

Boy Scout Leader's Guide



May 7th 2016







Circle Ten Council, BSA is proud to be a Strategic Partner for **Lemonade Day Greater Dallas 2016** — an annual community-wide event designed to teach youth how to start, own and operate their very own business using......a lemonade stand! Lemonade Day brings together the business and volunteer sectors of our community to focus on preparing youth for entrepreneurship, leadership and a responsible life! Boy Scouts learn how to set goals, find investors, select their site, build a stand, purchase supplies, make healthy products, advertise, serve their customers, account for sales, open a bank account and give back to their community. They will learn how to run their own company and in the process, gain essential leadership skills that are *core Scouting values*.

Lemonade Day™ is May 7, 2016! In 2014, Dallas held its first Lemonade Day, and last year we had over 1,400 future leaders set up lemonade stands, and get in on the fun that will help prepare them for life.

Frequently Asked Questions:

What is the objective of Lemonade Day?

Lemonade Day teaches Greater Dallas's youth how to start, own and operate their very own business.....a lemonade stand. Through the program, youth not only learn about entrepreneurship, financial literacy and business skills, but they also learn valuable life skills as well.

How much does it cost?

Lemonade Day participation is free for all kids, schools, community organizations, and other caring adults who participate.

Where does the money go?

The objective is to teach Scouts how to run their own business, so they will **keep what they earn** after covering their expenses and paying back their investors. Scouts will also learn how to open a youth savings account so that their profits can continue to grow.

Can anyone have a lemonade stand?

Yes! Any child can <u>participate in Lemonade Day</u> as long as a responsible adult agrees to work with them. After registering online at **Dallas.LemonadeDay.org**, Scouts will gain access to Lemonopolis, the on-line interactive Lemonade Day program. To register as a group or to register for hardcopy workbooks, contact dallas@lemonadeday.org.

Will there be instructions on how to run a lemonade stand?

Absolutely! Lemonade Day is all about teaching Scouts the value of entrepreneurship. As the scouts work through the program, they will make all the decisions necessary to open their very own business. Use this Leader's Guide with additional group activities that help to teach Scouts the steps to operating a successful business.

Where will the stands be located?

Scouts will select their own locations for the stands, which means lemonade will be available across the Greater Dallas area! NOTE: Scouts will be responsible for making arrangements or obtaining permission for their stand locations. On the Lemonade Day Dallas website – <u>dallas.lemonadeday.org</u> - Scouts can find suggested stand locations including city parks and local businesses that invite stands to set up in front of their stores on Lemonade Day. Be sure to use the contact information to get permission!

What time is Lemonade Day?

Scouts and their responsible adult are encouraged to operate their stand at any time on May 7, 2016.

Can Scout troops participate?

We encourage every troop to get involved. Lemonade Day is a unique experiential learning opportunity combining Scouting advancement and life skills to teach Scouts about business. It is also a chance for leaders, families and Scouts to work together and have fun! Simply register online at dallas.lemonadeday.org.

How to use this Guide:

This Boy Scout Leader's Guide contains four activities designed to reinforce entrepreneurial concepts and help your Scouts earn the entrepreneurship merit badge. Each activity has experiences to help Scouts learn how to start and operate their very own business.

Lemonade Lessons:

- Getting Started
- Setting Goals, Planning and Finding an Investor
- Site Selection, Advertising and Building a Stand
- Banking and Giving Back

Additional resources and follow-up activities can be found at the Lemonade Day website: www.LemonadeDay.org

Please visit dallas.lemonadeday.org to:

- Enter contests Best Tasting and Best Business
- Find suggested stand locations
- Brand Your Stand advertise your stand and put it on our map

Lemonade Lesson 1 Getting Started



Lemonade Day Teams

Cooperative groups are a great way to introduce Lemonade Day. Scouts may choose to own and operate their own individual stand, or work with a group of friends.

Begin by serving scouts cups of lemonade. Explain that they are about to complete a project that is hands-on and fun. The project is called Lemonade Day, and will allow them to make their own money by starting, owning and operating their very own lemonade business!

Concept: The language of entrepreneurship

Time: 10-15 minutes

Materials: Paper (cut into small squares), pens or pencils, large beach ball, tape

Goal: To understand the language of business and apply key terms to entrepreneurial activities

Entrepreneurship Merit Badge Requirements:

- 1. In your own words, define entrepreneurship. Explain to your merit badge counselor the role of the entrepreneur in the economy of the United States.
- 2. Identify and interview an individual who has started his or her own business. Find out how the entrepreneur got the idea for the business and how the entrepreneur recognized it as a market opportunity. Find out how the entrepreneur raised the capital (money) to start the business. How well is the business doing? Report what you learn.

