

## **New Zealand Class 4 – Key Takeaways**

**Overview:** The class discussed the Trans-Pacific Partnership agreement and its pros and cons with Dr. Phil Budden who then talked about the MIT-Kendall case to illustrate how a university was a key stakeholder in innovation-driven entrepreneurial ecosystems.

### **This week's student news brief broached the international trade topic as it relates to New Zealand trade in the context of Trans-Pacific Partnership (TPP) agreement.**

- TPP was signed in February between 13 countries representing 40% of the global economy. Borders will become less sticky and tariffs will be coming down.
- 95% of NZ businesses are SMEs. A trade agreement with EU is also underway to help small-businesses.
- TPP has resulted in IP concerns for NZ startups, NZ will need to change copyright terms from 50 years to 70 years and will need to provide stronger technological protection. For example, digital locks that prevent copyright infringement could hamper the ability of innovators to tinker with technology.
- Lack of indigenous consultation or consent in signing the TPP has led to a lot of resistance. And resulted in protests and blockades. Potential for rising medical prices & increased US influence on NZ domestic affairs.

### **The class talked about university stakeholder's role:**

- Is university the answer? Universities provide a systematic scientific approach to understand innovation. Innovation can't just be built up by just investing money on infrastructure. For example, Skolktech in Moscow was an exciting project to create a technology hub based on the ideology of "if you build it, innovators will come" but it turns out that buildings were built but not a lot of people turned up.
- Universities contribute to I-Capacity and E-Capacity through entrepreneurs, funding, infrastructure, culture, community, professors, policy environment e.g. MIT Nano-center will be open to anyone to do research, MIT's Martin Trust Center.

### **MIT is an effective university stakeholder and an example for other universities to learn about developing effective eco-systems:**

- Regional economic impact of MIT is significant just not through its students but also from MIT connecting to and convening with all the stakeholders in the ecosystem.
- MIT spends \$600M per year in research spending; on average MIT produces 1 Nobel Prize/year, 375 patents/year, 150 companies/year by students & faculty.
- Challenges of funding drove MIT, and it collaborated with industry players that led to development of Kendall Square. Today Kendall Square has more VC per sq. ft. than anywhere else on the planet, offers corporate offices for Saudi Aramco, Microsoft, Google etc. and Government Offices e.g. the British Consulate General.
- For NZ interesting questions to explore are to listen to the way universities tend to describe themselves vs. how they describe other universities. Is there focus on patents vs. startups? Liberal arts vs. pure STEM focus? Ivory tower vs. collaborative environment?

### **Innovation culture and rethinking everything about it**

- Aithan Shapira talked about innovation in our culture and how it is silo'd.
- Tall poppy syndrome is the idea that you recognize more successful people in society and try to tear them down. The moment you are great you are brought down. In NZ, Australia and England this culture is very prevalent.
- Focus on negative space instead of the actual object to understand the ecosystem

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