

Growth of Industry and Big Business



What factors encouraged the growth of Industry and Big Business?

Factors Encouraging Industrialization



Henry Ford

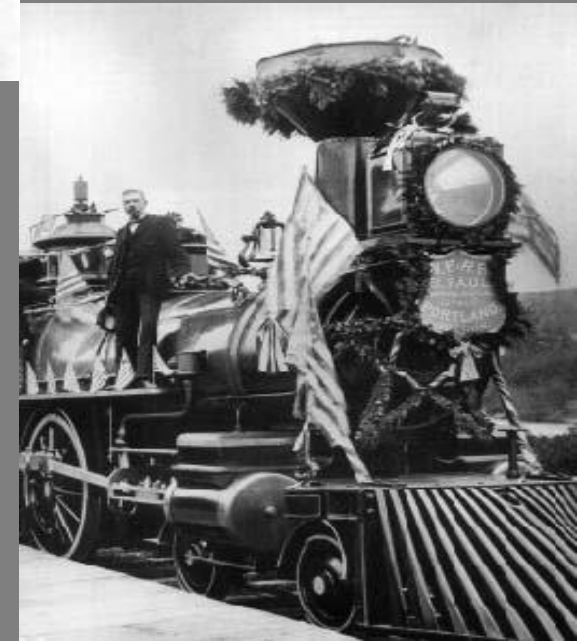
- **Assembly line**: each worker performs an assigned production task to produce large quantities of goods more quickly. Product moves from worker to worker.
- **Mass Production**: the production of large quantities of goods using machinery (assembly line)

Transportation and Communication

- Transportation
 - Steamboats
 - Railroads
- Communication
 - Telegraph
 - Telephone

Allows producers to reach national markets

brings people together in some way



- Individuals contributed to industrialization through their inventions and Some through business innovations.

Entrepreneur

- a person who organizes and manages any enterprise, especially a business, usually with considerable initiative and risk.

New Industries and Innovations

- Railroads – Vanderbilt
- Steel – Carnegie
 - (Bessemer Process for making steel)
 - Oil – Rockefeller
- distribution of electricity - Tesla and Westinghouse (Edison?)

