

# Bridging the Gap: Policy Underpinnings

Where do we go from here?

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# The Innovation Context

- Most governments worldwide now have some type of Innovation Economy policy
- Such policies acknowledge the importance of science and technology (and its commercialisation) in the creation of economic growth and development
- The OECD partly attributes differences in economic growth rates between countries over the past decade to the ability to innovate and adopt leading edge technologies

# The Innovation Context

- Innovative economies rely on the good management and application of knowledge
- Therefore solid commercialisation pathways, including the effective management of IP, are crucial
- Owners of IP strongly influence:
  - Global marketplaces
  - Terms of trade
  - Where production will occur
  - Which nations have access to products and services

# The Same Old Problem

- Australia is a solid performer in terms of R&D. In patent and copyright protection Australia is ranked 10 out of 75 countries ...

**but ...**

- Company spending on R&D, firm level innovation and high technology exports are all low, keeping Australia's commercialisation performance down in comparison to other countries.

# What has been done – IP Research

**Government, institutions and business have come a long way in identifying and encouraging best practice knowledge management**

- IPRIA (Intellectual Property Research Centre of Australia) was set up in 2002 and funded by the Federal and Victorian Governments. IPRIA research focuses on ways to improve the protection, management and exploitation of IP
- Research papers (federal, State and stakeholders) have collected data, provided analysis and made recommendations

# What has been done – Cultural Change

## Stronger awareness and focus on commercialisation and IP considerations

- Commercialisation is now being considered as a '3rd stream' for universities
- 2003 Howard Partners Review CRC review.
- CSIRO – Push for stronger commercial focus
- The *National Survey of Research Commercialisation 2003* found that publicly funded research organisations had significantly improved their commercialisation performance over the last five years

# Government Roles (State and Federal)

**Regulatory Role** - Legal, education, and tax systems regulation (mainly Federal)

**Management Role**– Management of Government owned or funded IP (both State and Federal)

**Facilitator Role** – Bridging the academic and commercial gap through risk reduction and cultural change (both State and Federal)

At the State level, the last item is the priority.

# Regulatory Role

*Legal, education, and tax systems regulation*

## **Victorian University Foundation Act.**

- This State act requires universities to obtain the approval of the University Council to establish a spin-off company.
- Must inform the Minister for Education of the new company, advising the Minister of the reasons for its creation.

# Management Role

*Management of Government owned or funded IP*

## **Government Ownership of Government-funded IP**

- There is an increasing awareness that Governments need to
  - Relenza, flu drug
- Main argument against State ownership of IP is that it

# Management Role

*Management of Government owned or funded IP*

## Management of Government Generated IP

- Governments can generate IP through their daily business in
- Government institutions have similar issues to universities but
  - Commercialisation is not a organisational goal
  - Infrastructure and systems are not in place to identify and

# Facilitator Role

*Bridging the academic and commercial gap through risk reduction and*

**How can the State Government better facilitate technology**

**Does this by:**

- Cultural Change
- Risk Reduction

# Facilitator Role

*Bridging the academic and commercial gap through risk reduction and*

## **The Innovation Statement**

The Victorian Government's Innovation Statement *Bright Ideas. Brilliant*

A key part of this policy is technology commercialisation

# Facilitator Role – VicStart

*Bridging the academic and commercial gap through risk reduction and*

## **VicStart - technology commercialisation program**

- Following research and consultation, three areas were
  - Capability Building
  - Access to Finance
  - Technology Transfer
- VicStart focuses on developing the appropriate skills, linkages