

Minding Your Business



Where do you buy chocolate? You probably go to a store near your home. The store might not sell the special chocolate you like, but it's close to home.

Suppose a new candy store opens nearby, and the owner is making the chocolate you like. The owner doesn't know if the store will be successful. He sells only a few types of chocolate, so he is taking a risk that people

will buy the kinds of chocolate he has chosen to make. He understands that he might not be able to stay in business because customers might not buy his chocolate.

This person is a type of business owner called an entrepreneur. An entrepreneur is someone who starts a business and is willing to risk losing money to try to make money. He must spend money on ingredients for the chocolate, rent for the store, pay for workers, and many other things. These are his costs. If he makes more money than he spends, that money is called his profit.

Many people become entrepreneurs because they

think they have a good idea for a business. In fact, a man named Milton S. Hershey was an entrepreneur in the late 1800s. Hershey opened several businesses that sold caramel candy. His first two businesses did not make a profit, but his third business did. Then he decided to add chocolate to his caramel candy. That was how the Hershey Chocolate Company started more than 100 years ago.

If you have ever opened a lemonade stand, you are an entrepreneur, too. You probably found that in order to make a profit, you had to earn more money than you spent. Your costs probably included lemons, sugar, and cups. They might also have included posters and markers.

Entrepreneurs are hard workers who think they have a good idea. What new business might you be interested in starting?