Introduction:

Share with scouts the registration information.

Activity:

- 1. Write one of the attached terms (Attachment 1.1), without definitions, on each paper square.
- 2. Tape each square to a ball.
- 3. Have scouts stand in a circle.
- 4. Toss the ball to someone and ask him/her to choose a square, read the term on the square aloud, and try to give a definition or example of that term.
- 5. The ball is then tossed to someone else who chooses a term and repeats (scouts may choose the same term as someone else).
- 6. Continue until all scouts have had a turn.

Wrap-up:

Review the learned words.

Attachment 1.1

Key Terms:

Entrepreneur – one who organizes, manages, and assumes the risks of a business enterprise.

Risk – the potential of losing money that an investor takes when making a loan.

Profit – the amount of money left over after you have paid all expenses and reimbursed your investor.

Revenue – the amount of money you receive from the sale of lemonade.

Total Revenue – the total amount of money you receive from all lemonade sales and tips.

Expenses – the cost of all materials, equipment, wages and ingredients.

Capital Equipment – the items that you may purchase one time and can be used over and over again.

Consumables – the items you purchase that, once used, are gone and cannot be used again.

Employee – a person working for a wage or salary.

Financial Goal – a goal that is set based on what you want to do with the money you earn.

Budget – a list of expenses and expected earnings that helps the entrepreneur make decisions.

Interest Rate – the percent you will pay your investor for loaning you the money.

Loan – money a person or the bank lets you borrow for a certain period of time, but expects repayment with interest.

Investor – a person who loans to a business with the expectation of making more money when the loan is repaid with interest.

Advertising – communication which informs potential customers about products and services for sale.

Lemonade Lesson 2 Setting Goals, Planning and Finding an **Investor**

Key Terms: Risk, Loan, Investor, Profit, Revenue, Total Revenue, Expenses, Capital Equipment, Consumables

Time: 30 minutes

Materials: map of Dallas (can be customized and downloaded from http://maps.dallascityhall.com)



Goals: To define the goals, create the business plan, and identify the investors for the lemonade stand

Entrepreneurship Merit Badge Requirements:

- 1. Do the following:
 - a. Write down as many ideas as you can think of for a business. Get ideas from your family and friends. From your list, select three ideas that you believe are the best opportunities for you.
 - b. Explain to your counselor why you chose these three ideas rather than the others on your list.
 - c. For each of the three ideas that you chose, prepare a list of questions that you would ask potential customers.
 - d. For each of your three ideas, informally interview potential customers, using the list of guestions from requirement 3c. Report what you learn.
 - e. Using the information you have gathered, choose the one idea that you feel is your best business opportunity;
- 2. Conduct a feasibility study of your business idea by doing all of the following (briefly writing or explaining each item to your counselor):
 - a. Product or Service
 - 1. Identify your business goals.
 - 2. Tell how you will make the product or perform the service. Determine whether it is technically feasible (practical or doable).
 - 3. Determine how you can make enough of the product or provide enough of the service to meet your business goals. Explain how you will accomplish this.
 - 4. Identify and describe the potential liability risks of your product or service.
 - 5. Determine what type of license you might need in order to sell or to make your product or service.
 - b. Market
 - 1. Determine who your customers are. Identify the type of person who would buy your product or service.
 - 2. Describe the unique benefits of your product or service.
 - 3. Tell how you will promote and sell your product or service to potential customers.
 - c. Finances

- 1. If you are selling a product, determine how much it will cost to make one prototype.
- 2. Calculate the selling price of your product or service. Explain how you determined the price.
- 3. Tell how you will sell your product or service and make a profit.
- 4. Determine how much money you will need to start your business. Explain how you will get the money.

d. Personnel

- 1. Determine what parts of the business you will handle yourself. Describe your qualifications for the work. Determine how your business responsibilities will fit into your schedule.
- 2. Determine whether you will need additional help to operate your business. If you will need help, describe the qualifications your helpers should have and what duties they will perform.

Activity:

- 1. Mark the location of your school on the map.
- 2. Tell scouts that you want them to use the map to get someplace, but don't tell them where they are going. Then you ask: How are you going to get where you are going?
- 3. Explain that if you don't know where you are going any road will take you there.
- 4. Next, use the same map only this time show them where they are going but don't tell them where they are starting from. Then ask: How can you get to where you are going if you don't know where you are?
- 5. Discuss the importance of setting clear goals and have scouts complete the goal sheet (Attachment 2.1).
- 6. Finally, complete the **Set a Goal** activities in Lemonopolis steps 1-4.

