

CABINET - SUBJECTS FOR CONSIDERATION, 21 DECEMBER 2000 8:30 AM

Not Relevant

2. **Bills and Regulations in Principle**

201. **MPRI077/2000CS** Bio Innovation SA Business Structure
APPROVED AS AMENDED
All Ministers

Not Relevant

URP
AK
21/12

CABINET COVER SHEET

1. **TITLE:** Approval and release of *Bio Innovation SA Strategy*
2. **MINISTER** Rob Kerin
Deputy Premier
Minister for Primary Industries and Resources
Minister for Regional Development
3. **PURPOSE** To seek Cabinet approval for the *Bio Innovation SA* strategy document and public release
4. **RESOURCES REQUIRED FOR IMPLEMENTATION** From within existing allocated budget
5. **RELATIONSHIP TO GOVERNMENT POLICY** Commitment to new industry development consistent with 1999 and 2000 Budget announcements
6. **CONSULTATION:** Biotechnology Industry Advisory Council; Minister for Industry and Trade; three University Deputy Vice Chancellors; Senior Management Council; DHS; DIT; PIRSA; bioscience industry and research institute representatives.
7. **FINANCIAL IMPACT STATEMENT** Any potential financial requirements were discussed by Cabinet on 27 November 2000 and will be submitted in the bilateral process
8. **URGENCY** To allow the implementation phase to continue
9. **RECOMMENDATION** 5.1 It is recommended that Cabinet:
5.1.1 Approves the release of the *Bio Innovation SA Strategy*.

SIGNATURE OF MINISTER:



PORTFOLIO:

**DEPUTY PREMIER
MINISTER FOR PRIMARY INDUSTRIES AND RESOURCES
MINISTER FOR REGIONAL DEVELOPMENT**

Date:

12/12/2000

TO: THE PREMIER FOR CABINET

RE: APPROVAL AND RELEASE OF BIO INNOVATION SA STRATEGY

1. PROPOSAL

- 1.1 To seek Cabinet approval for the *Bio Innovation SA* strategy and release.

2. BACKGROUND

- 2.1 Bioscience is recognised internationally as the next major area of global economic development, and capital markets are indicating strong demand from investors. Across the world, governments, financial institutions, research institutes and industry are all actively repositioning to capitalise on the growth of the industry.
- 2.2 On 24 March 2000, the Premier announced his goal to build a world-class bioscience industry in South Australia, stating the establishment and attraction of major bioscience, pharmaceutical and agri-business companies will add significantly to the economic and social development of the state.
- 2.3 The Premier stated that SA's research in the future will have a **much** greater emphasis on commercial application and investment outcomes.
- 2.4 To help foster this vision, *Bio Innovation SA* was established to develop and implement a strategy for bioscience industry acceleration. It operates across the whole-of-government and reports directly to the Deputy Premier, The Hon Rob Kerin MP.
- 2.5 The Premier required *Bio Innovation SA* to provide recommendations and strategies on how best to overcome impediments to growth, and assist the local research and industry to achieve rapid commercial and economic success.
- 2.6 Central to the strategy of *Bio Innovation SA* is the understanding that to be successful in accelerating bioscience industry growth, there must be very close joint collaboration between government, industry and research institutes to enable R&D to flow through to commercialisation stage.
- 2.7 The aim is to accelerate the commercialisation of bioscience R&D in SA by maximising use of the considerable investment already made in research infrastructure, taking full advantage of current

infrastructure and programs, and gaining greater benefit from federal funding programs.

- 2.8 A key strategy of *Bio Innovation SA* will be to raise the level of investment in bioscience research by identifying new opportunities and facilitating research collaborations and industry partnerships.
- 2.9 The Premier also reaffirmed his commitment to SA's full participation in federal bioscience initiatives, including the drafting of national legislation to provide a sound and supportive regulatory framework.
- 2.10 SA has actively participated with Biotechnology Australia to prepare the national biotechnology strategy (including a public communications strategy) and is currently working with Federal agencies (Austrade, Invest Australia, Biotechnology Australia), States and Territories to hold a major Australian exhibition at the forthcoming world forum at Bio2001 in San Diego.
- 2.11 The position of Director, *Bio Innovation SA* has been advertised both nationally and internationally, and it is intended the appointee will commence duties in early 2001.
- 2.12 The Biotechnology Industry Advisory Council has been established and held its first two meetings on 17 October and 21 November under the Chairmanship of Mr Ian Kowalick.
- 2.13 It is intended the R&D Sub Committee proposed in the draft strategy will have senior representation from the three universities and key government agencies and will provide strategic advice to *Bio Innovation SA*.

