



NOT GOVERNMENT POLICY – NOT FOR DISTRIBUTION

SCIENCE SYSTEM ADVISORY GROUP

PAPER NUMBER	SSAG-MBIE-003	DATE	5/04/2024
TITLE	History and current state of Callaghan Innovation		
RESPONSIBLE MANAGER	Gina Williamson		
AUTHOR/S	Simon Wakeman		
PURPOSE	Provide an introduction to Callaghan Innovation, the process and intent behind its creation and the current scope of its activities		



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HIKINA WHAKATUTUKI

History and current state of Callaghan Innovation

BRIEFING TO STRATEGIC SCIENCE ADVISORY GROUP

27 MARCH 2024

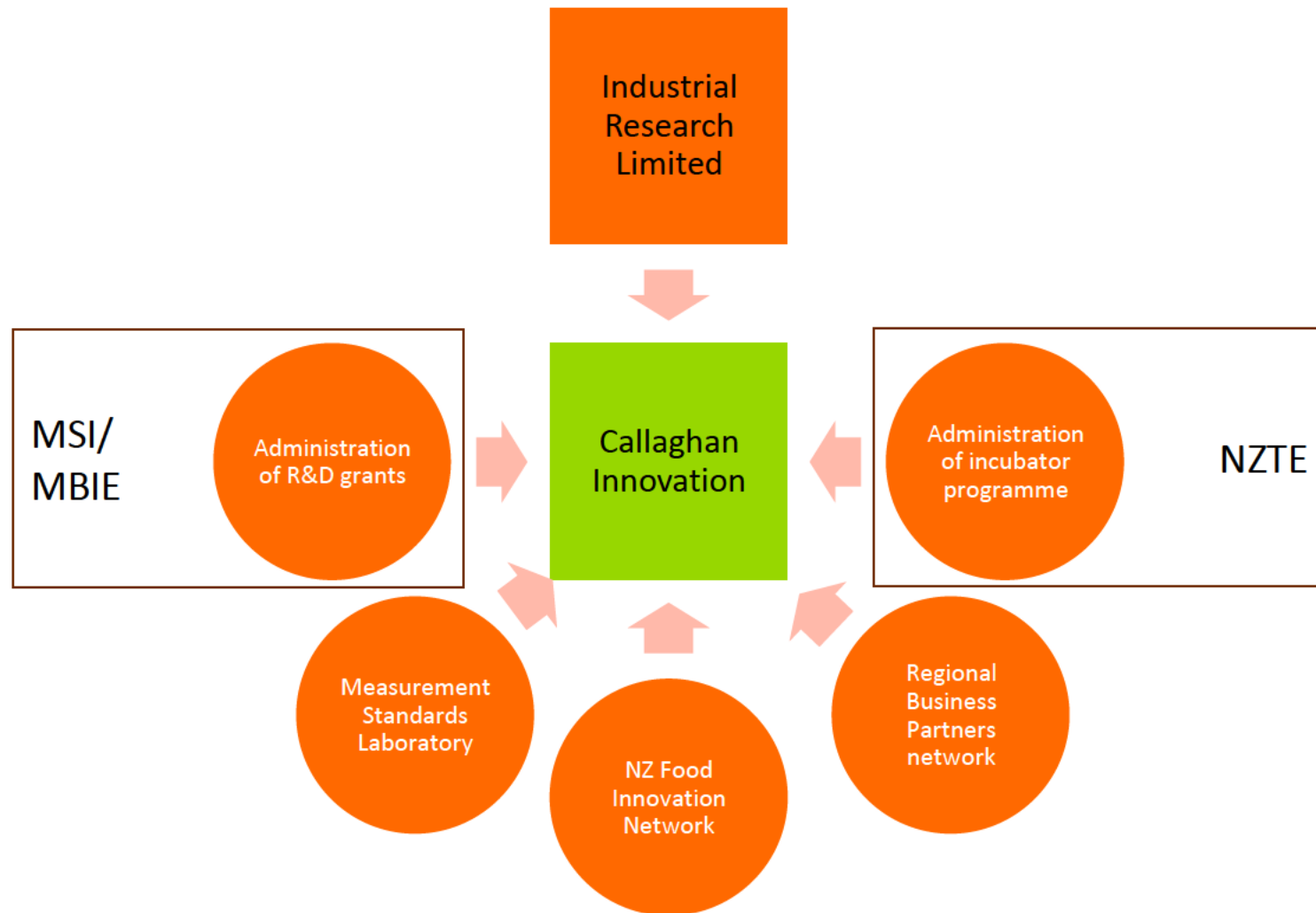


Callaghan Innovation established to support science and tech-based innovation and commercialisation in manufacturing & services

