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Senator Mark Bishop  
Chair  
Senate Economics Legislation Committee  
Parliament House  
CANBERRA ACT 2600

Dear Senator

On reviewing the Proof Hansard of the testimony that CSIRO provided at the Senate Estimates hearing on Monday, 3 June 2013, I have determined that there was a piece of information provided to the Committee which was out of context and which I would like to correct.

During the Estimates hearing, Senator Colbeck asked me a series of questions related to CSIRO's relationship with the company DataTrace DNA Pty Limited. An extract from the proof Hansard related to this is below (extract taken from page 22 of the Proof Hansard).

**Senator COLBECK:** Did CSIRO sell its 50 per cent share in DataTrace DNA Pty Ltd's joint venture partner, DataDot Technology Ltd, in 2010, a few months after the Novartis transaction?

**Mr Whelan:** CSIRO undertook a share swap with DataTrace's parent company, DataDot. That was associated with DataTrace acquiring the rights to a wider range of technologies from CSIRO. It had had a limited field licence prior to that. It sought a wider field licence. DataDot engaged PricewaterhouseCoopers to independently assess the value of that additional transfer. But, yes, that share swap took place in December 2010, I believe.

**Senator COLBECK:** Is it the case that three of the four directors of DataDot Technology who approved that transaction either had close associations with CSIRO or were on the board of DataTrace Pty Ltd which approved the Novartis transaction?

**Mr Whelan:** It is true that CSIRO, by virtue of its 50 per cent shareholding in DataTrace, did have two director positions. Over the time we held shares in that company, three different officers held those two positions. They were not necessarily officers of CSIRO. In one case, the person who took the director role was an independent individual.

**Senator COLBECK:** So three of the four had formerly served with CSIRO.

**Mr Whelan:** No, that is not true. What I said was that, over the period of our shareholding in DataTrace, CSIRO appointed three directors. At any one point in time we had two on the board of DataTrace.

My review of this testimony has revealed that I took Senator Colbeck's second question above as being in regard to DataTrace DNA Pty Limited not DataDot Technology Limited and in doing so my response as articulated on the record was incorrect. For the record, CSIRO's relationship with both companies is as follows.

From August 2005 until December 2010 CSIRO and DataDot Technology Limited each held 50% of the issued share capital in DataTrace DNA Pty Limited. As a result of that shareholding CSIRO had the right to nominate 2 directors to the Board of DataTrace DNA Pty Limited.

DataDot Technology Limited is a publicly listed company. At no stage did CSIRO have the right to appoint any directors to the Board of DataDot Technology Limited and any questions about the corporate governance of that company including any requests for information about declared conflicts of interest by Board Members are best directed to that company.

Should there be any concerns expressed by your colleagues in relation to the evidence that I provided to the Committee, please do not hesitate to let me know so that I may follow up the issues.

Once again, I'd like to apologise for any inconvenience that this situation may have caused to the Committee.

Yours sincerely,

Mike Whelan  
Deputy Chief Executive Operations  
CSIRO