.</td>
<td>3.18</td>
<td>3.17</td>
<td>3.19</td>
<td>3.16</td>
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<tr>
<td>85.</td>
<td>4.02</td>
<td>3.99</td>
<td>4.01</td>
<td>4.06</td>
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<tr>
<td>86.</td>
<td>12.16</td>
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<td>12.15</td>
<td>12.19</td>
<td>None of these</td>
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<tr>
<td>87.</td>
<td>2.39</td>
<td>2.40</td>
<td>2.41</td>
<td>2.42</td>
<td>None of these</td>
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<tr>
<td>88.</td>
<td>6.31</td>
<td>6.32</td>
<td>6.30</td>
<td>6.33</td>
<td>None of these</td>
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<tr>
<td>89.</td>
<td>.96</td>
<td>.97</td>
<td>.98</td>
<td>.99</td>
<td>None of these</td>
</tr>
<tr>
<td>90.</td>
<td>2.16</td>
<td>2.18</td>
<td>2.15</td>
<td>2.17</td>
<td>None of these</td>
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<tr>
<td>91.</td>
<td>.30</td>
<td>.33</td>
<td>.31</td>
<td>.29</td>
<td>None of these</td>
</tr>
<tr>
<td>92.</td>
<td>.81</td>
<td>.80</td>
<td>.82</td>
<td>.79</td>
<td>None of these</td>
</tr>
<tr>
<td>93.</td>
<td>2.17</td>
<td>2.18</td>
<td>2.16</td>
<td>2.19</td>
<td>None of these</td>
</tr>
<tr>
<td>94.</td>
<td>5.05</td>
<td>5.06</td>
<td>5.07</td>
<td>5.04</td>
<td>None of these</td>
</tr>
<tr>
<td>95.</td>
<td>2.17</td>
<td>2.16</td>
<td>2.15</td>
<td>2.14</td>
<td>None of these</td>
</tr>
<tr>
<td>96.</td>
<td>5.24</td>
<td>5.25</td>
<td>5.23</td>
<td>5.26</td>
<td>None of these</td>
</tr>
<tr>
<td>97.</td>
<td>2.25</td>
<td>2.22</td>
<td>2.23</td>
<td>2.24</td>
<td>None of these</td>
</tr>
<tr>
<td>98.</td>
<td>5.41</td>
<td>5.42</td>
<td>5.43</td>
<td>5.44</td>
<td>None of these</td>
</tr>
<tr>
<td>99.</td>
<td>4.70</td>
<td>4.72</td>
<td>4.76</td>
<td>4.78</td>
<td>None of these</td>
</tr>
<tr>
<td>100.</td>
<td>15.36</td>
<td>15.35</td>
<td>15.37</td>
<td>15.38</td>
<td>None of these</td>
</tr>
</tbody>
</table>
LUNCHEON

Appetizers

Chilled Vegetable Juice .20
Soup of the day .20

Luncheon Entrees

SWEDISH MEATBALLS IN BURGUNDY on Steamed Rice with Buttered Peas and a Tossed Greens Salad with French Dressing 1.40
HOT PASTRAMI SANDWICH with Old Fashioned Cole Slaw and Dill Pickle 1.15
SLICED EGGS ON TOAST WITH PIMENTO CHEESE SAUCE, Buttered Peas and Chilled Tomato Slices 1.10

Salads and Sandwiches

SLICED HAM SANDWICH with Cream Cheese and Chives on Pumpernickel .95
SLICED LIVERWURST WITH BACON and Horseradish on Rye Bread .90
*CLUB SANDWICH (Sliced Breast of Turkey, Bacon, Tomato and Lettuce) on Toasted Cheese Bread *Made with Mayonnaise 1.40

Desserts

Coffee Bavarian Cream with Chocolate Sauce .30
Burnt Sugar Layer Cake with Maple Cream Frosting .30
Stewed Prunes .25
Chilled Bartlett Pears .35

World-Famous Ice Creams

Vanilla, Coffee, Chocolate or Fruit Cordial .30
Ice Cream Eclair with Hot Butterscotch Sauce and Almonds .55
Strawberry and Rhubarb Pie .35
Apple Pie .30
any dessert served a la mode .20 additional

Beverages

Special Blend Coffee, Cup .15
Sanka, Cup .15
Orange Pekoe Tea, Pot .25
Luxuro Hot Chocolate with Whipped Cream .25
Milk .20
Buttermilk .20
Coca-Cola .20

Ice Cream Sodas, Assorted Flavors .45

4% Sales Tax per dollar
Tiffany's Greasy Spoon

Dinner

Choice of Appetizer and Desert with Complete Dinner

<table>
<thead>
<tr>
<th>Appetizer/Choice</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Florida Shrimp cocktail</td>
<td>.75</td>
</tr>
<tr>
<td>Fresh Pineapple and Orange Cocktail</td>
<td>.35</td>
</tr>
<tr>
<td>Chilled Tomato Juice</td>
<td>.20</td>
</tr>
<tr>
<td>Chilled Vegetable Juice</td>
<td>.20</td>
</tr>
<tr>
<td>Cream of Asparagus and Mushroom Soup</td>
<td>.35</td>
</tr>
<tr>
<td>Onion Soup with Parmesan Cheese Croutons</td>
<td>.35</td>
</tr>
<tr>
<td>Roast Leg of Lamb with Fresh Mint Sauce</td>
<td>a la carte</td>
</tr>
<tr>
<td>Broiled Filet Mignon</td>
<td>Club</td>
</tr>
<tr>
<td>Barbecued Breast of Chicken</td>
<td>Dinner</td>
</tr>
<tr>
<td>Broiled Salmon Steak with Lemon Butter</td>
<td></td>
</tr>
<tr>
<td>Saute Calf's Liver with Broiled Bacon</td>
<td></td>
</tr>
<tr>
<td>Grilled Chopped Beefsteak</td>
<td></td>
</tr>
</tbody>
</table>

The above a la carte and club dinners served with a choice of two vegetables and a salad.

<table>
<thead>
<tr>
<th>Vegetable Options</th>
<th>Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baked Potato with Sour Cream and Chives</td>
<td></td>
</tr>
<tr>
<td>Parsley Rice</td>
<td></td>
</tr>
<tr>
<td>Mashed Potatoes</td>
<td></td>
</tr>
<tr>
<td>French Fried Eggplant</td>
<td></td>
</tr>
<tr>
<td>Cauliflower au gratin</td>
<td></td>
</tr>
<tr>
<td>Buttered Peas</td>
<td></td>
</tr>
<tr>
<td>Fruit Sherbet</td>
<td></td>
</tr>
<tr>
<td>or</td>
<td></td>
</tr>
<tr>
<td>Sliced Pickled Beet and Watercress Salad</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bread Options</th>
<th>Desserts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assorted Hot Breads</td>
<td>Old Fashioned Apple Pudding with Golden Sauce</td>
</tr>
<tr>
<td></td>
<td>Sherry Wine Jelly With Whipped Cream</td>
</tr>
<tr>
<td></td>
<td>Pumpkin Pie with Pecan Whipped Cream</td>
</tr>
<tr>
<td></td>
<td>Green Apple Pie</td>
</tr>
<tr>
<td></td>
<td>Vanilla Blanc Mange with Red Raspberries</td>
</tr>
<tr>
<td></td>
<td>Chocolate Layer Cake</td>
</tr>
<tr>
<td></td>
<td>Stewed Apricots</td>
</tr>
<tr>
<td></td>
<td>Vanilla or Chocolate Ice Cream</td>
</tr>
<tr>
<td></td>
<td>Toasted Crackers with Gruyere Swiss Cheese</td>
</tr>
<tr>
<td></td>
<td>Coffee Parfait</td>
</tr>
</tbody>
</table>

4% Sales Tax per dollar
THE FOLLOWING EIGHT QUESTIONS ARE TRUE AND FALSE:

1. The Standing Rib Roast comes from section D.
   A. True B. False

2. The Rolled Rump Roast comes from section M.
   A. True B. False

3. The Chuck Roast comes from section B.
   A. True B. False

4. The Round Steak comes from section L.
   A. True B. False

5. The Sirloin Steak comes from section E.
   A. True B. False

6. Rolled Shoulder comes from section G.
   A. True B. False

7. Flank Steak is prepared from section I.
   A. True B. False

   A. True B. False

Questions 9-13 select the correct answers from the following and match the item with which it goes best.

A. Lemon, tartar sauce B. Soy sauce C. Sugar, lime, lemon or orange
   D. Boiled or steamed rice E. Chocololate Sauce

9. Iced Tea
10. Shrimp creole
11. Small serving of sponge cake
12. Fish
13. Chow mein

14. How many types of salad dressing are there
   A. One  B. Two  C. Three  D. Four  E. None of the above

15. Knowing that different foods use different dressings which one of the following uses spoonable
   A. Marinade for meats and vegetables.  B. Ingredient binder for sandwiches
   C. Coating before baking chicken  D. Answers B&C  E. Answers A&C

16. There are four basic sauces which uses flour
   A. White  B. Tomato  C. Gravy  D. Dessert  E. A&C

Questions 17-24 deal with cooking times, please select from the following times the one that goes best with the item.
A. 6-12 minutes  B. 10-15 minutes  C. 5-10 minutes  D. 10 minutes  E. 45-60 minutes

17. Eggs cooked in order

18. Steak--rare

19. Broiled Fish

20. Casseroles

21. Corn-on-the-cob

22. Eggplant

23. Spinach

24. Tomatoes

25. One of the following is classified incorrectly as a major mineral
   A. Calcium  B. Phosphorus  C. RSodium  D. I on  E. Iodine

26. One of the following vitamins is not classified as a fat-soluble vitamin
   A. Vitamin K  B. Vitamin C  C. Vitamin A  D. Vitamin D  E. Vitamin E

27. Which of the following is not a food hazard
   A. Malnutrition  B. Food Contamination  C. Food Additives
   D. Product Dating  E. None of these

28. Most bread products are leavened which of the following is not
   A. Crackers  B. Matzos  C. Pizza  D. A & B  E. None of these
29. Which of the following items commonly used in food service must be refrigerated after opening? A. Catsup  B. Mushrooms (canned)  C. Syrup  D. Mayonnaise  E. (Both B&D)

30. A space 24 x 15 inches within which one place is set with china, linen, silver, and glass, as a definite unit is called:  A. Table setting  B. Dinner for one  C. Counter space  D. Cover  E. All of the above.

31. An assigned group of tables or counter stools for the service of which the waiter/waitress is responsible is called:  A. Section  B. Station  C. Area  D. Cover  E. None of the above.

32. Which of the following items are usually kept on the side table?  A. linen  B. condiments  C. butter  D. All of these  E. None of these.

33. Of the following list of foods, which would you not suggest for an individual on a low cholesterol diet?  A. Lobster  B. Liver  C. Fish  D. (A&C)  E. (A&B).

34. Which of the following items would you suggest to someone on a low cholesterol diet?  A. Gelatin desert  B. Sherbet  C. Angel Food Cake  D. (A&B)  E. (A&C).

35. Which of the following items would you suggest for someone on a low sodium diet not to eat?  A. Oysters  B. Okra  C. Sauerkraut  D. None of the above  E. All of the above.

36. Shrimp prepared in the creole manner with tomatoes, onions, and rice is called:  A. Shrimp Newberg  B. Shrimp a la King  C. Krafeldu  D. Jambalaya  E. Wampum.

37. Potatoes au gratin has which of the following ingredients?  A. Onions  B. Cauliflower  C. Wine  D. Dry mustard  E. Cheese.

38. Mayonnaise to which chili sauce and Worcestershire sauce is added is called:  A. Hollandaise sauce  B. Waldorf sauce  C. French Dressing  D. Bar-B-Q sauce  E. Thousand Island dressing.

39. A brown sauce flavored with vegetables is called:  A. Bordelaise  B. Tarter  C. Winfield sauce  D. Vinaigrette  E. None of these.

40. Browed cubes of beef served with a highly seasoned gravy is called:  A. Salsbury steak cubes  B. Ragout  C. Beef a la mode  D. Chitlings  E. Steak cubes bordelaise.

41. A desert served with brandy and kirchwasser and ignited is called:  A. Creps  B. Baked Alaska  C. Cherries Jubilee  D. Flambe  E. All of these.

42. Which of the following is not a cheese?  A. Camembert  B. American Cheddar  C. Parmesan  D. Roquefort  E. None of these.
43. Commercially, frozen shrimp is sold by which of the following measures? A. Weight B. Number C. Scoop D. Sizes.  E. (A&B)

44. Which of the following is the highest profit item in a restaurant? A. Blackeyed peas B. Boston Baked beans C. Baked potatoes D. asparagus E. Undeterminable

45. The most frequently used method of using stock in the restaurant is: A. FIFO B. LIFO C. FILO D. LILO E. BIDO

46. Food Management is: A. A college career B. An goal C. A trade journal D. (A&B) E. None of these

47. Jumbo eggs must be at least how many ounces per dozen? A. 24oz. B. 28 C. 32 D. 36 E. Grade AA

48. Which of the following is not a grade of beef? A. Fair B. Choice C. Good D. Cutter E. Canner

49. Which of the following is not a Vitamin C source? A. Carrots B. Oranges C. Tomatoes D. Raspberries E. Green Peppers

50. The reason you clean individual spoons after each use in a short period of time is: A. Mold will not grow B. Because the manager says so C. Flavors will not be mixed D. All of the above E. none of these

51. Which of the following is not the responsibility of the waiter/waitress? A. Setting tables B. Meeting guests C. Preparing salads D. Serving guests E. Cleaning tables

52. Which of the following is not one of the closing duties of a waiter/waitress? A. Filling salt and pepper shakers B. Fold napkins C. Fill icebins D. Set up tables E. B & C

53. Which of the following is an entre? A. Eggs B. Dessert C. Bread D. Salad E. Soup

54. Carte Du Jour is A. Serving tray B. Table for serving desserts C. dessert of the week D. Menu of the day E. None of the above

55. A La Mode is A. Pudding B. With Meat C. With ice cream D. Stewed fruit E. Pie

56. Saute is A. Ready to go B. Cut in half C. Served on skewer D. Baked E. Fried in Fat

57. Ambrosia is A. Bananas B. Dessert C. Chicken D. Fish E. Pie
Select from the following list of garnishes which one should be used with which foods.
A. Watercress or parsley B. Orange slice, lemon slices or peels grated
C. Croutons D. Whipped Cream E. Fresh Mint

58. Shortcake
59. Lamb
60. Soups
61. Fish
62. Fluffy cake frosting
63. Creamed or mashed potatoes
64. Fruit Cup
65. Scrambled Eggs
66. Sandwiches

67. Sous-chef is
   A. Second cook B. Pastry chef C. Soup Chef D. Assistant
   Pastry chef E. Head chef's first assistant

68. A short knife with a thin pointed blade that is used to remove bone from raw meat is
   A. Boning knife B. Cleaver C. Boner D. Butcher knife E. Pairing knife

69. A utensil used to scrape down a butcher block is called
   A. Skimmer B. Dough cutter C. Gizmo D. Retardinator E. Table Shiv

70. A flat long narrow piece of wood with a handle on one end used to place pizza in an oven is called
   A. Schettino B. Italian C. Bayer D. Spatula E. Peel

71. The proper length for aprons in food service would be
   A. At the knee B. Between the knee and stomach C. To ankles
   D. A or B E. B or C

72. The best way to clean-up oil spills would be by first doing what
   A. Lighting a match B. Dirty Rags C. Pouring Salt
   D. Calling fire department E. Using a damp mop

73. Which of the following is an example of a garnish
   A. rice B. pickle C. watercress D. Provolone E. B&G

74. FF means
   A. Foot long Frank B. Fresh Fish C. French Fried Onion Rings
   D. French Fried Mushrooms E. French Fried Potatoes
75. Which of the following is not a sweetening agent used in cooking
   A. Vanilla Extract  B. Glucose  C. Sanding Sugar  D. None of
   the first three  E. All of the first three

76. Whipping cream contains what percent butterfat
   A. 3%  B. 12%  C. 30%  D. 46%  E. 20%

The following questions are either True or False on your answer
sheet please mark A-for true and B-for false.

77. The term roast is used interchangeably with the word bake

78. Shredding is the same thing as to cut in very fine strips

79. Julienne is a type of ham

80. Romaine and Escarole are varieties of 1-tuce

81. Rumaki is a Chinese Cooked Chicken

82. Lomaine has rice in it

83. Tarragon is a flavored cider vinegar

84. 4X sugar is finer than 6X sugar

85. Wine should be kept in a standing position in a walk in cooler

86. Mincemeat is primarily made with spiced apples, however contains
   no meat

87. Marmite is a form of pot in which soup is heated

88. Minute steaks are thin boneless round steaks

89. Mixed grill is a combination of any 4 broiled or grilled
   items usually lamb chops, bacon, sausage and tomato slices

90. Sicilian pizza is made from the same amount of dough as
   Italian pizza

91. Bratan is a German term meaning roast

92. Brandy is an alcoholic liquer made from wine or fruit juice

93. Bougisse is a red wine from Southern France

94. Spaghetti sauce is made only from a tomato base

95. A dish that says meat with cheese must contain more meat than
   cheese

96. Lobsters must be alive prior to cooking because they are unfit
   to eat otherwise
97. Meatballs can only be made from ground beef

98. Aux cresson mean with watercress

99. Barder means to trade or substitute

100. Bouillon is a French prison where cooks that are renowned in France get their culinary schooling
General Merchandising

High School

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</tbody>
</table>
TRUE/FALSE

Indicate whether the statements are true or false by marking "A" for true and "B" for false.

1. Advertisers assume a good part of the cost of publishing most newspapers and magazines.
2. Consumer goods are generally advertised by industrial advertisers.
3. Advertising agencies offer more job opportunities for beginners than any other place where advertising is done.
4. The display advertising sales representative is responsible for planning and directing the advertising activities for an advertising agency's clients.
5. Newspaper advertising is noted for the speed with which ads can be placed.
6. Display classified advertising is placed in the classified section of a newspaper.
7. A major advantage of direct mail is the opportunity it offers for selective advertising.
8. The good copywriter chooses simple words that are related to the reader's everyday experiences.
9. The major purpose of advertising headlines is to clinch the sale.
10. Subheads generally contain the main text of an advertisement.
11. All of the major principles of design must be included in any good advertising layout.
12. In the comprehensive layout, all elements are quite realistically presented in their correct shape, size and tone.
13. Most TV stations are owned by the major networks.
14. The most important use of direct mail advertising is in the soliciting of orders.
15. The major disadvantage of direct mail advertising is the lack of creative leeway possible in the development of materials.

16. Advertising always detracts from the sales of the advertised products in competing stores.

17. Face-to-face personal selling is sometimes referred to as visual merchandising.

18. Although advertisements may strive to attain several goals, one goal must always stand out if the advertisement is to be truly successful.

19. Advertising agencies may prepare forms of promotion, including dealer displays and sales materials.

20. Retailers are usually more limited in the goals of their advertising campaigns than are national advertisers.

21. In planning an advertising campaign, the first step is to set definite goals.

22. Personal selling is often considered an important part of a promotion campaign.

23. Teaser advertising generally relies on a single advertisement to get its message across.

24. Similar formats should not be used in the various ads of an advertising campaign, as this would tend to create monotony for the readers.

25. An advantage of direct mail is the fact that it is relatively inexpensive.

26. Some of the necessary information about a prospect can be obtained by a media sales representative when making the sales visit.

