

Name:

Date:

Class:

Funding Business Growth

Skill:

- Application (AP)

Time on Task:

- 35–40 minutes

Goal/Purpose:

- The goal of this activity is to determine the best option(s) for funding business growth.

DeJuan started an automotive detailing shop, and customers are thrilled with the high degree of attention he and his employees pay to their vehicles. Many customers drive close to 100 miles just to have their car detailed by his company. Due to the number of customers, he has thought about expanding and adding other shops, but he needs advice about how he should fund this growth. DeJuan graduated from your high school, and he knows your instructor, who has volunteered your class to present the pros and cons of all the different types of options for funding business growth to DeJuan. Your instructor will assign you to one of the seven forms of funding for business growth to create for the presentation. Even though you are presenting only one portion, record the advantages and disadvantages of all the funding options in the space provided. To conclude the presentation, write 2–3 paragraphs advising DeJuan on your suggestion(s) for funding.

1. Company-Generated Funds

- a. Advantages

Answer:

- b. Disadvantages

Answer:

2. Self-Financing

- a. Advantages

Answer:

- b. Disadvantages

Answer:

3. Trade Credit

- a. Advantages

Answer:

- b. Disadvantages

Answer:

4. Accepting Money from Family or Friends

- a. Advantages

Answer:

- b. Disadvantages

Answer:

5. Equity Financing

- a. Advantages

Answer:

- b. Disadvantages

Answer:

6. Seeking Lenders to Finance Growth

- a. Advantages

Answer:

- b. Disadvantages

Answer:

7. Going Public

- a. Advantages

Answer:

b. Disadvantages

Answer: