

# Agri-Entrepreneurship Program



## Unit: 5

### Lesson: 5.1

#### Understanding Legal Requirements

##### Precepts:

- H. Social Growth
  - H1. Acknowledge that differences exist among people
- N. Decision Making
  - N3. Make ethical decisions

##### National Standards:

- NL-ENG.K-12.4 Communication Skills
- NL-ENG.K-12.6 Applying Knowledge

##### Student Learning Objectives:

- As a result of this lesson, the student will...
1. List and describe laws that protect businesses.
  2. List and describe laws that protect employees.
  3. List and describe laws that protect customers.



Instruction time for this lesson: 60 minutes

##### Resources:



- Greene, Cynthia. *Entrepreneurship: Ideas in Action*. Mason, Ohio. Thomson-Southwestern Publishers, 2006.

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**Tools,  
Equipment,  
and Supplies:**

- ✓ Writing surface
  - ✓ Writing utensil
  - ✓ One copy of TM.1, 2 & 3 and overhead projector –OR–  
Computer and projector
  - ✓ Scratch Paper
  - ✓ One copy of AS.1 per student
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**Key Terms:**

The following terms are presented in this lesson and appear in bold italics:

***Patent***

***Copyright***

***Trademark***

***Equal Employment Act***

***Americans with Disabilities Act***

***Occupational Safety and Health Administration Act***

***Family Medical Leave Act***

***Fair Labor Standards Act***

***Food, Drug, and Cosmetic Act***

***Consumer Products Safety Act***

***Truth-in-Lending Act***

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**Interest  
Approach:**



*Begin by asking the class to envision their ideal main street. Specifically ask them to identify at least three businesses that they would love to have on their ideal main street. Make sure they focus on specific businesses that are in most towns or cities. It's important to lead the students to pick at least three chain or well-known businesses. After students have selected their business, they will need to be able to share why they selected the business and what each business can offer that other businesses can not.*



Today each of you has the opportunity to make our town your ideal town. We can all probably agree that there are some businesses that would make our town better. What businesses would you like to see in our town? When I say, "Go," each of you will have two minutes to write down the name of three major businesses you would like to come to our town. In addition, write down why you selected that business and what it offers our town that no other business can. Questions? GO!

*After the students have completed the activity, give them an opportunity to share what they have written.*



Let's find out what businesses will come to our town. Find one person that you haven't talked to yet today and share with them what you came up with.  
*Give students an opportunity to share with another person in the*

classroom.



Great! Who will share with us what businesses will be making their way to our town? Don't forget to share what that business can offer that no other can. *Give students a chance to share with the entire class.*

I am definitely looking forward to having those businesses come to town. Can you imagine how great it will be to have those businesses in our town? Let's dive deeper into this subject...Why did you select the businesses you did? Why did you believe it was necessary for them to be in our town? What do those businesses offer that others currently do not?

*Elicit student responses, searching for signature products and/or themes for each business.*



From your responses, we all agree that those businesses have signature products or themes. That's what makes them popular. Let's take one of those businesses and think more about their signature products. Let's talk about McDonald's. What are some of the signature products that McDonald's offers? *Elicit student responses.*

What prevents other businesses from making the same signature products as McDonald's? What protects them?

*Elicit student responses.*



Excellent thoughts! Now let's think about your business...what are your signature products or services? What protects you at this point? How can you be sure that no one will take your ideas and use them against you?

Today's subject is an important one. The last three lessons have taught us all about the financial aspects of becoming an entrepreneur. As a business owner, you have the right to protect yourself legally. Additionally, if you have employees, they also have the right to be protected and finally your customers do to. As we dive into today's topic, it's important to stay focused and really search for ways to protect you and your business.

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## **Objective 1:** List and describe laws that protect businesses

*Using the writing surface, very carefully and deliberately, draw a house. Be sure to include an area at the bottom to represent the foundation, the body of the house and the roof. After the house is drawn, ask the students to identify the three main parts of your house.*



Direct your eyes to the writing surface. What structure did I just draw? That's right. It's a house. However, in my drawing, I wanted to make sure that I included three specific parts of the house. Looking

at my drawing, what are the three parts? *Hopefully students will identify the foundation, main portion of the house (or walls) and the roof.*



Today, we'll use a house to help remind us of the laws that protect not only our business, but our employees and customers as well.

First, let's talk about the foundation of a house. What is the job of a house's foundation? What does it provide the house? *Elicit student responses.* The foundation of a house, or any building, provides support. The foundation also allows us to build up, and essentially, it supports or protects the portion of the house above the ground.