27. One of the most accurate methods of measuring television audiences is the editorial-interest method.

28. Recall tests do not show the selling power of advertisements.

29. The A. C. Nielsen Audimeter is used in the pretesting of television advertisements.

30. Enforcement of federal laws regulating advertising is controlled by the National Council of Better Business Bureaus.

31. The goal of advertising is to sell.

32. In deciding what approach to use, the copywriter must consider the product, the prospects, the selling points, and the media benefits.
33. The "I" in the AIDCA formula represents integrity.

34. A company's advertising budget is often determined by a percentage of the previous year's profits.

35. The "C" of the AIDCA formula represents credibility.

MULTIPLE CHOICE

On the answer sheet provided, mark the appropriate letter which best completes the statement or answers the question.

36. One of the uses of institutional advertising is to (a) tell of the company's role in community affairs; (b) introduce a new product to the market; (c) enter a new market or reach a different group of customers; (d) all of the above; (e) none of the above.

37. The major medium in which the most advertising dollars are expended each year is (a) television; (b) direct mail; (c) newspapers; (d) all of the above; (e) none of the above.

38. One of the beginning advertising jobs is that of (a) advertising copywriter; (b) advertising clerk; (c) production assistant; (d) all of the above; (e) none of the above.

39. Most of the advertising jobs in media are in (a) management; (b) copywriting; (c) selling; (d) all of the above; (e) none of the above.

40. An advertiser who emphasizes the place where goods and services can be bought rather than the brand is the (a) retail advertiser; (b) industrial advertiser; (c) national advertiser; (d) all of the above; (e) none of the above.

41. The dollar amount spent on advertising each year exceeds (a) 3 billion; (b) 13 billion; (c) 33 billion; (d) all of the above; (e) none of the above.

42. Product advertising is often used to (a) tell about the company's role in community affairs; (b) provide information on important public issues; (c) support personal selling; (d) all of the above; (e) none of the above.

43. Effective salespeople use advertising to help them (a) overcome objections; (b) increase sales; (c) avoid reluctant customers; (d) all of the above; (e) none of the above.

44. A major advantage offered by a magazine advertisement in relation to newspaper advertising is its (a) lower cost; (b) longer life; (c) larger size; (d) all of the above; (e) none of the above.
45. Since the introduction of television in America, the number of radios in use has (a) increased; (b) decreased; (c) remained the same; (d) all of the above; (e) none of the above.

46. The percentage of American homes with television sets is (a) 57 percent; (b) 77 percent; (c) 97 percent; (d) all of the above; (e) none of the above.

47. Advertising placed on one television station is called (a) network advertising; (b) local advertising; (c) independent advertising; (d) all of the above; (e) none of the above.

48. Calendars are often used for (a) transit advertising; (b) specialty advertising; (c) display advertising, (d) all of the above; (e) none of the above.

49. Advertisers and advertising professional groups continually promote self regulation through the (a) American Association of Advertising Agencies; (b) Better Business Bureaus; (c) a & b; (d) Council on Advertising; (e) none of the above.

50. Most large retail store copywriters receive a detailed description of the merchandise to be advertised from a (a) layout book; (b) fact sheet; (c) copy pad; (d) all of the above; (e) none of the above.

51. A major responsibility of the copywriter is translating selling points into (a) customer benefits; (b) product qualities; (c) merchandise information; (d) all of the above; (e) none of the above.

52. In the AIDCA formula, often used to develop advertising copy, the first "A" represents (a) acceptability; (b) action; (c) attention; (d) all of the above; (e) none of the above.

53. One special method used in advertising to encourage direct action by customers is the inclusion of (a) prices; (b) coupons; (c) illustrations; (d) all of the above; (e) none of the above.

54. Sentences considered suitable for easily understood advertising copy contain about (a) 14 words; (b) 24 words; (c) 34 words; (d) all of the above; (e) none of the above.

55. "A funny thing happened on the way to a better banana." would be an example of a headline that (a) promises benefits; (b) contains news; (c) provokes curiosity; (d) all of the above; (e) none of the above.

56. The elements in an advertisement may be balanced according to their (a) lightness or darkness; (b) size; (c) a & b; (d) balance; (e) none of the above.
57. Ads intended to give an impression of dependability might be expected to use (a) formal balance; (b) informal balance; (c) large illustrations; (d) all of the above; (e) none of the above.

58. The use of different forms, colors, and sizes of the elements in an ad layout would be based on the principle of (a) movement; (b) contrast; (c) weight; (d) all of the above; (e) none of the above.

59. A radio announcement running 10 seconds to 1 minute and broadcast between or during programs is called a (a) mini; (b) promo; (c) spot; (d) all of the above; (e) none of the above.

60. Eye direction is another name for the principle of (a) movement; (b) placement; (c) distribution; (d) all of the above; (e) none of the above.

61. A distinctively designed and frequently trademarked brand or firm name is a (a) logo-type; (b) typeface; (c) copyright; (d) all of the above; (e) none of the above.

62. Generally, the first step in the preparation of an ad layout is a (a) comprehensive; (b) rough layout; (c) thumbnail sketch; (d) all of the above; (e) none of the above.

63. The large type used for ad layout headlines is (a) block type; (b) display type; (c) capital type; (d) all of the above; (e) none of the above.

64. One element of every ad layout is the (a) illustration; (b) subhead; (c) white space; (d) all of the above; (e) none of the above.

65. In relation to the dollars invested in various advertising media, direct mail advertising is the (a) second largest; (b) third largest; (c) fourth largest; (d) all of the above; (e) none of the above.

66. One of the most important ingredients in any successful direct mail campaign is a good (a) bulk mailing rate; (b) mailing list; (c) postal system; (d) all of the above; (e) none of the above.

67. A few words that are repeated in every ad in a series and sum up the theme are called a (a) slogan; (b) clincher; (c) jingle; (d) all of the above; (e) none of the above.

68. One form of direct mail that is widely used because of its personal approach is the (a) letter; (b) folder; (c) brochure; (d) none of the above; (e) all of the above.

69. The elements of promotion include (a) display; (b) advertising; (c) a & b; (d) Cost; (e) none of the above.
70. Premiums are one form of (a) publicity; (b) public relations; (c) sales promotion; (d) all of the above; (e) none of the above.

71. Any activity designed to build good will toward a business organization is (a) publicity; (b) public relations; (c) sales promotion; (d) all of the above; (e) none of the above.

72. The promotional mix of a company is determined by (a) the nature of the prospects; (b) the money available; (c) a & b; (d) seasonal preference; (e) none of the above.

73. Special bulk rates are available for mailing large quantities of (a) first-class mail; (b) third-class mail; (c) a & b; (d) fourth-class mail; (e) none of the above.

74. The campaign including personal selling, display, and publicity would be called (a) advertising; (b) promotional; (c) public relations; (d) all of the above; (e) none of the above.

75. The advertising departments of many local newspapers will help advertisers (a) plan their advertising; (b) create their advertising; (c) a & b; (d) display the merchandise; (e) none of the above.

76. A news release printed without charge by a newspaper about a business firm would be classified as (a) advertising; (b) publicity; (c) public relations; (d) all of the above; (e) none of the above.

77. Much national public service advertising is prepared and coordinated through the (a) Advertising Council; (b) Better Business Bureau; (c) Federal Trade Commission; (d) all of the above; (e) none of the above.

78. The element of promotion which uses window streamers is (a) advertising; (b) display; (c) publicity; (d) all of the above; (e) none of the above.

79. The activity in which free samples would be included is (a) advertising; (b) display; (c) sales promotion; (d) all of the above; (e) none of the above.

80. A television station would be likely to employ a (a) time buyer; (b) time sales representative; (c) space representative; (d) all of the above; (e) none of the above.

81. The media sales representative should plan the sales presentation with the idea that it should be (a) illustrated; (b) brief; (c) flexible; (d) all of the above; (e) none of the above.
82. Radio commercials in which celebrities or satisfied customers talk about the product are (a) testimonials; (b) personality ads; (c) dramatizations; (d) all of the above; (e) none of the above.

83. A newspaper's circulation is verified by (a) NCS statements; (b) ABC statements; (c) ASC statements; (d) all of the above; (e) none of the above.

84. Many newspapers provide their advertisers with (a) brand studies; (b) merchandise assistance; (c) a & b; (d) inventory control processes; (e) none of the above.

85. Magazines often provide their advertisers with (a) research studies; (b) editorial space; (c) a & b; (d) front page coverage; (e) none of the above.

86. In the AIDCA formula, often used to develop advertising copy, the "D" represents (a) demand; (b) desire; (c) direction; (d) all of the above; (e) none of the above.

87. Advertising placed in a special section of the paper and arranged according to product or service is called (a) specialty; (b) classified; (c) display; (d) all of the above; (e) none of the above.

88. Advertising research is used to measure the effectiveness of (a) the advertising message; (b) the medium which delivers the advertising message; (c) a & b; (d) product control; (e) none of the above.

89. One method of pretesting advertising is through (a) opinion studies; (b) triple-associates tests; (c) recognition tests; (d) all of the above; (e) none of the above.

90. The highest degree of readership in the Starch Advertisement Readership Tests is recorded as (a) completed; (b) read most; (c) seen-associated; (d) all of the above; (e) none of the above.

91. The Gallup & Robinson recall tests are used in connection with (a) radio; (b) direct mail; (c) magazines; (d) all of the above; (e) none of the above.

92. The layout that would usually give the best idea of how the printed advertisement will look is the (a) comprehensive; (b) rough; (c) thumbnail; (d) all of the above; (e) none of the above.

93. The Federal agency responsible for enforcing the federal law that prohibits false and misleading advertising is the (a) BBB; (b) ITC; (c) FTC; (d) all of the above; (e) none of the above.
94. Hooper ratings are used to measure the audience tuned in to (a) radio; (b) television; (c) a & b; (d) FM Radio channels; (e) none of the above.

95. An advertisement for which the manufacturer and the retailer usually share the cost is called (a) cooperative; (b) pro-rated; (c) trade; (d) all of the above; (e) none of the above.

96. Public utilities, such as gas, electric, and telephone companies often use (a) station advertising; (b) direct advertising; (c) indirect advertising; (d) institutional advertising; (e) none of the above.

97. Newspapers, magazines, and direct mail are major forms of (a) print media; (b) copy media; (c) intangible media; (d) all of the above; (e) none of the above.

98. The main text of an advertisement is called the (a) logo; (b) headline; (c) body copy; (d) field type; (e) none of the above.

99. The size, shape, style, and appearance of a publication, printed page, or advertisement is known as its (a) copy; (b) mat; (c) thumbnail; (d) format; (e) none of the above.

100. The four important factors in every ad campaign are establishing goals, planning the budget, executing the campaign and selecting the (a) product; (b) copy; (c) media; (d) logo; (e) none of the above.
You have just been hired as the Promotional Director for Park Lawn Shopping Center. It is a regional center located in a county which has experienced rapid growth. The county population is currently over 250,000 people. Within two years the population center of the county will be one block from the shopping center. Within eight years the center of the population will have moved about one mile south of the center. The median income puts your county on the top ten list in terms of income per capita.

The greater metropolitan area has a population of over 1,000,000 people and it is experiencing slow but steady growth.

This particular shopping center has the following characteristics:

A. Three majors
B. One mile from freeway
C. Site area is sixty-five acres
D. Size of center as percentage of total area served: 50%
E. Gross floor area: 1,200,000 square feet.
F. Number of stores: 98
G. Parking ratio: 4 to 1 (4,180) spaces
H. One Kiosk in center.

You have been given a budget of $60,000 for the first six month period (January 1 to July 1). You have a similar amount for the second six month period. It is currently November 30 and you will be expected to submit your first six month advertising plan to the Merchant's Association during the December 14 meeting. The first plan will cover January 1 to July 1.

As Promotional Director what type of plan will you submit? Major considerations in your plan might be such things as:

A. What is your immediate radius of service area?
B. What will be your "Prime Market Area"?
C. Should the current Merchant's Association dues of $20 per month be changed?
D. Is one Kiosk enough?
E. Should professional offices be added in the 4,500 square footage area currently vacant?
F. Consider other ways of generating more revenue for your yearly budget.
A. Radio:  
(AM and FM have same rates)
Prime Time  
$20.00 per 15 sec.  
$35.00 per 30 sec.  
Non-Prime  
$15.00 per 15 sec.  
$24.00 per 30 sec.  
B. Television:  
$75.00 per 15 sec.  
150.00 per 15 sec.  
$40.00 per 15 sec.  
$80.00 per 30 sec.  
C. Newspaper:  
National Rates  
80c per agate line  
$1,500 for ½ page  
Local Rates  
60c per agate line  
$1,125 for ½ page  
Circulation = 395,000  
D. Direct Mail: 20c per letter  
E. Theatre Advertising:  
$20 per evening (2 shows per evening)  
F. Local advertising paper:  
1/8 page $12.00  
1/4 page $20.00  
1/2 page $28.00  
3/4 page $36.00  
Full page $50.00  
G. Business Retail Publications:  
Sold only in quarter page sections for state issues.  
½ page = $300 - Double for National Issue  
Circulation in state = 3,750  
Circulation Nationwide = 385,650  
H. Car Card:  
Full Run $1,000 per week  
Half Run $500 per week  
I. Directory Ads:  
Same cost as Retail Business Magazine ads.  
J. Billboards:  
100 showing $850 per month  
50 showing $450 per month  
Contracts must be signed for 30 day periods.

The one unique feature about your center is the fact that it has an exclusive apparel shop for men and women. Very high price lines and quality items.
### Evaluative Items

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<tr>
<th>EVALUATIVE ITEMS</th>
<th>POOR</th>
<th>FAIR</th>
<th>GOOD</th>
<th>EXCELLENT</th>
</tr>
</thead>
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<tr>
<td>1. Has a prime market area been established?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>2. To what extent has it been defined?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>3. Have goals been established?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>4. Are the goals realistic given the budget available?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>5. Are there central ideas or focal points?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>6. Does the theme unify the campaign?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>7. Has a contingency fund been set aside?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>8. Was any effort given to determine possible results of advertising?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>9. Is there proper communications between retailers and Promotional Director?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
<tr>
<td>10. Has the campaign utilized holidays, or changes of season?</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>3 4 5 6 7 8 9 10</td>
</tr>
</tbody>
</table>

**TOTAL POINTS**

201 202
MULTIPLE CHOICE

On the answer sheet provided, mark the appropriate letter which best completes the instructions for each section.

ADDITION - Add the following columns of figures. Mark the letter of the correct answer on the answer sheet.

1. $9.18 a) $28.46  
   3.11 b) $27.47  
   .85 c) $27.46  
   5.09 d) $27.56  
   3.45 e) none of the above  
   ___73 the above

2. $ 2.66 a) $207.31  
   44.89 b) $208.31  
   8.05 c) $207.41  
   62.25 d) $207.32  
   .45 e) none of the above

3. $6.63 a) $37.43  
   3.02 b) $37.33  
   1.38 c) $38.00  
   6.79 d) $37.34  
   .56 e) none of the above  
   ___44 the above

4. $21.46 a) $136.52  
   7.29 b) $137.52  
   4.66 c) $136.62  
   22.54 d) $136.53  
   2.04 e) none of the above

5. $34.28 a) $169.36  
   .65 b) $170.45  
   30.93 c) $169.45  
   1.05 d) $169.35  
   6.73 e) none of the above  
   ___3.49 the above

6. $ 3.05 a) $38.72  
   17.68 b) $38.73  
   3.42 c) $39.72  
   9.33 d) $38.82  
   1.75 e) none of the above

7. $ 2.77 a) $31.19  
   3.49 b) $31.23  
   10.70 c) $31.18  
   2.83 d) $32.18  
   7.16 e) none of the above  
   ___4.23 the above

8. $1.38 a) $21.97  
   9.05 b) $22.97  
   3.90 c) $21.98  
   .75 d) $22.08  
   .32 e) none of the above

   ___7.41 the above
SALES CHECKS - Do the extension for each item listed on the following sales checks. Determine a subtotal, add the sales tax, and mark the letter of the correct answer on the answer sheet.

DO NOT WRITE ON TEST

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>@</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 pkg</td>
<td>Meat</td>
<td></td>
<td>4.35</td>
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<tr>
<td>4 cans</td>
<td>Soup</td>
<td></td>
<td>.17</td>
</tr>
<tr>
<td>1 can</td>
<td>Shortening</td>
<td></td>
<td>.79</td>
</tr>
<tr>
<td>2 lvs</td>
<td>Bread</td>
<td></td>
<td>.19</td>
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<tr>
<td></td>
<td></td>
<td>3% sales tax</td>
<td></td>
</tr>
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<td></td>
<td>Total</td>
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<table>
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<th>Quantity</th>
<th>Description</th>
<th>@</th>
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<tbody>
<tr>
<td>6 skns</td>
<td>Yarn</td>
<td></td>
<td>.99</td>
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<tr>
<td>8 ea.</td>
<td>Hoops</td>
<td></td>
<td>1.94</td>
</tr>
<tr>
<td>1 kit</td>
<td>Needles</td>
<td></td>
<td>13.99</td>
</tr>
<tr>
<td>2 ea.</td>
<td>Rugs</td>
<td></td>
<td>3.98</td>
</tr>
<tr>
<td>1 ea.</td>
<td>Knit Stand</td>
<td></td>
<td>2.94</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3% sales tax</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>@</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ea.</td>
<td>Hacksaw</td>
<td></td>
<td>1.75</td>
</tr>
<tr>
<td>3 Pkg</td>
<td>Blades</td>
<td></td>
<td>.79</td>
</tr>
<tr>
<td>2 pr</td>
<td>Pliers</td>
<td></td>
<td>1.47</td>
</tr>
<tr>
<td>1 ea.</td>
<td>Steel tape</td>
<td></td>
<td>4.95</td>
</tr>
<tr>
<td>1 ea.</td>
<td>Hatchet</td>
<td></td>
<td>6.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3% sales tax</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>@</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ea.</td>
<td>Helmet</td>
<td></td>
<td>16.95</td>
</tr>
<tr>
<td>1 ea.</td>
<td>Mirror</td>
<td></td>
<td>5.19</td>
</tr>
<tr>
<td>6 ea.</td>
<td>Chamoix pads</td>
<td></td>
<td>.39</td>
</tr>
<tr>
<td>2 cans</td>
<td>Wax</td>
<td></td>
<td>1.99</td>
</tr>
<tr>
<td>1 pr</td>
<td>Goggles</td>
<td></td>
<td>4.98</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3% sales tax</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 15. a) $88.24
   b) $39.33
   c) $38.23
   d) $39.23
   e) none of the above
<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>@</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 pr</td>
<td>Shoes</td>
<td>23.95</td>
<td></td>
</tr>
<tr>
<td>3 pr</td>
<td>Socks</td>
<td>1.79</td>
<td></td>
</tr>
<tr>
<td>1 ea</td>
<td>Sweater</td>
<td>7.89</td>
<td></td>
</tr>
<tr>
<td>1 ea</td>
<td>Sport coat</td>
<td>29.95</td>
<td></td>
</tr>
<tr>
<td>1 pr</td>
<td>Slacks</td>
<td>18.50</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>3% sales tax</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

### 16. a) $12.95
   b) $12.96
   c) $13.05
   d) $13.95
   e) none of the above
<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>@</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 doz</td>
<td>Lead pencils</td>
<td>.85</td>
<td></td>
</tr>
<tr>
<td>4 ea</td>
<td>Felt markers</td>
<td>.98</td>
<td></td>
</tr>
<tr>
<td>24 ea</td>
<td>Ballpoints</td>
<td>.15</td>
<td></td>
</tr>
<tr>
<td>1 set</td>
<td>Color pens</td>
<td>2.75</td>
<td></td>
</tr>
<tr>
<td>6 ea</td>
<td>Erasers</td>
<td>.10</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>3% sales tax</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

### 17. a) $31.25
   b) $32.15
   c) $31.15
   d) $31.16
   e) none of the above
<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>@</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 box</td>
<td>Envelopes</td>
<td>3.25</td>
<td></td>
</tr>
<tr>
<td>12 pkg</td>
<td>Typing paper</td>
<td>1.39</td>
<td></td>
</tr>
<tr>
<td>4 pkg</td>
<td>Carbon Paper</td>
<td>1.49</td>
<td></td>
</tr>
<tr>
<td>6 ea</td>
<td>Erasers</td>
<td>.25</td>
<td></td>
</tr>
<tr>
<td>3 doz</td>
<td>Lead pencils</td>
<td>.95</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>3% sales tax</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

### 18. a) $45.69
   b) $46.68
   c) $45.78
   d) $45.68
   e) none of the above
<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>@</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 pr</td>
<td>Tennis Shoes</td>
<td>6.95</td>
<td></td>
</tr>
<tr>
<td>1 ea</td>
<td>Basketball</td>
<td>7.95</td>
<td></td>
</tr>
<tr>
<td>3 pr</td>
<td>Socks</td>
<td>1.79</td>
<td></td>
</tr>
<tr>
<td>1 ea</td>
<td>Case</td>
<td>12.75</td>
<td></td>
</tr>
<tr>
<td>2 pr</td>
<td>Socks</td>
<td>2.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>3% sales tax</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

### 19. a) $12.80
   b) $11.80
   c) $11.31
   d) $11.90
   e) none of the above
<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description</th>
<th>@</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 sets</td>
<td>Locks</td>
<td>2.69</td>
<td></td>
</tr>
<tr>
<td>4 ea</td>
<td>Casters</td>
<td>.66</td>
<td></td>
</tr>
<tr>
<td>2 ea</td>
<td>Shelf hooks</td>
<td>.54</td>
<td></td>
</tr>
<tr>
<td>1 ea</td>
<td>Drawer slide</td>
<td>.95</td>
<td></td>
</tr>
<tr>
<td>3 pr</td>
<td>Clasps</td>
<td>.47</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>3% sales tax</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>
### Checking the Cash Register

In each of the questions, add the total voided receipts and the total amount paid out to the amount in the cash drawer. Compare your answer with the clerk's total cash sales as shown on the audit tape. Shortages are indicated with an "S"; Overages are indicated with an "O". Mark the letter of the correct answer on the answer sheet.

