

Virginia Reads One Book[®]

Financial Literacy Activities for *The Toothpaste Millionaire* (2006) by Jean Merrill

1. **“If I Had a Million Dollars”** – The band Barenaked Ladies released this song in 1992. In it, they detailed all of the things they would buy if they had one million dollars. Your job is to see if they could actually buy everything with that amount of money. Find the prices for each of the items in the song. See if you are able to buy everything with the budget of one million dollars. If not, what item(s) would you sacrifice in order to meet your budget?

- a house
- a chesterfield
- an ottoman
- a K-Car
- a tree fort
- a small fridge
- fake fur coat
- a llama
- an emu
- the remains of John Merrick
- a limousine
- fancy Dijon ketchup
- one box of Kraft Mac & Cheese
- polyester green dress
- a painting by Picasso
- a monkey

After you find out the cost of each item, calculate whether you can purchase everything or just some of the items.

2. **Kid Business** – Research and find other kid-business people. What real life examples are there of kids starting and running successful businesses. Have each student or groups of students research different kid-entrepreneurs. Students will create a method of reporting and sharing what they find. After the information is shared, consider if there is a common element or theme in all of the examples. Are there certain characteristics that all kid entrepreneurs share?

- bit.ly/KidBiz1
- bit.ly/KidBiz2

3. **Kids Rule!** – Did you know popsicles and earmuffs were invented by kids? Phew! Thank goodness! What other inventions were created by kids? Research and find some interesting kid inventions. Report back to your class on what you find. What is the coolest kid invention out there? Here are some starting sources from the Internet:

- bit.ly/KidVent1
- bit.ly/KidVent2

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4. **Jackpot!** – You have just been given \$1,000,000!! How are you going to spend every cent of your money? Brainstorm a list of what you would like to buy, research your list to find out how much each item costs, and prioritize your list of items with your most wanted items at the top of your list.

Use a budget sheet to list your items and prices. Subtract the item prices. See how much money you have left over, if any. If you run out of money, you will have to decide which items not to purchase.

ITEM	PRICE	BALANCE
		\$1,000,000.00

This activity can be done in groups or collectively with the whole class. If necessary, students could draw pictures for the items they want to purchase and use calculators to help with budgeting. Students may find this information on the Internet, advertisements in the newspaper and magazines, real estate guides, etc...

Variation: Congratulations! You have just inherited \$1,000,000! There are certain guidelines to your inheritance (found below). If you do not spend all of the money before the deadline, you will lose it all! So, start spending! Happy Shopping!

Here are the items you **MUST** purchase:

- Put at least \$75,000 aside for your college education.
- Purchase a home.
- Take one family vacation (all expenses must be included in the total cost: hotel, air fare, meals, transportation, spending money, etc...)
- Purchase one car/vehicle.
- Make at least one charitable donation to an organization that is important to you (friends, family, and pets do not qualify).

Your grand total may not add up to more that \$1,000,000, but you want to spend as much of it as possible. Use a realty website to find a home that is currently for sale and would meet the needs of your family. You must verify prices for each item from a reliable source. Keep track of all of your expenses. Start with the required items, then you may purchase items of your choosing.