ROLE AND CONSTITUTION OF CALLAGHAN INNOVATION

- Advanced Technology Institute established as Crown Entity in 2012, renamed Callaghan Innovation in 2013
- Main objective (s13 Callaghan Innovation Act 2012)
 - *“Callaghan Innovation's main objective is to support science and technology-based innovation and its commercialisation by businesses, primarily in the manufacturing sector and services sector, in order to improve their growth and competitiveness.”*
- Merger between CI and NZTE considered, but instead a “no wrong doors” approach between the two agencies encouraged

Callaghan Innovation formed by amalgamation of different government innovation-related organisations and activities



Different activities by Callaghan Innovation are funded and governed in various ways

FUNDING FOR CALLAGHAN INNOVATION

<u>Appropriation</u>	<u>2023/24</u>	<u>Governance mechanism(s)</u>
<i>Callaghan Innovation - Operations</i>		
R&D Services and Facilities for Business and Industry	\$32.8m	CI Act 2012, Letter of Expectations
Building Business Innovation	\$35.0m	CI Act 2012, Letter of Expectations
Business Innovation Support Contract Management	\$17.8m	Letter from Minister (July 2023)
National Measurement Standards	\$9.0m	Measurement Standards Act 1992
Innovation Trailblazer Grant MYA	\$26.8m	R,S&T Act 2010; Ministerial Direction (2022-go4747)
New to R&D Grant MYA	\$22.5m	R,S&T Act 2010; Ministerial Direction (2022-go3476)
Student Grant	\$15.0m	R,S&T Act 2010; Ministerial Direction (2023-go2644)
Technology Incubator Programme MYA	\$19.9m	
Founder and Start-up Support	\$2.7m	Ministerial Direction (2022-go156)
Transitional Support to R&D Performing Businesses	\$82.0m	Ministerial Direction (2021-go2770)



Callaghan Innovation performs a wide range of related (and not so related) functions

FUNCTIONS

- Administration of Funding for R&D/innovation
 - *RDTI, New to R&D Grant, R&D Student Grants, Innovation Trailblazer Grant*
- Providing R&D services to businesses
 - *R&D Solutions*
- Providing innovation infrastructure (pilot plants, facilities, etc.)
 - *NZFIN, Gracefield Innovation Quarter*
- Individual business and/or sector-specific advice and support
 - *Navigators, Regional Business Partners, Business Innovation Advisors*
- Capability building
 - *Administration of Technology Incubator and Founder & Startup Support programmes*
 - *Skills development programmes (eg, Digital Lean, Capital Education, Beyond IP)*
- Administration of Measurement Standards Laboratory
- NZ Product Accelerator

Callaghan Innovation recently organised its products & services into five categories: Connect, Upskill, Solve, Fund, and Grow

CALLAGHAN INNOVATION PRODUCTS & SERVICES (AS AT 2023)



Connect

Boosting research and commercialisation by facilitating collaboration between research and science sectors, industry and entrepreneurs.

AgriTech Support Explorer

Funding, business capability support, information and advisory services for AgriTech businesses.

Bioresource Processing Alliance

Co-funded R&D support to help businesses maximise value from their biological by-products.

NZ Food Innovation Network

Facilities, resources and expertise to help food, beverage and nutraceutical businesses create and grow new products and processes.

NZ Product Accelerator

Supporting product development and innovation by connecting the high-value manufacturing sector with scientific expertise.

HealthTech Activator

Information and support to help healthtech businesses de-risk, accelerate and commercialise their innovations.

Founder & Start Up Support Programme

Hands-on mentorship and training to help founders accelerate the growth of their high-impact startup.

Industry 4.0 Demonstration Network

Engaging and inspiring businesses by demonstrating the benefits of new Industry 4.0 technologies.