<table>
<thead>
<tr>
<th>Cash In drawer (after removal of change fund)</th>
<th>Total voided receipts</th>
<th>Total paid-outs</th>
<th>Clerk's total cash sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>21. $493.63</td>
<td>$8.12</td>
<td>$25.90</td>
<td>$527.65</td>
</tr>
<tr>
<td>22. $357.35</td>
<td>14.18</td>
<td>3.75</td>
<td>$365.23</td>
</tr>
<tr>
<td>23. $290.65</td>
<td>0.00</td>
<td>1.85</td>
<td>292.50</td>
</tr>
<tr>
<td>24. $81.78</td>
<td>3.58</td>
<td>0.00</td>
<td>85.35</td>
</tr>
<tr>
<td>25. $423.18</td>
<td>0.00</td>
<td>0.00</td>
<td>428.18</td>
</tr>
<tr>
<td>26. $942.38</td>
<td>6.35</td>
<td>23.65</td>
<td>972.14</td>
</tr>
<tr>
<td>27. $179.70</td>
<td>2.87</td>
<td>.45</td>
<td>182.39</td>
</tr>
<tr>
<td>28. $365.80</td>
<td>0.00</td>
<td>2.80</td>
<td>358.60</td>
</tr>
<tr>
<td>29. $421.89</td>
<td>0.00</td>
<td>0.00</td>
<td>421.98</td>
</tr>
<tr>
<td>30. $761.30</td>
<td>3.90</td>
<td>1.00</td>
<td>766.20</td>
</tr>
</tbody>
</table>

21. a) $527.66  b) $527.55  c) $528.65  d) $527.65  e) none of the above

22. a) $375.28  b) $375.18  c) $365.28  d) $365.18  e) none of the above

23. a) $292.40  b) $292.50  c) $293.50  d) $292.51  e) none of the above

24. a) $85.36  b) $85.35  c) $85.34  d) $85.26  e) none of the above

25. a) $423.18  b) $428.17  c) $428.28  d) $423.18  e) none of the above

26. a) $972.38  b) $972.04  c) $972.38  d) $972.14  e) none of the above

27. a) $183.02  b) $182.02  c) $182.39  d) $183.02  e) none of the above

28. a) $358.50  b) $368.61  c) $358.60  d) $368.60  e) none of the above

29. a) $421.97  b) $422.00  c) $421.89  d) $421.98  e) none of the above

30. a) $292.40  b) $292.50  c) $293.50  d) $292.51  e) none of the above
30. a) $767.20
b) $766.10-S
c) $767.20-0
d) $766.20
e) none of the above

AMOUNT IN CASH REGISTER - Calculate the amount in each of the following situations. Mark the letter of the correct answer on the answer sheet.

<table>
<thead>
<tr>
<th></th>
<th>1c</th>
<th>5c</th>
<th>10c</th>
<th>20c</th>
<th>50c</th>
<th>$1</th>
<th>$5</th>
<th>$10</th>
<th>$20</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.</td>
<td>80</td>
<td>85</td>
<td>95</td>
<td>130</td>
<td>123</td>
<td>18</td>
<td>5</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>32.</td>
<td>213</td>
<td>115</td>
<td>86</td>
<td>52</td>
<td>40</td>
<td>27</td>
<td>17</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>33.</td>
<td>76</td>
<td>11</td>
<td>93</td>
<td>178</td>
<td>162</td>
<td>38</td>
<td>15</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>34.</td>
<td>296</td>
<td>315</td>
<td>187</td>
<td>62</td>
<td>275</td>
<td>114</td>
<td>28</td>
<td>16</td>
<td>9</td>
</tr>
<tr>
<td>35.</td>
<td>312</td>
<td>45</td>
<td>86</td>
<td>45</td>
<td>75</td>
<td>69</td>
<td>35</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>36.</td>
<td>115</td>
<td>98</td>
<td>67</td>
<td>54</td>
<td>16</td>
<td>40</td>
<td>70</td>
<td>12</td>
<td>19</td>
</tr>
</tbody>
</table>

31. a) $341.55
b) $342.55
c) $341.56
d) $341.65
e) none of the above

32. a) $302.48
b) $301.49
c) $301.48
d) $301.58
e) none of the above

33. a) $639.21
b) $640.11
c) $639.12
d) $639.11
e) none of the above

34. a) $784.51
b) $785.41
c) $784.41
d) $784.42
e) none of the above

35. a) $1,136.72
b) $1,137.72
c) $1,136.73
d) $1,136.82
e) none of the above

36. a) $924.25
b) $924.26
c) $925.25
d) $924.35
e) none of the above

AVERAGES - Calculate the average number of each denomination in the six cash registers represented in Questions 31-36. Mark the letter of the correct answer on the answer sheet.

37. $20 bills
a) 10.5
b) 11.5
c) 10.6
d) 10.4
e) none of the above

38. $10 bills
a) 14.6
b) 15.5
c) 14.5
d) 14.4
e) none of the above

39. $5 bills
a) 37.5
b) 37.0
c) 38.5
d) 37.4
e) none of the above

40. $1 bills
a) 52.0
b) 51.5
c) 51.0
d) 51.4
e) none of the above

41. Halves
a) 115.167
b) 115.267
c) 116.167
d) 115.166
e) none of the above

42. Quarters
a) 84.63
b) 83.63
c) 83.64
d) 83.73
e) none of the above
### 43. Dimes
- a) 102.34
- b) 102.43
- c) 103.33
- d) 102.33
- e) none of the above

### 44. Nickels
- a) 111.6
- b) 112.0
- c) 111.5
- d) 111.4
- e) none of the above

**FRACTIONS** - Add the following columns of fractions. First reduce all fractions in a problem to their least common denominator. Give your answer in lowest terms (thus: \( \frac{4}{6} = \frac{2}{3} \)). Mark the letter of the correct answer on the answer sheet.

<table>
<thead>
<tr>
<th>45.</th>
<th>2/3</th>
<th>a) 2 1/6</th>
<th>46.</th>
<th>1/3</th>
<th>a) 2 46/60</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1/6</td>
<td>b) 3 1/6</td>
<td></td>
<td>1/3</td>
<td>b) 2 2/3</td>
</tr>
<tr>
<td></td>
<td>1/3</td>
<td>c) 2 2/12</td>
<td></td>
<td>1/3</td>
<td>c) 2 47/60</td>
</tr>
<tr>
<td></td>
<td>2/6</td>
<td>d) 1 1/6</td>
<td></td>
<td>2/6</td>
<td>d) 1 19/20</td>
</tr>
<tr>
<td></td>
<td>6/10</td>
<td>e) none of the above</td>
<td></td>
<td>6/10</td>
<td>e) none of the above</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>47.</th>
<th>2/1</th>
<th>a) 3 3/6</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2/9</td>
<td>b) 2 5/63</td>
</tr>
<tr>
<td></td>
<td>4/7</td>
<td>c) 2 4/63</td>
</tr>
<tr>
<td></td>
<td>6/9</td>
<td>d) 2 6/63</td>
</tr>
<tr>
<td></td>
<td>1/3</td>
<td>e) none of the above</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>48.</th>
<th>1/8</th>
<th>a) 2 1/12</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1/4</td>
<td>b) 2 1/24</td>
</tr>
<tr>
<td></td>
<td>1/6</td>
<td>c) 1 2/24</td>
</tr>
<tr>
<td></td>
<td>2/2</td>
<td>d) 2 10/24</td>
</tr>
<tr>
<td></td>
<td>1/2</td>
<td>e) none of the above</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>49.</th>
<th>3/4</th>
<th>a) 2 6/8</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4/8</td>
<td>b) 2 12/16</td>
</tr>
<tr>
<td></td>
<td>3/8</td>
<td>c) 2 2/4</td>
</tr>
<tr>
<td></td>
<td>5/8</td>
<td>d) 2 3/4</td>
</tr>
<tr>
<td></td>
<td>3/6</td>
<td>e) none of the above</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>50.</th>
<th>4/8</th>
<th>a) 2 1/2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2/6</td>
<td>b) 3 1/12</td>
</tr>
<tr>
<td></td>
<td>6/8</td>
<td>c) 1 1/2</td>
</tr>
<tr>
<td></td>
<td>4/6</td>
<td>d) 3 3/12</td>
</tr>
<tr>
<td></td>
<td>5/6</td>
<td>e) none of the above</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>51.</th>
<th>9/10</th>
<th>a) 2 40/70</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2/7</td>
<td>b) 1 4/7</td>
</tr>
<tr>
<td></td>
<td>2/5</td>
<td>c) 2 41/70</td>
</tr>
<tr>
<td></td>
<td>3/10</td>
<td>d) 2 42/70</td>
</tr>
<tr>
<td></td>
<td>7/10</td>
<td>e) none of the above</td>
</tr>
</tbody>
</table>
CALCULATING INVENTORY - Calculate the value of each item in the inventory below. In Question 65, give the total value of the inventory in questions 53-64. Mark the letter of the correct answers on the answer sheet.

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>53. Typing Paper</td>
<td>39</td>
<td>ream</td>
<td>$4.37</td>
</tr>
<tr>
<td>54. Clasp envelopes</td>
<td>18</td>
<td>box</td>
<td>$3.65</td>
</tr>
<tr>
<td>55. Filler Paper</td>
<td>23</td>
<td>pkg</td>
<td>$0.89</td>
</tr>
<tr>
<td>56. Second sheets</td>
<td>42</td>
<td>pkg</td>
<td>$1.68</td>
</tr>
<tr>
<td>57. Onionskin paper</td>
<td>32</td>
<td>pkg</td>
<td>$1.53</td>
</tr>
<tr>
<td>58. Paper punch</td>
<td>23</td>
<td>each</td>
<td>$1.29</td>
</tr>
<tr>
<td>59. Typing paper</td>
<td>71</td>
<td>pad</td>
<td>$0.74</td>
</tr>
<tr>
<td>60. Lead pencils</td>
<td>13</td>
<td>doz</td>
<td>$0.85</td>
</tr>
<tr>
<td>61. Colored pencils</td>
<td>28</td>
<td>set</td>
<td>$2.25</td>
</tr>
<tr>
<td>62. Bond paper</td>
<td>47</td>
<td>ream</td>
<td>$3.88</td>
</tr>
<tr>
<td>63. Marking pencils</td>
<td>24</td>
<td>doz</td>
<td>$1.68</td>
</tr>
<tr>
<td>64. Desk calendar</td>
<td>34</td>
<td>each</td>
<td>$2.27</td>
</tr>
</tbody>
</table>

53. a) $170.53  b) $171.33  c) $169.43  d) $170.43  e) none of the above
54. a) $64.80  b) $65.70  c) $66.70  d) $65.71  e) none of the above
55. a) $20.57  b) $20.47  c) $21.47  d) $20.48  e) none of the above
56. a) $70.56  b) $71.66  c) $70.57  d) $70.46  e) none of the above
57. a) $48.86  b) $49.96  c) $49.06  d) $48.96  e) none of the above
58. a) $30.57  b) $29.67  c) $29.57  d) $29.77  e) none of the above
59. a) $53.54  b) $52.44  c) $52.54  d) $52.64  e) none of the above
60. a) $11.04  b) $12.05  c) $11.05  d) $11.15  e) none of the above
61. a) $63.00  b) $63.10  c) $64.00  d) $62.99  e) none of the above
62. a) $183.36  b) $182.46  c) $182.16  d) $182.36  e) none of the above
63. a) $41.32  b) $40.32  c) $40.42  d) $40.12  e) none of the above
64. a) $78.18  b) $77.28  c) $77.08  d) $77.18  e) none of the above
CALCULATING INVENTORY - Calculate the value of the net count of each item in the following inventory. Remember to deduct the number sold from the initial quantity to determine the net count. Mark the letter of the correct answer on the answer sheet.

<table>
<thead>
<tr>
<th>Items</th>
<th>Initial Quantity</th>
<th>Unit</th>
<th>Quantity Sold</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>66. Index Files</td>
<td>23</td>
<td>each</td>
<td>7</td>
<td>$3.72</td>
</tr>
<tr>
<td>67. File Trays</td>
<td>35</td>
<td>each</td>
<td>3</td>
<td>4.50</td>
</tr>
<tr>
<td>68. Pencil erasers</td>
<td>59</td>
<td>each</td>
<td>16</td>
<td>.18</td>
</tr>
<tr>
<td>69. Notebook paper</td>
<td>47</td>
<td>pkg</td>
<td>14</td>
<td>.39</td>
</tr>
<tr>
<td>70. Pen points</td>
<td>14</td>
<td>doz</td>
<td>8</td>
<td>.47</td>
</tr>
<tr>
<td>71. Colored pencils</td>
<td>19</td>
<td>set</td>
<td>7</td>
<td>2.25</td>
</tr>
<tr>
<td>72. Lead pencils</td>
<td>98</td>
<td>each</td>
<td>27</td>
<td>.19</td>
</tr>
<tr>
<td>73. Filler paper</td>
<td>72</td>
<td>pkg</td>
<td>14</td>
<td>.89</td>
</tr>
<tr>
<td>74. Typing paper</td>
<td>48</td>
<td>pad</td>
<td>12</td>
<td>1.37</td>
</tr>
<tr>
<td>75. Paper punch</td>
<td>37</td>
<td>each</td>
<td>8</td>
<td>1.29</td>
</tr>
</tbody>
</table>

66. a) $59.42       67. a) $144.00       68. a) $7.47
b) $59.52          b) $143.00          b) $8.47
c) $60.52          c) $144.10          c) $7.37
d) $59.62          d) $144.01          d) $7.57
e) none of the above e) none of the above e) none of the above

69. a) $13.87       70. a) $2.72        71. a) $28.00
b) $12.67          b) $3.82          b) $27.00
c) $12.97          c) $2.82          c) $27.01
d) $12.87          d) $2.92          d) $27.10
e) none of the above e) none of the above e) none of the above

72. a) $12.49       73. a) $51.52       74. a) $49.22
b) $13.49          b) $51.72          b) $49.32
c) $13.59          c) $51.62          c) $50.32
d) $13.39          d) $52.62          d) $49.33
e) none of the above e) none of the above e) none of the above

75. a) $37.41
b) $37.31
c) $27.42
d) $38.41
e) none of the above
PERCENTAGES - Find the percentage of each of the following. Mark the letter of the correct answer on the answer sheet.

76. 28% of $245
   a) 68.60
   b) 68.61
   c) 68.70
   d) 69.60
   e) none of the above

77. 12% of $240
   a) 29.80
   b) 28.70
   c) 28.81
   d) 28.80
   e) none of the above

78. 26% of $2,816.50
   a) 732.30
   b) 732.39
   c) 733.29
   d) 732.29
   e) none of the above

79. 21.4% of $246.80
   a) 52.83
   b) 52.82
   c) 53.82
   d) 52.92
   e) none of the above

80. 8 1/2% of $500
   a) 42.60
   b) 42.51
   c) 42.50
   d) 43.50
   e) none of the above

81. 26% of $500
   a) 130.00
   b) 130.10
   c) 130.20
   d) 130.30
   e) none of the above

82. 32.8% of $190
   a) 62.33
   b) 62.42
   c) 62.32
   d) 63.32
   e) none of the above

83. 12% of $480
   a) 57.61
   b) 57.60
   c) 58.60
   d) 57.70
   e) none of the above

84. 215% of $80
   a) 172.01
   b) 172.10
   c) 173.00
   d) 172.00
   e) none of the above

85. 21% of $96.27
   a) 20.32
   b) 21.22
   c) 20.22
   d) 20.12
   e) none of the above

MARKUP - Find the dollar markup for the following problem. Mark the letter of the correct answer on the answer sheet.

86. A buyer purchased a job lot of 30 ladies dresses that were marked up 37% on retail. Thirty dresses are sold for $12.95, 20 dresses for $16.95, and the balance for only $10.00. What was the total dollar markup received?
   a) 380.27
   b) 380.17
   c) 381.17
   d) 380.07
   e) none of the above
COST OF RETAIL - Find the cost of retail as indicated in the following problems. Mark the letter of the correct answer on the answer sheet.

87. Hats that cost $22 a dozen are marked up to realize a markup of 40% retail. Retail is ______ per hat.
   a) 3.05  
   b) 3.15  
   c) 3.04  
   d) 4.05  
   e) none of the above

88. A merchant wanted to sell an iron as a Mother's Day item for $8.88. A 28% markup on retail is wanted. What should be paid for the iron?
   a) 7.39  
   b) 6.49  
   c) 6.39  
   d) 6.29  
   e) none of the above

89. A buyer was offered a chair for $90 cost. The salesperson told the buyer that the markup could be 30% of cost. What should the chair retail for?
   a) 117.00  
   b) 117.10  
   c) 118.00  
   d) 117.01  
   e) none of the above

90. How much can a buyer pay for an item to be sold for $10.99, reflecting a markup of 38% retail?
   a) 7.81  
   b) 6.81  
   c) 6.91  
   d) 6.82  
   e) none of the above

91. Handbags were purchased for $5.75 each. The buyer wants a 37.5% markup. What should be the selling price for each handbag?
   a) 10.20  
   b) 9.20  
   c) 9.21  
   d) 9.30  
   e) none of the above

92. If scarves cost $1.75 and the buyer needs a 50% markup on retail, what retail price should be placed on the scarves?
   a) 3.51  
   b) 4.50  
   c) 3.60  
   d) 3.50  
   e) none of the above

PRICING - Find the missing item in each of the following. Mark the letter of the correct answer on the answer sheet.

