



## BRIEFING

### Draft Cabinet paper on the National IP management policy for universities and Public Research Organisations

<b>Date:</b>	21 August 2025	<b>Priority:</b>	High
<b>Security classification:</b>	In Confidence	<b>Tracking number:</b>	BRIEFING-REQ-0019477

Minister	Action sought	Deadline
Hon Dr Shane Reti <b>Minister of Science, Innovation and Technology</b>	<b>Provide</b> feedback on the draft Cabinet paper	25 August 2025

Contact for telephone discussion (if required)				
Name	Position	Telephone		1st contact
Gina Williamson	Manager, Innovation Policy	04 901 8203	Privacy of natural persons	✓
Dr Simon Wakeman	Principal Policy Advisor, Innovation Policy			

The following departments/agencies have been consulted
n/a

Minister's office to complete:

☐ Approved

☐ Declined

☐ Noted

☐ Needs change

☐ Seen

☐ Overtaken by Events

☐ See Minister's Notes

☐ Withdrawn

Comments



## BRIEFING

### Recommendations on a national IP policy

<b>Date:</b>	21 August 2025	<b>Priority:</b>	High
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### Purpose

To provide you with a draft Cabinet paper on the national intellectual property (IP) management policy for universities and Public Research Organisations (PROs).

### Recommended action

The Ministry of Business, Innovation and Employment (MBIE) recommends that you:

a **Note** the draft Cabinet paper attached as Annex One

*Noted*

b **Provide** feedback on the draft Cabinet paper

Gina Williamson  
**Manager, Innovation Policy**  
Labour, Science and Enterprise, MBIE

21 / 08 / 2025

Hon Dr Shane Reti  
**Minister of Science, Innovation and Technology**

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## Background

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1. In December 2024, Cabinet agreed that the Minister of Science, Innovation and Technology (SI&T) would develop a national IP management policy for research in universities and PROs. It specified that for universities it would be based on the model used at Waterloo University in Canada, which vests ownership of IP with the researchers who create it [CAB-24-MIN-0504.02, recs. 18 to 22, refer].
2. On 3 July 2025 we provided you with a draft proposal on the IP management policy [BRIEFING-REQ-0014640 refers], building on earlier advice that outlined the scope and early set of options [BRIEFING-REQ-0014638 refers].
3. On 11 August 2025, at your SI&T Officials meeting you indicated that the policy should have the following features:
  - a. The IP would initially be held by the university and then move to the inventor within 90 days following disclosure.
  - b. There is no reference to splitting of beneficial vs legal IP.
  - c. The guidelines indicate the equity stake a university can take for the support it gives the inventors should be between 5-10%.
  - d. A researcher can choose not to involve the university but then it does not get continued support from the university.
  - e. A university can continue to use IP for non-commercial (ie, research and teaching) purposes.
4. You asked us to prepare a draft paper to enable you to seek Cabinet approval for the IP management policy.

## Feedback on the revised policy from stakeholders

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5. Since you provided direction on the main features, we revised the policy proposal and shared a high-level version of the proposal with the same set of key stakeholders that we consulted on the earlier version of the policy proposal [BRIEFING-REQ-0014640 refers], as well as the Ministry of Education, and representatives of polytechnics and wānanga. We received valuable feedback from a small number of the stakeholders (in particular, several of the commercialisation experts).
6. They recommended clarifications to some aspects of the proposal and made some suggestions for amendments. In particular, the stakeholders recommended the following clarifications:
  - a. The 5-10% limit on a university's equity stake applies when the university provides the standard amount of commercialisation services and advice. If the university provides additional support beyond that which is standard, including making a direct financial investment in the startup or provide financial support to cover external costs, the university should be allowed to take an additional equity stake (or alternatively recover the costs separately from taking an equity stake).
  - b. The 5-10% limit does not apply when the university participates in the commercialisation and the IP is licensed to a third party. In that case, the appropriate

share of net licensing revenue would be larger than 5-10% (potentially in around 33% of net revenue). More generally the IP policy should allow for the situation where the most appropriate strategy is to license the IP.

- c. If the inventors choose to commercialise the IP without the university participating in the commercialisation, the university will be able to recover any costs protecting and managing the IP before the IP rights are transferred to the commercialising inventors.
  - d. The policy applies to non-university tertiary education organisations and independent research organisations that receive public research funding, but they will only be expected to apply the rules of the policy to IP generated from SI&T-funded research.
  - e. The IP policy does not apply to IP generated under research projects funded by private sources or the university's own internal resources.
  - f. The policy does not interfere with the ownership of mātauranga Māori.
7. We believe these recommended clarifications are consistent with the intent of the policy and addressed them in the statement of the policy appended to the draft Cabinet paper.
8. In addition, the stakeholders recommended the following amendments:
- a. If the inventors choose to commercialise the IP without the university but then fail to commercialise it within a research period, the IP reverts to the university.
  - b. If the inventors choose to commercialise the IP without the university, they be required to demonstrate benefit to New Zealand and to report to MBIE on the commercialisation outcomes (similarly to how university and PROs are at present).
9. At this stage we have not formed a view on these recommendations. Although the suggestion in paragraph 8.a on the face of it appears to increase the likelihood for commercialisation, it could potentially interfere with the commercialising inventors' ability to secure external investment and thereby have the opposite effect. Meanwhile we need to assess the feasibility of requiring a private business to commercialise in a particular way and to report on that activity, as suggested in paragraph 8.b.
10. We will provide our advice on these matters next week concurrent with providing you with a version of the paper that you can use for Ministerial consultation.

## **The draft Cabinet paper**

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11. Annex One contains the draft Cabinet paper.
- a. The main text of the paper makes the case for implementing an IP management policy. It also describes the key elements of IP management policy and supporting mechanisms such as the guidelines on terms of engagement and high-quality commercialisation support for researchers that will sit around it.
  - b. Appendix 1 of the paper contains a more formal statement of the rules that will apply under the policy. This statement will form the basis used to develop the formal version of the policy that can be incorporated into the MBIE research and commercialisation funding agreements to which the policy applies.
12. We have commissioned an expert review of the policy statement in Appendix 1 by a law firm with expertise in IP law (AJ Park). We expect to receive their advice early next week and will

incorporate any recommended changes into the policy prior to sending you a version of the paper that you can use for Ministerial consultation.

**Next steps**

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- 13. We will be available to discuss the draft paper at the SI&T Officials meeting on Monday 25 August or to receive your feedback in another form. Following your feedback, we will prepare a new version of the draft paper that you can use for Ministerial consultation, which we will provide to you next week. We will also provide our advice on the matters noted in paragraph 8.
- 14. Your office has previously indicated that you are aiming to take the Cabinet paper to the Cabinet Economic Policy Committee (ECO) on Wednesday 17 September. Progressing the paper to ECO by this date would be possible on the following timeline:

MBIE provides draft Cabinet paper for consultation	27 August 2025
Ministerial and agency consultation (in parallel)	27 August – 10 September 2025
MBIE provides final Cabinet paper for lodging	11 September 2025
Minister’s office lodge paper for ECO	11 September 2025
ECO	17 September 2025
Cabinet	22 September 2025

**Annexes**

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Annex One: Draft Cabinet paper

## **Annex One: Draft Cabinet paper**

Withheld in full as Confidential advice to Government

