**Introduction to Production**

**Complete the following using the Production PowerPoint, your textbook (chapter 5: pages 155 – 161) and the internet where needed.**

***Production*** is defined as the ***processes and methods*** used in ***transforming tangible inputs*** (raw materials) and ***intangible inputs*** (ideas, information, know-how) into ***goods or services***.

1. The production of goods includes six factors. Briefly describe each and provide an example.

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| **Factors of Production** | **Definition and Example** |
| Natural resources  |  |
| Raw materials |  |
| Labour |  |
| Capital |  |
| Information |  |
| Management |  |

1. What is another term for primary industry?\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. What is the difference between ingredients and supplies? Explain fully.
3. Define the following terms and provide an example for each.

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| **Terms** | **Definition and examples** |
| automation |  |
| consolidation |  |
| outsourcing |  |

1. What is the common link between the terms listed in question #4? To help you respond to this question consider what each is meant to do.
2. Distinguish between liquid capital and non-liquid capital by providing examples of each in your explanation.

**Complete the following using the Production PowerPoint, your textbook (chapter 5: pages 162 to 164) and the internet where needed.**

The Production Process: List the four stages of the production process, define each and provide one example of how it might or is used in business.

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| **Production Process** | **Description and Example** |
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Read the short article on chicken standards on page 165 in “Ethical, Moral & Legal Considerations”. After reading it, how important is it to you how chickens are raised? Record your response below.