

# TYPES OF BUSINESS

**SERVICE  
BUSINESS**

**MERCHANDISING  
BUSINESS**

**MANUFACTURING  
BUSINESS**



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graph TD; A[TYPES OF BUSINESS] --> B[SERVICE BUSINESS]; A --> C[MERCHANDISING BUSINESS]; A --> D[MANUFACTURING BUSINESS];
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## SERVICE BUSINESS

Schools, banks,  
accountings

## MERCHANDISING BUSINESS

Buys products at  
wholesale price  
And sells the same  
At retail price

Convenience store

## MANUFACTURING BUSINESS

Buys products with the  
intention of using  
them

As materials in  
Making new products

## FORMS OF BUSINESS ORGANIZATIONS

### (SOCIETA' DI PERSONE) PARTNERSHIP

#### SOLE TRADER (ditta individuale):

- Hold by only one person with **UNLIMITED LIABILITY**
- He is responsible for all the company's debts and creditors may go after personal assets (patrimonio personale)

#### PARTNERSHIP (società commerciale):

- Owners are 2 or more people
- Partners divide the profits
- **LIMITED** partners (personal assets cannot be gone after, they are liable only for the money they invest)
- **UNLIMITED** partners (liable for the business debts)

### (SOCIETA' DI CAPITALI) S.P.A / S.r.l - Joint-stock company/ L.t.d

#### CORPORATION -L.t.d (società a responsabilità limitata):

Has unlimited life – if it cannot pay its debts it goes bankrupt

Are owned by shareholders who

- Hold shares
- Elect a board of directors who manage the corporation
- Gain a **DIVIDEND** which is proportional to the amount of share they hold
- Have limited liability

JOINT-STOCK COMPANY : shares are traded on the stock market (minimum 50.000 pounds share capital (capitale sociale))