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FINANCIAL LITERACY FOR KIDS



Frank Giaccio mowed the White House lawn last September to promote his lawn-mowing business.

PUSH YOURSELF

**Turn your passion into profit this summer.
Learn how to launch your own business.**

START IT UP!

Every year, thousands of children write to the president. But 11-year-old Frank “FX” Giaccio, of Falls Church, Virginia, had an unusual request: He asked to mow the White House lawn. In his letter, Frank explained that he’d started a lawn-mowing business, and he offered to do this job for free.

To Frank’s surprise, the White House agreed. So last September, he spent five hours there. He mowed the Rose Garden lawn, met President Donald Trump and Vice President Mike Pence, and visited the Oval Office.

Frank’s budding business benefited from the high-profile job. While his experience was far from typical, summer is a terrific time to start a business of your own. Ask yourself these questions to figure out what kind of venture might work for you.

Where do my likes match up with local needs?

Being passionate about your idea is step 1. But people have to be willing to pay for the product or service you’re providing. In other words, there has to be a need. While Frank was brainstorming things he could do for extra spending money, he floated ideas like dog walking and house-sitting, but he didn’t think they’d yield much business in his neighborhood. Eventually, he says, the “light-bulb turned on” when he heard a lawn mower outside. After all, Frank thought, there were many more lawns than dogs in his neighborhood.

How can I compete?

Whether you start a babysitting business or offer up your computer skills, you need to figure out how to stand out from other businesses. There are four ways to distinguish yourself. Marketers call them the “four Ps”—price, product, **promotion**, and place (where or how your product or service is sold). Frank decided to compete on price. He charges only \$8, which is less than his **competitors**. Frank’s adventure at the White House, which brought a lot of promotion his way, helped too.

Will I make a profit?

First, figure out how much you need to charge for your product or service. The price needs to cover your costs (gas for the mower, in Frank’s case) and justify the time you spend doing it. Ask an adult to help you research how much others in your area are charging. As you break into the market, consider setting your price a little lower because you have less experience.

COVER: MIKE THEILER—AFP/GETTY IMAGES

What do I want to achieve?

That’s the question to ask yourself, says Steven Gordon, president of Lemonade Day National, a program that teaches kids how to run a business. Your goal can be something you want to buy, a charity you want to support, or just learning enough to move on to bigger things. For Frank, that means going to college, becoming a Navy Seal, and opening a Lego resort. “Then, once I get old enough, I’ll run for president,” he says.

—By Hayden Field



GREAT JOB! Frank Giaccio high-fives President Donald Trump.



Power Words

competitor *noun*: a company that competes with another company; a rival

promotion *noun*: the advertising of a product or business in order to increase sales or public awareness

Family Challenge



Ask a parent if he or she remembers having a summer job at your age, even if it was just a lemonade stand. Ask: What did you learn from it? What could you have done differently? Then brainstorm ideas that might be right for you.

YOU'VE STARTED A BUSINESS!

Now it's time to promote it. Here are some pointers.

- Make an attention-grabbing flyer. Include the business name, a brief description, and contact information. With an adult's help, post the flyer around your neighborhood.
- Announce your business in your school's newsletter or the bulletin of a local organization, like a church or synagogue.
- Ask an adult to help you spread the word using social media and email.
- For every flyer you post, talk to at least one person face-to-face to spread the word.
- When you talk about your business, emphasize how you'll set yourself apart from competitors.
- Thank your customers! If they refer you to other customers, offer them a free bonus, like a free 30-minute walk if you're a dog walker.

KIDS WEIGH IN

Should kids have to earn their own spending money?

Some people argue that parents should cover the costs of movies, video games, and other extras. Others say kids will never learn the value of money if they get everything handed to them. Here, two TFK Kid Reporters share their views.



JACKIE CLAUSEN—SUNDAY TIMES/GALLO IMAGES/GETTY IMAGES



YES **Erin Jeon, 14**
Irvine, California

If kids have to earn money, that money will mean more to them than anything they are given. They will likely think harder about spending it since they'll know how much time and energy went into earning it. Whatever they decide to buy, whether it's a snack or a new shirt, they'll appreciate the purchase more. Kids who do small jobs, such as babysitting or dog walking, learn a valuable lesson: You have to work for what you get. After all, that's how it works in the real world. Plus, juggling a job with school and extracurricular activities will give kids practice in a vital life skill: time management. When kids earn their own money, they are more likely to learn from their financial mistakes.



NO **Luke X. Joachim, 10**
Palo Alto, California

Kids should focus on being kids. Their days should be filled with school, sports, and hobbies, like drawing, playing piano, or learning to speak French. They should spend quality time with family and friends. These activities teach young people valuable skills they will need later in life. They'll learn discipline by concentrating on their studies, teamwork from sports, and focus from their hobbies. Who knows? That hobby may lead to a career one day. If kids have to worry about making money, they might spend all their time thinking about how to buy things they want but don't necessarily need. To teach kids to appreciate money, parents could put limits on the amount they will provide.



ASK JEAN:

Is it possible for a child to have more money than an adult?
—Grace Dagher, 9
Boca Raton, Florida

It doesn't happen often, but it can happen. There are some children who work in movies or television, or as founders of successful companies. Think of Jacob Tremblay, who starred in the movie *Wonder*, or of Mikaila Ulmer, founder and CEO of Me & the Bees Lemonade, which is sold at grocery stores around the country. They definitely make more money than some adults. There are

also children who inherit money. An inheritance is money that is given to you when someone, typically an older relative, passes away. These children may have more money than some adults as well. If you are to receive an inheritance, or any large sum of money, the trick is to use it wisely. The smart move is to put it away. Then it can grow to help you with some of your adulthood goals.

Do you have a question? Write to Jean at tfkasks4you@timeforkids.com.