<table>
<thead>
<tr>
<th>Cost</th>
<th>Initial Markup</th>
<th>Original Retail</th>
<th>Markdown</th>
<th>Maintained Markup</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10.00</td>
<td>$8.00</td>
<td>(#93)</td>
<td>$5.00</td>
<td>(#94)</td>
</tr>
<tr>
<td>(#95)</td>
<td>$13.00</td>
<td>$28.00</td>
<td>none</td>
<td>(#96)</td>
</tr>
<tr>
<td>$60.00</td>
<td>(#97)</td>
<td>$115.00</td>
<td>$35.00</td>
<td>(#98)</td>
</tr>
</tbody>
</table>

93. a) 13.00  
   b) 17.00  
   c) 18.10  
   d) 18.01  
   e) none of the above

94. a) 3.10  
   b) 3.00  
   c) 4.00  
   d) 3.01  
   e) none of the above

95. a) 15.10  
   b) 14.00  
   c) 15.00  
   d) 15.01  
   e) none of the above
A buyer marked down a refrigerator that was originally priced at $499 to $429. 99. What was the percent of markdown on the original price? 100. What was the percent of markdown of the sales price?

99. a) 14.12%  b) 14.02%  c) 14.03%  d) 15.02%  e) none of the above
100. a) 16.32%  b) 17.32%  c) 16.33%  d) 16.42%  e) none of the above
WRITTEN EVENT

OCCUPATIONAL CATEGORY: General Merchandise

INSTRUCTIONAL AREA: Merchandising

TRUE/FALSE

Indicate whether the statements are true or false by marking "A" for true and "B" for false.

1. The buyer's job is to buy and sell goods that contribute to the firm's profits.
A

2. A buyer does not have to be alert to what competing stores are doing if the best buy at the lowest price from suppliers is sought.
B

3. A buyer may sell items in such large quantities that a small profit on each item will add up to a sizable total profit.
A

4. Buyers in a department store are like industrial buyers because their main purchases are materials, equipment, and supplies that are used in the operation of the firm.
A

5. A buyer normally turns the major responsibilities for merchandise training over to the personnel or training department.
A

6. Customer desires and requests that are expressed to salespeople are of little value to a buyer.
B

7. Orderly stockkeeping has a positive effect on customers, influencing them to buy.
A

8. Each buyer must carefully watch sales, stock, and purchases so that the merchandise budget set up for the department is not exceeded.
A

9. A buyer is held responsible for inventory shortages.
A

10. Controlling merchandise and departmental budgets is a task a buyer performs.
A

11. Communication of policy is left to top management; it is not a function of a buyer.
B

12. Errors on the sales floor can be reduced through the proper training of salespeople.
A
13. A buyer is not responsible for the selling of merchandise on the sales floor.

14. A buyer gets the best results from advertising and promotion when concentrating on promoting profitable merchandise with proven sales appeal.

15. Sales records from previous years are more valuable to a buyer when placing orders for fashion goods than when ordering staple goods.

16. A basic stock list indicates the minimum amount of stock that should be on hand in a department or store.

17. A seasonal buying calendar indicates when buying should begin and end for special events; such as Thanksgiving, Easter, and June weddings.

18. Want slips are a valuable indication of what has been sold.

19. A fashion coordinator is a specialist who advises the merchandising and advertising divisions on style trends.

20. A successful store must make a fair profit.

21. Many stores follow a price-linking policy; that is, they limit the number of prices at which a particular type of merchandise is offered for sale.

22. A buyer must be impartial and consider a product from the customers' viewpoint rather than rely on personal tastes and dislikes.

23. Hand-to-mouth buying always indicates inexperience on the part of a buyer.

24. Hand-to-mouth buying allows a buyer the benefits of discounts usually given on large-quantity purchases.

25. Seasonal buying is usually done well in advance of a season.

26. Buyers are most likely to sample staple goods--not fashion goods.

27. A buyer must study and get to know as much as possible about suppliers and potential suppliers.

28. A resource file card is an excellent reference that a new buyer can study to learn about merchandise resources.

29. The price of goods determines whether a buyer should buy the merchandise. Discounts and delivery charges can be determined later.
30. A vendor's diary contains records of a buyer's experience with each principal resource.

31. Extra money paid to an employee that may depend on the store's profit for a particular period is called a bonus.

32. It is legal for manufacturers to charge buyers different prices for the same merchandise.

33. Suppliers often offer help to buyers in arranging for local retail advertisements and store displays.

34. Buyers of staple goods often deal directly with manufacturers so they can get prompt delivery of the newest styles.

35. Some manufacturers have minimum order requirements that all but eliminate the small retailers who operate on a hand-to-mouth basis.

36. A credit period is based on the date appearing on a bill or invoice and is called advance dating.

37. The percentage of a price that a seller allows a buyer to deduct if the bill is paid within a certain period is called the chain of discount.

38. ROG refers to credit terms that apply from the date goods are received by a buyer.

39. The percentage of a price that a seller allows a buyer to deduct if the bill is paid within a certain period is called the cash discount.

40. An experienced buyer realizes that free deals and quantity discounts can often result in overstocking.

MULTIPLE CHOICE

On the answer sheet provided, mark the appropriate letter which best completes the statement or answer the question.

42. Physical distribution (a) adds value to a product; (b) increases marketing costs; (c) a & b; (d) lowers marketing costs; (e) none of the above.

43. One of the first and oldest carriers in this country is the (a) water carrier; (b) freight forwarder; (c) motor carrier; (d) all of the above; (e) none of the above.

44. A carrier that provides service to any shipper at published rates is called a (a) contract carrier; (b) common carrier; (c) private carrier; (d) all of the above; (e) none of the above.

45. The company to which a shipment is sent is called the (a) consignee; (b) shipper; (c) carrier; (d) all of the above; (e) none of the above.
46. Which of the following does not describe a buyer in the industrial market? (a) purchases goods in large amounts; (b) makes impulsive buying decisions; (c) is well informed about products; (d) has the support and approval of several people before making buying decisions; (e) none of the above.

47. The fastest growing segment of the wholesaling industry consists of (a) merchant wholesalers; (b) manufacturers' sales branches and offices; (c) agents and brokers; (d) wholesale mail-order houses; (e) all of the above.

48. The middleman who takes title to the goods and performs a full range of wholesaling services is the (a) manufacturer's sales branch; (b) agent; (c) merchant wholesaler; (d) commission merchant; (e) retailer.

49. Which of the following groups of wholesaling jobs does not offer entry-level employment opportunities? (a) merchandise-handling occupations; (b) selling and promotion occupations; (c) office, secretarial, and recordkeeping occupations; (d) buying specialists' and managers' occupations; (e) none of the above.

50. The width of a channel of distribution depends on (a) the number of middlemen used; (b) the geographic area of distribution; (c) how widely the product is to be distributed; (d) the amount of possession utility added by wholesalers; (e) all of the above.

51. Product planning is a process of (a) obtaining information that will help plan ahead for profitable sales; (b) deciding on the items to carry as private brands; (c) buying the correct quantity to ensure the most profit with the least risk; (d) anticipating what customers want and ordering it in time to meet the demand; (e) none of the above.

52. The channel of distribution is (a) the flow of merchandise and records through a distribution center; (b) the course followed in transferring ownership of goods from the producer to the consumer; (c) the transportation routes selected for delivery from the manufacturer to the wholesaler; (d) none of the above; (e) all of the above.

53. The choice of a channel of distribution depends primarily on (a) available middlemen; (b) the market; (c) the product; (d) the length of the channel; (e) none of the above.

54. Which is the least important consideration for the manufacturer when deciding which channel of distribution to use? (a) efficiency of operation; (b) economy of operation; (c) selling skill of middlemen; (d) location of warehouse; (e) all of the above.
55. The length of a channel of distribution depends on (a) the number of middlemen used; (b) how widely the product is to be distributed; (c) how intensively the product is to be distributed; (d) the amount of value added by wholesalers; (e) none of the above.

56. The wholesale employee who normally checks orders for correctness and accuracy is a (a) sales correspondent; (b) billing clerk; (c) credit clerk; (d) traffic clerk; (e) all of the above.

57. Wholesale sales reps give assistance in setting up displays by (a) giving advice on display techniques; (b) recommending displays of related products; (c) supplying point-of-purchase advertising materials; (d) all of the above; (e) none of the above.

58. When the expense of advertising is shared by manufacturers of brand-name products and their retailers and wholesalers the process is called (a) point-of-purchase advertising; (b) consumer advertising; (c) cooperative advertising; (d) direct-line advertising; (e) all of the above.

59. A group of independent retailers who agree to cooperate with a wholesaler in buying, advertising, and other activities is a (a) wholesaler-sponsored voluntary chain; (b) wholesaling cooperative; (c) dealer-owned wholesaler; (d) chain wholesaler; (e) none of the above.

60. A packing slip is especially important to the (a) receiving clerk; (b) shipping clerk; (c) driver; (d) all of the above; (e) none of the above.

61. The invoice is usually prepared by the (a) carrier; (b) shipper; (c) consignee; (d) all of the above; (e) none of the above.

62. Most bills of lading are uniform straight bills of lading, and they are non-negotiable. When the bill of lading is negotiable, it is called (a) an assigned bill; (b) an order bill; (c) a shipper's bill; (d) all of the above; (e) none of the above.

63. There are three ways to check an incoming shipment: the open check, the blind check, and the (a) closed check; (b) invoice check; (c) spot check; (d) all of the above; (e) none of the above.

64. When receiving clerks have a copy of the invoice or purchase order as they make their check, they are using the (a) open check; (b) spot check; (c) blind check; (d) all of the above; (e) none of the above.

65. After receiving clerks have completed their check of an incoming shipment, they prepare a (a) purchase order; (b) packing list; (c) receiving report; (d) all of the above; (e) none of the above.
66. When purchasing agents receive the receiving report, they compare it with the (a) invoice; (b) purchase order; (c) packing slip; (d) all of the above; (e) none of the above.

67. The bill of lading may be prepared by (a) the shipper; (b) the carrier; (c) either party; (d) receiving clerk; (e) none of the above.

68. After the carrier has performed its transportation service, it sends the consignee a bill for shipping charges. This bill is called (a) bill of lading; (b) freight bill; (c) waybill; (d) all of the above; (e) none of the above.

69. When a truck trailer or freight car is detained beyond a certain free time for unloading, (a) demurrage charges may apply; (b) the carrier may remove its equipment; (c) the carrier should help unload the shipment.

70. A ton-mile is (a) one ton of freight; (b) freight moved one mile; (c) one ton of freight moved one mile; (d) none of the above; (e) all of the above.

71. In terms of ton-miles moved in intercity freight, the largest carrier is (a) the railroad; (b) motor freight; (c) pipelines; (d) all of the above; (e) none of the above.

72. Intrastate trucking refers to shipments carried (a) from one state to another; (b) from Canada to the United States; (c) from one point to another within a state; (d) none of the above; (e) all of the above.

73. Railroad freight is often faster and more reliable than motor freight. However, the railroads lose some of this advantage when they are unable to (a) offer door-to-door delivery; (b) equal the motor carriers' lower rate; (c) provide the proper type of equipment; (d) all of the above; (e) none of the above.

74. A freight forwarder is particularly useful to a (a) large shipper; (b) coal company; (c) small shipper; (d) all of the above; (e) none of the above.

75. Freight forwarders consolidate many small shipments into one large shipment. The large shipment is big enough (a) to go by air freight; (b) to fill a steamship; (c) to get the lower carload rate; (d) all of the above; (e) none of the above.

76. When a shipper uses a freight forwarder, who is responsible for the shipment from the beginning to the end of the journey? (a) the shipper, who should insure the shipment; (b) the freight forwarder; (c) the carrier that actually transports the goods; (d) all of the above; (e) none of the above.
77. One of the principal advantages a water carrier offers shippers is (a) greater protection from possible theft in transit, (b) low rates, (c) less damage from rough handling.

78. A chief disadvantage of water carriers is (a) they are affected by extreme weather conditions, (b) they serve only a limited number of points, (c) there is a greater risk of labor trouble.

79. With the development of larger cargo planes, the air carriers have (a) lowered rates, (b) increased rates, (c) neither.

80. The material handler picks stock using a (a) stock requisition, (b) purchase requisition, (c) bill of lading.

81. If material handlers find there is an insufficient quantity of an item on hand to fill an order, they (a) fill part of the order, (b) cancel the order, (c) substitute similar items to complete the order.

82. In preparing a label for a package, the shipper's address should be (a) located in the upper left-hand corner; (b) centered and slightly to the right; (c) located in the lower right-hand corner; (d) located in the upper right-hand corner; (e) none of the above.

83. When wholesalers buy many products and store them in a warehouse so that customers can come to one place to select the merchandise they need, they are creating (a) inventory control; (b) time utility; (c) possession utility; (d) place utility; (e) none of the above.

84. The person usually responsible for picking orders in a warehouse is the (a) shipping clerk; (b) inventory clerk; (c) order verifier; (d) order selector; (e) none of the above.

85. The process of keeping a constant record of every item in stock is (a) automated stock control; (b) physical inventory; (c) perpetual inventory; (d) direct check; (e) none of the above.

86. In order to promote the sale of the company's products, a wholesale salesperson must help customers to increase their sales. To do this, the salesperson (a) provides assistance in buying; (b) provides assistance in selling; (c) provides assistance in pricing; (d) all of the above; (e) none of the above.

87. Advertisements placed in trade magazines to build good will and an image of the company without mentioning a specific product are called (a) cooperative ads; (b) industry ads; (c) institutional ads; (d) specialty ads; (e) none of the above.
88. Advertising that employs useful articles imprinted with the wholesaler's name and address along with a sales message is (a) specialty advertising; (b) direct-mail advertising; (c) institutional ads; (d) specialty ads; (e) none of the above.

89. Which of the following is not considered a wholesaling specialist? (a) broker; (b) rack jobber; (c) merchant wholesaler; (d) grain elevator operator; (e) none of the above.

90. Which of the following is a characteristic of a broker? (a) takes title to the goods; (b) works primarily for buyers; (c) deals in one type of product; (d) maintains constant relationship with firms he or she represents; (e) none of the above.

91. A wholesaling specialist who buys in small quantities from a large number of suppliers and sells in large quantities to a few customers is (a) commission merchant; (b) broker; (c) assembler; (d) jack robber; (e) none of the above.

92. Which of the following does not describe results of a modern wholesale trend? (a) single-story distribution center; (b) mechanized physical-handling equipment; (c) multiple-story warehouse; (d) automated data processing; (e) none of the above.

93. A weight agreement (a) saves the shipper's time; (b) saves the consignee's time; (c) a & b; (d) inventory time; (e) none of the above.

94. A class rate and a commodity rate (a) are the same thing; (b) are never identical; (c) may be different; (d) one is twice the other; (e) none of the above.

95. If a shipper in New York quotes the price of a product as f.o.b. destination to a consignee in Kansas City, the freight charges would be paid by the (a) consignee; (b) shipper; (c) carrier; (d) merchant; (e) none of the above.

96. When a shipper wants the carrier to collect for the price of the goods before making delivery, the shipment is sent (a) f.o.b. destination; (b) f.o.b. carrier's office; (c) c.o.d.; (d) c.o.d. termination; (e) none of the above.

97. If a company has a private railroad siding, the primary responsibility for loading freight cars placed there belongs to the (a) railroad freight agent; (b) railroad brakeman; (c) the shipping clerk; (d) all of the above; (e) none of the above.

98. A pallet is (a) the roof of your mouth; (b) a tempting morsel of food; (c) a platform; (d) a blanket; (e) none of the above.

99. Pallets are used (a) to store and move merchandise; (b) to protect merchandise from the weather; (c) to heat the warehouse; (d) promote the goods; (e) none of the above.

100. To move large loads on pallets requires the use of (a) strong muscles; (b) conveyors; (c) forklift trucks; (d) all of the above; (e) none of the above.
INSTRUCTIONS:

Answer the following ten questions for each commercial, choosing the best answer. On your answer key - any number ending in the digit 1 (i.e. 11, 21, 31, 41, 51, 61, 71, 81, 91, will answer question 1) This will apply to 2, 3, 4, etc.

1. Identify the target market, the advertisement appeals to.
   - A. 5-12 years of age
   - B. 13-25 years of age
   - C. 25-40 years of age
   - D. 41 & over
   - F. All of the above.

2. Under which type of appeal would you classify the commercial?
   - A. Rational
   - B. Emotional
   - C. Aesthetic
   - D. Sensory
   - E. None of the above

3. The appeal of this ad is:
   - A. Local
   - B. National
   - C. Regional
   - D. Specific
   - E. None of the above

4. The following commercial was an example of:
   - A. The straight sell
   - B. The educational
   - C. The testimonial
   - D. Dramatization
   - E. None of the above

5. This ad convinces the customer to act through:
   - A. Repetition
   - B. Association
   - C. Composition
   - D. Symmetry
   - E. None of the above
Advertising test (cont.)

6. The endorser for this commercial is:
   A. Paid personality
   B. Created
   C. Unbiased
   D. U.C. Advertising Council
   E. None of the above

7. The format for this commercial was:
   A. Positive
   B. Demonstration
   C. Integrated
   D. Mass Audience
   E. None of the above

8. This commercial would be best shown during:
   A. Early morning
   B. Afternoon
   C. Prime time
   D. Late evening
   E. All of the above

9. This commercial is within the constraints set by the law of the unattainable triad.
   True or False

10. The cost of producing this commercial was:
    A. Very top range
    B. Significant
    C. Average
    D. Below average
    E. Very economical
JUDGES INSTRUCTIONS: Circle the number which best measures the participant's performance in each category.

<table>
<thead>
<tr>
<th>CASE</th>
<th>How to show interest in others</th>
<th>Inappropriate or No response</th>
<th>Indifferent Attitude; Shows no Interest in Customer</th>
<th>Careless Attitude &amp; Interest in Customer</th>
<th>Commencing The positive attitude &amp; some interest in the customer</th>
<th>Positive Attitude Sincere Interest in Customer</th>
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<tr>
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<table>
<thead>
<tr>
<th>Handling Customers</th>
<th>Inappropriate or No response</th>
<th>Ineffective in handling of customer</th>
<th>Shows some effect in handling customer</th>
<th>Effectiveness evident in handling customer</th>
<th>Very effective in handling of customers</th>
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</thead>
<tbody>
<tr>
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<td>4</td>
<td>7</td>
<td>10</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Maintain Objective Point of view</th>
<th>Inappropriate or No response</th>
<th>Unable to evaluate the situation accurately</th>
<th>Able to evaluate situation that Inability &amp; takes appropriate action to solve problem appropriately</th>
<th>Resign to know facts, evaluates the situation &amp; action taken</th>
<th>Positive &amp; Effective evaluation of situation &amp; action taken</th>
</tr>
</thead>
<tbody>
<tr>
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<td>4</td>
<td>7</td>
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</table>

<table>
<thead>
<tr>
<th>Misrepresentation of people, products &amp; policies</th>
<th>Inappropriate or No response</th>
<th>Does not represent store's motto, goals, &amp; image</th>
<th>Shows little consideration of store's motto, goals, &amp; image</th>
<th>Good representation of store's motto, goals, &amp; image</th>
<th>Positive &amp; Effective display of store's motto, goals, &amp; image</th>
</tr>
</thead>
<tbody>
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<td>7</td>
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</table>
Tie Breaker: Define Human Relation—refers to the relationship between people. These relationships can be formal or informal, close or distant, emotional or unemotional. In business many kinds of relationships with different people must be considered. As an employee of a business, for example, you have relationships with: (1) yourself, (2) your co-workers, (3) your supervisor, and (4) customers of the business.