Upskill

Helping businesses develop innovation and commercialisation skills.

Product 360

A knowledge hub helping businesses assess their product idea's market potential and determine steps for scaling it.

Beyond IP

Helping businesses gain a competitive edge by identifying and maximising IP assets.

Capital Education

Teaching New Zealand start-ups and early stage businesses to successfully raise equity capital.

Lean

Helping businesses prioritise activities that add value and enhance customer service.

Digital Lean

Helping businesses boost their competitive advantage by incorporating new technologies (Industry 4.0) into their operations.

Aronui: Industry 4.0 Navigator

An interactive experience introducing businesses to strategies for thriving in a data-driven world.



Solve

Providing deep tech and problem solving expertise to help businesses leverage opportunities presented by new technologies.

RDS Services

A range of contract R&D services, from expert advice and consultancy to end-to-end product development and large process design and scale-up projects, including:

Biotech Team

Our experts help businesses to develop new food and health products derived from biological sources.

Applied tech team

Our experts help businesses to develop deep tech solutions, based on engineering, physics, chemistry and data science to pioneer R&D solutions to make things work.



Fund

Encouraging New Zealand businesses to invest in research and development (R&D) through grants, tax incentives, and other financial support.

Arohia: Innovation Trailblazer Grant

Funding for businesses whose non-R&D activity contributes to the development of capabilities or offers benefits to other members of the NZ innovation ecosystem.

New to R&D Grant

Helping businesses build the skills necessary for long-term R&D success

R&D Tax Incentive

A tax credit for businesses whose R&D activity addresses scientific or technological uncertainty.

R&D Career Grant

Enabling businesses to harness the skills of postgraduates to help boost their capability for R&D.

R&D Experience Grant

Helping businesses accelerate their R&D projects by tapping into fresh talent, while giving students access to real-world industry experience.

Technology Incubator

Driving growth and commercialisation of Aotearoa's deep-tech startups through investment and industry expertise.



Grow

Expert coaching and support to help Frontier Ventures and Māori businesses overcome obstacles and grow at every stage from start-up to expansion.

Business Innovation Baseline

Helping ventures targeting \$100m revenue accelerate growth with clear objectives, activities, and a tool for tracking progress against critical milestones.

Strategy Design

Helping businesses maximise and accelerate growth by adopting a clear R&D and innovation strategy, and providing tools and skills to adjust it as needed.

Business Model Innovation

Helping businesses gain a deeper understanding of innovation using a tried and tested business model offering practical steps to drive growth.

Innovation Roadmapping

Facilitating the creation of a roadmap identifying a business's capability and technology gaps, and outlining processes for sustained growth.

