

## To Start-up or not? (Entrepreneurship)

A Start-up is a new business that has just begun. Starting a new business is difficult and Start-ups are very vulnerable trying to compete with more established companies in the Business world.

New businesses are often started in a bedroom or home office. Mark Zuckerberg created Facebook from his Harvard dormitory. Steve Jobs started Apple in his father's garage.

It is difficult for a new business to get funding. Some use a Crowd-funding platform like Kickstarter, where many people invest or donate a small amount of money.

50% of new businesses will fail in the first five years. 25% will fail within the first year. The number one reason is that they offer a product or service that people don't want. Other reasons for failure include financial fraud and a lack of managerial experience.

But what about the ones who succeed? Uber started in 2009 and today has an estimated value of \$62.5 billion.

### Did you understand the text?

#### 1) What is a Start-up?

- a) An established business
- b) A failed business
- c) A new business
- d) A successful business

#### 2) Which of these companies is a Crowd-funding platform?

- a) Apple
- b) Kickstarter
- c) Uber
- d) Facebook

#### 3) Which of these companies started in a university bedroom?

- a) Apple
- b) Kickstarter
- c) Uber
- d) Facebook

#### 4) What is Crowd-funding?

- a) Paying for lots of people
- b) A way for a new business to raise capital (funding)
- c) A Bank
- d) A failed business

#### 5) How much is Uber worth today?

- a) \$62.5 billion
- b) \$2009 million
- c) \$62.5 million
- d) \$50 million

#### 6) How many businesses fail within 12 months?

- a) 50%
- b) 2009
- c) 62.5
- d) 25%

#### 7) How many start-up businesses fail within 5 years?

- a) 50%
- b) 2009
- c) 62.5
- d) 25%

#### 8) Which of these is NOT listed as a reason for failure?

- a) The wrong product or service
- b) Lack of managerial experience
- c) Not having a garage
- d) Financial Fraud