<table>
<thead>
<tr>
<th>Tie Breaker</th>
<th>No response</th>
<th>Weak</th>
<th>Fair</th>
<th>Good</th>
<th>Excellent</th>
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</table>

TOTAL POINTS (Do Not Add Tie Breaker) __________________
The judge of the demonstration will evaluate the participant on the following items. The judge will encircle the rating for that part of the demonstration which is appropriate.

For a guide, the judge will define the following ratings as follows:

**EXCELLENT**
The participant has achieved mastery of this part of the selling skill. If the participant was employed in your store, he/she would be a frequent leader among the sales staff of the store.

**GOOD**
The participant has achieved an above-average mastery of this part of the selling skill. If the participant was employed in your store, he/she would be in the upper half of the sales staff.

**FAIR**
The participant has achieved an average mastery of this part of the selling skill. If the participant was employed in your store, he/she would be in the lower half of your sales staff. This participant would do little more than show the customer the merchandise that he/she had asked to see.

**POOR**
This participant has failed to reach the competency level expected of a salesperson in a general merchandise store. This person would perform the duties of an order-taker and no more. This person would be detrimental to the goal of trying to increase sales through effective selling.

### APPROACH

<table>
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<th>Fair</th>
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<th>Excellent</th>
<th>Judged Points</th>
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### PRESENTATION

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<th>Judged Points</th>
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<tbody>
<tr>
<td>1</td>
<td>4</td>
<td>7</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

1. Were features pointed out with relating benefits shown?
2. Was customer given an opportunity to talk and ask questions?
3. Was sufficient merchandise information given?
4. Was presentation clear?

HANDLING OBJECTIONS

1. Was each objection answered?
   1  4  7  10

2. Was tact used in handling objections?
   0  2  4  6

3. Was customer given an opportunity to voice objections?
   1  4  7  10

CLOSE

1. Was close smooth and natural?
   1  3  5  7

2. Did participant take advantage of opportunities to close?
   1  4  7  10

SUGGESTION SELLING

1. Did participant select a properly related item to suggest?
   1  3  5  7

2. Was the timing proper for the suggestions of a related item?
   1  3  5  7

TOTAL POSSIBLE POINTS- 110 POINTS

TOTAL POINTS GIVEN

-36-
Petroleum

High School

TABLE OF CONTENTS

<table>
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<tr>
<td>2. Mathematics</td>
<td>7</td>
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<tr>
<td>3. Product and Service Technology</td>
<td>12</td>
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<tr>
<td>4. Selling</td>
<td>23</td>
</tr>
<tr>
<td>5. Display</td>
<td>24</td>
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</table>
Multiple Choice

1. Human relations refers to (a) getting along with others: (b) treating others as equals: (c) understanding your family (d) none of the above (e) all of the above.

2. Getting along with others off the job is called (a) common sense human relations (b) structured human relations (c) unstructured human relations (d) none of the above (e) all of the above.

3. Structured human relations refers to (a) relations with classmates (b) relations on the job (c) relations at social functions (d) none of the above (e) all of the above.

4. The ability to think and act without being urged is known as (a) initiative (b) industry (c) attitude (d) all of the above (e) none of the above.

5. The mental attitude that causes a person to want to work hard is (a) character (b) dependability (c) industry (d) none of the above (e) all of the above.

6. Enthusiasm is a mental attitude reflected by a (a) indifference (b) an intense or eager interest in a subject (c) goodwill toward customers (d) none of the above (e) all of the above.

7. Honesty and respect for other people and their property make up a person's (a) personality (b) character (c) intelligence (d) none of the above (e) all of the above.

8. Such feelings as love, hate, fear, anger, pride, worry, and confidence are all (a) emotions (b) attitudes (c) traits (d) none of the above (e) all of the above.

9. The ability to analyze is important for (a) the boss of a business (b) employees in marketing and distribution (c) people in unstructured relationships (d) none of the above (e) all of the above.

10. Business today prefers its employees (a) to concentrate on their job and career field and spend less time and effort on society (b) to belong to social groups (c) to be conscious of what is going on in the community (d) none of the above (e) all of the above.

11. The employer employee relationship is (a) one of dominance by the employer (b) a partnership (c) informal relationship (d) none of the above (e) all of the above.

12. In the study of economics, the principle of self-consumption refers to (a) employer (b) a partnership (c) informal relationship (d) none of the above (e) all of the above.

13. In the employer employee relationship, job security is (a) the employee's responsibility (b) the employer's responsibility (d) none of the above (e) all of the above.

14. Staff functions are those that (a) accomplish the primary objective of the business (b) support line functions (c) hire the needed staff of personnel (d) support the free-rein leadership (e) none of the above.

15. A good manager can effectively supervise (a) any number of people (b) about five people (c) limited number depending on the complexities of the organization (d) none of the above.
16. The leader who encourages employee participation is a (a) autocratic leader (b) free-rein leader (c) democratic leader (d) informal leadership (e) all of the above.

17. Horizontal communications refers to (a) utilizing radio waves that travel horizontal to the surface of the earth (b) communications on the same organization level (c) informal communications (d) formal communications (e) none of the above.

18. Informal organizations refers to (a) personal and social relationships (b) the business that does not have a formal organization chart (c) unstructured human relations (d) structured human relations (e) none of the above.

19. The science of word meaning is called (a) psychology (b) semantics (c) communications (d) none of the above (e) all of the above.

20. Physical representations of status are called (a) status symbols (b) prizes (c) hard lines (d) none of the above (e) all of the above.

21. The entire process of marketing and distribution is dependent on (a) good human relations (b) social relationships (c) democratic leadership (d) none of the above (e) all of the above.

22. First impressions (a) are usually right (b) are usually wrong (c) it depends on your age (d) none of the above (e) all of the above.

23. Controlling your emotions is a sign of (a) confidence (b) maturity (c) sincerity (d) tact (e) none of the above.

24. Personality is (a) inherited (b) a result of experience and environment (c) acquired by study (d) initiative (e) none of the above.

25. Often the main forms of communication within an informal organization are (a) gossip and rumor (b) memos and conferences (c) telephone calls and notes (d) none of the above (e) all of the above.

26. The employee who submits suggestions to improve his employer's business is (a) participating with his employer in the business (b) finding fault (c) being uncooperative (d) an unscrupulous person (e) none of the above.

27. Collective bargaining involves (a) a single employee and his supervisor (b) a department conference (c) a labor union and representatives of management (d) status (e) all of the above.

28. Emotional traits include (a) appearance and speech (b) intelligence and character (c) maturity (d) dedication and integrity (e) all of the above.

29. The key to self confidence is (a) success (b) good communications (c) a good first impression (d) integrity (e) none of the above.

30. The ability to make decisions (a) cannot be learned (b) can be acquired through experience (c) depends on your job level (d) is common sense (e) none of the above.
31. Personality traits, the ability to think in a credible manner, and knowledge of particular subjects are all (a) personal qualities (b) role playing (c) inherited traits (d) none of the above (e) all of the above.

32. A list of questions the personnel interviewer uses during the interview is known as (a) interview schedule (b) personal interview (c) status interview (d) none of the above (e) all of the above.

33. Defined as the mental attitude of being committed to an idea or subject is (a) deduction (b) common sense (c) good attitude (d) none of the above (e) all of the above.

34. An understanding of what it costs the employer to do business and still make a fair profit is (a) profit sharing (b) collective bargaining (c) cost consciousness (d) none of the above (e) all of the above.

35. A trait that causes an employee to give his employer a full measure of work for his pay is called (a) dedication (b) integrity (c) participation (d) all of the above (e) none of the above.

36. Believing in your employer and keeping trade secrets are examples of (a) common sense (b) responsibility (c) loyalty (d) none of the above (e) all of the above.

37. The process of passing information from one person to another is (a) common sense (b) communication (c) letter writing (d) all of the above (e) none of the above.

38. What will help you find the simple, obvious, or practical way of doing something is (a) common sense (b) participation (c) role playing (d) none of the above (e) all of the above.

39. The ability to generate new ideas is (a) status (b) creative (c) common sense (d) all of the above (e) none of the above.

40. An awareness of what is happening in your community, nation, and world is (a) civic consciousness (b) good communication (c) socializing (d) none of the above (e) all of the above.

41. Insurance provided by employers that protects an employee from financial loss caused by job-related accidents is called (a) workmens compensation (b) social security (c) FICA (d) all of the above (e) none of the above.

42. A person working for another for pay is called an (a) employee (b) employer (c) co-worker (d) none of the above (e) all of the above.

43. Money paid by the state to an unemployed worker is called (a) workmens compensation (b) unemployment compensation (c) employee compensation (d) all of the above (e) none of the above.

44. A pension plan in which the employee shares in the profits of the company is called a (a) profit sharing (b) coop plan (c) interest payment plan (d) none of the above (e) all of the above.

45. The process of dividing the responsibility and authority of a business into smaller units that specialize their abilities is called (a) specialization (b) organization (c) controlled planning (d) none of the above (e) all of the above.

46. Being obligated to account for something refers to (a) loyalty (b) authority (c) responsibility (d) none of the above (e) all of the above.
47. The power to make commands and decisions is (a) authority (b) loyalty (c) dedication (d) none of the above (e) all of the above.

48. A full listing of the duties of and the responsibility and authority for a particular job is called a (a) job description (b) status report (c) personal qualities (d) none of the above (e) all of the above.

49. Position or rank of one person as compared to the position or rank of another is called (a) loyalty (b) status (c) employee employer relationship (d) none of the above (e) all of the above.

50. The grapevine is the informal organization system of (a) authority (b) control (c) communications (d) none of the above (e) all of the above.

51. The four most important personal abilities required for communication are speaking, listening, reading and (a) writing (b) human relations (c) negotiating (d) none of the above (e) all of the above.

52. The process of assigning responsibility and authority to someone else is called (a) passing the buck (b) delegation (c) good communications (d) all of the above (e) none of the above.

53. An association of wage earners for the purpose of maintaining and improving the conditions of employment is called a (a) grapevine (b) collective bargaining (c) labor union (d) none of the above (e) all of the above.

54. The process of negotiation disputes between labor and management is called (a) collective bargaining (b) autocratic management (c) policy management (d) none of the above (e) all of the above.

55. The leader of the union in a particular department is called a (a) manager (b) steward (c) supervisor (d) none of the above (e) all of the above.

56. Putting yourself in the position of another is called (a) role playing (b) good human relations (c) integrity (d) none of the above (e) all of the above.

57. Good communications depends upon your being a good sender as well as (a) reader (b) receiver (c) writer (d) none of the above (e) all of the above.

58. The supervisor who exercises complete control over his group and makes policy and decisions by himself is an (a) autocratic leader (b) democratic leader (c) free-rein leader (d) none of the above (e) all of the above.

59. The three areas that receive special attention from management in its attempt to improve human relations are leadership, communication, and (a) loyalty (b) common sense (c) participation (d) none of the above (e) all of the above.

60. The employee that functions under a supervisor and does not supervise anyone else is a (a) new employee (b) operative employee (c) union employee (d) none of the above (e) all of the above.
True and False

61. The ability to weigh the facts and decide is known as judgment skill.

62. Human relations, because of its many technicalities, is more of a science than an art.

63. Human relations in petroleum are the same as human relations in private life.

64. The primary goal of human relations in petroleum is to avoid arguments with your co-workers.

65. Increased production is one goal of human relations in business.

66. The application of human relations principles to the business setting is as old as business itself.

67. A good practitioner of human relations can be successful on the job even without any technical skills.

68. The ability to get along with others is a natural trait that you either have or do not have.

69. Human relations off the job require less skill because less is at stake.

70. How you relate to your supervisor, your co-workers, and your customers will require a conscious effort.

71. A lower standard of human relations practices is required of nonselling employees of a business than of selling employees.

72. Customer relations is the application of human relations to customers.

73. Tact is the ability to say one thing and mean something else.

74. A customer will respect the salesperson more if he is subservient.

75. Personality is how a person acts.

77. There is a significant relationship between a person's appearance and his personality.

78. Your style of speech is one of the factors that affects your appearance to others.

79. Mannerisms are one of the things that make people different, and everyone should attempt to develop unique mannerisms.

80. Speech is a physical characteristic of personality.

81. Intelligence helps you understand abstractions.

82. Attitudes and character are physical characteristics.
83. An attitude is the way you think or act that reflects your disposition or opinion toward a subject.

84. A sincere interest in others is an emotional characteristic.

85. The experiences you have had and the environment is which you have lived to a large extent determine the degree to which you can control your emotions.

86. Success or failure in what you do has little effect on your self-confidence.

87. Since personality is determined in your early life, very little can be done to change it.

88. Listening is part of communication.

89. Scientists have agreed that creativity can be taught.

90. The primary and only important goal of a business is to make a profit.

91. Capital is the key resource in our economy other resources are secondary.

92. Capital simply means money.

93. Today more people are employed in the distribution of goods and services than in production.

94. Employers prefer to hire qualified leadership rather than train employees for leadership positions.

95. In the employer-employee relationship, the only concern of the employer is having satisfied employees.

96. Employers provide supervision primarily to catch the mistakes of employees.

97. Employers contribute an amount equal to the employee's contribution for social security.

98. Labor is one of the key economic resources.

99. Employees should be compensated in proportion to what they produce.

100. The flow of authority from the top to the bottom is called the vertical division of work.
## Column I

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### MULTIPLICATION

<table>
<thead>
<tr>
<th>Problems</th>
<th>Answers</th>
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</tr>
</thead>
<tbody>
<tr>
<td>13. $85.72</td>
<td>a. $81.74</td>
<td>21. 604 x 12.02 =</td>
<td>a. 7260.08</td>
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<td>-3.98</td>
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<td>-86.47</td>
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<td>b. 561</td>
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<td>c. $292.73</td>
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<td>c. 56.1</td>
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<td>16. $243.17</td>
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<td>24. 45 x $2.35 =</td>
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<td>c. $104.75</td>
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<td>c. $116.31</td>
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<tr>
<th>Column I Problems</th>
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<tbody>
<tr>
<td>27. 96 x $2.98 =</td>
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<td>28. 120 x $18.85 =</td>
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<td>c. $51.20</td>
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**DIVISION**

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<tr>
<td>31. 42/1302 =</td>
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<td>b. 31</td>
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**DIVISION CONTINUED**

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<tr>
<td>33. 17.5</td>
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<td>c. 4</td>
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<td>b. 13.125</td>
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<td>38. 12 divided by 9/16</td>
<td>a. 6.75</td>
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<td>b. 21 1/3</td>
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<td>c. 22 1/2</td>
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<td>39. 20 divided by 1/4</td>
<td>a. 4</td>
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<td>b. 5</td>
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<td>c. 6</td>
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<td>40. 3/8 divided by 4</td>
<td>a. 1.5</td>
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<td>b. 1/16</td>
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<td>c. 1/8</td>
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MULTIPLICATION INVOLVING FRACTIONS

41. 4 1/2 cans of oil at 37 1/2¢ a can = (a) $16.86 (c) $16.87
    (d) $16.88 (d) none of these.

42. 65 gallons of gas at 66 2/3¢ a gallon = (a) $43.34 (b) $43.44
    (c) $43.53 (d) none of these.

43. 55 gallons of gas at 87 1/4¢ a gallon = (a) $48.16 (b) $48.15
    (c) $48.13 (d) none of these.

44. 18 cans of oil at 62 1/2¢ a can = (a) $11.50 (b) $11.25
    (c) $11.75 (d) none of these.

45. 60 gallons of anti-freeze at 83 1/3¢ a gallon = (a) $44.00
    (b) $46.00 (c) $48.00 (d) none of these.

46. 27 fan belts at 66 2/3¢ a belt = (a) $17 (b) $18 (c) $19
    (d) none of these.

47. 52 cans of motor oil additive at 12 1/2¢ a can = (a) $6.49
    (b) $6.51 (c) $6.50 (d) none of these.

48. 82 XYZ plugs at 16 2/3¢ a plug = (a) $13.63 (b) $13.65
    (c) $13.67 (d) none of these.

49. 60 gallons of gas discounted by 6 2/3¢ a gallon = (a) $54
    (b) $55 (c) $56 (d) none of these.

50. 32 gallons of gas discounted by 6 1/4¢ a gallon = (a) $32
    (b) $30 (c) $20 (d) none of these.

PERCENT/TRADE DISCOUNTS/STORY PROBLEMS

51. 98 is what percent of 280? (a) 36% (b) 35% (c) 34%
    (d) none of these.

52. $11.20 is what percent of $160 (a) 7% (b) 6% (c) 8%
    (d) none of these.

53. $10.50 is what percent of $3.50 (a) 36.75% (b) 33 1/3%
    (c) 300% (d) none of these.

54. A service station orders 12 cases of premium motor oil at $7.75 per case. A cash discount of 3% is given. How much does the station owner have to pay? (a) $90.20 (b) $90.21
    (c) $90.22 (d) none of these.

55. A tire dealer receives a 40% trade discount on 100 snow tires which retail for $25 a tire. A seasonal discount of 10% is also given. How much will the dealer have to pay? (a) $1250
    (b) $1455 (c) $1350 (d) none of these.
56. If the cost of a product is $10.00 and the markup is 33.50%, what is the markup percent if it’s based on the selling price? (a) 26% (b) 26% (c) 26% (d) none of these.

57. If the sales price of a product is $22.95 and the markup is $5.00, what is the cost percent of the selling price? (a) 77% (b) 76% (c) 75% (d) none of these.

58. If the cost of a product is $12.50 and the original retail price was $19.95, what is the maintained markup if you finally sold the product for $14.95? (a) $2.40 (b) $5.00 (c) $7.45 (d) none of these.

59. The owner of a service station wishes to stock a line of belts that he can retail at $3.95 a belt. He must have an initial markup of 38%. The most he should pay for each belt would be how much? (a) $3.00 (b) $2.50 (c) $2.45 (d) none of these.

60. A service station had net sales of $27,540 for the month of March. The cost of goods sold was $16,950 and operating expenses for the month were $8,930. The station’s gross profit for the month was how much? (a) $1,660 (b) $10,590 (c) $35,560 (d) none of these.
TRUE or FALSE

1. T or F For good corrosion resistance and rust prevention in a car radiator, it is recommended to use a 50% solution of antifreeze and water.

2. T or F In late model cars, do not run pure water in the radiator, because the hot indicator warning light will not function properly.

3. T or F Used spark plugs can be accurately checked outside the engine to determine if they are functioning properly.

4. T or F It is important to shut your engine off and let the transmission cool off before checking the level of transmission fluid in the automatic transmission.

5. T or F Air pressure can be accurately checked immediately after a long drive and if the air pressure reads too high, air should be let out of the tires to obtain proper levels of air pressure.

6. T or F Filling the transmission with fluid above the full mark will not effect the operation of the transmission.

7. T or F Type F transmission fluid is the only transmission fluid that is recommended for use in any Ford product automatic transmission.