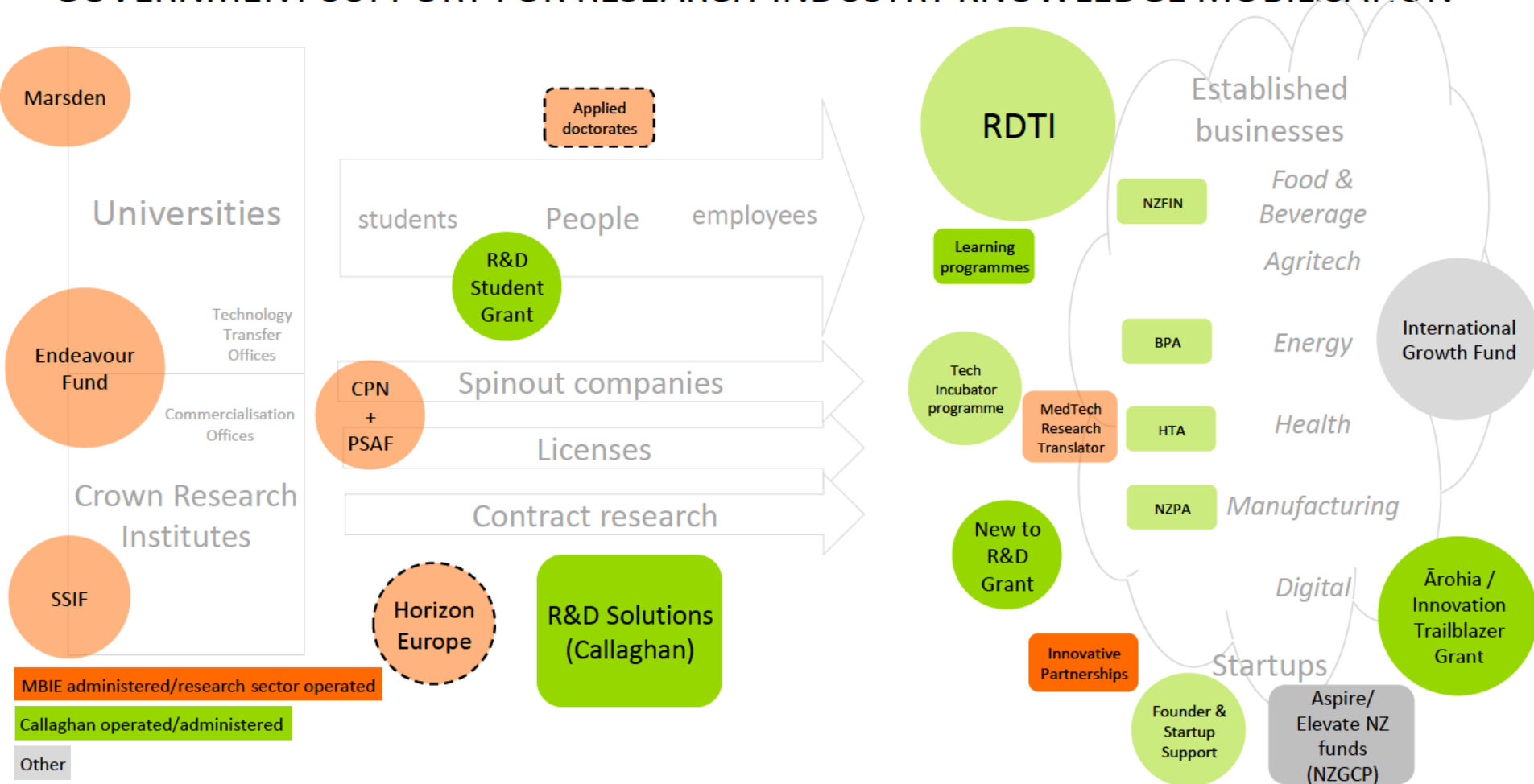
BIA Mentoring

Expert support from Business Innovation Advisers to help overcome barriers to commercialisation and unlock growth opportunities through R&D and innovation.



Callaghan Innovation is involved in various “industry pull” initiatives but does very little in research commercialisation

GOVERNMENT SUPPORT FOR RESEARCH-INDUSTRY KNOWLEDGE MOBILISATION



Callaghan Innovation's performance on its prescribed functions varies

Function (per Callaghan Innovation Act)	Related Activities	MBIE performance assessment
<ul style="list-style-type: none"> foster an environment that encourages and supports businesses to improve their growth and competitiveness through science and technology-based innovation and related activities 	events; international missions; innovation skills/programmes	Free and frank opinions
<ul style="list-style-type: none"> promote and facilitate networking and collaboration among businesses and between RS&T providers and businesses to assist businesses to undertake, or benefit from, science and technology-based innovation and related activities 	"Connect" products, e.g. HTA, Agritech support explorer, CleanTech Mission Partnership, KiwiSaaS (transferred to NZTE), NZFIN, Web3NZ, Scale-Up NZ	
<ul style="list-style-type: none"> facilitate the transfer of knowledge and technology between RS&T providers and businesses 	R&D Solutions (via patenting)	
<ul style="list-style-type: none"> undertake research and development 	R&D Solutions (provision of R&D services)	
<ul style="list-style-type: none"> provide services to businesses that contribute to Callaghan Innovation's main objective 	"Grow" & "Upskill" products	
<ul style="list-style-type: none"> allocate and administer RS&T funding 	Business Innovation Support Contract Management (ie, grants, RDTI)	
<ul style="list-style-type: none"> invest in persons or projects that may assist businesses to undertake, or benefit from, science and technology-based innovation and related activities 	Tech Incubator, Founder & Startup Support	

