

Courseware and software technologies commercialisation

- the Multimedia Licensing and Technology Contracts Unit is highly valued by a range of internal University clients;
- financially the Multimedia Licensing and Technology Contracts Unit is a marginal operation but has the potential for growth at low risk.

Consulting

- financially the University is performing adequately in consulting;
- the consulting support services provided through the School of Enterprise are a valuable tool and should be continued and grown.

Overall commercialisation organisational model

- while the individual business models are generally on track, the overall structure lacks cohesion, resulting in:
 - a lack of understanding of the University's objectives and expectations for commercialisation;
 - a lack of coordination of activities and resultant inefficiencies;
 - confusion for internal University users of the services with respect to roles, responsibilities, policies, processes and service access;
 - a lack of clarity for external parties as to how to engage with the University, including not meeting the desire of business for the ability to deal with the University at one point;
 - complicated budgeting and financial reporting arrangements;
 - a lack of understanding within the service functions as to the University's priorities and the differentiation of responsibilities; and
 - a lack of clarity of governance processes.
- the suite of commercialisation activities can be more efficiently, effectively and economically delivered through a single organisation, management and governance structure. This will provide:
 - the capability to better respond to the needs of the business sector and therefore the opportunity to increase interaction, profile and business;
 - a critical mass of commercialisation expertise and commercial project management and delivery experience to support the whole of the University across all disciplines;
 - potential economies of scale;

- the coordinated capacity to assist the University with the assessment and development of commercial business case proposals that meet the tests of technical, commercial and financial viability;
 - a test bed for new ideas that can be effectively isolated from the rest of the University to better manage risks and maintain transparency;
 - an option for future consideration with respect to providing corporate services and commercial functions to other controlled entities/commercial ventures of the University; and
- the most appropriate structure is a corporate model.

Operational issues

- it is imperative to the success of commercialisation for the value proposition to be clearly articulated and understood within the University;
- there is a lack of clarity of the roles and responsibilities of the direct and indirect commercialisation activities within the University both from a users' (faculties, departments, staff) perspective and between the support services areas;
- the University's links with business from a commercialisation perspective need to be strengthened;
- access to information on the University's commercialisation services, for internal and external clients, must be improved;
- the implementation of the revised intellectual property policy providing for University ownership of IP is a critical element of improved commercialisation performance;
- a number of the University's processes constrain commercialisation activities.

Performance targets and funding

- realistic and achievable targets for commercialisation performance must be set, but these must also justify continued investment in commercialisation;
- growth targets must realistically reflect the lead time to achieving best practice;
- the level of funding of the University's commercialisation activities is below that of comparable universities;
- the level of funding of commercialisation activities should be linked to revenue generated in the medium to longer term.

4. Major recommendations

The major recommendations of the report are:

Current business models

1. The current business model for technology commercialisation and Melbourne Ventures be endorsed.
2. The University continue to develop and capitalise on the School of Enterprise model for educational programme commercialisation in the short term and to reassess its progress over the next twelve months. This should include a review of the School of Enterprise model with respect to:
 - providing expertise in the commercialisation of education that is more in line with the service role of Melbourne Ventures; and
 - Melbourne Business School's Mt Eliza operations, to determine how best to capitalise on the strengths of each in a cohesive way.
3. The current business model for courseware and software technologies commercialisation be endorsed and the recommendations of the review of the Multimedia Licensing and Technology Contracts Unit be considered in consultation with Information Services and implemented as appropriate as soon as possible.
4. The University encourage but not compel the use of the School of Enterprise consultancy team for OWR and University consultancies and the School's services be provided at no fee to faculties/departments but that the fee for OWR consultancies continue to apply.

Overall commercialisation organisational model

5. To increase the efficiency, effectiveness and economy of the University's commercialisation activities and to reduce risk by simplifying governance structures, the University's commercialisation vehicles (i.e. Melbourne Ventures, School of Enterprise and Multimedia Licensing and Technology Contracts Unit) should be governed as separate businesses within a single governance entity, UMEE Ltd.
6. The CEO of UMEE Ltd be the Vice Principal (Commercialisation) of the University (note – this is currently the case).
7. The Board of UMEE Ltd should comprise executive directors, including key academics, and a Board charter should formally set out the roles and responsibilities of the Board.
8. Two external Advisory Boards be created, one for technology commercialisation and a second for commercialisation of education programmes, and courseware and software technologies.
9. A services agreement be established between UMEE Ltd and the University.