Wrap-up:

1. Have scouts sit in a circle and discuss what the following quote means to them:

The trouble with not having a goal is that you can spend your entire life running up and down the field and never score. **~Bill Copeland**

Attachment 2.1



Setting Goals

It is important to set goals if you want to accomplish something big. Setting goals is like finding directions on Mapquest $_{\odot}$. You have to know where you are starting and where you want to end to get good directions.

Think about what you want to accomplish. What are your goals for family, friends, school, and the future? Write your goals for each section below, and explain how you might accomplish them.

you might accomplish them.		
Family:		
My Goals:	How Can I Accomplish?	
•		
•		
	·	
Friends:		
My Goals:	How Can I Accomplish?	
•		
•		
School:	T., 2 2	
My Goals:	How Can I Accomplish?	
-		
•		
Future:		
My Goals:	How Can I Accomplish?	
·	·	
•		

Lemonade Lesson 3 Site Selection, Advertising & Building a Stand

Key Term: Advertising

Time: 10 – 15 minutes

Materials: Markers, colored pencils, paper bag

Goals: To select a site, create a persuasive advertisement, and design a lemonade

stand



- 1. Do TWO of the following.
 - a. Sketch a prototype of your product or write a description of your service.
 - b. Create the prototype. List all of the materials you used to make your prototype. Calculate the cost of all the materials and labor to compute the total cost of making your prototype.
 - c. Design a promotional poster or flier for your product or service.
 - d. Project (estimate) your sales through the first three months of operation. Calculate the profit you expect to make.
- 2. When you believe that your business idea is feasible, start your business. Show evidence that you started your business. Print the My Business Plan and My **Budget** that you created in Lemonopolis. Discuss with your counselor any ethical questions you have faced or think you may face in your business venture.

Introduction: Complete the Make a Plan section in Lemonopolis – steps 5-11.

Activity:

- 1. Give each scout three statements strips to complete (Attachment 3.1).
- 2. Once scouts have written their responses, have them place all three strips in the bag.
- 3. Call on a scout to come and pull a strip out of the bag, read it aloud and ask other scouts who had the same response to raise their hands.
- 4. Call on another scout to pull another strip out of the bag and repeat.
- 5. Continue the process with 3-5 more scouts.

Wrap-up:

- 1. Explain to scouts that they will use their talent and creativity to advertise and design their stand.
- 2. Have scouts complete the Your Stand & Advertising sections in Lemonopolis steps 8 & 9.



Attachment 3.1

Cut each statement into strips.

The best place for a lemonade stand is:

The best thing about my lemonade stand will be:

I am going to get the materials to build my stand from:



Key Terms: Financial Goal, Loan

Time: 10 – 15 minutes

Materials: Chart paper, Post-it notes, markers

Goals: To identify the importance of saving and giving.

Personal Management Merit Badge Requirements:

3g - Charitable giving. Explain its purpose and your thoughts about it.

Introduction: Complete the **Planning & Budgeting** section in Lemonopolis – step 10.

Activity:

- 1. Give each scout 5 Post-it notes and a marker.
- 2. Tell scouts to imagine that their lemonade stand has made a profit of \$100.
- 3. Ask scouts to write five things they would do with the money (one per Post-it note).
- 4. Draw a three-column chart on the chart paper. Label the sections Spend, Save, Share.
- 5. Have scouts place their Post-it notes under each section depending on what they have chosen to do with their profits.
- 6. Discuss scouts' choices.
- 7. Ask scouts to explain how much of their profits they want to spend, save and share.

Wrap-up:

- 1. Discuss which column had the most Post-it notes.
- 2. Explain that successful entrepreneurs spend their profits, but that they also save money, and give back.
- 3. Have scouts complete the Achieve Your Dreams section in Lemonopolis steps 14 & 15.
- 4. Have scouts review the Sharing Goals from step 3.



Additional Resources

Websites

Ewing Marion Kauffman Foundation kauffman.org

Fifth Ward Enrichment Program fwepinc.org/index.htm

High Schools Train Scouts to Be Entrepreneurs pbs.org/newshour/bb/education/jan-june07/entrepreneurs 01-15.html

Books

The Lemonade Stand: A Guide to Encouraging the Entrepreneur in Your Child by Emmanuel Modu (Gateway Publishers, 1996)

Six Thinking Hats by Edward De Bono (Back Bay Books, 1999)

Stopping at Every Lemonade Stand: How to Create a Culture that Cares for Scouts by James Vollbracht (Penguin Books 2001)

Thinkertoys: A handbook of creative-thinking techniques, Second Edition by Michael Michalko (Ten Speed Press, 2006)

Organizations

Prepared 4 Life www.prepared4life.org

Boys and Girls Clubs of America bgca.org

4-H 4-h.org

Junior Achievement scoutcenter.ja.org

The National Foundation for Teaching Entrepreneurship nfte.com