



Australian Government

Department of Defence

Defence Science and
Technology Organisation

IMPLEMENTATION OF THE RECOMMENDATIONS IN THE TRENBERTH REPORT

This document provides a summary of the major recommendations in the Trenberth *Review of DSTO's External Engagement and Contribution to Australia's Wealth* (September 2003) and the implementation plan as agreed to by the Minister for Defence, Senator The Hon Robert Hill.

The recommendations are in two parts:
Recommendations to Government and Recommendations to DSTO.

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Summary of Recommendations to Government	Implementation Plan
<p>1. To assist with the reorientation of culture and processes required to achieve enhanced commercial outcomes in DSTO and other publicly funded research agencies, the Government make it plain through a statement that says:</p> <p><i>“The Government wishes knowledge transfer and collaboration with industry to become part of the core mission of both public sector research establishments and universities, so that investment generates the maximum benefits in the form of jobs and prosperity for the nation.”</i></p>	<p>This recommendation was referred to the Department of Education, Science & Technology (DEST) and the Minister for Defence agreed that Defence will not take any further action at this time.</p>
<p>2. Government legislates to require all publicly funded research agencies acknowledge this priority (as stated above) in their mission statements.</p>	<p>As per recommendation 1 above.</p>
<p>3. In recognition of its character as an applied science and technology organisation, DSTO continue to be funded from the Defence budget and not be required to compete for funding with other publicly funded research agencies.</p>	<p>DSTO will continue to be funded from the Defence budget.</p>
<p>4. Increase access for SMEs to R&D funding and knowledge.</p> <ul style="list-style-type: none"> ▪ Increase access for SMEs to the R&D Start and R&D Tax Concessions programs. ▪ Provide additional funding up to \$13 m per year for 3 years starting in financial year 2005-06 for programs linked to Defence’s Capability and Technology Demonstrator (CTD) program. ▪ Make improvements to the CTD program that would benefit SMEs. ▪ Establish a Defence Science Access Network (DSAN). 	<ul style="list-style-type: none"> ▪ The Department of Industry, Tourism and Resources (DITR) advises that recent changes to these programs have improved access for companies of all sizes, including SMEs. ▪ The provision of extra funds for the CTD program will be considered by Defence in preparing its 2005-06 budget. ▪ Defence will explore a phased approach to funding CTD proposals with a view to implementing an approach more suited to the needs of SMEs in the 2005 round of bids. ▪ Defence will contribute funds to assist with the establishment costs of DSAN. See below for further details on DSAN.
<p>5. Monitor the performance of the Defence Science Access Network.</p>	<p>This will be addressed as part of the implementation of the DSAN initiative. See information on DSAN below.</p>
<p>6. Integrate programs and policies across government agencies with interests in defence industry outcomes by establishing a new defence industries branch or division in the Department of Industry, Tourism and Resources.</p>	<p>The structure and operation of the Defence Materiel Organisation’s Industry Division, and its relationship with the Department of Industry, Tourism and Resources, is being considered as part of the implementation of the <i>Defence Procurement Review 2003</i>.</p>

Summary of Recommendations to DSTO	Implementation Plan
1. Re-engineer DSTO's planning processes to deliver more consistently strategic external engagements.	DSTO is reviewing all its major planning processes, including: <ul style="list-style-type: none"> - strengthening priority setting for strategic external engagements, and - providing more detail on external engagement in annual program plans and reports.
2. Establish independent company under the Commonwealth Authorities and Companies Act to commercialise DSTO intellectual property in civilian and dual use markets.	A phased approach will be taken to the implementation of this recommendation. DSTO will establish a panel of suitably qualified organisations that will provide expertise to assist DSTO with commercialising its intellectual property. The operation of the panel will be reviewed after two years to assess if the establishment of a separate company is warranted at that time.
3. Establish a Defence Science Access Network (DSAN).	In a slight modification of Mr. Trenberth's recommendation, DSAN will be owned and operated by industry with financial assistance possibly provided through the Government's Innovation Access Program. However, DSTO will still provide assistance in its design and implementation. DSAN will be designed to link with other organisations and programs, including the CTD and Defence Unsolicited Proposals Programs. This recommendation meets a number of identified needs. These include the dissemination of DSTO information on research and commercial opportunities to the defence industry as well as the ability for industry to more easily inform DSTO of research capabilities relevant to Defence priorities.
4. Mr Trenberth said that strong leadership by DSTO laboratory directors, division chiefs and task leaders will be required to implement his recommendations. He made a number of specific recommendations on how this could be done.	DSTO is considering all of Mr Trenberth's detailed recommendations in this area and will implement them as appropriate.
5. Raise DSTO's profile.	Mr. Trenberth's recommendation is being implemented as part of a review of DSTO's communications activities.

21 June 2004.