



National Science Foundation
4201 Wilson Boulevard
Arlington, Virginia 22230

NSF 13-132

Dear Colleague Letter: Technology Enhancement for Commercial Partnerships (TECP): Supplemental Funding to Current SBIR/STTR Phase II Awards

Date: September 30, 2013

Dear Colleagues:

Technology Enhancement for Commercial Partnerships (TECP) supplements to Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) program grantees are intended to pave the way for partnerships with strategic corporate partners and investors as a means to increase the potential for SBIR/STTR grantees to successfully commercialize their technology. Partnerships are recognized as a critical success factor for commercializing technology developed by small business. Potential partners, however, frequently demand technical specifications and require proof-of-concept data as a prerequisite for partnership that is beyond the scope of the Phase II project objectives. This supplemental funding will enable small businesses to conduct additional research to meet the requirements of a corporate partner that could lead to commercial products and services and a successful partnership. This supplemental funding program is intended to challenge small businesses to begin to develop an outward focus and to more rigorously evaluate their strategic business and commercialization options. It is anticipated that this research will not only benefit the small business enterprise but also provide a mechanism for large and mid-sized corporations and investors to have input into the commercial development of new technology, products and services.

ELIGIBILITY AND AWARD INFORMATION*

- **Principal Investigator and Co-Principal Investigator Eligibility:** PIs of currently active SBIR Phase II awards and PIs / Co-PIs of currently active STTR Phase II awards are eligible to apply for this opportunity. PIs and Co-PIs of awards on a no-cost extension or not in good standing are not eligible for this supplement.
- **Maximum Supplement Amount:** 20% of the original Phase II award amount, subject to the availability of funds and the quality of the supplemental funding requests.
- **Duration:** The TECP supplement project will run for a duration of up to 6 months. The supplement does not automatically extend the original award expiration date. However, this supplemental funding opportunity may extend the current Phase II award, at the discretion of the program director, for no more than 6 months.
- **Limit on Number of TECP Supplemental Funding Requests:** One per active Phase II grant. A TECP supplement does not limit the eligibility for a Phase IIB award or other Supplemental Opportunities. However, a Phase IIB awardee is not eligible to apply for a TECP supplement based on the same phase II award. Other Supplemental awards do not limit the eligibility for a TECP supplement.
- **Estimated Number of Supplements:** Up to fifty (50) supplements are anticipated per year subject to the availability of funds and the quality of the supplemental funding requests. It is expected that up to \$7,500,000 may be available each year for this supplemental funding opportunity, pending

availability of funds.

PREPARATION AND SUBMISSION INSTRUCTIONS

Supplemental funding requests submitted in response to this Dear Colleague Letter must be prepared and submitted according to the instructions for submitting supplemental funding requests (reference: <https://seedfund.nsf.gov/resources/awardees/phase-2/instructions/>).

Pre-Submission Executive Summary and Letters: Awardees may submit a TECP supplemental funding request after discussing the following pre-submission materials with their NSF Program Director:

Executive summary (No more than 1-2 pages)

- A brief profile of both the Phase II company and the commercial partner, including a discussion of the partner's size, history, and commercial focus.
- A description of the commercial opportunity and market potential.
- A description of the deliverables required of the small business to take the partnership discussions to the next level.
- The next steps, if the research is successful.

Letter from the commercial/strategic partner

The letter should document the commercial partner's interest in the technology and its desire to enter a business partnership with the small business, if the research is successful, including:

- A description of the problem/need that is addressed by the technology. The partner must describe an unmet technical requirement that is a prerequisite for successful commercialization of the technology. This technical requirement should be a logical extension of the Phase II project that is not addressed in the Phase II objectives.
- The partner's commercial/strategic interest in the technology.
- A statement justifying why the partner is a good fit for the proposed commercial strategy of the small business.
- The partner's next steps, if the research is successful.

Supplemental Funding Request Submission: The TECP supplemental funding request will describe the commercial opportunity including a description of the partner, the ultimate commercial application of the technology, the proposed research and the commercial potential.

Budgetary Information: Budgets for a TECP supplemental funding request may not exceed 20% of the Phase II award for a total duration of six months. The hourly rate of salary/wage for each budgeted employee, the rate of fringe benefits, the rate of indirect costs, and the rate of fee cannot exceed those in the final award budget of the current Phase II award.

Submission Deadlines: TECP supplemental funding requests should be submitted within 18 months of the effective start date of the Phase II award; a program director may, at his or her discretion, modify the submission deadline. The Phase II award must be active in order to receive a TECP supplement.

REVIEW INFORMATION

Requests for supplemental funding submitted in response to this Dear Colleague Letter will be reviewed internally by the cognizant SBIR/STTR Program Director. The review will focus on both the technical objectives and the commercial plan and strategy in the supplemental funding request as well as the commercial potential of the future partnership.

CONTACT PERSONNEL

Questions about this letter should be directed to the cognizant SBIR/STTR program officer in the Division of Industrial Innovation and Partnerships, Directorate for Engineering.

The list of IIP SBIR/STTR Program Officers can be found on the NSF website at the following URL: http://www.nsf.gov/staff/staff_list.jsp?orgId=115&subDiv=y&org=IIP&from_org=IIP

OTHER SUPPLEMENTAL OPPORTUNITIES OF INTEREST

All active SBIR/STTR Phase II grantees are invited to participate in another supplement opportunity related to strategic partners and outside investors, the Phase IIB program (reference: <https://seedfund.nsf.gov/resources/awardees/supplement/overview/>). Through these supplements, NSF seeks to stimulate strategic partnerships between small businesses and potential commercial partners and/or private sector investors to enable NSF SBIR/STTR grantees to successfully commercialize their technologies.

Grace Wang
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