Just as a foundation is crucial for a house to exist, there are laws or government regulations that are foundational for protecting our businesses. Three of the most common government regulations give you the legal rights to profit from what you have created.

*Write the following notes on the writing surface or show TM.1. Have the students capture the notes in their notebook.*

- I. *Laws that Protect the Business*
  - a. **Patents:** *Legal document that give an inventor the sole right to produce, use, and sell an invention.*
    - i. **Patents** last for 20 years.
  - b. **Copyrights:** *The legal right to exclusive publication, production, sale or distribution of a literary or artistic work.*
    - i. **Copyrights** last for 70 years.
  - c. **Trademarks:** *A name, symbol, or special mark that can be used only by certain businesses.*
    - i. *Examples include Band-Aid <sup>TM</sup> or Kleenex <sup>TM</sup>*



If an entrepreneur creates a product or a business **trademark**, these three government laws can protect the product or **trademark** from being used by another person or business. Just like the foundation of the house supports and protects a house, these laws support and protect the business itself.

### *Hieroglyphics e-Moment*

*Students will use the Hieroglyphics e-Moment to review the Laws that Protect the Business. Each student will need AS.1 to complete the activity. The Hieroglyphic e-Moment challenges students to create an "icon" or symbol that represents a concept – or a "picture that is worth a thousand words!"*



In just a moment, each of you will receive an activity sheet with a house on it. In the foundation, draw three icons that represent the definition for **patents**, **copyrights**, and **trademarks**. You will have two minutes to draw your icons. What questions are there? Draw!

When students have finished, give them about 30 seconds to share their icons with a neighbor.



Turn to your neighbor and show them the icons you drew to help you remember the three laws that protect the business. Nice work! As we move forward, or in this case, upward in our house, let's remember those foundational laws.

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## Objective 2: List and describe laws that protect employees



After the foundation of a house is laid, walls are built. Within the walls, we find support beams that keep the walls up and help the house remain solid. The walls also provide the architect the ability to craft the inside of the house. Walls create specific rooms and various living spaces within the home.

Within any business, some of the most important people involved in that business are the employees. The employees help the entrepreneur or manager meet their goals. What would happen if a business did not have employees? *Elicit student responses.* In the same sense, if the walls did not exist in a house, it would not be able to do what it is being built for.

Let's take a look at some of the main laws that protect the employees of your business.

### Little Professor e-Moment

*Use the Little Professor e-Moment to engage the students to capture notes in their notebook. The Little Professor e-Moment allows students to teach one another as you guide them. When we teach something we tend to learn it better. During the Little Professor Moment portions of the content are taught to half the students at a time. Then, students take turns being "Little Professors" to their partners. For this section, "chunk" the first two laws together for the first round of teaching and "chunk" the next two laws together for the second round of teaching.*

*Write the following notes on the writing surface or show TM.1. Have the students capture the notes in their notebook.*

- I. Laws that Protect Employees
  - a. **Equal Employment Act:** This act bans discrimination against employees based on age, race, color, national origin, religion, or gender.
  - b. **Americans with Disabilities Act:** This act bans discrimination against employees with disabilities.

- c. **Occupational Safety and Health Administration Act:** This act requires that employers maintain safe working conditions for their employees.
- d. **Family Medical Leave Act:** This act requires businesses with more than 50 employees to provide employees up to three months of unpaid leave if a serious health condition occurs.
- e. **Fair Labor Standards Act:** This act establishes the maximum number of hours employees can work. It includes rules for children under age 16 and outlines the national minimum wage.



Nice work professors! Let's keep moving as we examine the final set of laws that will complete the outline of our house.

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### Objective 3: List and describe laws that protect customers



On a home or any building, the roof is one of the most important features. What would happen to a house if there was not a roof on it? Elicit student responses.

Exactly. If our houses did not have roofs on them, they probably would not remain standing very long. Along the same lines, if our businesses did not have customers, we would not remain in business for very long.

Just as there were laws that protect our business and our employees, there are also laws that protect our customers.

Write the following notes on the writing surface or show TM.3. Have the students capture the notes in their notebook.

- I. Laws that protect customers
  - a. **Food, Drug, and Cosmetic Act:** Bans the sale of impure, improperly labeled, falsely guaranteed and unhealthful foods, drugs and cosmetics.
  - b. **Consumer Products Safety Act:** Determines if products are safe and can recall them if necessary.
  - c. **Truth-in-Lending Act:** Requires all banks to calculate credit costs the same way which assists consumers in evaluating bank loan options.