3. STRATEGY

- 3.1 The *Bio Innovation SA* strategy recognises the critical importance of aligning the activities of government, industry, research institutions and the finance sector to achieve commercial outcomes for SA.
- 3.2 This is very consistent with overseas success in bioscience and information technology industry development, the recommendations of the Innovation Summit convened by the Federal Government, and the Federal Biotechnology Strategy recently released by Senator The Hon Nick Minchin.

- 3.3 The goal is the establishment of 50 new bioscience companies in SA in the next ten years, employing over 2500 people and most importantly, providing a significant new dimension to the State's economic base and gross state product.
- 3.4 The strategy differs somewhat from the approaches taken in Queensland (\$155 million committed over ten years) and Victoria (\$50 million committed) which focus on physical infrastructure.
- 3.5 The strategy aims to optimise commercial opportunities from SA's considerable existing R&D infrastructure, and provides a direction and framework to ensure any government financial investment is relatively modest and clearly targeted to achieve maximum outcomes.
- 3.6 The five key elements of the strategy are:
- Generate Strategy and Policy;
 - Build the Research Engine;
 - Enhance the Entrepreneurial Culture;
 - Create the Commercialisation Superstructure;
 - Promote and Communicate.
- 3.7 Fundamental to the *Bio Innovation SA* model is the creation of nodal clusters of research and innovation excellence for the purposes of delivering commercial outputs. Plant, animal, environmental and medical nodes are currently proposed, and a marine node is also being considered.

4. CONSULTATION

- 4.1 During the drafting process (March-October) significant consultation occurred with key stakeholders, and very strong support has been received for the conceptual direction of the draft strategy. In addition, discussions indicate the draft is consistent with the Federal Government's developing Innovation Strategy.
- 4.2 The draft Strategy was circulated to over 180 contacts in the bioscience community, including research and development, industry, finance and government for a 25 day period (24 October 2000 – 18 November 2000), with written responses invited.
- 4.3 A total of 16 written responses were received.

All responses have been generally very supportive of the strategic direction Government is taking to accelerate South Australia's bioscience industry. Appropriate suggestions have been incorporated into the final strategy.

It is worthwhile to note that most responses raised more general discussion about bio issues facing bioscience industry in Australia and South Australia including:

- Government support for basic research
- Sharing of royalty and equity returns by public sector inventors
- The taxation environment/payroll tax/superannuation
- Producing an entrepreneur friendly fiscal climate
- Government support for research infrastructure

5. RECOMMENDATIONS

5.2 It is recommended that Cabinet:

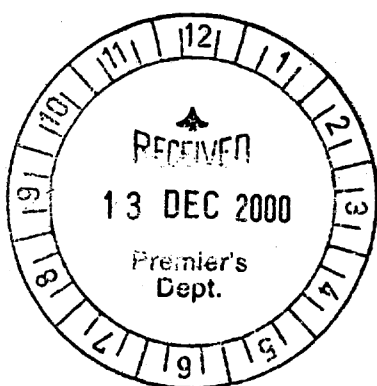
5.2.1 Approves the release of the Bio Innovation SA Strategy *subject to finalisation of the business structure*

deferred to 21.12.00

Rob Kerin

ROB KERIN
DEPUTY PREMIER
MINISTER FOR PRIMARY INDUSTRIES AND RESOURCES
MINISTER FOR REGIONAL DEVELOPMENT

Date: *12/12/2000*



In Cabinet

21 DEC 2000



BioInnovationSA

Bright is the future...

Bioscience industry

expansion as a

knowledge-driven

strategy for South

Australian growth

*Our history testifies
to our excellence
at turning money into ideas.*

*Our future demands
we turn ideas into money.*



FOREWORD

The bioscience industry is one of the fastest growing of all global sectors, with Industry and Governments nationally positioning themselves to establish the infrastructure for attracting major bioscience, pharmaceutical and agribusiness companies and capturing economic development opportunities.

The window of opportunity for South Australia is narrow, requiring immediate action.

South Australia has the potential to position itself as a leading State in Australia for bioscience, innovation and technology commercialisation.

