



NATIONAL SCIENCE FOUNDATION  
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NSF 22-064

## Dear Colleague Letter: Technology Enhancement for Commercial Partnerships (TECP): Supplemental Funding to Current NSF Small Business Innovation Research (SBIR) / Small Business Technology Transfer (STTR) Phase II Awards

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March 16, 2022

Dear Colleagues:

The National Science Foundation's (NSF's) Small Business Innovation Research (SBIR) / Small Business Technology Transfer (STTR) programs offer a Technology Enhancement for Commercial Partnerships (TECP) supplemental funding opportunity to all active NSF SBIR/STTR Phase II awardees. The TECP supplement is intended to help small businesses successfully commercialize their technologies through strategic corporate and investor partnerships.

Partnerships are recognized as a critical success factor for commercializing technology developed by a 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 SBIR/STTR Phase II project objectives. The TECP supplement will enable small businesses to conduct additional research to meet the requirements of a corporate partner that could lead to commercial products and services.

The TECP supplement supports small businesses as they develop an outward focus and evaluate their strategic business and commercialization options more rigorously. It is anticipated that this research will not only benefit the small business enterprise but also provide a mechanism for corporations in the intended market sector as well as investors to have input into the commercial development of new technology-based products and services.

### ELIGIBILITY AND AWARD INFORMATION

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- **Principal Investigator (PI) and Co-PI Investigator Eligibility:** PIs of currently active NSF SBIR or STTR Phase II awards should submit their TECP supplemental funding

request at least 6 months before the end date of the original NSF SBIR/STTR Phase II award. The cognizant NSF SBIR/STTR Program Director may, at their discretion, modify the submission deadline. Awardees on a no-cost extension are not eligible for this supplement.

- **Maximum Supplement Amount:** Up to 20% of the original NSF SBIR/STTR Phase II award amount, subject to the availability of funds and the quality of the supplemental funding requests.
- **Duration:** The TECP supplement does not automatically extend the original award expiration date so awardees must discuss timing with the cognizant SBIR/STTR Program Director. At the discretion of the cognizant SBIR/STTR Program Director, the TECP supplement may extend the award by up to 6 months.
- **Limit on Number of TECP Supplemental Funding Requests:** One per active NSF SBIR/STTR Phase II award. A TECP supplement does not limit the eligibility for an NSF SBIR/STTR Phase IIB award or other supplemental funding opportunities; potential TECP applicants must contact their cognizant SBIR/STTR Program Director about the suitability of applying for a TECP supplement prior to submission of their request. Other supplemental funding does not limit the eligibility for a TECP supplement.

## PREPARATION AND SUBMISSION INSTRUCTIONS

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Awardees **must** email their cognizant SBIR/STTR Phase II Program Director prior to submitting a TECP supplemental funding request with an Executive Summary and a draft letter from the partner company (or companies) (see below). This email will be the basis for a discussion with the Program Director about the appropriateness of the proposed TECP activity.

**Pre-Submission Executive Summary and Letters:** The following pre-submission materials must be provided via email to the cognizant SBIR/STTR Program Director prior to this discussion:

1. *Executive Summary (no more than 1-2 pages):*
  - A brief profile of both the NSF SBIR/STTR Phase II company and the commercial partner(s)\*, including a discussion of each partner's size, history, commercial focus, and ability to advance the awardee's commercial progress.
  - 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.
2. *Letter from the commercial/strategic partner(s)\*:* A letter from each partner should document the commercial/strategic partner's interest in the technology and its desire to enter into 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 NSF SBIR/STTR Phase II project that is not addressed in the Phase II award 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 TECP funded research and development is successful.

Please note that TECP commercial/strategic partner(s) may provide financial and/or "in-kind" support (e.g., facilities, research, data, services), depending on the terms of the partnership.

*\* Wherever possible, and if of benefit to the awardee company, multiple partnerships (up to three partners) may be included to advance the NSF SBIR/STTR Phase II technology and expand its potential commercialization. However, awardees should discuss this first with their cognizant SBIR/STTR Program Director.*

**Supplemental Funding Request Submission:** *Upon invitation by the NSF SBIR/STTR Phase II Program Director, Phase II awardees may submit their TECP supplemental funding requests.* Supplemental funding requests submitted in response to this Dear Colleague Letter (DCL) must be prepared and submitted according to the instructions available at <https://seedfund.nsf.gov/resources/awardees/phase-2/instructions/>.

The TECP supplemental funding request will describe the commercial opportunity including a description of the partner(s), the ultimate commercial application of the technology, the proposed research, and the commercialization potential. Signed copies of the letter(s) from each partner, on official letterhead, must be included in the supplemental funding request.

**Budgetary Information:** Budgets for a TECP supplemental funding request may be up to 20% of the original 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 original Phase II award.

**Submission Deadlines:** TECP pre-submission materials and subsequent supplemental funding requests should be submitted at least 6 months before the end date of the original NSF SBIR/STTR Phase II award. The cognizant SBIR/STTR Program Director may, at their discretion, modify the submission deadline. The Phase II award must be active to receive a TECP supplement.

## **REVIEW INFORMATION**

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Supplemental funding requests submitted in response to this DCL 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 described in the supplemental funding request as well as the commercialization potential of the future partnership.

## **CONTACT INFORMATION**

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Questions about this DCL should be directed to the cognizant SBIR/STTR Program Director.

## **OTHER SUPPLEMENTAL OPPORTUNITIES OF INTEREST**

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

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