#### Hieroglyphics e-Moment

Students will use the Hieroglyphics e-Moment to review the Laws that Protect Customers. The Hieroglyphic e-Moment challenges students to create an "icon" or symbol that represents a concept – or a

*“picture that is worth a thousand words! Each student will use AS.1 again to complete the e-moment activity.*



In just a moment, draw three icons on your activity sheet that represent the three laws that protect customers in the roof portion of the house. You will have two minutes to draw your icons. What questions are there? Draw!

*When students have finished, give them about 30 seconds to share their icons with a neighbor.*



Nice work today! Let’s take a look at the house on our activity sheet again. The foundation, the walls, and the roof all work together to provide protection for the homeowner. In the same fashion, there is a combination of laws that, when combined, protect our business, our employees and our customers. All three work together, and when they do, they help our business thrive.

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### Review/ Summary:

*Have each student write a response to the stem “Today’s information was important because...” at the bottom of their notes page. When they have written that information, have them share with a partner and then ask for responses from the class.*



It’s been a full class period. At the bottom of your notes page, write a response to this question: “Today’s information was important today because...” After you have written your response, find one other person to share what you wrote.

*Allow students to write and share with a partner.*

Let’s have two volunteers share their responses with the class.

*Elicit student responses.*

Awesome! Thanks for sharing.

Let’s keep this information in mind as we prepare for next time where we’ll talk about how you can be the best entrepreneur you can!

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### Application:

► Extended classroom activity:

*Using the Internet, students can find information on the process of applying for a **patent**. They can find out how much a **patent** costs, how many **patents** have been issued to date, and the criteria for obtaining a **patent**. Using that information, they can write a short summary to present to the class.*

► FFA activity:

*Students will locate a contact person at the National FFA Organization that is familiar with the legal issues of the organization. Students can interview that employee about how the organization complies with the laws that protect employees.*

► SAE activity:

*As an exploratory SAE opportunity, students can research agribusinesses to determine how many have **patents**, **trademarks**, or copyrighted materials.*

*Using the Internet, ask students to research additional state/local laws that could effect their SAE or business.*

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## Evaluation:

### Assess.1

*Directions: Match the description of laws that protect businesses, employees, and customers with the terms at the bottom.*

1. \_\_\_\_\_ *A name, symbol, or special mark that can be used only by certain business.*
2. \_\_\_\_\_ *Bans the sale of impure, improperly labeled, falsely guaranteed and unhealthful foods, drugs and cosmetics*
3. \_\_\_\_\_ *Determines if products are safe and can recall them if necessary*
4. \_\_\_\_\_ *Legal document that give an inventor the sole right to produce, use, and sell an invention*
5. \_\_\_\_\_ *Requires all banks to calculate credit costs the same way which assists consumers in evaluating bank loan options*
6. \_\_\_\_\_ *The legal right to exclusive publication, production, sale or distribution of a literary or artistic work*
7. \_\_\_\_\_ *This act bans discrimination against employees based on age, race, color, national origin, religion, or gender.*
8. \_\_\_\_\_ *This act bans discrimination against employees with disabilities.*
9. \_\_\_\_\_ *This act establishes the maximum number of hours employees can work. It includes rules for children under age 16 and outlines the national minimum wage.*
10. \_\_\_\_\_ *This act requires businesses with more than 50 employees to provide employees up to three months of unpaid leave if a serious health condition occurs.*
11. \_\_\_\_\_ *This act requires that employers maintain safe working conditions for their employees.*

- a. *Americans with Disabilities Act*
  - b. *Consumer Products Safety Act*
  - c. *Copyright*
  - d. *Equal Employment Act*
  - e. *Fair Labor Standards Act*
  - f. *Family Medical Leave Act*
  - g. *Food, Drug, and Cosmetic Act*
  - h. *Occupational Safety and Health Administration Act*
  - i. *Patent*
  - j. *Trademark*
  - k. *Truth-in-Lending Act*
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**Answers to  
Evaluation:**

**Assess.1:**

1. J
  2. G
  3. B
  4. I
  5. K
  6. C
  7. D
  8. A
  9. E
  10. F
  11. H
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*Laws that Protect the Business*

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*Examples include Band-Aid or Kleenex*

*Laws that Protect Employees*

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*Laws that protect customers*

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