WE HAVE A SOLID FOUNDATION - historically, our science and technology capabilities provide us with a platform to be a market leader in innovation.

WE HAVE THE PEOPLE - our internationally renowned education system produces graduates of the highest calibre.

WE HAVE THE INITIATIVE AND WILL - SA is embracing the new highly competitive global economy where efficient use of scarce resources is critical. By re-investing in the State's ideas engines we can drive a dynamic investment environment.

The future for South Australia is bright indeed.

Our excellence can be harnessed, fostered and developed to build a commercially sustainable bioscience industry that generates employment for South Australians and helps secure our future.

With this enormous potential clearly evident, the Olsen Government launched Bio Innovation SA in March 2000, to define in detail an appropriate structure and strategy to make this happen.

I am delighted to offer to you this document, which sets out Bio Innovation SA's strategy for carrying the State into the 21st century, a blueprint for turning "ideas to income".

Exciting times are ahead as South Australia positions itself to reap its just rewards for years of smart investment in its research and education infrastructure, and becomes a place of true global significance in the new world of bioscience.

Hon. Rob Kerin
Deputy Premier
Minister for Primary Industries and Resources
Minister for Regional Development

STRATEGY

Identify and build bioscience research teams...

that compete globally...

in areas of major unmet market need...

assisting them to devise product / service offerings

and transform these to commercial outcomes

for maximum State benefit.

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THE STRENGTHS

One of this State's strengths is its wealth of assets in the area of bioscience.

Three universities, four teaching hospitals, two medical schools, three schools of nursing, four medical research centres, an agricultural R&D precinct the envy of most of the rest of the world, a young and vibrant bioscience industry, The Australian Wine Research Institute, a host of Cooperative Research Centres. The list could go on.

And all in a community of 1.5 million people, of which 75 per cent live in the Adelaide metropolitan area.

The output from this bioscience resource is an understanding of biological processes, which, in turn, is the critical ingredient for biotechnology.

Biotechnology is the application of understanding. The understanding comes from bioscience, and the application is for making products or for creating services. It is taking ideas from an insight into biology and crafting them into things that society values and can use. It is turning good bioscience into good business. It is entrepreneurial life science.

Biotechnology is...

"The application of an understanding of life sciences to identify technologies impacting on the discovery and development of product and services".

Biotechnology can span from hydroponics to haemodialysis, from pregnancy tests to pollution monitoring.

Ideas and infrastructure are major components of its success, and South Australia has these.

THE COMMITTED STEP

Bio Innovation SA was launched in March 2000, as South Australia's commitment to accelerating the development of a commercial bioscience industry in this State.

Bioscience cuts across the traditional structures of Government. In a bold move that highlighted this Government's commitment, it drew officers from a range of key Departments, forming Bio Innovation SA as a virtual team. This whole-of-Government approach was recognised as critical now and in the future to ensure success in building a sustainable bioscience industry with efficient use of scarce resources.

Mindful of community consideration of the social impact of bioscience, Government has maintained this commitment, investing initial operating funds in Bio Innovation SA to enable it to build on earlier progress in defining models for accelerating bioscience industry development.

This Government also established in 1999 the first dedicated bioscience precinct in Australia, setting up the Thebarton Bioscience Precinct just 4 km from the centre of Adelaide. Already this is home to five bioscience companies.

It has also committed to extend its investment in the Waite precinct, arguably the premier plant and agricultural research facility in the southern hemisphere. New funds will contribute significantly towards an additional centre there in which plant researchers will rub shoulders with industry counterparts, to maximise the economic outcomes from their findings.

As a statement of the Premier's commitment to the future promise of bioscience for South Australia and its whole-of-Government relevance, he has requested that Bio Innovation SA report directly to his Deputy Premier.

THE OPPORTUNITY

Why is a bioscience industry important to South Australia?

We're good at it

Doing what you are good at is a key element to success and competitiveness. South Australia is good at doing research in bioscience. We are entrepreneurial at exploiting that skill, attracting significant national funding into our life science research institutes. But the major part of this funding comes from Government sources, rather than industry. The challenge is to extend that entrepreneurship into forming strategic partnerships with international industry, and building locally based businesses around global products. Only then will this State gain the real economic and social benefit from its outstanding intellectual capacity.