8. T or F Air pressure in most types of passenger car tires should be kept at approximately 22 to 30 pounds of pressure, for maximum tire life.

9. T or F The reservoir of the power steering pump should be filled with either transmission fluid or special power steering fluid.

10. T or F Overfilling the power steering reservoir will not effect the operation of the power steering pump.

11. T or F For maximum battery life, tap water should be put into the battery to keep it full.

12. T or F Gasoline is rated according to its anti-knock value or also known as its octane rating.
13. T or F Ethyl is a substance that is added to gasoline to give it an anti-knock value.

14. T or F Automobile manufacturers do recommend the weights of oils that should be used in their cars.

15. T or F When servicing a customer, only check the oil when asked to check it.

16. T or F It is important to check the fan belt's condition when the engine is running.

17. T or F When you are checking the oil, it is important that you remove the dipstick, wipe the dipstick off, reinsert the dipstick, and remove the dipstick again before you take a reading of the oil level for the engine.

18. T or F Batteries should be charged at a very slow rate.

19. T or F It takes up to one hour to fully charge a battery, with a low charge.

20. T or F Always suggest a new oil filter when you are changing oil for a customer.

21. T or F High grade motor oils are actually more economical than low grade motor oils.

22. T or F When rotating radial tires, it is important that you rotate the tires from one side to the other side.

23. T or F It is not that important to make small cost savings, when possible, because most service stations are large enough that the small savings do not count much towards increased or decreased profits.

24. T or F Some of the equipment that you work with in the service station is very dangerous, when not properly cared for.

25. T or F The location of the fuel tanks, on different makes of cars are very much different, but it is not that important to know all these locations, because you can always ask the customer where to fill the gas tank.

26. T or F Automatic transmission fluid should be used to fill the master brake cylinder.

27. T or F S.A.E. 10W-40 is a multi-grade motor oil that stands for a 10 weight hot operation characteristic and a 40 weight cold starting characteristic.

28. T or F Gasoline is a very good cleaner and is used very often in service stations, as a cleaner.
29. T or F Gas pumps should be checked periodically for their accuracy.

30. T or F Thick motor oils are graded by low S.A.E. numbers.

31. T or F Motor oils are graded by their viscosity or thickness.

32. T or F The radiator water level should be kept as full as possible at all times.

33. T or F Conserving supplies will actually increase net profit substantially.

34. T or F Your voice is the only personality trait you can use when selling over the phone.

35. T or F Oil additives can be added to effectively extend the life of your oil for at least twice the time recommended by oil manufacturers.

36. T or F If a car needs a tune up, a gasoline additive can be added to the gasoline to take care of this problem.

37. T or F Anti-freeze for radiators can be used very effectively to stop or prevent freezing up of the windshield washer fluid and many service stations recommend this use of radiator anti-freeze.

38. T or F At service stations, it is required that all customers shut off their engines immediately after pulling up to the service island to be serviced.

39. T or F Before you test the antifreeze solution in the radiator, you should always make sure the engine is warmed up.

40. T or F Engine oil will be absorbed into the pavement of your shop floor. So when you do spill engine oil on the floor, just let it lay there until it is absorbed into the pavement.

MULTIPLE CHOICE: Circle either a, b, c, d, or e; of the following questions depending on which answer will best complete the statements. (Choose only one answer for each question, the best answer.)

41. Oil should be changed frequently, because:
   a. Abrasive dust can get into the motor oil by passing by the air filter and crankcase ventilator.
   b. Sludge and varnish forming materials can form as a result of combustion.
   c. Water can collect in the oil from burning gasoline.
   d. Piston rings and cylinders can wear when anti-wear additives are used up in the oil.
   e. All of the above.

42. The present gasoline sold at today's service station is a mixture of:
   a. Iso-octane and heptane.
   b. Pre-octane and ethyl.
   c. Pre-octane and lead free additives.
   d. All of the above.
   e. None of the above.
43. Automatic Nozzles have been installed on a lot of present gasoline pumps to:
   a. Stop the gasoline fumes from escaping, from storage tanks, when filling automobile gas tanks.
   b. Prevent possible fires from occurring at the gas pumps.
   c. To shut off the gas pump when the automobile gas tank is full.
   d. To automatically figure the price that should be charged for the amount of gasoline sold.
   e. All of the above.

44. Oils labeled with a "w", as in 10W-40, are primarily designed for:
   a. Very hot temperature operations.
   b. Special anti-rust protection.
   c. Longer Life.
   d. Sub-freezing service.
   e. None of the above.

45. When gasoline is spilt, a very good safety precaution is to:
   a. Let it dry up.
   b. Pour water on the spill.
   c. Spread it out on the ground, so it will evaporate quicker.
   d. Burn it off.
   e. All of the above are very good safety precautions.

46. If you are servicing another car and a car drives in, you should:
   a. Wave to the other customer and go on with what you are doing.
   b. Ignore the other customer, until you are finished with the present customer, you are servicing.
   c. Wave or call out to the other customer to show that you know he/she is there and tell him/her that you will be with him/her in a minute.
   d. Try to service both customers at the same time.
   e. All of the above.

47. To prevent accidents:
   a. Watch out for cars which are entering, leaving, or moving about the service area.
   b. Remember that the customer should watch out for himself/herself.
   c. Don't allow too many customers to enter the driveway.
   d. Only use one service island.
   e. All of the above.

48. Poor gas mileage is a result of:
   a. A dirty air cleaner.
   b. Bad spark plugs.
   c. Bent tail pipe.
   d. Heavy crankcase oil.
   e. All of the above.

49. Motor oil is used in cars to:
   a. Clean the engine.
   b. Help the engine from over heating.
   c. Lubricate moving parts.
   d. Protect against wear on parts.
   e. All of the above.
50. Motor oil should be changed in cars, at least: (excluding new synthetic oils)
   a. Every 90 days or 3,000 miles.
   b. Every 60 days or 1,000 miles.
   c. Every 100 days or 6,000 miles.
   d. Whenever the oil looks dirty on the dipstick.
   e. None of the above.

51. Oil filters hold a certain amount of oil in them, so when you change oil filters, make sure you add an additional:
   a. Pint of motor oil.
   b. Quart of motor oil.
   c. \( \frac{1}{2} \) Quart of motor oil.
   d. \( \frac{1}{2} \) Pint of motor oil.
   e. None of the above.

52. Most automobile manufacturers agree that automatic transmission fluids should be changed every:
   a. 7 months or 10,000 miles.
   b. 2\( \frac{1}{2} \) months or 24,000 miles.
   c. 12 months or 15,000 miles.
   d. 6 months or 8,000 miles.
   e. None of the above.

53. When changing oil in a standard transmission, you need to use:
   a. S.A.E. 90 weight transmission lubrication.
   b. S.A.E. 100 weight motor oil.
   c. S.A.E. Type G transmission fluid.
   d. Automatic transmission fluid.
   e. None of the above.

54. Dry replaceable paper type air cleaners should be changed every:
   a. Year or 12,000 miles.
   b. 6 months or 2,000 miles.
   c. Month or 1,000 miles.
   d. Two years or 15,000 miles.
   e. None of the above.

55. There are two types of antifreeze, permanent and nonpermanent, and the difference between the two is that:
   a. The permanent antifreeze will not evaporate, but the nonpermanent will evaporate.
   b. The permanent antifreeze will never have to be changed again, while the nonpermanent will have to be changed every year.
   c. Permanent antifreeze will stay mixed with the water, while nonpermanent antifreeze will separate after a while.
   d. All of the above.
   e. None of the above.

56. A hydrometer is an instrument used to:
   a. Test lubrication abilities of different oils.
   b. Test motor oils for different types of additives.
   c. Test the temperature the engine normally operates under.
   d. Test transmission fluids for their thickness.
   e. None of the above.
57. If you are losing water and antifreeze from the radiator, it is probably because:
   a. You have a loose hose connection.
   b. You have a bad radiator cap.
   c. You have a leak in the radiator.
   d. You have a small hole in the radiator hose.
   e. All of the above.

58. Batteries should be checked at least:
   a. Everytime the customer comes into the service station.
   b. Once every six months.
   c. Once a month.
   d. Twice a month.
   e. None of the above.

59. A very good cleaner of battery corrosion is:
   a. Baking soda and water.
   b. Ammonia and water.
   c. Battery cleaning solution.
   d. All of the above.
   e. None of the above.

60. When corrosion appears on the battery, it appears as:
   a. A lumpy green substance.
   b. A lumpy white substance.
   c. A grainy brown substance.
   d. A smooth black substance.
   e. All of the above.

61. A common instrument used to test batteries is a(n):
   a. Hydrometer.
   b. Thermometer.
   c. Hygro meter.
   d. Barometer.
   e. None of the above.

62. A battery should not be charged over:
   a. 36 hours.
   b. 12 hours.
   c. 48 hours.
   d. 24 hours.
   e. None of the above.

63. Overcharging the battery may cause:
   a. The battery to explode.
   b. The battery may crack.
   c. The battery may start on fire.
   d. The battery may fail.
   e. All of the above.

64. Corrosion may be caused by:
   a. A low water level in your battery.
   b. A high water level in your battery.
   c. Overfilling your battery.
   d. Using a bad battery.
   e. All of the above.
65. Engine belts operate such parts as:
   a. Generator.
   b. Water pump.
   c. Power Steering Pump.
   d. Alternator.
   e. All of the above.

66. When inspecting engine belts, you should look for:
   a. Cracks.
   b. Separations.
   c. Frayed areas.
   d. All of the above.
   e. None of the above.

67. When the motor of a car is running rough, it is caused by which of the following:
   a. Bad fan belt.
   b. Faulty alternator.
   c. Worn or dirty spark plugs.
   d. Defective oil filter.
   e. None of the above.

68. Which of the following bearings need packed with grease:
   a. Rear wheel bearings.
   b. Front wheel bearings.
   c. Drive shaft bearings.
   d. Alternator bearings.
   e. All of the above.

69. Fuel filters are used:
   a. To clean gasoline, as it leaves the gas tank.
   b. To clean gasoline, as it travels to the carburetor.
   c. To clean gasoline, just before it enters the carburetor.
   d. To clean gasoline, as it enters the carburetor.
   e. All of the above.

70. All newer model cars have Catalytic Converters that:
   a. Help control pollution.
   b. Require the use of non-lead gasoline.
   c. Are required, by law, to stay functional at all times.
   d. All of the above.
   e. None of the above.

71. Torque wrenches are used to:
   a. Prevent over-tightening screw in parts.
   b. Fix flat tires.
   c. Adjust the carburetor.
   d. Repair the master cylinder of the brake system.
   e. None of the above.

72. When using wrenches to tighten bolts, which of the following is the best?
   a. Pliers.
   b. Boxed End Wrenches.
   c. Crescent Wrenches.
   d. Open End Wrenches.
   e. All of these wrenches do a very good job.
73. Tools recommended for cleaning battery clamps and battery terminals are:
   a. Cable Puller.
   b. Spreader Pliers.
   c. Stiff wire terminal brush.
   d. All of the above are needed to clean battery clamps and terminals.
   e. None of the above are needed to clean battery clamps and terminals.

74. In many states, the tire tread that is required to meet state regulations is:
   a. 1/16 of an inch.
   b. 1/8 of an inch.
   c. 1/32 of an inch.
   d. 1/4 of an inch.
   e. None of the above.

75. Which of the following are types of tires:
   a. Bias Belted Tires.
   b. Bias Ply Tires.
   c. Radial Tires.
   d. All of the above.
   e. None of the above.

76. Fuel additives can be added to your gasoline to:
   a. Take water out of the gasoline tank.
   b. Clean the carburetor.
   c. Clean the gas lines.
   d. Get better gas mileage.
   e. All of the above.

77. Management plans expense control budgets, and actual control of the budget expenditures:
   a. Can only be handled by management.
   b. Can only be handled by the board of directors.
   c. Can only be handled by full cooperation of all store employees.
   d. All of the above.
   e. None of the above.

78. The most important way to prevent accidents:
   a. Is to be cautious of possible hazards in the store.
   b. Is to take care of all store equipment.
   c. Is to properly arrange all store equipment and merchandise to prevent hazards.
   d. All of the above.
   e. None of the above.

79. In most service stations today,
   a. Bank-Credit cards are accepted.
   b. Personal checks from out of town are accepted.
   c. Over the counter checks are accepted.
   d. Other petroleum credit cards are accepted.
   e. None of the above.
80. In the winter, when adding water to the radiator, you
   a. Just add water until the radiator is full.
   b. Check the antifreeze mixture and only add antifreeze when the
      reading on the antifreeze tester will allow it.
   c. Always just add more antifreeze, so the mixture does not
      get too weak.
   d. Fill the water and antifreeze mixture to the top of the
      spout for the radiator.
   e. All of the above.

81. When the customer shows an interest in buying accessories, try to:
   a. Give all the possible benefits the accessory could have.
   b. Give only the most important benefit that you derive from the
      sales of the product.
   c. Give the major benefits the customer will get from the accessory.
   d. All of the above.
   e. None of the above.

82. Information that is important to the service station attendant, can be
   found in:
   a. All magazine advertisements.
   b. Trade journals.
   c. Company publications.
   d. a and b only.
   e. b and c only.

83. If you should be held up by a robber, you should:
   a. Try to save the company's money.
   b. Let the robbers have what they want.
   c. Let the robbers have what they want, but get as good of a
      description of the person(s) involved.
   d. At any cost, get the license number of the car.
   e. All of the above.

84. A P.C.V. valve is used as part of the:
   a. Emission control system.
   b. Ignition system.
   c. Starting system.
   d. Fuel system.
   e. None of the above.

85. The proper level of water for the battery, is:
   a. As full as possible.
   b. Until it covers the battery plates.
   c. Just so you can see it when you look into the cells.
   d. At the top of the cells.
   e. None of the above.

86. The most important information that a service station attendant can
   have is:
   a. Present product information.
   b. Past product information.
   c. Future product forecasts.
   d. You need all of the above information to be effective, as a
      service station attendant.
   e. None of the above is important.
87. To attract and hold new customers, you definitely need:
   a. Large restrooms.
   b. A clean-well-kept business.
   c. A large number of service islands.
   d. A large number of employees.
   e. All of the above.

88. When using bank credit cards, you need to call into the credit card
    center to get authorization, if over:
   a. 100 dollars.
   b. 25 dollars.
   c. 50 dollars.
   d. 75 dollars.
   e. None of the above, you need to call it in whenever you accept
      a bank credit card.

89. P.C.V. valves are located on the:
   a. Manifold.
   b. Air cleaner.
   c. Water pump.
   d. Alternator
   e. None of the above.

90. Resistered spark plugs are preferred over regular spark plugs, because:
   a. They are a cheaper plug.
   b. They burn much hotter.
   c. They reduce gap growth.
   d. They last much longer.
   e. All of the above.

91. Jump starting a car:
   a. Is very difficult to do, even if you have training.
   b. Can be very dangerous, even if you do it properly.
   c. Can be done very safely, if done properly.
   d. Is easy to do and needs very little precautions to perform.
   e. None of the above.

92. You can tell, as a service station attendant, whether a customer needs
    to have his/her car wheels balanced by:
   a. Looking at how the tires are wearing.
   b. Checking the air pressure periodically.
   c. Checking the vibration of the car, when it pulls into the
      service island,
   d. a and b only.
   e. a and c only.

93. When changing belts on cars,
   a. Make sure you are using the correct sizes of belts.
   b. Make sure you change all the belts, when you change one belt.
   c. Make sure you don't put the wrong size belt on the wrong pulleys.
   d. Make sure you check the new belts soon after installation, to
      make sure they stay tight.
   e. All of the above.
94. When testing a battery, you need to test:
   a. Each cell.
   b. The end two cells.
   c. The two middle cells.
   d. A random sampling of cells.
   e. All of the above.

95. Windshield wiper blades need replacing when:
   a. They become hard.
   b. They become soft.
   c. They start to streak the windows, when they are used.
   d. They become cracked.
   e. All of the above.

96. When engine knock occurs, it can cause:
   a. Loss of power.
   b. Damage to spark plugs.
   c. Overheating.
   d. Damage to piston heads.
   e. All of the above.

97. Spark plugs, under regular conditions can be expected to last approximately:
   a. 100,000 miles.
   b. 20,000 miles.
   c. 10,000 miles.
   d. 5,000 miles.
   e. None of the above.

98. Which of the following is not kept at most service station's driveups:
   a. Fan belt displays.
   b. Motor oil displays.
   c. Window cleaning equipment.
   d. Air hose.
   e. Trash cans.

99. When adding motor oil:
   a. Always add the full can.
   b. Overfilling the oil does not matter.
   c. Make sure you add the same type and grade of oil being presently used.
   d. Always use the oil you think is appropriate.
   e. All of the above.

100. If a customer asks you, as a service station attendant, to put leaded gasoline in a car that takes unleaded gasoline; you should:
   a. Do as the customer asks, because the customer is always right.
   b. Explain to the customer that you cannot put leaded gasoline in an unleaded car's gas tank.
   c. Go ahead and fill the gas tank with unleaded gasoline.
   d. Rudely refuse to do this, because it is against the law.
   e. Tell the customer that he/she is not very smart, because this unleaded gasoline was made to help stop pollution.
OCCUPATIONAL CATEGORY: PETROLEUM

INSTRUCTIONAL AREA: SELLING

Evaluation Form

(Circle the evaluation number)

1. **APPEARANCE**
   
   Does the student have a near, attractive appearance as required by sales personnel?
   
<table>
<thead>
<tr>
<th>2</th>
<th>4</th>
<th>6</th>
<th>8</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inappropriate</td>
<td>Poor</td>
<td>Average</td>
<td>Good</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

2. **APPROACH**
   
   Is the sales person's approach to the customer friendly and aggressive?
   
<table>
<thead>
<tr>
<th>2</th>
<th>4</th>
<th>6</th>
<th>8</th>
<th>10</th>
</tr>
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<tbody>
<tr>
<td>Inappropriate</td>
<td>Poor</td>
<td>Average</td>
<td>Good</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

3. **PRESENTATION**
   
   Is the merchandise presented to hold the customer's interest?
   
<table>
<thead>
<tr>
<th>2</th>
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<th>6</th>
<th>8</th>
<th>10</th>
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<td>Poor</td>
<td>Average</td>
<td>Good</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

4. **DEMONSTRATION**
   
   Is the merchandise demonstrated to build desire and points of importance utilized (lasting service, safety, quality, etc.) effectively?
   
<table>
<thead>
<tr>
<th>2</th>
<th>4</th>
<th>6</th>
<th>8</th>
<th>10</th>
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<td>Poor</td>
<td>Average</td>
<td>Good</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

5. **CLOSE—SECURES ACTION**
   
   Does the contestant make sure that the customer will buy?
   
<table>
<thead>
<tr>
<th>2</th>
<th>4</th>
<th>6</th>
<th>8</th>
<th>10</th>
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<tr>
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<td>Average</td>
<td>Good</td>
<td>Excellent</td>
</tr>
</tbody>
</table>

**TOTAL POINTS AWARDED**

253
OCCUPATIONAL CATEGORY: PETROLEUM

INSTRUCTIONAL AREA: DISPLAY

Evaluation Form

(Circle the evaluation number)

1. BALANCE

   Does the display possess appropriate balance to be eye-catching?

   2   4   6   8   10
   Inappropriate Poor Average Good Excellent

2. ARRANGEMENT

   Does the display have products arranged so usage can be easily recognized?