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5. **Ads, Ads, Ads** – It is reported that we are exposed to 5,000 advertisements a day. Have students brainstorm the possible formats and means of advertisements which they encounter each day. See if they can tally or keep track of one day’s advertising input. Remind them to consider newspapers, magazines, Internet ads, brand-name logos, mail, radio, and T.V. commercials. Discuss which methods are the most prevalent, obvious, and influential to them.
6. **The Art of Ads** – Have students watch various commercials. See if they can pinpoint ways companies use persuasion to attract customers. Students can choose their own commercials to watch and report, or the teacher can select prime examples of commercials to demonstrate persuasive techniques. Past Super Bowl commercials (those that are appropriate) are often good examples of advertising strategies. Students will find that companies often use humor, celebrities, emotions, and bandwagon techniques to convince potential customers. Advertisements often have slogans or jingles to capture an audience. Have students work in groups to create and film a commercial for Rufus’ Toothpaste using at least one of these strategies. As they perform the commercial for the class, the audience will determine what strategy was used and if it was successful.
Variation: Advertising is often about persuasive language. Children are already master technicians in persuasive language as they try to convince their parents for a later bedtime, teachers for less homework, and babysitters for more cookies. However, strategies of begging and pleading are less effective than solid advertising strategies. Have them practice their newfound advertising knowledge by creating a commercial to convince someone in their life to do something they want. Encourage them to use reasons and be convincing, using persuasive language. This could also take the form of writing.
7. **Ad Eval** – Have students find various forms of print advertising. Have them analyze what makes each advertisement interesting and enticing (spacing, colors, font, pictures, slogans). Have students use these ideas to create their own print advertising for Rufus’ Toothpaste (poster, billboard, magazine ad, coupon).
8. **Book Ads** – With all this talk about advertising, we’d be remiss not to promote and advertise LITERACY. As an alternative to traditional book reports, have students create a one minute commercial promoting their most recent read.
9. **School Ad** – Have the student body work together to create a “commercial” representing their awesome school. Different grade levels can be responsible for different components of the video. This could be similar a tourism video, “Come visit our school!”

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10. **Write It Right!** – It’s in the way that you write it. Compare these two advertisements found in the newspaper:

MUST SELL
FRESH LITTER OF MUTTS
OUT OF CONTROL
555-1090
DON’T CALL BEFORE 6PM

Puppies for Sale
Beautiful mixed litter
Full of energy
555-1090
Please call after 6 pm.

What are the effects of each advertisement? Predict which will elicit more customers? Have students try their hand at selling and being persuasive. Provide each with a picture of an outlandishly awful products (bacon wallet, whoopee cushion, coal, blank mug). Students work together to write the script for a commercial selling these less-than-desirable gifts. They will probably take advantage of catch phrases like, “one-of-a-kind, limited edition, buy one get one free.”

11. **Logo Loco** – Have students find, cut out, and bring in well-known logos. Create a class or schoolwide collage of these symbols (the McDonalds’ golden arches, Nike swoosh, Target bullseye). Have students evaluate the importance and meaning of these symbols. Create a logo contest for students to develop a logo for Rufus’s Toothpaste.

Variation: Consider jingles, songs, and mottos as means of advertising.

12. **Auction** – Have students bring in small trinkets to donate to a class auction (fast food prizes, pencils, tiny toys). Provide each student with set number of coins or tickets to participate in an auction. Better yet, have students earn tickets as rewards for good work and behavior. Create a mock-auction to sell off the donated items. Speak as fast as possible. Students will get a sense of how quickly an auction in conducted, and how purchases are made.

Variation: Alternative auction objects: homework pass, wear a hat in school pass, chew gum pass, sit at teacher’s desk, 5-minute dance party...

13. **Classroom Mini-Economy** – For the duration of the reading event, conduct a classroom mini-economy. Each student’s “Job” will earn them class dollars or points. Their student duties will earn them class cash (bringing in homework, good report at enrichment classes, helping others, getting papers signed, etc...). Their classroom job (paper passer, line leader, attendance monitor) will also earn them class cash. Class cash can be lost in various ways as well (not bringing in homework, pushing, blurting, leaving trash, etc...). This system can largely be tied to behavior and general classroom expectations.

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14. Schoolwide Business - At the end of each week, students count their class cash and have opportunities to spend and save their earnings. A small class store can be established with small trinkets or candy. An alternative to goods is extra recess time or a homework pass as the reward. Depending on the age level of the students, lists of how to earn cash and how to lose cash can be established by the teacher or together as a class community. Class jobs may warrant a discussion about different salaries, less desirable or more demanding jobs receiving a larger sum of money. Older students may keep track of a balance sheet to record their deposits and withdrawals throughout the week. Younger students will benefit from most prices being whole numbers. Older students could work with change.

Students should complete a job application for a particular classroom job. Mock interviews could be conducted.

Classroom Job Application

Name your top three job choices:

Tell what experience or strengths you have that would help you succeed at these jobs:

Copy this pledge on the lines below:

I promise to do my job to the best of my ability.

