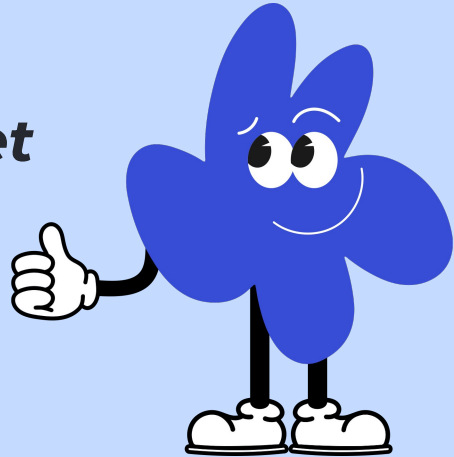


Fourth Grade

Financial Literacy

Lesson 2
Introduction to the Stock Market



Vocabulary

Company

A company is a legal definition of a business. The type of company tells you how it is organized, who owns it, and what rules it has to follow.

Entrepreneur

An entrepreneur is person who turns their ideas into a new company. And they accept the risks and rewards of building that business.

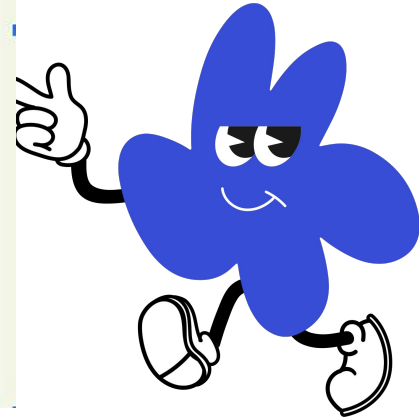


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Oprah Winfrey is a multimedia executive, actress, writer, producer, and philanthropist. She founded and is chair and CEO of a multimedia production company, Harpo Productions, and founder of O, The Oprah Magazine.

Who are some famous entrepreneurs and what companies did they build?

What's an Entrepreneur?



Vocabulary

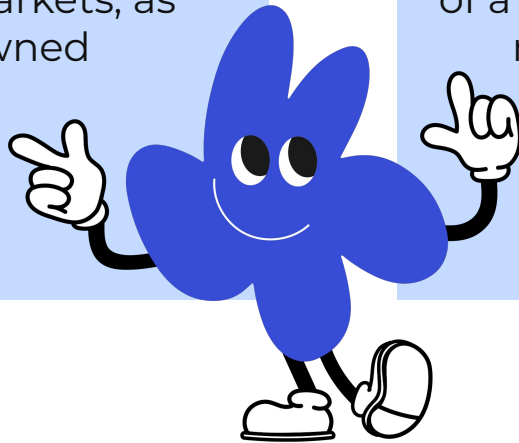
There are two main types of companies:

Private Corporation

These types of companies must follow similar rules that individual people must follow and they are owned by one person or group of people. Although they may issue stock, they are not traded on an exchange. Mars candy and Publix super markets, as well as your local family-owned restaurants or even your lemonade stand are examples of private corporations.

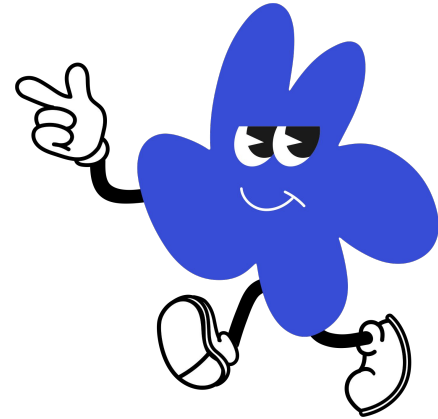
Public Corporation

A public corporation is a type of company that lets people buy shares (pieces of a company) through a stock exchange. Someone who owns a large number of shares has a larger stake in the ownership of a company. These companies must file papers with regulators to tell them about their finances. Amazon, Apple, and Coca-Cola are public corporations.



Vocabulary

Are The Yummy Brothers a private corporation or a public one?



Growing a Company

Imagine you are an entrepreneur that makes backpacks. After you shared a video of your backpacks on social media, they went viral.

People really like your backpacks, and you can't make them fast enough to sell them to all the people who want to buy them.

You could build a factory to make more backpacks faster, but that's expensive. You will need to raise money to pay for that factory. One way companies raise money is go to the stock market and become a public company.

