SBA Office of Investment & Innovation
SBIR-STTR Presentation

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Questions?
Mission of the SBIR/STTR Programs

To support scientific excellence and technological innovation through the investment of Federal research funds in critical American priorities to build a strong national economy…one small business at a time
Goals of the SBIR/STTR Program

- Meet Federal research and development needs
- Increase private-sector commercialization of innovation derived from Federal research and development funding
- Stimulate technological innovation
- Foster and encourage participation in innovation and entrepreneurship by socially and economically disadvantaged persons
The Small Business Innovation Research (SBIR) Program

- A set aside program for small business to engage in Federal R&D with potential for commercialization

- 3.0% of the extramural research budget for FY16 (FY15 ~2.2 Billion in summation) for all agencies with a budget greater than $100M per year. Growing to 3.2% by 2017

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</thead>
<tbody>
<tr>
<td>SBIR</td>
<td>2.5%</td>
<td>2.6%</td>
<td>2.7%</td>
<td>2.8%</td>
<td>2.9%</td>
<td>3.0%</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

- Legislation has passed House Small Business and working through Senate Small Business – It is possible that program will be reauthorized early in 2016
Agencies that Participate in the SBIR program

- Department of Agriculture (USDA)
- Department of Commerce (DoC)
- Department of Defense (DoD)
- Department of Education (ED)
- Department of Energy (DOE)
- Department of Health and Human Services (HHS)
- Department of Homeland Security (DHS)
- Department of Transportation (DOT)
- Environmental Protection agency (EPA)
- National Aeronautics and Space Administration (NASA)
- National Science Foundation (NSF)
Small Business Technology Transfer (STTR) program

- A sister set-aside program to facilitate cooperative R&D between small business concerns and U.S. research institutions – with potential for commercialization

- 0.45% of the extramural research budget (> $250 million) for all agencies with a budget greater than $1B per year.

<table>
<thead>
<tr>
<th></th>
<th>SBIR</th>
<th>STTR</th>
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<tbody>
<tr>
<td>Phase I duration</td>
<td>~6 months</td>
<td>~12 months</td>
</tr>
<tr>
<td># participating agencies</td>
<td>11</td>
<td>5</td>
</tr>
<tr>
<td>Size Phase I award</td>
<td>~ $150,000</td>
<td>~ $150,000</td>
</tr>
<tr>
<td>% extramural R&amp;D budget [FY16]</td>
<td>3.00%</td>
<td>0.45%</td>
</tr>
<tr>
<td>IP allocation agreements required</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>RI or FFRDC participation required</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>PI employment</td>
<td>Small business</td>
<td>Small business or RI</td>
</tr>
<tr>
<td>Applicant</td>
<td>Small business</td>
<td>Small business</td>
</tr>
</tbody>
</table>
These Programs Make a Difference
SBIR/STTR Success Stories

- Qualcomm
- Symantec
- iRobot
- Genzyme
- Nimble Systems
- NanoMech
- Lift Labs
- Adaptec
- Ecovative Design
- Children’s Progress, Inc.
- JENTEK Sensors
- Squid
SBIR/STTR is a gated process - with three Phases

- **Phase I**
  - Concept Development
  - ~6 months
  - ~$150,000

- **Phase II**
  - Prototype Development
  - ~24 months
  - ~$1,000,000

- **Phase III**
  - Commercialization
  - No SBIR funding

Program is designed to be extremely flexible so scope of work, dollar amounts, period of performance are adapted to the need
Eligibility Criteria

- Organized as for-profit U.S. business
- Small: 500 or fewer employees, including affiliates
- Work must be done in the U.S. (with few exceptions)
- Individual Ownership:
  - Greater than 50% U.S.- owned by individuals and independently operated OR
  - Greater than 50% owned and controlled by other business concern/s that is/are greater than 50% owned and controlled by one or more individuals OR
  - Be a concern which is more than 50% owned by multiple venture capital operating companies, hedge funds, private equity firms, or any combination of these.
Principal Investigator (PI)

- Must be employed by the SBC at **time of award** (i.e. primary employer)
- Principal Investigator (PI) is **not** required to have a Ph.D./M.D.
- The PI is required to have appropriate expertise to oversee project scientifically and technically
- Applications **may be** submitted to **different agencies** for similar work
- Awards may not be accepted from different agencies for **duplicative projects**
- This is also a grey area as many projects have overlap work so focus needs to be on not charging twice for same work.
## Application Process for SBIR/STTR

