

Chapter 3 Section 1

Forms of Business Organizations

Type of Business	Requirements	Advantages	Disadvantages
Proprietorship			
Partnership			
Corporations			

What types of regulation do corporations have?

Chapter 3 Section 2

Business Growth and Expansion

What is included on a corporation's **income statement**?

What is a corporation's **net income** determined?

Each year a company's tools, machines, and capital goods decrease in value due to wear and tear of using them. What is this called?

How is a company's **cash flow** determined?

Why do many companies reinvest profits or cash flow?

What is a **merger**?

Why do companies merge with other companies?

What is the difference between a **horizontal merger** and a **vertical merger**?

What is a **conglomerate**?

What is a **multinational corporation**?

What are the advantages to becoming a multinational corporation?