

# Stocks

## Challenge 1: Brands and their Parents



Source: [http://m.wsj.net/video/20120210/021012marketshubnyse/021012marketshubnyse\\_512x288.jpg](http://m.wsj.net/video/20120210/021012marketshubnyse/021012marketshubnyse_512x288.jpg)

### The Definition of a Stock

Buying stock is like chipping in with friends to buy a bag of candy and then dividing the candy up based on how much each person put into the pot. The person who put in the most money usually gets the most candy.

A company that sells its stock to the general public is called a “public company.” Not all companies are public companies. The companies that do not sell stock to the general public are called “private companies.”

When researching stock, it is important to distinguish between a “company” and its “brands.” A company like Hershey’s produces a

*A Share of stock represents the part of the company you own. If you own one share of stock, you own one part of the company. If you own 100 shares of stock, you own 100 pieces of the company*

lot of different brands (names of products that help you distinguish between them). Kit Kat, Reese’s Peanut Butter Cups, and Twizzlers are some of the brands of candies made by The Hershey’s Company.

In this example, The Hershey’s Company is also called the “parent company,” the company that owns the

brand name and product.

You can buy stock in a company but you cannot buy stock in a brand. For example, you can own 100 shares of Hershey’s but you can’t own 100 shares of Reese’s Peanut Butter Cups.

### Identifying Brands and Parents

Make a list of 10 brands you like and identify their parent companies using a finance news and research site like Yahoo! Finance (<http://finance.yahoo.com>). Is the public or private? If the company is public, would you recommend your team buy stock in them?

The brands you chose can be for anything: clothing, shoes, fast food, drinks, snacks, personal hygiene products (like soap and toothbrushes), etc.



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## 10 Brands



Brand	Company	Public/ Private	Invest (Y/N)



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