



# AMERICAN BUSINESS

## Merit Badge Requirements

**1) Do the following:**

- A)** Explain four features of the free enterprise system in the United States. Tell its benefits and responsibilities. Describe the difference between freedom and license. Tell how the Scout Oath and Law apply to business and free enterprise.
- B)** Describe the Industrial Revolution: Tell about the major developments that marked the start of the modern industrial era in the United States. Tell about five people who had a great influence on business or industry in the United States. Tell what each did.

**2) Do the following:**

- A)** Visit a bank. Talk with one of the officers or staff. Chart the organization of the bank. Show its relationship with other banks, business, and industry.
- B)** Explain how changes in interest rates, taxes, and government spending affect the flow of money into or out of business and industry.
- C)** Explain how a proprietorship or partnership gets its capital. Discuss and explain four ways a corporation gets its capital.
- D)** Explain the place of profit in business.
- E)** Name five kinds of insurance useful to business. Describe their purposes.

**3) Do the following:**

- A)** Pick two or more stocks from the financial pages of a newspaper. Request the annual report or prospectus from one of the companies by writing, or visit its Web site (with your parent's permission) to view the annual report online. Explain how a company's annual report and prospectus can be used to help you manage your investments.
- B)** Pretend you have bought \$1,000 worth of the stocks from the company you wrote to in requirement 3a. Explain how you "bought" the stocks. Tell why you decided to "buy" stock in this company. Keep a weekly record for three months of the market value of your stocks. Show any dividends declared.

**4) Do the following:**

- A)** Draw an organizational chart of a typical central labor council.
- B)** Describe automation, union shop, open shop, collective-bargaining agreements, shop steward, business agent, and union counselor.
- C)** Explain the part played by four federal or state agencies in labor relations.

**5) Run a small business involving a product or service for at least three months. First find out the need for it. For example: a newspaper route, lawn mowing or sales of things you have made or grown. Keep records showing the costs, income, and profit or loss. Report:**

- A)** How service, friendliness, hard work, and salesmanship helped build your business.
- B)** The benefits you and others received because you were in business.

*Comparable 4-H, FFA, or Junior Achievement projects may be used for requirement 5.*

**6) Do ONE of the following:**

- A)** Make an oral presentation to your Scout troop about an e-commerce company. Tell about the benefits and pitfalls of doing business online, and explain the differences between a retailer and an e-commerce company. In your presentations, explain the similarities a retailer and an e-commerce company might share.
- B)** Choose three products from your local grocery store or mall and tell your merit badge counselor how the packaging could be improved upon so that it has less impact on the environment.
- C)** Gather information from news sources and books about a current business leader. Write a two-page biography about this person or make a short presentation to your counselor. Focus on how this person became a successful business leader.

*Worksheet Created by: Rob Greenland – robgreenland@juno.com*

Scout Name: \_\_\_\_\_ Unit #: \_\_\_\_\_ Date: \_\_\_\_\_

**Requirement 1**

Explain four features of the free enterprise system in the United States:

Feature: \_\_\_\_\_ Explanation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Feature: \_\_\_\_\_ Explanation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Feature: \_\_\_\_\_ Explanation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Feature: \_\_\_\_\_ Explanation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What are some of the benefits and responsibilities of the free enterprise system in America? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What is the difference between freedom and license? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

How does the Scout Oath and Law apply to business and free enterprise? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe the Industrial Revolution: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Scout Name: \_\_\_\_\_ Unit #: \_\_\_\_\_ Date: \_\_\_\_\_

What were some of the major developments that marked the start of the modern industrial era in the United States? \_\_\_\_\_

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Tell about five people who had a great influence on business or industry in the United States. Tell what each did.

Person: \_\_\_\_\_ What did they do? \_\_\_\_\_

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Person: \_\_\_\_\_ What did they do? \_\_\_\_\_

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Person: \_\_\_\_\_ What did they do? \_\_\_\_\_

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Person: \_\_\_\_\_ What did they do? \_\_\_\_\_

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Person: \_\_\_\_\_ What did they do? \_\_\_\_\_

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Person: \_\_\_\_\_ What did they do? \_\_\_\_\_

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Scout Name: \_\_\_\_\_ Unit #: \_\_\_\_\_ Date: \_\_\_\_\_

## Requirement 2

Visit a bank. Talk with one of the officers or staff.

Bank Visited: \_\_\_\_\_ Spoke with: \_\_\_\_\_

Use the space below to chart the organization of the bank. Show the relationships with other banks, business, and industry.

