

Business Definitions

Plant - a physical establishment such as a factory, store, mine, or farm

Firm - a business organization that owns and operates plants

Vertically Integrated Firm - a group of plants with each performing a different function in the production process

Horizontal Combination - a group of plants performing the same function, i.e. Wal Mart, Applebees

Conglomerate - a group of plants operating in several different markets, GE (light bulbs, jet engines) Pfizer (prescription drugs, razors, gum, antacids, cough drops)

Industry - a group of firms producing the same or similar goods and services.