INVESTMENT IN DEVELOPING & COMMERCIALISING INTELLECTUAL PROPERTY POLICY

Section	Research and Enterprise
Contact	Office of AVC Research and Enterprise
Last Review	December 2013
Next Review	December 2016
Approval	C13/144

Purpose:

The University actively encourages the professional management of its intellectual property (IP): both in terms of fulfilling its obligations to transfer knowledge and research outputs out to the benefit of industry and the wider community and wishing to generate a financial return through the commercial development of intellectual property as an asset.

One way of achieving these goals is to set up a new company to implement the commercial development of university intellectual property.

The University encourages such new company formation where the circumstances suggest this is a suitable way forward.

The Minister of Finance, after consultation with the Tertiary Education Commission and The Treasury has approved the investment by the University of up to 1 percent of the equity of University Group (directly and through its subsidiaries), in securities of limited liability and/or limited liability partnerships that are developing and commercialising intellectual property created by or on behalf of the University.

This policy contains the specific conditions under which this approval can be exercised. It operates within the context of the Treasury Policy and the Treasury Management Framework.

Policy:

Subsequent to an exemption granted by the Minister of Finance, on 29 October 2013, to the University under section 65I of the Public Finance Act 1989 and section 305(4) of the Education and Training Act 2020, investments can be made by the University in debt or equity securities in companies, in New Zealand or overseas, that are developing and commercialising intellectual property created by or on behalf of the University.

Specific Provisions

1. The aggregate face value of all these investments (either in cash or cash equivalent) shall not exceed 1% of the equity of the University group, measured against the most recent audited group financial statement for the University.

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2. There may be no contingent liabilities associated with any investment by the University, either by way of uncalled shares, guarantees or otherwise.

3. Investments made by the University under this exemption must be approved by the Vice-Chancellor up to the limit of the Vice-Chancellor's delegated financial authority for capital expenditure and by University Council for amounts above this.

4. The University will advise TEC of its current investments in securities of limited liability companies and/or limited liability partnerships on an annual basis. The University will also disclose the investments, at an appropriate level, in the University's annual report.

5. The term of this approval is limited to three years, or such other term, including extensions, as agreed by the TEC.

Audience:

All staff.

Relevant legislation:

Public Finance Act 1989
Education and Training Act 2020

Legal compliance:

All obligations of the Public Finance Act 1989 and the Education and Training Act 2020 will apply to this policy except where there has been a specific exemption granted by the Minister of Finance.

Related procedures / documents:

Treasury Policy
Treasury Framework
Conflicts of Commitment and Interest Policy
Delegations of Authority Policy
Formation of Spin-out Companies Policy
Intellectual Property Policy
Research and Consultancy Activity Proposals Policy

Document Management Control:

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