### Solicitation GANTT Chart

<table>
<thead>
<tr>
<th>Month</th>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>JAN</th>
<th>FEB</th>
</tr>
</thead>
</table>
| **DOE**
| 1st SBIR/STTR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 2nd SBIR/STTR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| **DOD**
| 1st SBIR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 1st STTR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 2nd SBIR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 2nd STTR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 3rd SBIR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 3rd STTR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| **NIH**
| Omnibus | X   |     | X   |     |     |     |     |     |     |     |     |     |     |     |
| Direct to Phase II |     | X   |     | X   |     |     |     |     |     |     |     |     |     |     |
| Targeted SBIR/STTR Solicitations | X |     | X   |     |     |     |     |     |     |     |     |     |     |     |
| R&D Contracts |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| **NASA**
| SBIR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| STTR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| **NSF**
| 1st SBIR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 1st STTR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 2nd SBIR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 2nd STTR Solicitation |      |     |     |     |     |     |     |     |     |     |     |     |     |     |

### Typical Application Process

1. Solicitation Topics
2. Proposal Submission
3. Evaluation
4. Phase I or II Award
Required registrations vary by agency

### Required Registrations and Submissions

<table>
<thead>
<tr>
<th>Service</th>
<th>NASA SBIR</th>
<th>HHS SBIR</th>
<th>NSF SBIR</th>
<th>DOE SBIR</th>
<th>DOD SBIR</th>
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<td>DUNS</td>
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<td>X</td>
<td>X</td>
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<td>SAM</td>
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<td>Company Registry (SBA.gov)</td>
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<tr>
<td>EHB [Electronic Handbook]</td>
<td>X</td>
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<td>eRA Commons</td>
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<td>Grants.gov</td>
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<td>X</td>
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<td>NSF FastLane</td>
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<td>Portfolio Analysis and Management System (PAMS)</td>
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<td>fedconnect.net</td>
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<tr>
<td>Funding Accountability and Transparency Act Sub-award Reporting System</td>
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<tr>
<td>DoD Submission Website</td>
<td></td>
<td></td>
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FY 2015 Distribution of Total SBIR/STTR Budget

SBIR/STTR Budget by Agency, FY2015

- Department of Defense (DOD)
- Department of Health and Human Services (HHS) including the National Institutes of Health (NIH)
- Department of Energy (DOE), including Advanced Research Projects Agency - Energy (ARPA-E)
- National Aeronautics and Space Administration (NASA)
- National Science Foundation (NSF)
- U.S. Department of Agriculture (USDA)
- Department of Homeland Security (DHS): Science and Technology Directorate (S&T) and Domestic Nuclear Detection Office (DNDO)
- Department of Commerce: National Oceanic and Atmospheric Administration (NOAA) and National Institute of Standards and Technology (NIST)
- Department of Transportation (DOT)
- Department of Education (ED)
- Environmental Protection Agency (EPA)

*NIH also issues contract; within DOC, NIST issues grants and NOAA issues contracts

~$2.5B in FY2015 across all agencies
New Resources for Stakeholders Coming July, 2016

- **Target Audience**
  - SBCs interested in learning more about SBIR/STTR [Primarily newbies]
    - FireFox, Chrome
  - Will be accessed from SBIR.gov
  - Open to everyone
  - Better prepare companies for meetings with Agency personnel
  - Tool for trainers
  - 10 Courses
  - Release: July 1, 2016
Course List

- Course 1: Program Basics
- Course 2: Finding Topics
- Course 3: Agency Introductions
- Course 4: Agency Solicitations
- Course 5: Registration Requirements
- Course 6: Proposal Preparation
- Course 7: Finding Partners
- Course 8 Accounting and Finance
- Course 9: SBIR Data Rights
- Course 10: CyberSecurity
Requests from the SBIR PM’s

- The SBIR PM’s need to have a better understanding of
  - Where the Fraud issues are
  - How that compares to non SBIR firms
  - Best practices that help prevent Fraud
  - Best practices that help identify Fraud
  - Is there low hanging fruit
  - Does anyone know what the cost of the Fraud is to the US
  - Does anyone know what the cost we spend on identifying Fraud and how can we get the biggest bang for the buck
  - What you would like to see the SBIR PM’s do to support your efforts
Thanks for your Time

Contact me for follow up
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