YOUR $

TIME for KiDS

FINANCIAL LITERACY FOR KIDS

COMPANIES THAT CARE

Many companies are committing to help the needy and protect the environment.

PROFITS WITH A PURPOSE

SPECIAL DELIVERY Volunteers bring boxes of shoes to children in need, in Los Angeles, California.

Power Words

market *noun:* a particular group of people who might buy a product or service

philanthropy *noun:* the act of helping others, usually expressed through the donation of money to good causes

Businesses that give back are on the rise. So are their earnings.

When entrepreneur Blake Mycoskie went on a trip to Argentina, he saw the hardships that kids without shoes endure. He decided to do something.

In 2006, he founded the company Toms Shoes. The business model was simple: For every pair of shoes that Toms sold, the company would give a new pair to a child in need. So far, the footwear company has donated more than 75 million pairs of shoes.

The number of companies with a do-good mission like that of Toms is growing fast. The key to their success is their social mission. A business person would call this a "purpose." That purpose might be a commitment to help people or to protect the environment.

"The Number 1 trend we've seen over the last couple of years is a company's focus on purpose," says Daryl Brewster. He is the CEO of CECP, a partnership of 200 big companies. Their mission is to help companies develop their purpose and find success.

CHIEF SHOE GIVER Blake Mycoskie is the founder of the company Toms Shoes.

NEW SHOES A volunteer helps a little girl try on her new pair of Toms shoes.

THE BENEFITS OF GIVING

Companies that give back benefit in many ways. For one thing, they attract employees. Nearly two-thirds of people ages 18 to 34 say they would be more likely to work for a company that gave to charity, according to a 2016 *Fortune* magazine poll.

A company's philanthropy also encourages employees to care more. CECP has found that people who work for charitable companies do community service on their own. In fact, their service has nearly doubled over the past eight years. Studies show that people who volunteer feel less stressed. Plus, volunteering builds professional skills.

PASSION AND PROFITS

Doing good in the world is good for company earnings, too. Brands that helped out the environment grew in sales more than four times as much from 2014 to 2015 as those that didn't, shows a study by Nielsen. The study also shows that people are willing to pay more for products they feel good about.

Compassionate companies can also look forward to future gains. People who receive a company's help may one day become customers. That's what the prescription eyeglass company Essilor has found. Since 2007, it has donated 500,000 pairs of eyeglasses to people who couldn't afford to buy them. Brewster says many people who have received free eyeglasses will buy a pair within the next few years. It's a "wonderful return on investment," he says. "[The company] created a whole new market." —*By Hayden Field*

SELL ONE, GIVE ONE

Toms is just one of many companies following a "sell one, give one" model. Here are two more.

WEAR AND SHARE Randy Goldberg started **Bombas** after learning that socks were the most-requested item in homeless shelters. Could a well-made sock solve the problem? The idea behind the company, says Goldberg, was "if we can make great socks, we can sell a lot, and if we donate a pair for every pair we sell, we can donate a lot."

A SUDSY SOLUTION Dave Simnick says millions of dollars are spent on hygiene initiatives that have disappointing results. Determined to find a better way, he began making soap right in his kitchen. Now his **SoapBox** products are sold in Target, Stop & Shop, and other stores. Sales benefit soapmakers across the globe. "When someone buys a bar of soap, we fund a local soapmaker to give one away," he says.

November 2017

MAKE IT HAPPEN

You don't need to own a business to raise money for a cause you care about. Take these steps.

Choose a cause. Maybe you'd like to care for the environment or help pets get adopted. Choose a charity or nonprofit. Ask a parent to help you learn more about it at CharityNavigator.org or Give.org.

Select your platform. Use iSow.com to set a savings goal for a cause. Then ask others to donate. Another option? Doofl, a free app, lets you enter your charity in raffle drawings with a chance to win donations. Get adult permission first.

Spread the word. Ask a parent to share your donation page on social media. Reach out to local organizations and ask them to do the same.

START YOUR OWN BUSINESS!

By Sam and Jake Roschelle

JJ Ramberg is the host of the TV show *Your Business*. She is a coauthor of the fiction book *The Startup Club*, about two friends who start a business selling handmade lanyards. Sam and Jake Roschelle read the book and reported on it for *Your $*. Their verdict: "It was great. It touches on the challenges kids (and adults) encounter in starting their own businesses." Sam and Jake sat down with Ramberg to talk business.

***Your $:* What's your advice for young people who want to start a business?**

JJ Ramberg: Have confidence in yourself and just do it, but also make sure that you provide a product or service that people want.

***Your $:* What mistakes do entrepreneurs make?**

Ramberg: Not listening to their customers. You should listen to feedback and incorporate it into your business plan. Don't be disappointed if your business is not successful immediately. Expect to put in a lot of time and hard work. Be patient!

***Your $:* How many start-up businesses succeed?**

Ramberg: After five years, only about 50% of start-up businesses still exist. A lot of famous entrepreneurs have failed. The successful ones learn from their failures.

***Your $:* Is it better to reinvest profits in the business or buy something you really want?**

Ramberg: In an ideal world, you will make enough money to do both.

***Your $:* What businesses could *Your $* readers realistically start?**

Ramberg: Provide services to neighbors like dog walking, car washing, or running errands. Make a product like the girls in the book did. You can paint shells or make jewelry. Pick something that you are good at making and that is needed or wanted.

#1
the STARTUP CLUB
The BIG Idea
CJ CHAINZ
JJ RAMBERG, MELANIE STAGGS, & S. TAYLOR
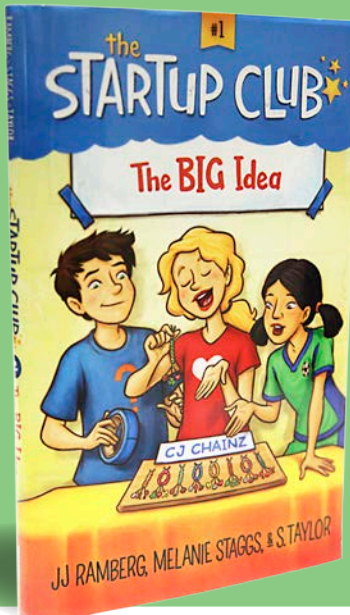
GILBERT CARRASQUILLO/GETTY IMAGES; NATAKI HEWLING FOR TIME FOR KIDS