

Chapter 35: Worksheet mark scheme (16 marks)

- 1** Give **two** advantages of innovation to a country. (2)

 - creation of high-tech jobs
 - creation of high added-value products
 - prestige
 - attraction of investment into the country
- 2** List **three** advantages of investment in research and development to a business. (3)

 - competitive advantage
 - continued customer loyalty
 - premium prices
 - publicity and image
 - lower costs (sometimes)
- 3** List **three** disadvantages of investment in research and development to a business. (3)

 - R&D expense does not always result in a marketable product
 - opportunity cost of R&D, e.g. spending more on marketing existing products
 - other companies may invent something better or sooner
 - ethical issues may interfere with selling the new product
- 4** Define the following terms:

 - a** intellectual property rights (2)

These are legal property rights over possession and use of creations of the mind. These may be registered as a patent.
 - b** patent (2)

This is the right to be the sole producer and seller of an invention for a certain period of time.
 - c** copyright (2)

This is the legal right to protect and be the sole beneficiary from artistic or literary works.
 - d** trademark. (2)

This is a distinctive name, symbol, motto or design that identifies a business or its products. This can be legally registered.