Explain how changes in interest rates, taxes, and government spending affect the flow of money into or out of business and industry:

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Explain how a proprietorship or partnership gets its capital: \_\_\_\_\_

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Scout Name: \_\_\_\_\_ Unit #: \_\_\_\_\_ Date: \_\_\_\_\_

Discuss and explain four ways a corporation gets capital:

Method 1: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Method 2: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Method 3: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Method 4: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Explain the place of profit in business: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name five kinds of insurance useful to business. Describe their purposes:

Insurance: \_\_\_\_\_ Purposes: \_\_\_\_\_

\_\_\_\_\_

Insurance: \_\_\_\_\_ Purposes: \_\_\_\_\_

\_\_\_\_\_

Insurance: \_\_\_\_\_ Purposes: \_\_\_\_\_

\_\_\_\_\_

Insurance: \_\_\_\_\_ Purposes: \_\_\_\_\_

\_\_\_\_\_

Insurance: \_\_\_\_\_ Purposes: \_\_\_\_\_

\_\_\_\_\_

Scout Name: \_\_\_\_\_ Unit #: \_\_\_\_\_ Date: \_\_\_\_\_

### Requirement 3

Pick two or more stocks from the financial pages of a newspaper.

Stock: \_\_\_\_\_ Stock: \_\_\_\_\_

Request the annual report or prospectus from one of the companies by writing, or visiting its Web site to view the annual report online.

Which company did you contact? \_\_\_\_\_ How did you contact them? \_\_\_\_\_

Explain how a company's annual report and prospectus can be used to help you manage your investments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Pretend you have bought \$1,000 worth of the stocks from the company you wrote to.

Explain how you "bought" the stocks: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Tell why you decided to "buy" stock in this company: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Keep a weekly record for 3 months of the market value of your stocks.

STOCK: \_\_\_\_\_

STOCK: \_\_\_\_\_

Beginning Stock Value: \_\_\_\_\_

Beginning Stock Value: \_\_\_\_\_

Week 1 Stock Value: \_\_\_\_\_

Week 1 Stock Value: \_\_\_\_\_

Week 2 Stock Value: \_\_\_\_\_

Week 2 Stock Value: \_\_\_\_\_

Week 3 Stock Value: \_\_\_\_\_

Week 3 Stock Value: \_\_\_\_\_

Week 4 Stock Value: \_\_\_\_\_

Week 4 Stock Value: \_\_\_\_\_

Week 5 Stock Value: \_\_\_\_\_

Week 5 Stock Value: \_\_\_\_\_

Week 6 Stock Value: \_\_\_\_\_

Week 6 Stock Value: \_\_\_\_\_

Week 7 Stock Value: \_\_\_\_\_

Week 7 Stock Value: \_\_\_\_\_

Week 8 Stock Value: \_\_\_\_\_

Week 8 Stock Value: \_\_\_\_\_

Week 9 Stock Value: \_\_\_\_\_

Week 9 Stock Value: \_\_\_\_\_

Week 10 Stock Value: \_\_\_\_\_

Week 10 Stock Value: \_\_\_\_\_

Week 11 Stock Value: \_\_\_\_\_

Week 11 Stock Value: \_\_\_\_\_

Week 12 Stock Value: \_\_\_\_\_

Week 12 Stock Value: \_\_\_\_\_

Week 13 Stock Value: \_\_\_\_\_

Week 13 Stock Value: \_\_\_\_\_

Ending Stock Value: \_\_\_\_\_

Ending Stock Value: \_\_\_\_\_

Dividends Declared: \_\_\_\_\_

Dividends Declared: \_\_\_\_\_

Scout Name: \_\_\_\_\_ Unit #: \_\_\_\_\_ Date: \_\_\_\_\_

### Requirement 4

You have been given three options for this requirement. Select and complete *ONE* of them.

If you selected *Option A*:

In the space below draw an organizational chart of a typical central labor council.

If you selected *Option B*:

Describe the following:

Automation: \_\_\_\_\_  
\_\_\_\_\_

Union Shop: \_\_\_\_\_  
\_\_\_\_\_

Open Shop: \_\_\_\_\_  
\_\_\_\_\_

Collective-Bargaining Agreements: \_\_\_\_\_  
\_\_\_\_\_

Shop Steward: \_\_\_\_\_  
\_\_\_\_\_

Business Agent: \_\_\_\_\_  
\_\_\_\_\_

Union Counselor: \_\_\_\_\_  
\_\_\_\_\_

Scout Name: \_\_\_\_\_ Unit #: \_\_\_\_\_ Date: \_\_\_\_\_  
If you selected *Option C*:

Explain the part played by four federal or state agencies in labor relations:

Agency: \_\_\_\_\_ State or Federal? \_\_\_\_\_

Role Played in Labor Relations: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Agency: \_\_\_\_\_ State or Federal? \_\_\_\_\_

Role Played in Labor Relations: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Agency: \_\_\_\_\_ State or Federal? \_\_\_\_\_

Role Played in Labor Relations: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Agency: \_\_\_\_\_ State or Federal? \_\_\_\_\_

Role Played in Labor Relations: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### Requirement 5

Run a small business involving a product or service for at least three months. For example: a newspaper route, lawn mowing, sales of things you have made or grown. *Comparable 4-H, FFA, or Junior Achievement projects may be used for requirement 5.*

What is the business you have selected to run? \_\_\_\_\_

Explain the need for your business: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_ Using your own method of record keeping, keep records showing the costs, income and profit or loss for your business. At the end of the three month period attach your records to this worksheet and show them to your counselor.

Describe how service, friendliness, hard work, and salesmanship helped you build your business: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Tell about the benefits you and others received because you were in business: \_\_\_\_\_



