

24 April 2008

Review of the National Innovation System - Submission
Secretariat to the Expert Panel,
Review of the National Innovation System,
Department of Innovation, Industry, Science and Research,
GPO Box 9839,
CANBERRA, ACT 2601

Dear Sir / Madam

The submission that follows is in support of accelerating innovation
in manufacturing in Australia.

Yours sincerely

Peter Rogers

National Manager of Research CCS
Foster's Group
4 Southampton Crescent
Abbotsford 3067
Australia

Submission to the Innovation Review Submissions Process:

Submitter

Peter Rogers PhD
Foster's Group Ltd
4 Southampton Crescent
Abbotsford 3067
Victoria
peter.rogers@fostersgroup.com
03 9420 6522; 0417 362 268

Declaration: I am the National Manager Research CCS, Foster's Group
ltd.

The following proposals are made in the interests of accelerating
innovation in manufacturing in Australia.

- 1) Company export earnings should be tied to greater R&D tax breaks.
- 2) The present R&D tax break should be conditional on some
proportional - but significant - targeted return to the company
R&D budget.
- 3) The sliding scale R&D tax claim should be biased in favour of
companies with a strong corporate R&D reporting structure.
- 4) A competitive national (government) R&D scheme should be
available for company discovery research and innovation with self
managed budgets.
- 5) Accreditation and affiliation of industrial R&D groups and
Universities should be possible independently of grant

arrangements or contractual arrangements, so that infrastructure in both can be maximised for the common good.

- 6) There should be a government sponsored scheme that encourages (open) innovation amongst supplier manufacturers along the lines of companies such as Toyota. *Lean & Open*.
- 7) A register of all companies in Australia and overseas who are willing to participate in open innovation be created and made available.
- 8) A nominal tax should be applied to imports for targeted investment in competitive innovation in Australian manufacturing.
- 9) The Australian Research Council (ARC) discovery grants and linkage grants should have mandatory business plans / progress timelines as part of the submission process, and a rigorous end-of-project review process (c.f. the Finnish VTT model).
- 10) ARC Linkage Grants, administration, modus operandum, and budget management should reflect the real timelines for competitive development in industry, IP impediments to commercialisation, and the problems that may and do arise from sole academic budgetary control.

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