Importance- Allowed growth of other businesses

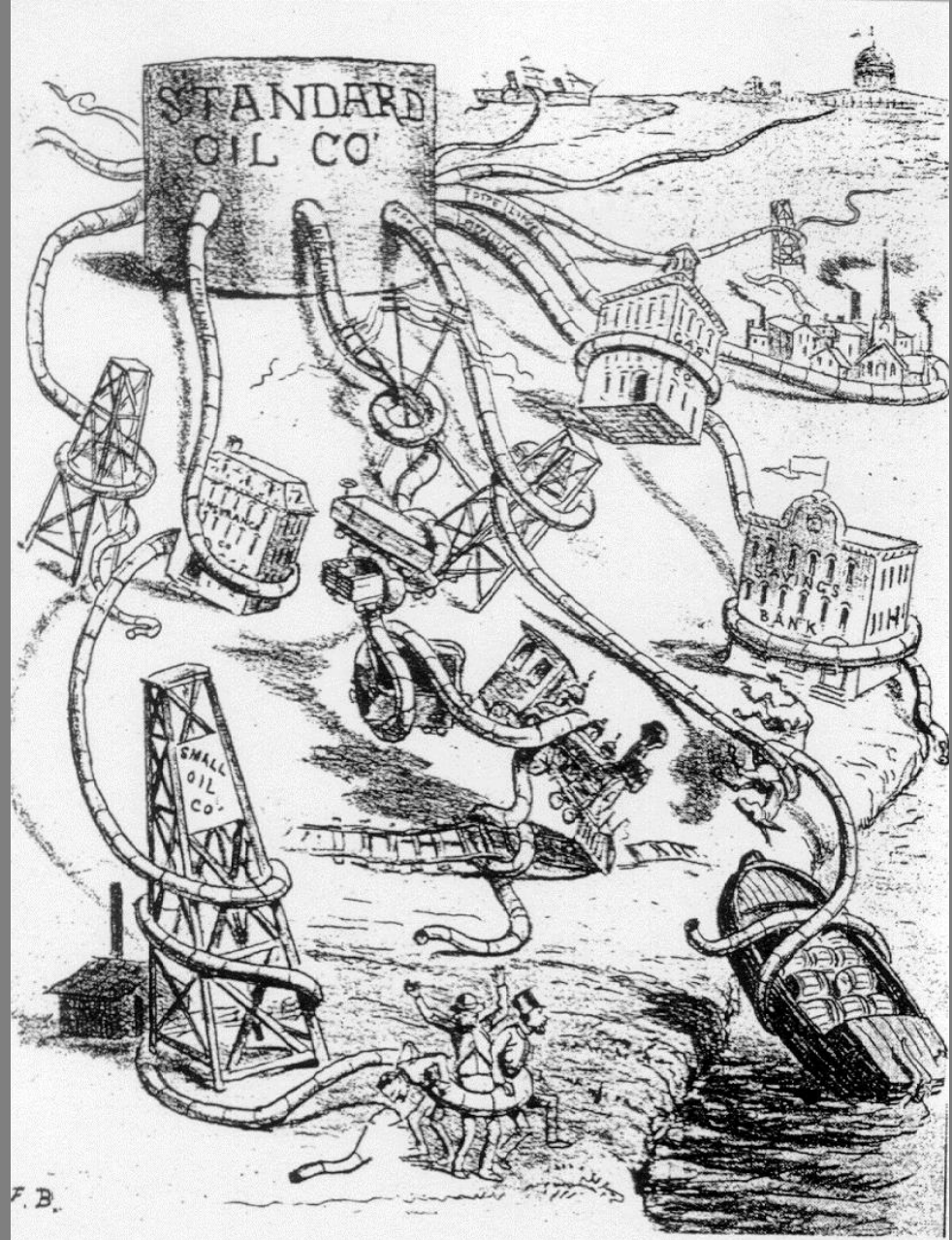


Why did companies consolidate during the late 19th century?

- Consolidate - combine

Do Now

- What is the “Octopus” doing?
- What does the “Octopus” represent?



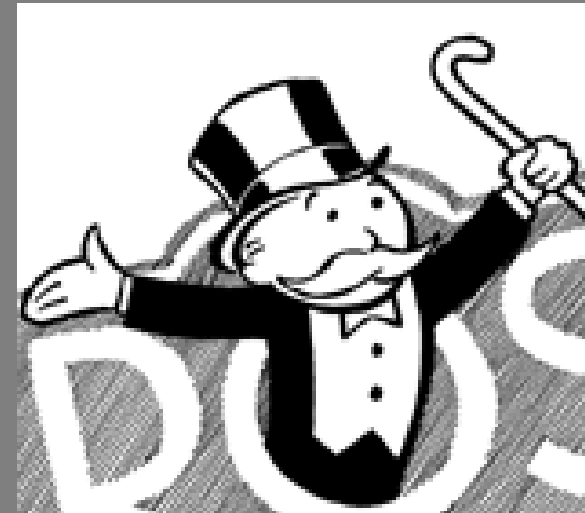
F. B.

Culver Pictures

New Forms of Business Organization

- Trusts- two companies merge
- Pools – competing companies agree to charge the same price

