

Lesson Review

Read the following story about Sam and Trudy and then complete the chart.

Sam and Trudy Jones were teachers but they had always dreamed of owning their own business. They wanted to buy Michigan cherries and produce special cherry syrup for ice cream. There was a small, empty factory for sale near where they lived. They bought the factory and started to produce their cherry ice cream syrup. The cherry syrup was very popular! Soon, Sam and Trudy needed more cherries to help meet the demand. The next season, Michigan had a late freeze. The cherry crop was damaged. Sam and Trudy could not buy enough Cherries to make the syrup. They decided they had two choices.

1. Stop producing the syrup and close the factory until next season.
2. Use Michigan blueberries to make blueberry syrup instead of cherry syrup and remain in business.

They decided to keep their business open and produce blueberry syrup this year.

What scarcity problem did Sam and Trudy have?	
Because of scarcity what two choices did they have?	1.
	2.
What choice did they make?	
What was their opportunity cost of making this choice?	