DON SBIR/STTR Program Overview
DON SBIR/STTR Goals

• Primary Program Goals:
  • Use small business to develop innovative R&D that addresses DON need
  • Commercialize (Phase III) SBIR-developed technology into a DON platform or weapons/communication system, or for facilities use

• About the Program:
  • Acquisition Driven Process with Strong Technology Pull
  • $300M+ annual funding supporting small business innovation/research
  • Wide range of SBIR/STTR topics driven by PEO/PM/FNC specific needs

We Succeed When You Succeed
Important Websites (Public)

• **Navy SBIR/STTR Website (navysbir.com)**
The first site for firms to find information on the DON SBIR/STTR programs including solicitations, topics, selections, program specifics, success stories, related links, and points of contact.

• **Navy SBIR Search Database (navysbirstrsearch.com)**
Uses Autonomy© licensed software to perform contextual searches on all DON SBIR awards.

• **DoD SBIR/STTR Home Page (https://sbir.defensebusiness.org)**
The official submission site for DoD proposals, program information, links to current and past solicitations, topic search tool, and FAQs.
## DON SBIR/STTR by the Numbers

**as of 26 FEB 2018**

<table>
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<tr>
<th>SBIR/STTR</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
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<td>Funding ($M)</td>
<td>$243</td>
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<td>Topics</td>
<td>129</td>
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<td>Phase I Awards (FY Solicitations)</td>
<td>362</td>
<td>360</td>
<td>397</td>
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<td>New Phase II Awards</td>
<td>212</td>
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<td>Phase I Awards (FY Solicitations)</td>
<td>61</td>
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<td>69</td>
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<tr>
<td>New Phase II Awards</td>
<td>23</td>
<td>28</td>
<td>28</td>
<td>31</td>
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<tr>
<td>Phase I Proposals (FY Solicitations)</td>
<td>2,321</td>
<td>1,859</td>
<td>2,099</td>
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<td>Avg. time to award Phase I (mos.)</td>
<td>4.3</td>
<td>4.3</td>
<td>4.5</td>
<td>4.6</td>
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<tr>
<td>Phase III Awards</td>
<td>142</td>
<td>140</td>
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<td>Phase III Awards ($M)</td>
<td>$520</td>
<td>$394</td>
<td>$507</td>
<td>$407</td>
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*awards are still being made.*
### SBIR/STTR Program Award Structure

DON SYSCOMs tailor as needed

#### Distribution Statement A. Approved for public release

<table>
<thead>
<tr>
<th>Phase I</th>
<th>Phase II</th>
<th>Subsequent Phase II</th>
<th>Phase III</th>
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<tbody>
<tr>
<td><strong>Phase I Base</strong>&lt;br&gt; 6 months (SBIR)&lt;br&gt; 7 months (STTR)&lt;br&gt; $125K</td>
<td><strong>Phase II Base</strong>&lt;br&gt; ~18 months&lt;br&gt; $500K-$1M</td>
<td>Contingent upon having a successful project with a committed Transition Sponsor/Path</td>
<td>Transition to Acquisition Program&lt;br&gt; Non-SBIR/STTR $ (Private sector or non-SBIR/STTR Gov. $)&lt;br&gt; Unlimited POP&lt;br&gt; SBC Extension of Data Rights and Sole Source Designation&lt;br&gt; Contract Type Varies - Phase III’s may be awarded without competition after Phase I or Phase II&lt;br&gt; No limit on funding (only non-SBIR/STTR)</td>
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<tr>
<td><strong>Phase I Option</strong>&lt;br&gt; 6 months&lt;br&gt; $100K</td>
<td><strong>Phase II Option 1</strong>&lt;br&gt; ~9 months&lt;br&gt; TTP required&lt;br&gt; SBIR PM/PO review for Option 2 at exit</td>
<td>Up to 24 months&lt;br&gt; 1:1 cost match&lt;br&gt; Signed TTA required&lt;br&gt; Minimum TRL 4 at entry</td>
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<tr>
<td><strong>Phase I Option</strong>&lt;br&gt; 6 months&lt;br&gt; $100K</td>
<td><strong>Phase II Option 2</strong>&lt;br&gt; ~12-18 months&lt;br&gt; Signed TTA may be required&lt;br&gt; TRL 4 at exit</td>
<td>CPFF Contract</td>
<td>CPFF Contract&lt;br&gt; NTE $1.5M SBIR/STTR Funding</td>
</tr>
<tr>
<td>FFP Contract&lt;br&gt; NTE $225K</td>
<td>Phase II Options may require Cost Share 1 or 2 options ranging from $250K-$750K</td>
<td>CPFF Contract&lt;br&gt; NTE $1.5M SBIR/STTR Funding</td>
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</tr>
<tr>
<td><strong>Don uses a “gated” process of options in Phase I/II to allow more funding to be available to increase TRL &amp; transition opportunities</strong></td>
<td><strong>NOTE:</strong> A ‘Subsequent Phase II’ is a Requirements Driven process; i.e., based upon Acquisition program needs.</td>
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#### Total SBIR/STTR Funding