MONOPOLY



Trend Toward Consolidation

Horizontal Consolidation

Companies in the same industry combine.
Banks, Shoe companies

Vertical Consolidation

Companies at different levels of production of the same final product

Cablevision bought Madison Square Garden, MSG Network, NY Knicks & NY Rangers

Vertical Integration

Purchase of Companies
at All Levels of Production



Horizontal Integration

Purchase of Competing
Companies in Same Industry



EXXON

Mobil

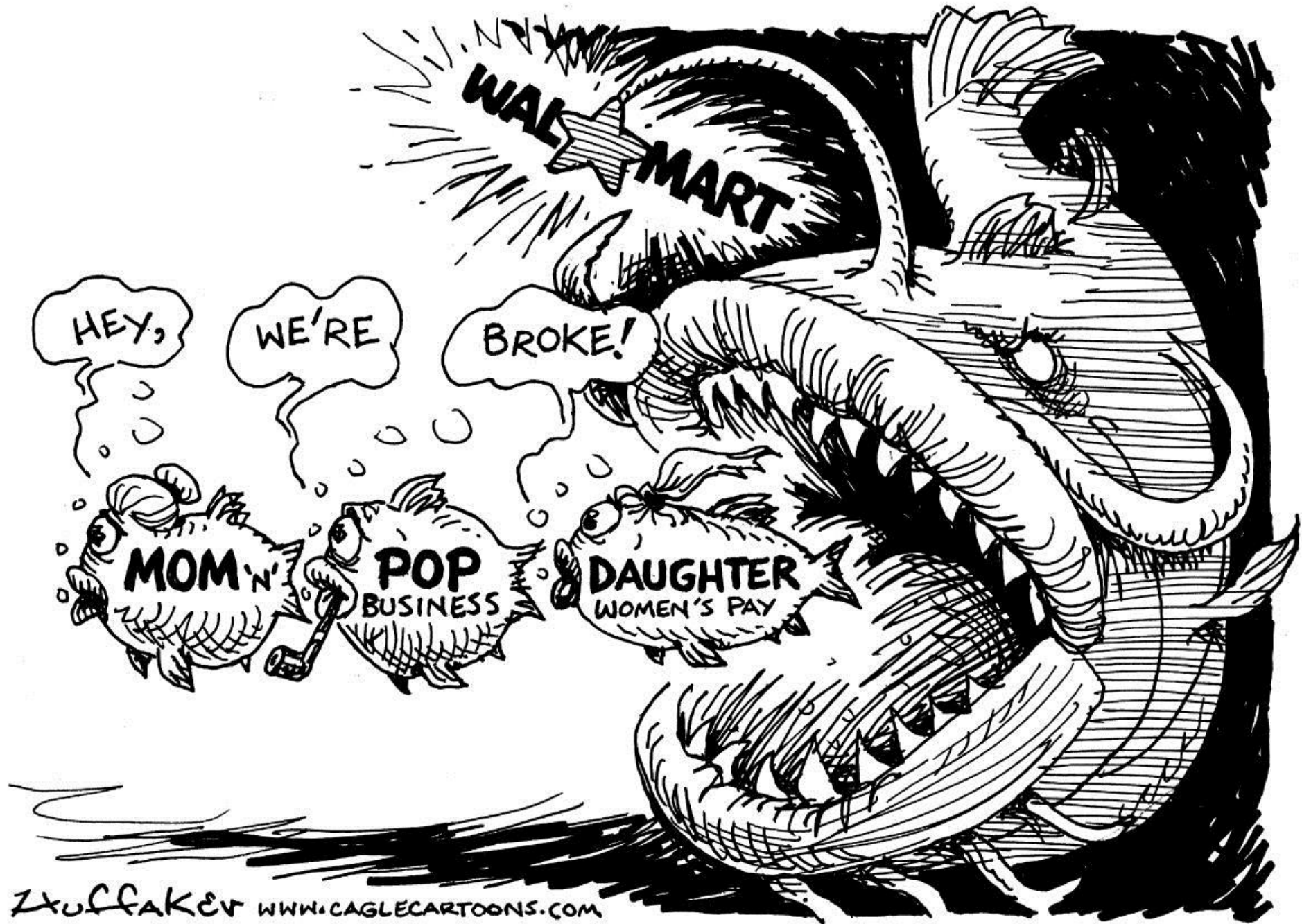
CONSUMERS EMPLOYEES

BLOOD!
BLOOD!

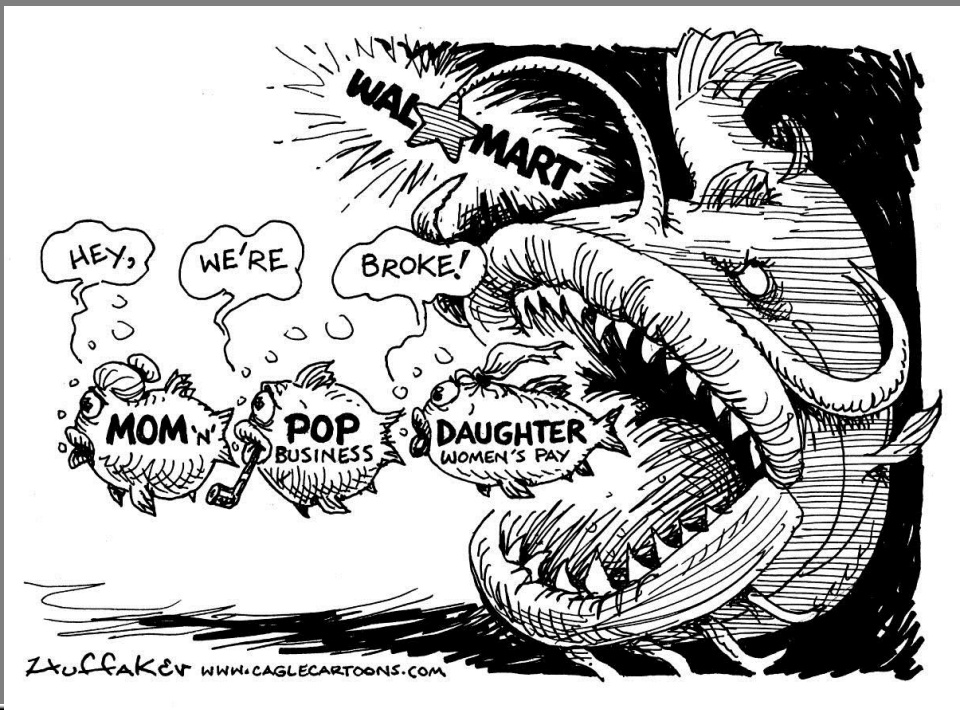
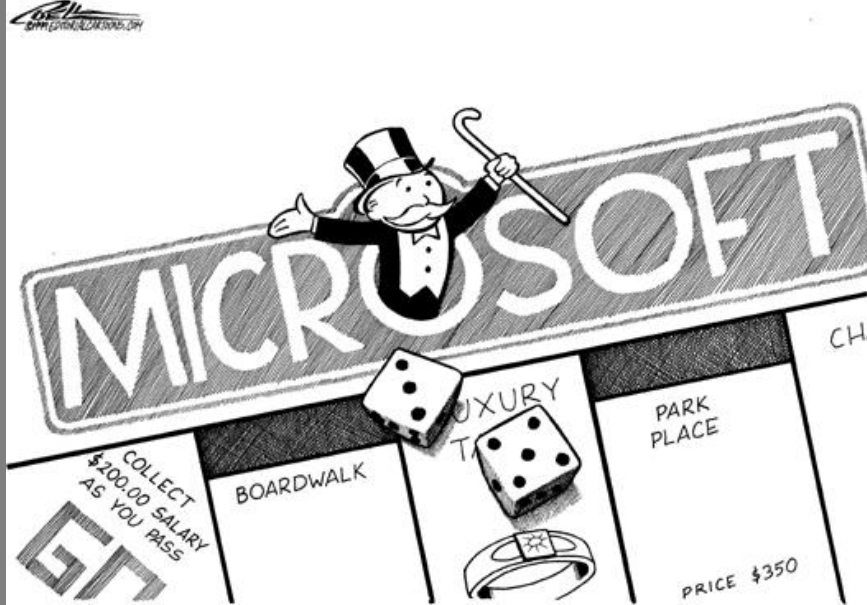
OIL!
OIL!

