Debt
- Over half of the debt in the United States is owed by the government

What does debt do to the business and customers?
- Tax issues
- Harder to get loans at fair rates
- Harder to launch new businesses/products
- Businesses end up charging more

Supply and Demand

**Supply** – number of units available for sale

**Demand** – number of units the market needs
- The interaction between supply and demand creates the equilibrium price point – where the price of a product clears the supply of the product.

Ways to Grow
- “A business is like a tree, it must grow or it will die”
- Sell more of a product
- Sell add-ons (services/other products)

Business to business transactions are used to solve problems

Why go International?
- Supply and demand
- International trade is a way to make more money by reaching out to more potential customers

Buying a Business

Different ways
1. Buying an existing business
2. Creating a startup business
3. Buying a franchise

Advantages to an Existing Business
- Current customers
- Supplies
- Name
- Facility
- Ownership/long-term lease on building
- Company is separate from owners/proprietor
- Previous records held secure loans

Disadvantages to an Existing Business
- Supplies/equipment could be outdated
- No room for individuality
- Customer loyalty to previous owner could discourage
- Not meeting customer expectations
- Previous business could have been failing (now your problem)
- May be hidden problems you then have to deal with

Startup Businesses
1. Risky – 90% failure rate after 5 years