Jobs

South Australia's education system is world-competitive, both at the secondary and tertiary level. We must give our school leavers and new graduates, our investment in the future, every opportunity to apply their skills to our economy. Building a local bioscience industry will give many of these citizens-of-tomorrow the capacity to stay close to their families, to apply their education and knowledge locally for State economic benefit, and make a contribution to the community.

Innovation and our future

"Innovation is the driver of every modern economy.

It is the key to competitiveness, employment growth and social wellbeing".

'The chance to change', R. Batterham, Chief Scientist of Australia, August 2000.

A failure to innovate with new products and services lets competitors grasp the opportunities for improvements. Outdated products and services suffer loss of market share and declining sales, with impacts on enterprise viability and the local economy.

Innovation is critical, and demands that business teams up with innovative researchers to take ideas to market. This Strategy puts in place the collaborative framework to ensure South Australia is a national and international leader in bioscience innovation and commercialisation.

THE OPPORTUNITY

A knowledge-driven economy

We have an economy that is significantly dependent on the production and export of commodities (grains, livestock, minerals, resources). As new knowledge is applied to enable us to remain competitive in commodity production the impact is to lower real prices for those commodities.

The opportunity is to build an economy that produces higher value goods and services for export. Development of a bioscience industry will contribute towards this significantly for South Australia, forming a fundamental plank in the knowledge-driven economy critical for our future.

By way of example, GroPep Ltd (Thebarton, South Australia) is the world's largest manufacturer of insulin-like growth factors, sold into a global market at over 1000-times the price of gold.

THE CHALLENGE

From South Australia's position of strength in ideas and infrastructure it has identified the additional elements that must be assembled to translate its research creativity into industry, wealth and jobs.

An essential starting point is a realistic Vision for the industry...

Our vision is to build a world-class bioscience industry in South Australia that develops and fosters world-class R&D to commercialisation stage, and that creates and attracts major biotechnology, pharmaceutical and agribusiness companies for State economic and social development.

Integral to this vision are that:

- The State be a recognised centre for world-class R&D
- World-class industry players be located here, both through the commercialisation of local R&D as spin-off companies, and from the desire of international groups to be located adjacent to our research and corporate culture
- We build a high technology infrastructure and environment capable of promoting and attracting excellence in the range of skills required to build a bioscience industry
- R&D effort be focused to achieve critical mass in several bioscience disciplines essential to securing future opportunities
- We attract, generate and celebrate risk-aware investors specialising in bioscience across the financing spectrum (from start-up, seed, to expansion), thereby creating a local mini-financial hub.

Bio Innovation SA has the mission of matching this State's success at capturing national bioscience research grants with a new-found success in establishing commercial bioscience enterprises.

The State is successful in winning competitive tenders for 16 – 20% of funds from the major national grant funding bodies. If this continues, benchmarks indicate that the State should expect to create around five new bioscience start-up companies per year. This will lead to the establishment of 50 new bioscience companies in Adelaide by 2010, creating substantial local wealth and employment.

A major challenge is to keep the "pipeline" of prospective companies full. In the last fourteen months Adelaide has witnessed four biotech listings on the Australian Stock exchange – BresaGen, Bionomics, GroPep and Integra. These four have been in the pipeline for between 3-12 years; with their maturation to IPO (initial public offering), more start-ups must be identified and nurtured. The challenge is to create an environment in which such start-ups can be generated, both at an appropriate rate, and quality.

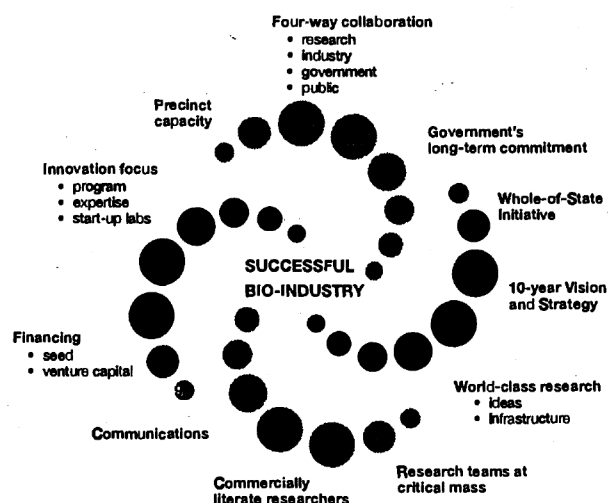
The key factors influencing the likelihood of formation of such start-ups are as follows:

- securing a long-term commitment by Government to nurture the emerging industry

THE CHALLENGE

- embracing this as a whole of-State initiative, for efficient use of scarce resources
 - setting out a 10-year vision and strategy that takes into account both where we are now, where the industry is moving, and where the State wishes to position itself in that future
 - fostering world-class research, both by supporting researchers with world-beating ideas, and putting in place appropriate infrastructure to enable them to stay at the forefront of selected disciplines
 - building critical mass to compete globally in areas of defined core competency and market need
 - assisting researchers to become more aware of commercial aspects of their research
 - communicating our capabilities locally and internationally
 - providing access to funds for start-ups, both at the seed stage and for expansion with venture capital
 - establishing a focal point for training and support programs, access to critical expertise, and access to laboratories separate from the academic environment
 - ensuring that as the industry grows there is sufficient suitable industrial land available
 - ensuring that all these activities proceed in a truly collaborative arrangement between researchers, industry, Government and the public.
- These are summarised in the following Chart.

Elements of a successful bioscience industry



VISION

World-class bioscience research...

to commercialisation stage...

in world markets...

for State benefit.

MISSION

To accelerate the development of South Australia's

bioscience industry...

enabling creation of 50 new bioscience

companies...

by 2010.

THE STRATEGY

Identify and build bioscience research teams...

that compete globally...

in areas of major unmet market need...

assisting them to devise product / service offerings

and transform these to commercial outcomes

for maximum State benefit.

THE STRATEGY

South Australia will be expertise-driven and opportunity-led. It will support and build research teams that can offer significant prospect of world-class competitive advantage to a customer.

Bio Innovation SA will support those research initiatives that display the characteristics representing a core competency, i.e.,

- intellectual mobility, recognising that specific research inventions and discoveries can have applications in multiple fields of endeavour and application beyond the initial field of discovery
- market mobility, as evidenced by the research team being able to secure commercial agreements with multiple customers
- high value-added, as indicated by the capacity to secure contracts that offer sustainable returns, create untied funds, and reward the uniqueness of the team
- barriers to entry, through team insight and intellectual capital not easily replicated elsewhere.

The five major elements of the strategy are as follows:

- **Generate strategy and policy-**
To build a world-class bioscience industry in South Australia that creates and attracts major bioscience companies for State economic and social development
- **Build the research engine-**
To strengthen South Australia's bioscience research capability
- **Enhance the entrepreneurial culture-**
To develop a culture within research providers that embraces commercialisation of intellectual capital
- **Create the commercialisation superstructure-**
To devise and implement business structures that ensure that South Australia gains maximum benefit from its intellectual capital
- **Promote and communicate-**
To identify and position South Australia's bioscience capability globally.

Following are key result areas for Bio Innovation SA for the period July 2000 - December 2002. During this period the strategic directions will be continually reviewed.

THE STRATEGY

STRATEGY 1 **Generate strategy and policy**

Objective:

To build a world-class bioscience industry in South Australia that develops and fosters world-class R&D to commercialisation stage, and that creates and attracts major biotechnology, pharmaceutical and agribusiness companies for State economic and social development.

Strategies:

1.1 Advise Governments and research institutions on the commercialisation of bioscience

Key Performance Indicator	Due date	Status
• Prepare Terms of Reference for Bio Innovation SA and the Biotechnology Industry Advisory Council	August 2000	Done
• Prepare "Principles" guiding SA Government involvement	August 2000	Done
• Provide regular updates on trends, opportunities, issues and needs	On-going	Continuing

1.2 Build a whole-of-State collaborative approach to achieving a dynamic bioscience industry in South Australia

Key Performance Indicator	Due date	Status
• Devise a model to accelerate development of a dynamic, sustainable bioscience industry	August 2000	Done
• Deliver and review the model	On-going	Continuing

1.3 Develop business structures to enable greater economic benefits from Government involvement in bioscience

Key Performance Indicator	Due date	Status
• Provide critical input into policy development	On-going	Continuing

1.4 Identify and support those researchers working at the leading edge in areas of unmet market need

Key Performance Indicator	Due date	Status
• conduct a life science stock-take, to identify lead teams	September 2000	Continuing
• Devise support mechanisms	December 2000	Continuing

1.5 Define the role of Government in ongoing bioscience industry development

Key Performance Indicator	Due date	Status
• Identify areas of market failure that may warrant Government intervention	October 2000	Continuing

THE STRATEGY

STRATEGY 2 Build the research engine

Objective:

To strengthen both the intellectual capital and customer capital of the State's research capability.