Walt
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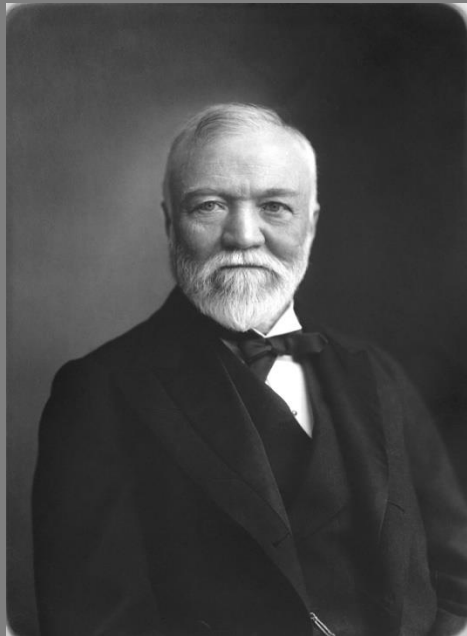
- Name THREE Big Businesses that have a huge impact on the American Economy today.
- Do you think these business' impact are positive or negative? Explain.



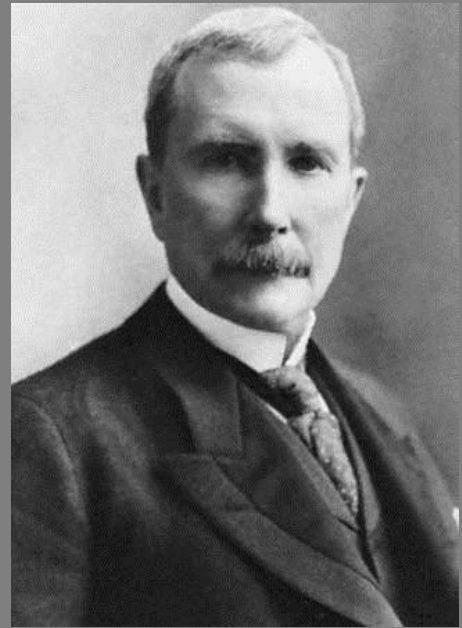
WHAT DO THE
CARTOONS HAVE
IN COMMON?

Robber Barons or Captains of Industry?

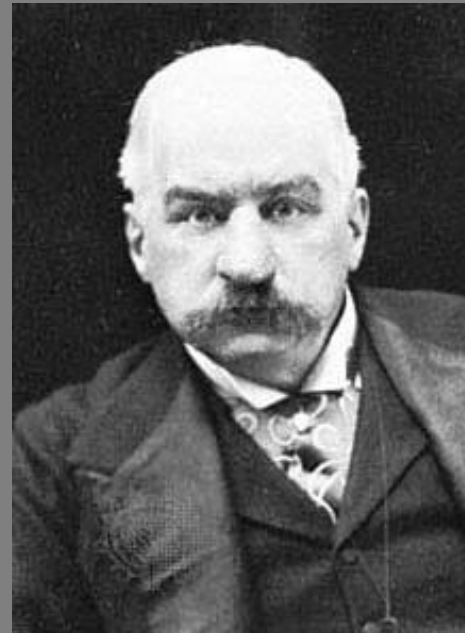
Andrew Carnegie



John D.
Rockefeller



J.P. Morgan



William
Vanderbilt