Student Signature and Date:

Possible Classroom Jobs: *paper passer; plant waterer; trash collector; lunch counter; attendance counter; substitute; lunch monitor; line leader; door holder; banker; desk inspector; lights monitor; technology helper; pencil sharpener; messenger; medic; recess equipment manager; shoe tier; chubby checker, board eraser, veterinarian (class pet), recess equipment; gardener (plants), librarian*

How to earn class dollars:

- clean desk
- turn in homework
- caught being kind
- completing class job
- hallway manners
- compliment from another teacher

How to lose class dollars:

- missing homework
- missing supplies
- misbehaving
- rude behavior
- being too noisy

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Each grade level (or classroom) will use Rufus as an inspiration and create a business. Together, students will brainstorm business ideas. Students must decide what kind of business interests them and would be profitable at their school. The idea is not to buy and make fancy items for the entire school. Simple DIY ideas that help students see the components of starting and running a business will make a lasting impression. Working together as a class collectively for one business allows everyone's strengths to shine. This in turn could encourage independent entrepreneurs, but experiencing all of the stages of business together initially is important and beneficial.

Groups of students will begin with a Market Survey to help them decide if their business idea is reasonable. They will survey a variety of potential buyers (students at their school).

My product will be _____.
Is this good/service something that you would buy? YES / NO

Would you buy this good /service for \$ _____? YES / NO
(If they say no, ask them how much they would buy it for. Record their response.)

After conducting market research, students will determine if they need to change their business idea. They will finalize the price for their good/service.

A business plan should be established for the class or grade level. Every student should be able to participate in some way. Some students will help in the production of the goods; some students will work on the budget; some students will craft advertisements. Job applications could be submitted for the various positions.

On production day, an assembly line can be created for the workers to create the goods, and on market day, customer service students will conduct the selling.

A schoolwide market day will allow all grade levels (or classrooms) to present their goods/services for purchase. Hosting this exciting event in a large space such as the gym or multipurpose room will allow students from the entire school to peruse the many business options.

Here are some potential business suggestions for your students: *make and sell friendship bracelets, make and sell stationery, assemble and sell snack mix, lemonade stand, face painting, temporary tattoos, make and sell stress balls, make and sell bookmarks, draw caricatures of classmates, make and sell slime, etc.*

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15. **Line** – Have students simulate an assembly line. Create a simple structure from Lego's for the assembly line to model. Give each assembly line worker one job, adding certain Lego parts in certain places. Demonstrate how the structure will pass through the line stopping at each worker's "station" for a particular part until it concludes at the end of the assembly line completed. This method can be compared to single workers constructing the same object one at a time. Discuss which method is most efficient. What are the pros and cons of each method?
- How long did it take to make one Lego construction with one worker?
 - How long did it take to make one Lego construction via the assembly line method?
 - What was the easiest task and why?
 - What was the most challenging task and why?
 - Discuss quality control and the importance of working quickly and accurately.
 - How important is it that an assembly team work harmoniously?
 - How many products can be made by one person in five minutes?
 - How many products can be made by the assembly line in five minutes?
 - Would working at the same station in an assembly line become boring?
 - Were the workers able to talk while assembling their structures?
 - Would you like working on a factory assembly line? Why or why not?

Variations: Making paper airplanes, making birthday cards, assembling snack mix, making individual pizzas...

16. **Price Comparisons** – Rufus's plan for making toothpaste came about because he thought the other brands were overpriced. You are going to conduct market research. Select the product. This can be done individually, with a small group, or collectively as a class. The results could be posted for the school to see. Having each group select a different product could lead to some very savvy shoppers.

First, compare the exact same product (size, brand, flavor) at various stores. Next, compare similar items to see which is the best buy. Consider different brands, different quantities, different styles. Which is the better buy? (calculate unit price) What is the most expensive type of this product? What is the cheapest type of this product?

Are there any coupons that could affect the price of an item? Items to consider for comparison: Cheerios, peanut butter, potato chips, a loaf of bread, apples, granola bars, soap, a paper towel roll, etc.