Strategies:

2.1 Identify core competencies within the research community

Key Performance Indicator	Due date	Status
• devise a Competency Management Process for the management of both intellectual and customer capital	August 2000	Done
• complete a stock-take of the physical and life sciences assets	October 2000	Done

2.2 Establish a Strategic R&D Group to maximise the benefits of existing capital and intellectual infrastructure and to plan for future needs

Key Performance Indicator	Due date	Status
• Strategic R&D Group established and operating	December 2000	Done
• Conduct a "Strategic Directions" review	April 2001	Pending
• Recommend supplementary core competency targets and infrastructure needs	March 2001	Pending

2.3 Build awareness of State and Federal R&D funding packages for commercialisation

Key Performance Indicator	Due date	Status
• Develop a comprehensive, unified information pack on innovation support programs	September 2000	Done

2.4 Create diversification of the funding available to R&D, through targeted investment strategies

Key Performance Indicator	Due date	Status
• Options developed by Strategic R&D Group	March 2001	Pending
• Industry sector "nodes" established and funding attracted	March 2001	In progress

2.5 Attraction of high level technical expertise to SA

Key Performance Indicator	Due date	Status
• Action Plans developed by Strategic R&D Group	April 2001	Pending

THE STRATEGY

STRATEGY 3 Enhance the entrepreneurial culture

Objective:

Develop a culture within the research providers that embraces commercialisation of intellectual capital.

Strategies:

- 3.1 Provide educational programs to enhance the skills and understanding of research scientists in the steps of commercialisation

Key Performance Indicator	Due date	Status
• Develop program(s), and	October 2000	In progress
• deliver 5 times per year	On-going	In progress

- 3.2 Encourage industry to establish a mentoring program for selected commercialisation candidates in R&D

Key Performance Indicator	Due date	Status
• Set up a mentoring group	June 2001	Pending

- 3.3 Establish the industry sector nodal framework, with the view of promoting a commercial culture

Key Performance Indicator	Due date	Status
• Plant, Medical nodes established	December 2000	In progress

- 3.4 Encourage open exchange of commercialisation and collaboration experiences across the bioscience community

Key Performance Indicator	Due date	Status
• SA Bioscience network established	On-going	Continuing
• Establish a SA bioscience contacts database	On-going	Continuing
• Run networking fora and events	On-going	Continuing

THE STRATEGY

STRATEGY 4 Create the commercialisation superstructure

Objective:

To devise and implement business structures that ensure that South Australia gains maximum benefit from its intellectual capital.

Strategies:

4.1 Establish and get fully operational Bio Innovation SA

Key Performance Indicator	Due date	Status
• Prepare Terms of Reference	August 2000	Done
• Secure membership	August 2000	Done
• Appoint Director, Bio Innovation SA	December 2000	In progress
• Devise and get approval for a business structure for Bio Innovation SA, nodes	December 2000	In progress
• Prepare and implement a marketing and communications strategy	On-going	In progress

4.2 Establish and get fully operational the Biotechnology Industry Advisory Council (BIAC)

Key Performance Indicator	Due date	Status
• Prepare Terms of Reference	August 2000	Done
• Secure membership	August 2000	Done
• Confirm Chair, BIAC	September 2000	Done
• Devise and get approval for compensation mechanisms	October 2000	In progress
• Prepare and implement an action agenda	On-going	In progress

4.3 Establish and get fully operational the industry sector nodes (Plant, Medical, Animal, Environment)

Key Performance Indicator	Due date	Status
• Prepare node Operating Principles	December 2000	In progress
• Secure commitment of Partners	December 2000	In progress
• Appoint Directors of industry sector nodes	December 2000	Pending
• Devise and get approval for business structures	December 2000	Pending
• Prepare and implement an awareness-building program	On-going	Continuing

THE STRATEGY

4.4 Devise strategies to secure capital funding for incubators for biotech start-up companies

Key Performance Indicator	Due date	Status
• Undertake relevant policy development	December 2000	In progress
• Secure capital funding	July 2001	In progress

