Research Service Providers Roundtable Working Group

MEETING SUMMARY	
Meeting Date:	7 June 2022
Time:	1:30pm – 4:00pm AEST
Aim:	To seek insights from Roundtable members on RSPs and hold an open discussion on opportunities to increase engagement and access to RSPs by R&DTI applicants
Attendees:	AB&H | Russell Ascott, Director
	Academy of Technological Sciences and Engineering | Peter Derbyshire, Director of Policy and Government Relations
	Australian Investment Council | Robyn Tolhurst, Public Affairs Manager
	Australian Industry Group | Louise McGrath, Head of Industry Development and Policy
	Australian Taxation Office | Brett Challans, Senior Director, Innovation Taxes, Technical Leadership and Advice, Private Wealth
	CBG Systems | Esther Pither, Finance and Admin Manager
	Cooperative Research Australia | Jane O'Dwyer, Chief Executive Officer
	CSIRO | Simon Hanson, Director, SME Connect
	CSIRO | Peter Kambouris, Business Development Manager
	EY | Jamie Munday, Partner, Oceania Business Tax Services Leader, Global QS Leader
	Group of Eight | Cheryl Kut, Director - Research Policy
	Hall Chadwick | Samuel Ung, Head of Incentives
	KPMG | Steven Peters, Senior Manager
	Krigsman Partners | Robert Krigsman, Principal
	Michael Johnson Associates | Melanie Reen, Partner
	RSM Australia | Melissa Di Latte, Senior Manager Tax Services Universities Australia | Liz Eedle, Policy Direction – Research and Innovation

Introduction

All members of the R&DTI Roundtable were invited to participate in the Research Service Provider (RSP) Working Group. Members who participated included a cross-section of program participants including research service providers, industry associations, companies, tax agents and administrators.

Members shared their experience with RSPs and insights on current information and communication channels; challenges in building awareness of RSPs and encouraging collaboration; and opportunities to increase engagement.

The key themes arising from the discussion are tabled as follows.

Key themes

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Current situation: Perspectives and experiences related to RSP use and awareness	• There is generally low awareness of RSPs and the opportunities available to collaborate. This is not addressed by available information which could do more to highlight RSP capabilities. • The R&DTI website information on RSPs is not easy to navigate and not always up to date with the correct contact details. • Many companies seeking to collaborate with universities are already aware of the R&DTI through other channels. Consequently, universities/RSPs may not be the best channel for raising awareness of the R&DTI. • A general low awareness of the benefits of innovation and university research is considered to limit opportunities for collaboration. This information gap is difficult to address and one that universities are also trying to tackle. • The opportunity to access the R&DTI when expenditure is below the required $20,000 threshold afforded by collaboration with an RSP is not perceived to be a significant motivating benefit for many companies. • The application form to register as an RSP requires significant information and perceived as onerous and off-putting. • For some companies, RSP collaboration is more strongly motivated by grant funding than the R&DTI as it provides a stronger carrot to attract research partnerships. • Given the low engagement rate recorded by AusIndustry (i.e. around 5% of registrants) it could be possible that some companies have difficulty self-identifying that they are working with an RSP and consequently don't complete the application form correctly. Consequently, RSP collaboration may possibly be higher than reported by AusIndustry. • Access to university facilities can be a driver for a company to engage an RSP. • It can be overwhelming for companies to seek collaboration. This is particularly relevant for SMEs given they don't have the same resources as large companies to build research partnerships. Companies with academic experience or research connections are better equipped to build research partnerships.

	• AusIndustry's communications tend to target companies and appears not to focus as much on universities/RSPs.
	• Facilitators are highly valued in helping companies understand the value of innovation and assisting in helping identify and establish opportunities for research collaborations. Examples include Innovation Connections and CRC Projects.
	• Companies respond to stories that show examples of successful outcomes and the journey companies go through to achieve them. Overcoming challenges to achieve an outcome are also valued.
	• CSIRO's match-making service, Innovation Connections, provides a valued facilitation service which connects SMEs to the research sector. The program supports around 300 projects a year. Facilitators provide a match-making service with 40 universities and other public research organisations. Their support extends to project scoping and they generally stay involved throughout the project's lifetime.
Challenges for research collaborations and accessing RSPs	• The R&DTI website provides a long list of RSPs with research codes which can be overwhelming for a company seeking information. This does not assist in raising awareness of RSPs and collaboration opportunities.
	• The impression from companies who want to apply for the program, is that there is a lot of technical information to prepare in the application process which can be off-putting.
	• Many companies are time poor and assume that they won't be able to afford to collaborate. There is a lot of pressure to manage other work with the funding they have available. Similarly, SME time pressures reduce the capacity to make connections.
	• There is a perception that universities prioritise research over commercialisation given their focus on publication. At the same time, many companies need support in commercialising a new product and as well as support in navigating this journey.
	• Many companies are protective of their IP and don't know how to manage IP issues when collaborating with universities.
	• IP complexity also arises from the lack of uniformity in managing IP issues among research institutions.
	• Some university personnel do not promote their services as a researcher which also impacts awareness levels.
	• There is low awareness of the R&DTI program together with benefits of innovation and collaboration among SMEs. It is easier to hold workshops and events for companies already thinking about research collaboration but harder to reach those that may not even know what is possible.
Website	• The website is a vital 'shop front' for the R&DTI and for information about working with RSPs. The website requires continuous maintenance and management. Information should be reviewed and updated regularly.
	• Some university contacts are listed incorrectly and requested corrections are not made promptly.
	• A better user interface on the website could assist clients to search for and access services provided by registered RSPs.
Ideas for an RSP value proposition	• *Allow RSPs to provide administration support to R&DTI applicants*