   2   4   6   8   10
   Inappropriate Poor Average Good Excellent

3. INTEREST

   Does the display, with the showcard, arouse the customer's interest?

   2   4   6   8   10
   Inappropriate Poor Average Good Excellent

4. DISPLAY MERCHANDISE AND PROPS

   Are display props used effectively to create depth and design to the display?

   2   4   6   8   10
   Inappropriate Poor Average Good Excellent

5. SHOWCARD

   Is the showcard done in a neat, attractive, and well-balanced manner? Does it convey a message?

   2   4   6   8   10
   Inappropriate Poor Average Good Excellent

TOTAL POINTS AWARDED

254
Sales & Marketing Techniques

High School

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<td>4. Human Relations</td>
<td>16</td>
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<tr>
<td>5. Merchandising</td>
<td>21</td>
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</table>
True-False

1 Advertisers assume a large portion of the cost of publishing most newspapers and magazines.
2 Consumer goods are generally advertised by industrial advertisers.
3 Advertising agencies offer more job opportunities for beginners than any other place where advertising is done.
4 The display-advertising salesman is responsible for planning and directing the advertising activities for an advertising agency's clients.
5 Newspaper advertising is noted for its flexibility.
6 Display classified advertising is placed in the classified section of a newspaper.
7 A major advantage of direct mail is the opportunity it offers for selective advertising.
8 The good copywriter chooses simple words that are related to his reader's everyday experiences.
9 The major purpose of advertising headlines is to clinch the sale.
10 Subheads generally contain the main text of an advertisement.
11 All of the major principles of design must be included in any good advertising layout.
12 In the semicomprehensive layout, all elements are quite realistically presented in their correct shape, size, and "tone" format.
13 Original photographs are more expensive to reproduce for advertisements than drawings.
14 The most important use of direct-mail advertising is in the soliciting of orders.
15 The major disadvantage of direct-mail advertising is the lack of creative leeway possible in the development of materials.
16 The cost of prospect lists from commercial list houses averages about 50 cents per thousand names.
17 Face-to-face personal selling is sometimes referred to as visual merchandising.
18 Although advertisements may strive to attain several goals, one goal must always be dominant if the advertisement is to be truly successful.
19 There is usually a direct relationship between the size of a business and the size of its advertising department.

20 Retailers are usually more limited in the goals of their advertising campaigns than are national advertisers.

21 In planning an advertising campaign, the first step is to set definite goals.

22 Personal selling is often considered an important part of a promotion campaign.

23 Teaser advertising generally relies on a single advertisement to get its message across.

24 Similar formats should not be used in the various ads of an advertising campaign, as this would tend to create monotony for the readers.

25 Magazines employ specialized firms to sell their advertising space to national advertisers.

26 Some of the pertinent information about a prospect can be obtained by a media salesman when he makes his sales visit.

27 One of the most accurate methods of measuring television audiences is the editorial-interest method.

28 Recall tests do not show the selling power of advertisements.

29 The A. C. Nielsen Audimeter is used in the pretesting of television advertisements.

30 Trendex reports are used to avoid false readership claims in magazines.

Multiple Choice

1 One of the uses of institutional advertising is to (a) tell of the company’s role in community affairs; (b) introduce a new product to the market; (c) enter a new market or reach a different group of customers.

2 A company that always advertises its products by brand name is a (a) local advertiser; (b) retail advertiser; (c) national advertiser.

3 One of the beginning advertising jobs is that of (a) advertising copywriter; (b) advertising clerk; (c) production man.

4 The largest number of advertising jobs in media are in (a) management; (b) copywriting; (c) selling.

5 An advertiser who emphasizes the place where goods and services can be bought rather than the brand is the (a) retail advertiser; (b) industrial advertiser; (c) national advertiser.

6 The dollar amount spent on advertising each year exceeds (a) 8 billion; (b) 18 billion; (c) 28 billion.
The advertising medium that reaches the most people every day is a) direct mail; b) radio; c) newspapers.

Display advertising in newspapers is used by a) national advertisers; b) retail advertisers; c) both.

The major advantage offered by a magazine advertisement in relation to newspaper advertising is its a) lower cost; b) longer life; c) larger size.

Since the introduction of television in America, the number of radios in use has a) increased; b) decreased; c) remained the same.

The percentage of American homes with television sets is approximately a) 50 percent; b) 70 percent; c) 90 percent.

Advertising placed on one television station is called a) network advertising; b) local advertising; c) independent advertising.

Calendars are often used for a) position advertising; b) specialty advertising; c) display advertising.

The purpose of good advertising copy is to a) gain the interest and attention of readers; b) persuade readers to take direct action and buy the advertised product; c) both.

Most large retail-store copywriters receive a detailed description of the merchandise to be advertised from a a) layout book; b) fact sheet; c) copy pad.

A major responsibility of the copywriter is translating selling points into a) customer benefits; b) product qualities; c) merchandise information.

In the AIDCA formula, often used to develop advertising copy, the first "A" represents a) acceptability; b) action; c) attention.

One special method used in advertising to encourage direct action by customers is the inclusion of a) prices; b) coupons; c) illustrations.

Sentences considered suitable for easily understood advertising copy contain up to a) 14 words; b) 24 words; c) 34 words.

"Don't go without it." would be an example of a headline that a) promises benefits; b) contains news; c) provokes curiosity.

The elements in an advertisement may be balanced according to their a) lightness or darkness; b) size; c) both.

Ads intended to give an impression of dependability might be expected to use a) formal balance; b) informal balance; c) large illustrations.

The use of varied forms and sizes of the elements in an ad layout would be based on the principle of a) movement; b) contrast; c) weight.

Organizing the elements of an ad layout into a harmonious composition that makes a single impression is based on the principle of a) coordination; b) association; c) unity.

Eye direction is another name for the principle of a) movement; b) placement; c) distribution.
26 A distinctively designed form of a brand or firm name is a (a) logo-type; (b) typeface; (c) copyright.

27 Generally, the first step in the preparation of an ad layout is a (a) semicomprehensive; (b) rough layout; (c) thumbnail sketch.

28 The large type used for ad-layout headlines is (a) block type; (b) display type; (c) capital type.

29 Generally, the most economical illustration to reproduce for advertising is the (a) wash drawing; (b) painting; (c) pen and ink drawing.

30 In relation to the dollars invested in various advertising media, direct-mail advertising is the (a) second largest; (b) third largest; (c) fourth largest.

31 One of the most important ingredients in any successful direct mail campaign is a good (a) bulk mailing rate; (b) mailing list; (c) postal system.

32 The highest percentage of sales invested in advertising is that invested by (a) manufacturers of consumer goods; (b) manufacturers of industrial goods; (c) both.

33 One form of direct mail that is widely used because of its personal approach is the (a) letter; (b) folder; (c) brochure.

34 The elements of promotion include (a) display; (b) advertising; (c) both.

35 Premiums are one form of (a) publicity; (b) public relations; (c) sales promotion.

36 Any activity designed to build goodwill toward a business organization is (a) publicity; (b) public relations; (c) sales promotion.

37 The promotional mix of a company is determined by (a) the nature of the prospects; (b) the funds available; (c) both.

38 Special bulk rates are available for mailing of larger quantities of (a) first-class mail; (b) third-class mail; (c) both.

39 Advertising agencies in the United States number more than (a) 2,000; (b) 4,000; (c) 6,000.

40 The advertising departments of many local newspapers will help advertisers (a) plan their advertising; (b) create their advertising; (c) both.

41 A news release printed without charge by a newspaper about a business firm would be classified as (a) advertising; (b) publicity; (c) public relations.

42 A small business with a small market area would probably get the best advertising results in relation to cost through the use of (a) television; (b) billboards; (c) direct mail.

43 The element of promotion in which the use of decorative streamers would be included is (a) advertising; (b) display; (c) publicity.

44 The element of promotion in which the use of give-away calendars would be included is (a) advertising; (b) display; (c) publicity.
45 A television station would be likely to employ a (a) time buyer; (b) time salesman; (c) space salesman.

46 The media salesman should plan his sales presentation with the idea that it should be (a) illustrated; (b) brief; (c) flexible.

47 Often of help to the media salesman is the fact that his medium may offer its customers special (a) cash rebates; (b) privileges; (c) services.

48 A newspaper's circulation is verified by (a) NCS statements; (b) ABC statements; (c) ASC statements.

49 Many newspapers provide their advertisers with (a) brand studies; (b) merchandise assistance; (c) both.

50 Magazines often provide their advertisers with (a) research studies; (b) editorial space; (c) both.

51 A newspaper's advertising space is sold on a national basis by the (a) newspaper merchandiser; (b) publisher's representative; (c) national space salesman.

52 The classification including the most media salesmen would be (a) display-advertising salesmen; (b) space salesmen; (c) advertising-agency salesmen.

53 Advertising research is used to measure the effectiveness of (a) the advertising message; (b) the medium which delivers the advertising message; (c) both.

54 One method of pretesting advertising is through (a) opinion studies; (b) triple-associates tests; (c) recognition tests.

55 The highest degree of readership in the Starch Advertisement Readership Tests is recorded as (a) completed; (b) read most; (c) seen-associated.

56 The Gallup and Robinson recall tests are used in connection with (a) radio; (b) direct mail; (c) magazines.

57 Information is provided about the meaning received by readers from advertisements through the use of (a) recall tests; (b) recognition tests; (c) neither.

58 In the Starch Consumer Magazine Reports, individuals in the household where a copy of a magazine was originally received are classified as the (a) buying audience; (b) primary readers; (c) initial subscribers.

59 Hooper ratings are used to measure the audience tuned in to (a) radio; (b) television; (c) both.

60 A method commonly used to measure the effectiveness of an advertising campaign is the (a) recall test; (b) laboratory test; (c) both.
SALES AND MARKETING TECHNIQUES

COMMUNICATIONS

True-False

1. For salesmen communication skills are secondary only to knowledge concerning business organization and management.
2. Your ability to communicate refers only to your ability to speak and to write.
3. In many cases the difference between a successful person and a failure depends on which does the best job of communicating.
4. You can improve your ability to communicate.
5. Selling and communicating have much in common— in fact, a good salesman must have the ability to communicate effectively.
6. Business speakers and writers should concentrate on using simple terms.
7. All business communications are intended to inform and not to entertain.
8. One of the goals of a business communications system is the establishment and maintenance of good human relations. This is solely the responsibility of top management.
9. Listening is a passive process.
10. People can be taught to increase their listening ability.
11. In order to be a good listener, one must develop a positive attitude toward listening.
12. The objective listener is one who already has his mind made up before hearing the speaker's point of view.
13. A "memory lapse" is not uncommon, and there is very little that anyone can do about it.
14. Listening comprehension can be improved by at least 25 percent.
15. Good salesmanship puts much more emphasis on a person's ability to speak than on his ability to listen.
16 When a person reads to get only the main points or basic facts from what he is reading, he skims.
17 When one reads for the purpose of locating information, he reads intensively.
18 A good reader comprehends only 35 to 50 percent of the material he reads, regardless of its difficulty.
19 When a reader comes to a word he does not know, he should always look it up in the dictionary, even though he can tell its meaning by the use in the sentence.
20 When reading for intensive comprehension, the average reader reads at a rate of about 250 words a minute.
21 The main idea in the paragraph is usually stated in one sentence called the focal point.
22 One of the best ways to increase one's vocabulary is to learn "families" of words rather than just an individual word.
23 It is important for the reader to identify his purpose in reading so he will know how to best proceed.
24 The most significant information in an article is first presented in about the middle of the article.
25 The beginning of a news story answers four questions: who, what, where, and which.
26 When a speaker uses complicated words, the audience is impressed by his speech although it may not understand his ideas very well.
27 Outgoing telephone calls should be planned as completely as possible before the number is dialed.
28 An interchange of facts and opinions on a given subject is a discussion.
29 What one says and how he says it have little effect on a person's job if he does his work well.
30 When introducing yourself to a co-worker on a job, it is not necessary to give your last name.
31 Although a speaker is well informed about his subject, he must still assemble information for the speech.
32 Visual aids are helpful to the speaker when used to summarize points or to show the relationship between ideas.
33 If a speaker memorizes the words he is to speak, the ideas will be clearly presented.
34 The clothing a person wears reflects his personality.
35 A written communication may give information about a product but tells very little about the writer.
36 When the writer shows the relationship between ideas, the reader can easily move from one sentence to the next.
37 The opening sentence of a letter should arouse the reader's interest in the letter.
38 One example of an effective technique for beginning a letter is: "We have your letter of January 20."
When a business letter is written on company stationery, the information in the letterhead and the date line serves the same purpose as the heading in a personal letter.

When completing an application blank, one should make appropriate comment in every blank.

When completing an application blank, one should always print.

"Cordially yours" is one of the most formal closings for a letter.

A résumé is similar to an application form.

A sales-minded correspondent conveys the idea that he is more interested in making a sale than he is in having a satisfied customer.

One should avoid beginning a paragraph with "I" or "We."

Each letter the beginning writer completes should be checked against the Five C's.

If you were writing a letter to the treasurer of the loan company about a home-improvement loan you already have, you would be writing a personal business letter.

All letters must have three paragraphs.

If a letter is addressed to a firm, a correct salutation is: "Dear Mr. Jones."

The inside address of a letter includes the address of the writer.

Multiple Choice

1. The listener may improve or control his physical situation when he is a member of the listening audience by:
   a. Sitting close to the speaker.
   b. Leaning forward alertly.
   c. Concentrating to avoid distractions.
   d. Closing his eyes to shut out distractions.

2. If you are going to listen to a talk, specific steps you can take to get more out of it include all the following except:
   a. Trying to anticipate what the message will be.
   b. Giving some thought to the speaker, his position, and prestige.
   c. Finding out the nature of the talk in advance and forming a definite opinion or point of view before the talk.
   d. Reviewing your own experience, knowledge, and attitudes toward both the speaker and the forthcoming message.

3. During the actual presentation or speech, the listener may do several things that will help him to get more out of the presentation. These may include all of the following except:
   a. Listening critically, and forcing the speaker to defend his point of view.
   b. Concentrating on the speaker's message, not on his own thoughts.
c. Looking around at the audience.
d. Following the main ideas, and constructing a mental outline of the
talk.
e. Sifting fact from opinion and prejudice.

4 The listener will accomplish more if he can adopt a proper attitude for
listening. This involves all of the following, except:
a. A positive rather than a negative frame of mind.
b. Being subjective; in other words, being concerned only with the
information that affects him.
c. A willingness to put himself in the speaker's position to try to
understand his message and motives.
d. A real desire to learn as much as possible from the message.

5 A good title to a speech should do all the following, except:
a. Answer questions about the subject.
b. Make the audience eager to hear the speech.
c. Briefly summarize the subject.
d. Contain nine or more words.
e. Identify the subject.

6 Which of the following statements gives the best advice to a speaker
who wants to control his anxiety when he faces an audience?
a. Take a few deep breaths.
b. Concentrate on the subject on which you are going to talk.
c. Prepare your speech well and practice it aloud.
d. Be well groomed and appropriately dressed.
e. Do all the above.

7 The skillful writer plans his communications so that they do all of the
following except:
a. Be easily scanned to get full meaning.
b. Convey the ideas he wants to reveal to his readers.
c. Reveal the image of the writer that he wants to reveal to the reader.
d. Reveal the image of the reader that the reader will want to see.

8 From the following list, select the step not used to plan a successful
letter.
a. Examine all previous correspondence available on the subject.
b. List the ideas and facts which relate to the message.
c. Organize the information.
d. Identify the reason for writing the letter.
e. Write the letter in the form in which it will be sent.
f. Include considerable detail to make the message clear.

9 The primary purpose of the résumé is to:
a. Give the applicant a chance to tell everything about himself.
b. Give the interviewer a list of the applicant's qualifications so the in-
terview will be easier.
c. List the qualifications of the job applicant.
d. Serve as a guide for the applicant while he fills out an application
blank.
10 Which of the following is the best opening statement for a letter of application?
   a. I know you are looking for an experienced salesperson, but...
   b. If you need an experienced salesperson, please consider my qualifications.
   c. My sister saw your ad in the Daily Record for an experienced salesperson, and she thought I would be qualified for the job.
   d. Do you employ salespeople?

11 Which type of reading best describes the reading a person might do when reading for pleasure?
   a. Skim.
   b. Scan.
   c. Intensive reading for recall.
   d. All the above.

12 Which of the following practices is least helpful to the reader who wants to increase his vocabulary?
   a. Identify the meanings of words by their use in the sentence or paragraph.
   b. Look up the word in the dictionary.
   c. Make up sentences in which you use the word.
   d. Use the word when you are with people who will know the meaning of the word.
SALES AND MARKETING TECHNIQUES

DISPLAY

True-False

1 Promotion is any activity on the part of the seller designed to impart information that will aid in the sale of a product.
2 Display is a form of sales promotion.
3 Visual merchandising is the process of selling merchandise through the use of displays.
4 Point-of-purchase displays are seldom found in drug and variety stores.
5 Opportunities for entry-level jobs in display are unlimited.
6 If a student has artistic ability and enjoys doing precision work, he has qualifications necessary for success in display work.
7 A person who is basically an introvert should go into public relations work.
8 A study of promotion is of little use unless one plans a career in this area.
9 Businessmen regard promotion as an investment, not an expense.
10 The types of promotion activities a business uses will be determined by the size of the geographic area in which the business makes sales.
11 Point-of-purchase displays are seldom prepared by the manufacturer of the product.
12 The type of promotion used for a product is determined by what stage of the life cycle a product is in.
13 The combination of promotional activities used to promote sales of a product is called the sales cycle.
14 Goods which are used to produce other goods or services are called consumer products.
15 The major function of a display is to stop traffic through a store.
16 The image of a store can be reflected through the use of displays.
17 All displays can be fitted into two classifications, window displays or unit displays.
18 Displays are ineffective because they cannot be changed rapidly to meet a competitor's offer.
19 A promotional window display is designed to promote the store's role in the community.
20 An institutional window display is designed to emphasize items and services not usually sold by the store.

21 Jewelry items are normally featured in an open display.

22 A buildup display features items in a setting like that in which the customer would use them.

23 Assortment displays make it possible for a retailer to serve more people, more efficiently, at lower costs.

24 Impulse displays and point-of-purchase displays are basically designed to achieve the same objectives.

25 The effective use of color and lighting is unimportant in a fashion display.

26 Little attention need be given to where an interior display is set up.

27 One of the major purposes of interior display is to arouse customer interest.

28 A good display should include all of the features of a good advertisement.

29 Displays should generally feature slow-moving, seldom-requested items.

30 Those displays in which the customer may view but cannot handle the merchandise are called open displays.

31 A display which features items in a setting like that in which the customer would use them are called buildup displays.

32 Impulse displays are most effective if they are located at or near the place where the undersock of the items is stored.

33 Small stores usually put more emphasis on advertising than on displays.

34 Displays designed to persuade customers to buy goods that they had not planned to buy are called open displays.

35 Proportion is an element of the principle of color.

36 One of the first steps in planning a display is to determine the purpose of the display.

37 All of the displays in a store should never be built around one central theme.

38 Merchandise should be arranged in a display so that the eye is easily led from one part of the display to another.

39 Merchandise, in order to attract and hold interest, may be emphasized by central grouping, contrasts of color, repetition, and by moving sizes from small to large.

40 Central figures in a display should not be prominently lighted.

41 Light should be used for an eye-catching effect.

42 Generally speaking, displays are more effective during the daytime than they are at night.

43 Fluorescent lights produce more heat than do incandescent lights.

44 Lights have little effect upon colors in a display.
45 The writing of show cards should conform to the rules of writing advertising copy.