- Phase I: FFP Contract<br> NTE $225K
- Phase II: CPFF Contract<br> NTE $1.5M SBIR/STTR Funding
- Subsequent Phase II: CPFF Contract<br> NTE $1.5M SBIR/STTR Funding

**NTE $3,225,000 Total SBIR/STTR Funding**

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<tr>
<th>TRL</th>
<th>0 - 3</th>
<th>2 - 5</th>
<th>4 - 7</th>
<th>6 - 9</th>
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</table>

**TRL:**
- 0 - 3: Low TRL, high risk, new technology
- 2 - 5: Moderate TRL, some development required
- 4 - 7: High TRL, minimal development required
- 6 - 9: Very high TRL, near commercialization

**TTP:** Technology Transition Plan<br> **TTA:** Technology Transition Agreement

**Revised 29 July 2017**
Navy SBIR/STTR Commercialization Tools

- SBIR/STTR Transition Program (STP)
- Primes Initiative
- Phase III Guidebook
- Reach-back Strategy
- O&S Pilot(s)
- SBIR/STTR Search Tool
SBIR/STTR Transition Program (STP)

Helps prepare selected Small Businesses to transition their DON funded technology by providing the following services:

- Assisting in the development of targeted marketing materials
- Providing relevant market research appropriate to the Small Business’s technology and transition targets
- Identifying leads for potential transition opportunities
- Mentoring on the government/prime contractor relationships
- Instructing on the government acquisition environment and policies
- Promoting Small Businesses and their SBIR/STTR technology(s) on the Virtual Transition Marketplace (VTM)—an on-line, searchable showcase accessible to Government and private sector
- Assisting you on exhibiting at the annual Forum for SBIR/STTR Transition (FST)

DISTRIBUTION STATEMENT A. Approved for public release
The Primes Initiative
Revolutionizing Delivery of Innovation to the Warfighter

- Corporate goal for SBIR/STTR engagement
- Integrate SBIR/STTR into corporate sourcing strategy
- Establish SBIR/STTR partnering metrics; manage to these metrics
- Leverage current supplier, engineering, & marketing resources
- Explore SBIR/STTR Topic opportunities
- Explore Phase I, II, & III opportunities
- Track SBIR/STTR partnerships
- Developing risk management tools for government and industry to share
Phase III Guidebook

- Developed by DON SBIR/STTR
  - Assist Program Managers, Contracting Officers, and Small Business professionals

- Comprehensive innovation desk reference
  - Cites authorities
  - Summarizes best practices
  - Answers FAQs

- Global commercialization resource
  - Small/Large Businesses
  - DoD Components & Agencies
  - Other Federal Agencies

Available for download at www.navysbir.com
Using SBIR/STTR to reduce Cost Drivers

• Reachback Strategy
  - Mining the Navy SBIR/STTR inventory
  - Cross-SYSCOM leveraging

• Direct to Phase II*
  - Specific topics written for Phase II
  - Ability to increase TRL faster

• O&S Pilot(s)
  - NAVAIR Pilot with FRCs
  - Seeking pilot opportunities with FRDs and Shipyards

*Current authority expires 30 Sept. 2017

SBIR/STTR can be leveraged to reduce costs!!
**DON SBIR/STTR**

**Points of Contact**

Program is Administered by the Office of Naval Research

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**www.navysbir.com**

Check for the most up to date information about the program, topics, awards, and more!
Questions
SBIR/STTR Programs: Seeding America’s Innovations

Small Business Innovation Research & Small Business Technology Transfer (SBIR/STTR)

www.sbir.gov

Edsel M. Brown Jr.
Office of Investment & Innovation
Edsel.Brown@sba.gov
Mission of the SBIR and 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”
Small Business Innovation Research (SBIR)

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

→ 3.2% of the extramural research budget for agencies with a budget greater than $100M per year

$2.2 billion set-aside each year
Small Business Technology Transfer (STTR)

→ Parallel set-aside program to facilitate cooperative R&D between small businesses and U.S. research institutions – with potential for commercialization

→ 0.45% of the extramural research budget for agencies with a budget greater than $1B per year

$290 million set-aside each year
Program Goals

→ 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

→ Foster **technology transfer** through cooperative R&D between small businesses and research institutions (STTR)
Why We Work on America’s Seed Fund

www.sbir.gov/news/testimonials
SBIR/STTR is a Gated Process w/ Three Phases

**Phase I**
Concept Development
6 months – 1 year
~ $150,000

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

**Phase III**
Commercialization
No SBIR funding
Who Qualifies as a Small Business?

- Organized as for-profit U.S. business
- 500 or fewer employees including affiliates
- Work must be done in the U.S.
- Greater than 50% U.S.-owned by individuals and independently operated
Principal Investigator (PI)

- Must be employed by the SBC (SBIR/STTR) or partnering research institution (STTR) at time of award
- Should have appropriate expertise to oversee project scientifically and technically
- Is **not** required to have a Ph.D./M.D.
## Differences Between SBIR and STTR

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<td><strong>Permits</strong> partnering</td>
<td><strong>Requires</strong> a non-profit research institution partner</td>
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- **Prinicipal Investigator**
- Primary employment (>50%) must be with the small business
- PI may be employed by either the research institution partner or small business

### Work Requirement Guidelines:
- May outsource up to 33% (Phase I), 50% (Phase II)
- Minimum Work Requirements:
  - 40% Small Business
  - 30% Research Institution Partner

### Program Size
- 3.2% (FY15 - $2.25B)
- 0.45% (FY15 - $296M)

### Majority VC ownership
- Allowed (multiple VCs)
- Not allowed

### Participating Agencies
- 11 agencies (extramural R&D budget > $100M)
- 5 agencies (extramural R&D budget > $1B)

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The small business is ALWAYS the applicant and awardee!
Agencies that Participate in SBIR & STTR

- Department of Agriculture (USDA)
- Department of Energy (DOE)
- Department of Commerce (DoC)
- Department of Health and Human Services (HHS)
- Environmental Protection Agency (EPA)
- National Aeronautics and Space Administration (NASA)
- National Science Foundation (NSF)
- Department of Defense (DoD)
- Department of Homeland Security (DHS)
- Department of Transportation (DOT)
- Department of Education (ED)
SBIR/STTR Budget by Agency, FY2015

<table>
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<tr>
<th>Agencies with SBIR/STTR Programs</th>
<th>Budget</th>
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<tr>
<td>Department of Defense (DOD)</td>
<td>$1,070 B</td>
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<tr>
<td>Department of Health and Human Services (HHS), including the National Institutes of Health (NIH)*</td>
<td>$797.0 M</td>
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<tr>
<td>Department of Energy (DOE), including Advanced Research Projects Agency – Energy (ARPA-E)</td>
<td>$206.1M</td>
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<tr>
<td>National Aeronautics and Space Administration (NASA)</td>
<td>$180.1 M</td>
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<tr>
<td>National Science Foundation (NSF)</td>
<td>$176.0 M</td>
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<tr>
<td>U.S. Department of Agriculture (USDA)</td>
<td>$20.3M</td>
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<tr>
<td>Department of Homeland Security (DHS): Science and Technology Directorate (S&amp;T) and Domestic Nuclear Detection Office (DNDO)</td>
<td>$17.7 M</td>
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<tr>
<td>Department of Commerce*: National Oceanic and Atmospheric Administration (NOAA) and National Institute of Standards and Technology (NIST)</td>
<td>$8.4M</td>
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<tr>
<td>Department of Transportation (DOT)</td>
<td>$7.9 M</td>
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<td>Department of Education (ED)</td>
<td>$7.5 M</td>
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<tr>
<td>Environmental Protection Agency (EPA)</td>
<td>$4.2 M</td>
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* Provides grants and contracts
Typical Application Process

Find Solicitation → Proposal Submission → Evaluation → Phase I or II Award
## Required Registrations Vary by Agency

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<tr>
<th>Service</th>
<th>NASA</th>
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<td>Funding Accountability and Transparency Act Sub-award Reporting System</td>
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<td>DoD Submission Website</td>
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Where to the Begin? – Topic Searches

→ Topic Searches
→ Keyword searches – Learn which agencies fund your technology!

www.sbir.gov/sbirsearch/topic/past
Where to the Begin? – Award Searches

- Keyword Award searches –
- Identify successful firms
- Identify agency investments in technology areas

www.sbir.gov/sbirsearch/award/all
On-line Tutorials

- Open to everyone
- For those interested in learning more about SBIR/STTR
- Agency Introductions
- Program Basics
- 11 Modules

www.sbir.gov/tutorials
Connect to Your Network of Local Support

- SBA District Offices
- Small Business Development Centers (SBDCs)
- Procurement Technical Assistance Centers (PTACs)
- Women’s Business Centers
- SCORE Business Mentors
- Veterans Business Outreach Centers (VBOCs)

www.sba.gov/tools/local-assistance
Stay In Touch

Edsel.Brown@sba.gov

www.sbir.gov