1.02 Project Partnership

A partnership is a type of business in which partners share with each other the profits or losses of the business undertaking in which all have invested.

Directions: Choose a partner. You and your partner are going to draw a business out of the hat and make plans to open that business by answering the following questions.

* + What kind of products or services will you sell?
  + What is your business name?
  + Who will buy your products or services? (Adults, teens, children, etc.)
  + Where will your business be located (in your home, a shopping mall, on the Internet, a shopping center, etc.)?
  + What skills will each of you bring into the partnership?
  + How will you advertise your products?

After answering the questions with your partner, consider the following in a class discussion.

* + How did you feel discussing these questions with your partner?
  + What are some of the compromises you worked out?
  + Do you think it will be easier financially to have two people starting a business as opposed to one? Why or why not?
  + If your partnership is forced to file bankruptcy, who will be liable to pay the past due bills?
  + Why should partnerships have an agreement before they start?