46 Exclusive shops and salons should never resort to the practice of using show cards in their windows.

47 The major criterion to use in judging the effectiveness of a display is how many people stop to look at it.

48 Knowledge of the principles and elements of design and display is of little use to the person who does not pursue a career in this field.

49 It is usually a good idea to get as much copy as possible on a show card.

50 Once a display has been taken down, it is customary to throw away all props, retaining only the merchandise itself.

51 Attention may be directed to a display by applying the principle of dominance.

52 Balance is not one of the principles of design.

53 Merchandise of varying size and appearance creates balance when the larger items are nearer the center and the smaller items further away from the center.

54 The use of light colors in a window appears to narrow the window space, decreasing its size.

55 The color wheel has two main divisions, warmth and coolness.

56 Emphasis may be achieved in a display by the use of contrasting light and dark colors.

57 Color is of little importance in selling textiles.

58 Generally speaking, warm weather displays should feature the use of warm colors and cold weather displays should feature the use of cool colors.

59 Warm colors create a feeling of passiveness and tranquility.

60 The primary colors are red, yellow, and orange.

61 Tertiary and intermediate colors are the same.

62 Analogous colors are those colors which are located next to one another on the color wheel.

63 A display featuring the use of monochromatic colors would feature colors which form an equilateral triangle on the color wheel.

64 Tone may be measured like heat, by its coolness or warmth.

65 Intensity in color is determined by the addition of that color's complement.

66 Contrast is the most important element to remember when considering the use of color in a display.

67 Different tints or shades of one color are referred to as complementary colors.

68 Those colors obtained by combining colors which are next to each other on the color wheel are called secondary colors.
69 When two identical packages are painted two different colors, one dark and one light, the dark one will appear smaller and lighter in weight.

70 Contrast in a display results from the use of shapes that are not in harmony with one another.

71 The number of items to be featured in a window decides, more than any other factor, the form or arrangement the display will follow.

72 Gradation in a display may be achieved through the use of color, lights, or merchandise featured.

73 Stairstep and zigzag arrangements usually feature four items in the display.

74 Unity in a display depends primarily upon the use of dominance, balance, and proportion.

75 When props or merchandise are positioned so that they do not overlap with one another, the interference arrangement is being used.

76 The repetition arrangement is also known as the radiation arrangement.

77 Displays should be arranged so the center of attraction is below eye level.

78 The stairstep arrangement is most useful for arranging mass displays in limited space.

79 Only one feature is dominant in a display featuring a radiation arrangement.

80 The feeling of movement achieved in a display is called rhythm.

81 Exact repetition does not result in a monotonous effect.

82 A good display will emphasize props used in the display.

83 Formal balance in a display is achieved by balancing on the same side of an imaginary axis one or more identical or similar elements.

84 Repetition in a display is achieved by repeating two or more times one element such as color, size, shape, etc.

85 The stairstep arrangement leads the eye easily from one part of the display to another.

86 Props are used to support or hold the merchandise so that it is displayed in an attractive manner to the customer.

87 Panels and screens are ineffective props because of their limited uses.

88 Mannequins represent a major investment and, therefore, must be handled carefully by displaymen.

89 A form is a partial mannequin and may include legs, hands, or other body parts.

90 A disadvantage of seamless paper is the difficulty in applying it to a surface.

91 A series of six pedestals or tables should be used to create a stair-step arrangement.
Burlap is used frequently because it does not ravel and has an interesting texture.

Burlap drapes easily and adds richness and life to a display.

Burlap is popular in arranging displays in men's stores because of its rough texture.

Fixtures especially designed to display hats are millinery heads.

An item such as slacks is often displayed on a form rather than on a mannequin.

Columns can be used to create dignity and height in a display.

The cube is particularly effective in the display of large items.

Paper is usually applied to a display wall by gluing it.

The use of signs in displays is of minor importance.
SALES AND MARKETING TECHNIQUES

HUMAN RELATIONS

True-False

1 The ability to weigh the facts and decide is known as judgment skill.
2 Human relations, because of its many technicalities, is more of a science than an art.
3 Human relations in business are the same as human relations in private life.
4 The primary goal of human relations in business is to avoid arguments with your co-workers.
5 Increased production is one goal of human relations in business.
6 The application of human relations principles to the business setting is as old as business itself.
7 A good practitioner of human relations can be successful on the job even without any technical skills.
8 The ability to get along with others is a natural trait that you either have or do not have.
9 Human relations off the job require less skill because less is at stake.
10 How you relate to your supervisor, your co-workers, and your customers will require a conscious effort.
11 A lower standard of human relations practices is required of nonselling employees of a business than of selling employees.
12 Customer relations is the application of human relations to customers.
13 Tact is the ability to say one thing and mean something else.
14 A customer will respect the salesperson more if he is subservient.
15 Personality is how a person acts.
16 Your personality is made up of inherited characteristics that cannot be changed.
17 There is a significant relationship between a person's appearance and his personality.
18 Your style of speech is one of the factors that affects your appearance to others.
19 Mannerisms are one of the things that make people different, and everyone should attempt to develop unique mannerisms.
20 Speech is a physical characteristic of personality.
21 Intelligence helps you understand abstractions.
22 Attitudes and character are physical characteristics.
23 An attitude is the way you think or act that reflects your disposition or opinion toward a subject.
24 A sincere interest in others is an emotional characteristic.
25 The experiences you have had and the environment in which you have lived to a large extent determine the degree to which you can control your emotions.
26 Success or failure in what you do has little effect on your self-confidence.
27 Since personality is determined in your early life, very little can be done to change it.
28 Listening is part of communicating.
29 Scientists have agreed that creativity can be taught.
30 The primary and only important goal of a business is to make a profit.
31 Capital is the key resource in our economy—other resources are secondary.
32 Capital simply means money.
33 Today more people are employed in the distribution of goods and services than in production.
34 Employers prefer to hire qualified leadership rather than train employees for leadership positions.
35 In the employer-employee relationship, the only concern of the employer is having satisfied employees.
36 Employers provide supervision primarily to catch the mistakes of employees.
37 Employers contribute an amount equal to the employee's contribution for social security.
38 Labor is one of the key economic resources.
39 Employees should be compensated in proportion to what they produce.
40 The flow of authority from the top man to the bottom man is called the vertical division of work.
41 A team approach to responsibility and authority is preferable to clear-cut lines of authority and responsibility.
42 Line functions are those which accomplish the primary objectives of the business.
43 When a supervisor delegates a task to a subordinate, he is no longer responsible.
44 Assigning responsibility without corresponding authority is a common mistake.
45 Staff persons are the expert specialists who tell the line persons how to do their job.
46 Employee grievances are usually caused by human relations problems.
47 It is possible for one leader to embody all three types of leadership—democratic, autocratic, and frenc-rein.
48 The best way to handle a problem with your boss is to discuss it with his boss.

49 If you are a good communicator, you will not have to follow-up on a message to see that it was properly received.

50 In the human relations sense you are a member of many informal organizations.

51 Natural leadership emerges in the informal organization.

52 As far as human relations is concerned, as an employee you need only be interested in formal organization.

53 Basically people are alike and can be treated the same way.

54 Rumors are usually a dependable source of information.

55 If you have done a good piece of work, then you should claim credit for it.

56 Gossip about your co-workers is a disloyal act.

57 The informal organization serves no useful purpose to the business manager.

58 One key to human relations is to realize how people can differ.

59 One function of the informal organization is that of communication.

60 The informal organization cannot help to reinforce the rules and regulations of the company.

61 Management’s concern and efforts to improve human relations have had little influence in increasing production.

62 A business founded on good human relations principles motivates people to do their best.

63 An employee morale survey is conducted to determine if employees have a happy home life.

64 Management looks at leadership, communication, participation, and organization with the intent of improving human relations.

65 The qualities that make up leadership are inborn.

66 Businesses develop leadership through a planned supervisory development program.

67 Experience is the primary element in most supervisory development programs.

68 The abilities required of a good supervisor are the same as those required of a good operative employee.

69 The ability to delegate authority and responsibility is an ability required of supervisory personnel.

70 A supervisor should be prepared to accept criticism from those he supervises.

71 A supervisor should be aggressive, have a high degree of creativity, and be highly active.

72 Business usually requires a reading speed of 2,000 words per minute of its supervisors.

73 Employee participation refers to the level of participation by employees in company-sponsored activities such as sporting teams and clubs.

74 Employee participation results in increased employee satisfaction and higher productivity.
1 Human relations refers to (a) getting along with others; (b) treating others as equals; (c) understanding your family.

2 Getting along with others off the job is called (a) common sense human relations; (b) structured human relations; (c) unstructured human relations.

3 Structured human relations refers to (a) relations with classmates; (b) relations on the job; (c) relations at social functions.

4 The ability to think and act without being urged is known as (a) initiative; (b) industry; (c) attitude.

5 The mental attitude that causes a person to want to work hard is (a) character; (b) dependability; (c) industry.

6 Enthusiasm is a mental attitude reflected by (a) indifference; (b) an intense or eager interest in a subject; (c) goodwill toward customers.

7 Honesty and respect for other people and their property make up a person's (a) personality; (b) character; (c) intelligence.
Such feelings as love, hate, fear, anger, pride, worry, and confidence are all basically (a) emotions; (b) attitudes; (c) traits.

The ability to analyze is important for (a) only the boss of a business; (b) employees in marketing and distribution; (c) people in unstructured relationships.

Business today prefers its employees: (a) to concentrate on their job and career field and spend less time and effort on society; (b) to belong to social groups; (c) to be conscious of what is going on in the community.

The employer-employee relationship is (a) one of dominance by the employer; (b) a partnership; (c) one of exploitation.

In the study of economics the principle of self-consumption refers to (a) employers who exploit their employees; (b) self-employed workers; (c) workers who can buy and use the goods they produce.

In the employer-employee relationship, job safety is (a) the employee's responsibility; (b) the employer's responsibility; (c) the responsibility of both employee and employer.

Staff functions are those that (a) accomplish the primary objectives of the business; (b) support line functions; (c) hire the needed staff of personnel.

A good manager can effectively supervise (a) any number of people; (b) about five people; (c) a limited number depending on the complexities of the job.

The leader who encourages employee participation is a (a) autocratic leader; (b) free-rein leader; (c) democratic leader.

Horizontal communications refers to (a) utilizing radio waves that travel horizontal to the surface of the earth; (b) communications on the same organization level; (c) informal communications.

Informal organization refers to (a) personal and social relationships; (b) the business that does not have a formal organization chart; (c) unstructured human relations.

The science of word meaning is called (a) psychology; (b) semantics; (c) communications.

Physical representations of status are called (a) status symbols; (b) cars; (c) prizes.

The entire process of marketing and distribution is dependent on (a) good human relations; (b) social relationships; (c) democratic leadership.

First impressions are usually right; (b) are usually wrong; (c) may be right or wrong.

Controlling your emotions is a sign of (a) confidence; (b) maturity; (c) sincerity.

Personality is (a) inherited; (b) a result of experience and environment; (c) acquired by study.

Often the main forms of communication within an informal organization are (a) gossip and rumor; (b) memos and conferences; (c) telephone calls and notes.
1. The buyer's job is to buy and sell goods that contribute to the firm's profits.

2. A buyer does not have to be alert to what competing stores are doing if he seeks the best buy at the lowest price from suppliers.

3. A buyer may sell items in such large quantities that a small profit on each item will add up to a sizable total profit.

4. Buyers in a department store are like industrial buyers because their main purchases are materials, equipment, and supplies that are used in the operation of the firm.

5. The buyer normally turns the major responsibilities for merchandising training over to the personnel or training department.

6. Customer desires and requests to salespeople are of little value to the buyer.

7. Orderly stockkeeping has a positive effect on customers, influencing them to buy.

8. Each buyer must carefully watch his sales, stock, and purchases so that he does not exceed the merchandise budget set up for his department.

9. The buyer is held responsible for inventory shortages.

10. Controlling merchandise and departmental budgets is a function a buyer performs.

11. Communication of policy is left to top management and is not a function of the buyer.

12. Errors on the sales floor can be reduced through proper training of salespeople.

13. The buyer is not responsible for the selling of merchandise on the sales floor.

14. The buyer gets the best results from advertising and promotion when he concentrates on promoting profitable merchandise with proven sales appeal.

15. Sales records from previous years are more valuable to the buyer when placing orders for fashion goods than when ordering staple goods.
16 A basic stock list provides the minimum stock that should be on hand in a department or store.
17 A seasonal buying calendar indicates when buying should begin and end for special events such as Thanksgiving, Easter, and June weddings.
18 Want slips are a valuable indication of what has been sold.
19 A fashion coordinator is a specialist who advises the merchandising and advertising divisions on style trends.
20 A successful store must make a fair profit.
21 Many stores follow a price-lining policy: that is. they limit the number of prices at which a particular type of merchandise is offered for sale.
22 A buyer must be impartial and consider the product from the customer's viewpoint rather than rely on his personal tastes and dislikes.
23 Hand-to-mouth buying always shows inexperience on the part of a buyer.
24 Hand-to-mouth buying allows the buyer the benefits of discounts usually given on large-quantity purchases.
25 Seasonal buying is usually done well in advance of the season.
26 Buyers are most likely to sample staple goods—not fashion goods.
27 A buyer must study and get to know as much as possible about his suppliers and potential suppliers.
28 The resource file card is an excellent place for the new buyer to learn about merchandise resources.
29 The price of the goods determines whether the buyer should buy the merchandise. Discounts and delivery charges can be determined later.
30 The vendor's diary contains records of the buyer's experience with each principal resource.
31 The buyer can refer to many sources of information to discover what products his customers want, but he must make the final selection.
32 A buyer does not depend on testing laboratories to provide him with reliable product information.
33 Suppliers often offer help to buyers in arranging for local retail advertisements and store displays.
34 Buyers of staple goods often deal directly with manufacturers so they can get prompt delivery on the newest styles.
35 Some manufacturers have minimum order requirements that all but eliminate the small retailer who operates on a hand-to-mouth basis.
36 The credit period is based on the date appearing on the bill or invoice and is called advance dating.
37 The percentage of the price that the seller allows the buyer to deduct if the bill is paid within a certain period is called the chain of discount.
38 ROG refers to credit terms that apply from the date the goods are received by the buyer.

39 The percentage of the price that the seller allows the buyer to deduct if the bill is paid within a certain period is called a cash discount.

40 An experienced buyer realizes that free deals and quantity discounts often can result in overstocking.

41 FOB shipping point would give the buyer a better total cost of goods than FOB destination.

42 Title to the goods shipped FOB shipping point transfers to the buyer upon delivery by the manufacturer to the transportation company.

43 In memorandum sales the supplier compensates for the risk he is taking by charging a higher price.

44 Seasonal discount terms are normally connected with the transportation of goods.

45 The primary purpose of stock control is to provide the buyer with information on slow-selling items.

46 A balanced assortment of goods through good stock control leads to more sales and an increase in the store's profits.

47 Stock control helps the buyer to determine how much money should be spent on merchandise.

48 Inventory overages are more common than inventory shortages.

49 An inventory shortage may arise from mistakes made in taking the physical inventory.

50 Inventory overages are normally caused by merchandise breakage or theft.

51 A buyer works to eliminate inventory shortages and in this way increase the profit of his department.

52 By comparing the records on the orders placed during each period with the planned purchases allowed in the merchandise plan, the buyer knows how much he is open to buy.

53 Unit-control records show the quantity of each item sold and thus indicate the items that are not selling.

54 The unit-control records indicate the sizes, styles, colors, and price lines that are selling.

55 Tickler control is a method of physical inventory used with high-fashion merchandise.

56 A basic stock list shows the minimum amount of stock that should be on hand for each type of goods that is sold in the store, and the quantity to reorder when ordering is done.

57 A card, slip, or gummed label containing pertinent reorder information is used to mark the minimum point under visual control.

58 The principal advantage of perpetual inventory systems is that they are simple and more economical to operate than physical inventory systems.
59 The chief disadvantage of physical inventory systems is that they do not provide inventory and sales information on a daily basis.

60 With high-unit-priced items a buyer can use a card system, with one card for each item containing all necessary unit-control information.

61 While they are important, unit-control records fail to give the buyer a basis for determining customer demand.

62 Successful buyers rely on unit-control systems for factual information but also use their imagination and judgment to interpret data.

63 In some lines of merchandising a visual-control system shows what items should be reordered.

64 Up-to-date and comprehensive information on the movement of stock is given by a perpetual inventory system.

65 A buyer must be able to interpret properly the output information of the unit-control system.

66 When a customer returns an item, this return does not need to be included in the unit-control system.

67 When a new style is introduced to customers, the buyer is able to charge a higher price than usual.

68 It is an accepted fact in the retail field that there is a simple formula that can be followed in determining prices.

69 In determining prices, the buyer adds to the cost of the goods an amount that is sufficient to cover the estimated selling costs and still allow a reasonable profit.

70 Whether the price attracts customers to buy depends on the desirability of the merchandise, the prices offered by competing stores, and many other factors.

71 The buyer of fashion goods sets the original price high enough to allow for later markdowns.

72 When the demand for goods exceeds the supply, the buyer usually puts a lower price on the merchandise.

73 High prices mean maximum profits.

74 A supermarket utilizes a variable-price policy to save time and build customer confidence.

75 There is considerable evidence to support the value of odd-cent pricing.

76 A store that uses a one-price policy treats all customers alike.

77 An important pricing objective is to achieve or maintain a certain share of the market.

78 Certain types of prestige stores are usually able to charge higher prices because customers are willing to pay more for goods carrying the prestige labels.
Leader pricing is cutting prices temporarily on a few items to attract customers.

Each item must be priced to bring in a profit.

The rate of stock turnover is greatly influenced by the type of goods sold.

Stores with a large sales volume generally will have a lower rate of stock turnover than the same type of store with a lower sales volume.

The most important advantage to be gained by increasing the rate of stock turnover is an increase in profits.

When the rate of stock turnover is increased, the buyer can invest a smaller amount of capital in stock in proportion to the volume of sales and make a more efficient use of the space available.

If the buyer concentrates solely on raising the rate of stock turnover without considering profits, he may reduce his stock to the point where he does not have a sufficient assortment.

A low rate of stock turnover usually results in more orders and more incoming shipments, which increase the costs involved with placing orders and receiving shipments.

Either net sales or average stock, or both of these figures, must be changed if the rate of stock turnover is to be increased.

You can increase the rate of stock turnover by reducing the size of stock without reducing sales.

You can increase the rate of stock turnover by increasing sales without increasing stock by using better selling techniques.

You can increase the rate of stock turnover by obtaining a greater sales volume with a smaller stock by careful buying and clever promotion.

The most important element to be considered in the construction of the merchandise plan is the amount of net profit to be expected.

Past sales of the store are a poor indication of future sales.

General business conditions in the community, state, and nation must be considered in projecting sales figures for the merchandise plan.

Markdowns, discounts to employees and selected customers, and inventory shortages are all classified in the merchandise plan as reductions.

In the merchandise plan the buyer states markdowns as a percentage of cost of goods sold.

The buyer plans markdowns to stimulate sales.

The difference between the cost and the retail price in the total merchandise handled in a department is the cumulative markup.

A well-balanced selection of stock that will meet customer demands is called an adequate assortment.

It is important that the merchandise plan be kept right for evaluation of the buyer's ability.

A good merchandise plan must be realistic and set goals that can be met.