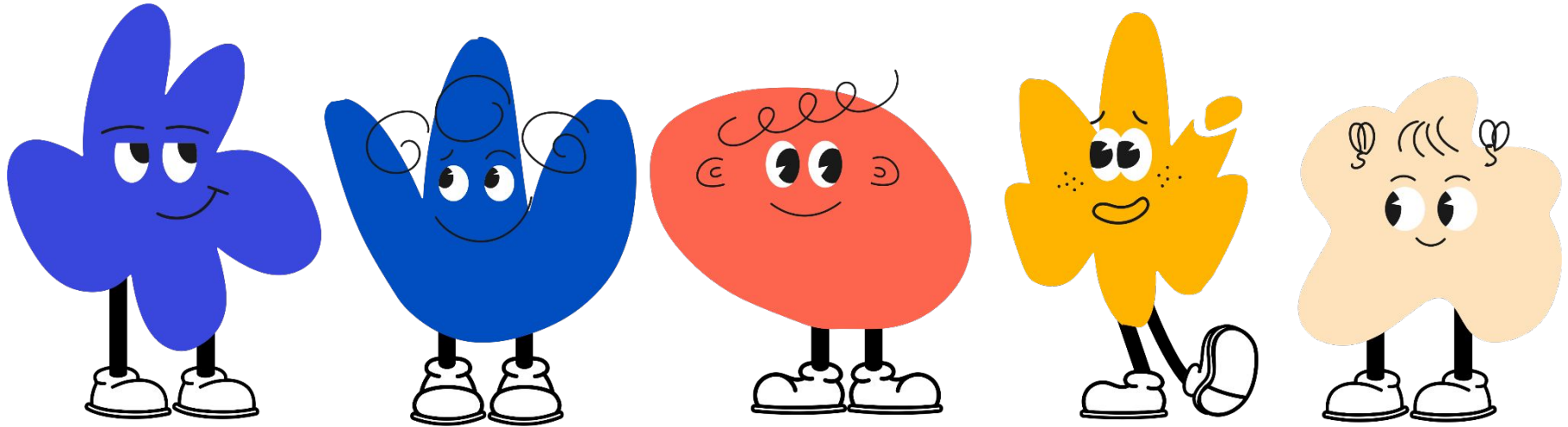


Getty Images

Where else do companies raise money?

Fund that Factory

Get into groups and brainstorm all the ways a company can make money in 5 minutes. Share your list with the rest of the class.



What Companies Make What Products

Write two lists of products:

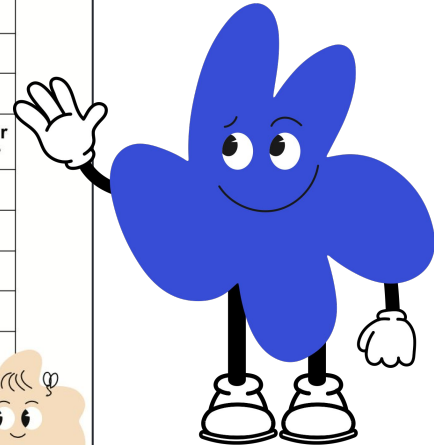
- 5 products you need
- 5 products you want

Which companies make each of these products? Do you think each of these companies is a public corporation or a private one? Why?

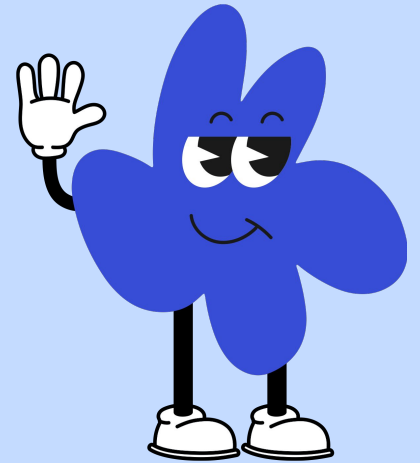
Date: _____

Researching Companies

Products I need	Companies that make that product	Public or Private?
1.		
2.		
3.		
4.		
5.		
Products I want	Companies that make that product	Public or Private?
1.		
2.		
3.		
4.		
5.		



thanks.



APPENDIX: Resources and Activity Worksheets

Slide 8: Researching Private & Public Companies

- Print worksheet on slide 11 and distribute to students
- Have them fill out each section, researching companies online as they select products.
- Discuss in small groups or all together, asking for volunteers to share one private and one public company example from their research

Date: _____

Researching Companies

Products I need	Companies that make that product	Public or Private?
1.		
2.		
3.		
4.		
5.		
Products I want	Companies that make that product	Public or Private?
1.		
2.		
3.		
4.		
5.		