4.5 Agree mechanisms to establish a seed capital fund for bioscience companies

Key Performance Indicator	Due date	Status
• Seed capital fund operational	July 2001	In progress

4.6 Establish networks for global linking of research and industry to sources of international public and enterprise funding

Key Performance Indicator	Due date	Status
• International network established	On-going	In progress

4.7 Link the SA bioscience industry with Federal strategies and programs to gain greater leverage from current and proposed funds

Key Performance Indicator	Due date	Status
• Network established	July 2001	In progress
• Funding leveraged at State level	July 2001	In progress

4.8 Create a single shop-front for overseas contact and point-of-negotiation with the SA bioscience industry

Key Performance Indicator	Due date	Status
• Director, Bio Innovation SA in place	July 2001	In progress
• Promotional Vehicles in place (newsletter, website, networking, readiness for overseas exhibitions, etc)	On-going	Continuing

THE STRATEGY

STRATEGY 5 Promote and communicate

Objective:

To identify and position South Australia's bioscience capability globally.

Strategies:

5.1 Promote locally, nationally and internationally the strengths and capabilities of South Australian bioscience

Key Performance Indicator	Due date	Status
• Retain specialist marketing advice	August 2000	Done
• Appoint a marketing and communications officer	November 2000	Done
• Prepare a contacts database	On-going	Continuing
• Launch a bioscience newsletter	On-going	Continuing
• Launch Bio Innovation SA website	November 2000	In progress
• Initiate a media campaign	November 2000	Pending

5.2 Present South Australia's capabilities nationally and internationally, for tangible State economic and social benefit

Key Performance Indicator	Due date	Status
• Preparation of brand, image and promotional material	February 2001	In progress
• Attendance at Australasian Biotechnology Association conference (ABA 2000, Brisbane)	July 2000	Done
• Attendance at BioJapan 2000	September 2000	Done
• Attendance at Bio2001, San Diego (USA)	June 2001	Pending
• Implementation and review of the marketing and communication strategy (4.1)	On-going	Continuing

5.3 Facilitate a vibrant Australasian Biotechnology Association (ABA) in South Australia, to support the development and long term viability of a strong bioscience industry in South Australia

Key Performance Indicator	Due date	Status
• Bio Innovation SA industry-orientated networking program	On-going	Continuing
• Facilitate establishment of a local branch of ABA	July 2001	Pending

STRUCTURES FOR STRATEGY IMPLEMENTATION

Successful implementation of the strategy is critically dependent on choice of an appropriate organisational structure. The structure must reflect its function, prevailing conditions, and the desired outcome.

The organisational structure of Bio Innovation SA must consider several over-riding criteria:

- a whole-of-Government approach
- efficient use of resources, both within its own structure and in implementation
- optimal use of existing infrastructure
- be knowledge-driven itself
- take account of the geographic spread of resources and competencies across South Australia
- capture the benefits of resource and experience sharing
- drive commercialisation expertise close to the research bench
- be industry-focused.

The structure of Bio Innovation SA meets these criteria, with a top-level expertise in bioscience markets, associated technologies and the experience of negotiating at the most senior level.

This is supported by a nodal structure targeted at particular industry sectors, i.e.:

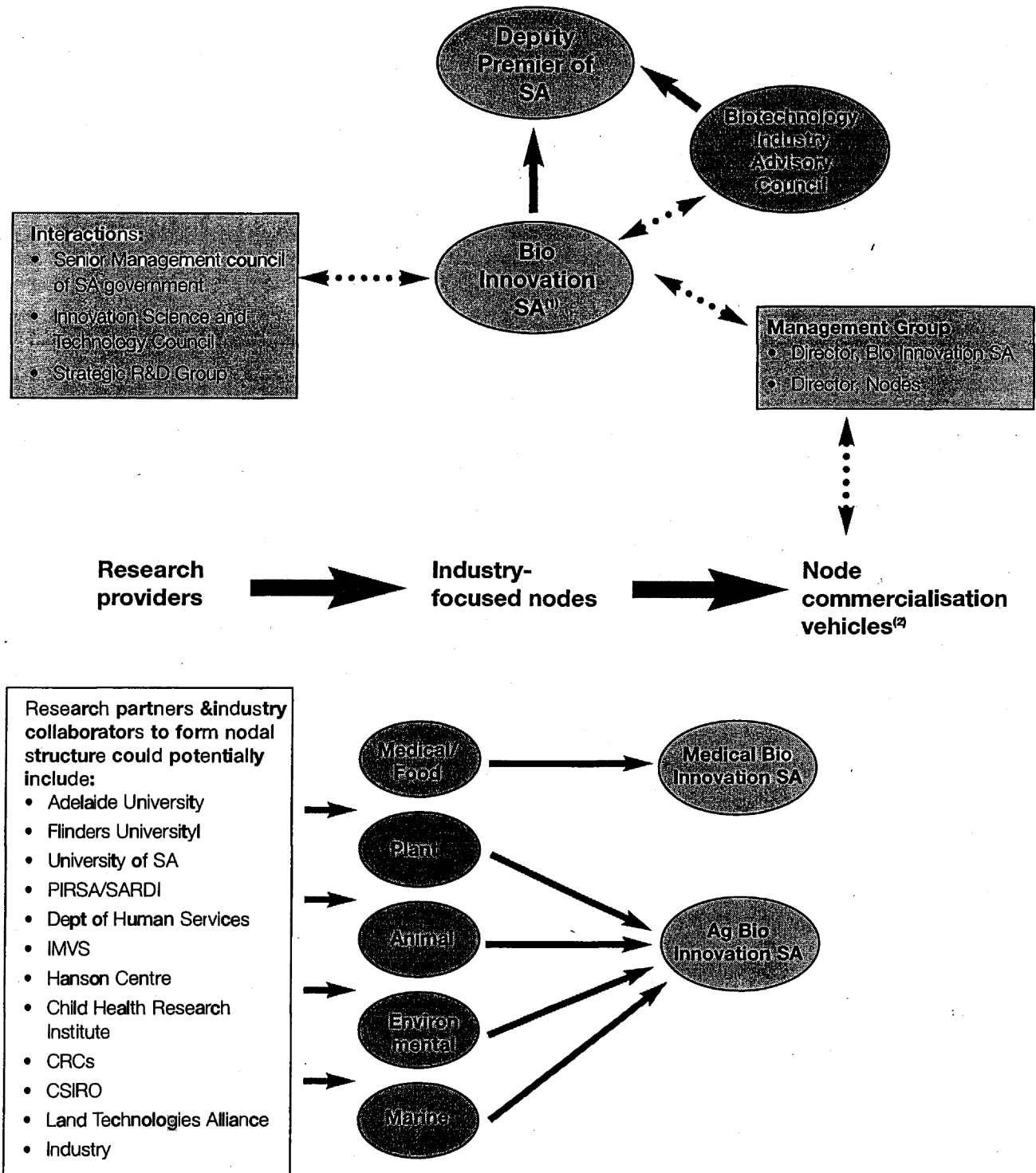
- a plant node
- a medical node
- an animal node
- an environmental node
- a marine node.

Each node is managed by a Director selected for his / her business experience in that sector, with the capacity to call on additional external expertise as required (legal, financial, planning, training, etc).

The activities of Bio Innovation SA will be augmented by a Biotechnology Industry Advisory Council, reporting directly to the Deputy Premier. In addition, the Strategic R&D Group will advise Bio Innovation SA on specific issues relating to technology and market trends.

These key characteristics are captured in the chart on the following page.

BIO INNOVATION SA STRUCTURE



(1) Bio Innovation SA is an incorporated body under the Public Corporations Act, 1993, providing access to Virtual Incubator services, pre-seed funding support and grants to pre-commercial initiatives.

(2) Node commercialisation vehicles are not-for-profit incorporated associations, operating outside Government. Major intellectual property providers are represented as 'Members'. Bio Innovation SA is present on Node Boards.

- Each Node managed by a directional Board comprising key stakeholders
- Clusters of research and innovation excellence for targeted commercial outputs
- Each node supported by a Business Manager, funded partially through Bio Innovation SA
- Acronyms used: IMVS, Institute of Medical and Veterinary Science; CRC, Cooperative Research Centre; CSIRO, Commonwealth Scientific and Industrial Research Organisation; PIRSA, Primary Industries of South Australia; SARDI, South Australian Research and Development Institute.

CONTACT DETAILS

Bio Innovation SA

Level 17/25 Grenfell Street

Adelaide South Australia 5000

Telephone 61 8 8226 0447

Facsimile 61 8 8226 0316

Email BioInnovationSA@saugov.sa.gov.au