    – RSPs could help companies in the application process as they are well placed to keep required evidence on behalf of their client. An RSP could also make R&DTI application process easier as they can more readily provide relevant technical information and evidence when required.

  • *Affordability*

    – Affordability concerns can be addressed where R&D is done in collaboration and the financial outlay is shared.

    – The real value add is the opportunity for small businesses to access the refundable tax offset.

    – Opportunities for investment capital are often linked to R&D in industries that are aligned with industries of the future and economic growth.

  • *Capability exchange*

    – RSPs and businesses offer resources and experience that can be leveraged by each for success and mutual benefit. Industry engagement by academics can be useful for understanding, translation and commercialisation and companies gain benefits from working with academically qualified staff.

    – Businesses that seek active engagement with researchers will learn how to work with people who have PhDs and will enhance their awareness of collaboration opportunities.

Suggested opportunities to address information gaps	• Demonstrate how companies and RSPs can navigate the program and overcome challenges in RSP collaboration through champions and customer stories.
	• Any communication – podcasts, case studies, etc. - that validates the value of research collaboration for SMEs and how to do this better will build trust that a positive outcome can be achieved.
	• Encourage research and collaboration by demonstrating the whole ecosystem of R&D support programs for businesses and RSPs. This will enable a broader perspective on the government assistance that is available. Consider the potential to partner with IP Australia to provide guidance on managing IP issues when a company wants to collaborate with an RSP.
	• Case studies and companies that share their stories to demystify IP issues and give their tips to navigate IP protection will help address recurring questions around IP. Company stories told by people will be more effective than website information.
	• Provide a broader understanding on the types of organisations, including private companies that deliver contracted R&D support to entities that are claiming the R&DTI. This will also demonstrate examples of applied research being undertaken.
	• Consider a benchmarking study to determine best practice and what can be done better when engaging in research collaborations. This will help companies navigate the journey of building and executing successful research collaborations.
	• Create 'how to' information for researchers who want to work with industry. This will also serve mobility and skill exchanges between universities and businesses.
	• Many start-ups and spin out businesses now emerge from universities and have a perspective on commercialisation. Universities have innovation and commercialisation groups that are working with industry on commercialisation issues. Universities are very interested in engaging with industry organisations.

	• Increase messaging on the financial benefits and provide information on the interaction with grants, including clawback requirements
	• Explain the life story on the trials and tribulations that companies experienced, particularly noting the perseverance throughout the journey and how they overcame the barriers.
	• Promote greater understanding on the issues that face RSPs and business in order to facilitate more effective collaborations for mutual benefit.
	• Establish easy pathways for SMEs to ask questions.
Communications material	• Information from AusIndustry on the program seems to have limited efficacy in promoting awareness and engagement with RSPs. The preference is brief, easy to access collateral and podcasts/videos.
	• Present relatable and easy to access examples in the form of podcasts, video interviews and case studies from people who've engaged with the program in different ways and demonstrate various perspectives.
	• Communication that demonstrates how the R&DTI program has helped businesses and examples of collaboration are very effective for creating awareness e.g. What does it mean to collaborate with researchers and what does it look like? What is the impact of the R&DTI on operations and on the R&D generated? What kind of R&D is being conducted?
	• Convey practical tips from SMEs who have engaged with Universities and PhD researchers.
	• Enable champions/messengers to share their journey from never having thought about engaging in research collaboration through to being actively engaged and what challenges they faced along the way.
What's working	• Innovation Connection's facilitators who facilitate and support linkages between the universities, research providers and the companies.
	• AusIndustry's willingness to deliver presentations at stakeholder events.
Working together	• Inviting AusIndustry to present at stakeholder events.
	• Identifying opportunities for joint events, workshops and summits that bring industry, researchers, government and other stakeholders together to promote program understanding, convey research capabilities and attract SMEs to join the dialogue on research engagement.
	• Identifying companies that could feature in customer stories and provide testimonials.

Next steps

- Share insights from the RSP working group with all members of the Roundtable at the next meeting to be held in September 2022.
- Consider the ideas and suggestions provided by working group participants and develop an action plan that aims to improve RSP communication and engagement.