



Industry:Research Association:University Collaboration

FOOD-FRENZ Workshop April 2007



Dairy for life

It all starts with a need!

In order to have a successful research collaboration the purpose of the collaboration must be clear.

However, often this is not the case, or at least not for all partners.

Far too often collaborations are entered into without a clear definition of what the collaboration is going to produce for the various partners in the collaboration.

How the “product” of the collaboration is to be used by the various partners in the Collaboration needs to be clear at the outset.

Problem or opportunity definition is critical and particularly from the perspective of the end user.

The end user could be a manufacturer, an FMCG, a food service outlet or consumers.



Culture is critical

Partners must want to collaborate and have a clear understanding of roles and responsibilities and the WIIFM.

Open innovation is all the rage, but what does this really mean?

For Fonterra it means accessing external solutions to Fonterra's problems and opportunities.

Open innovation is NOT about outsourcing but combining complementary internal and external capabilities and insights.

Collaborations need to be based on access to heads and not hands.



Structure is important

Having the right structure within a company is critical to open innovation

Fonterra promotes this through the External Relationships team within its Group Technology function.

External relationships provides centralised corporate-wide management and coordination of all external research partnerships, contract management, external funding and technology scouting.

But there must also be close liaison between the staff that will be responsible for commercialising externally sourced solutions and Fonterra's external partners.

Externally sourced solutions do not need less management attention
– they need more management attention!



IP

Again it all starts with clarity over the need and how the various partners will use the product of the collaboration.

IP in and of itself is often of little value – a fact often lost in contract negotiations.

All partners need to be realistic about the value of the capabilities and insights they bring to the collaboration.



Roles and Responsibilities

Universities:

R&D talent development and basic long term research.

Provision of independent expert advice to companies, but also governments and regulators etc. Ideas and insights

Research Associations:

Contract research for specialised services in their areas of expertise and acting as a hub for the companies to engage in collective R&D projects.

Also provision of independent expert advice to companies, but also governments and regulators etc. Ideas and insights

Industry R&D:

Commercialising R&D. Incremental innovation, line-extensions and renovations done using in-house resources. More break-through or radical innovations from a combination of external and internal resources.

Internal capabilities to put that solution into context. Ideas and insights



POSIFoods (Point Of Sale Individualised Foods)

- A new business for Fonterra and commercial partners that is built around proprietary vending or food service technology that delivers “fresh”, dairy-based foods through point of sale manufacture.
- A partnership between Fonterra, BASF and the Riddet Centre. Partial funding from FRST.
- Key themes are
 - Customised for me
 - Intelligent food systems
 - Fresh and tasty
 - Healthy
 - Fast and convenient



Learnings from POSI

Have a great idea and clearly define the need. A stretch goal was important in order to secure financial support from the NZ government.

It was very clear from the outset that collaboration was the only way forward.

Having pre-established networks of partnerships both informal and formal facilitated the establishment of the collaboration.

Given the timeframe centralised or corporate custody of the project was very important as internal business units change focus, restructure etc.

Have a well developed business plan.

Make sure you have a path to market.





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