Introduction to SBIR / STTR Programs

Small Business Innovation Research (SBIR)
Small Business set-aside program for Federal R&D – with potential for commercialization

Small Business Technology Transfer (STTR)
A sister set-aside program facilitates cooperative R&D between small business concerns and U.S. research institutions – with potential for commercialization

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SBIR/STTR Programs: Seeding America’s Innovations

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

www.sbirc.gov

Edsel M. Brown Jr.
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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

Front row seat to the future...
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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**Program Size**
- SBIR: 3.2% (FY15 - $2.25B)
- STTR: 0.45% (FY15 - $296M)

**Majority VC ownership**
- SBIR: Allowed (multiple VCs)
- STTR: Not allowed

**Participating Agencies**
- SBIR: 11 agencies (extramural R&D budget > $100M)
- STTR: 5 agencies (extramural R&D budget > $1B)

**Principal Investigator**
- Must be with the small business or research institution partner or small business.
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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 Commerce (DoC) NIST, NOAA
- 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)
## SBIR/STTR Budget by Agency, FY2015

### Agencies with SBIR/STTR Programs

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<th>Agency</th>
<th>Budget</th>
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<tr>
<td>Department of Defense (DOD)</td>
<td>$1.070 B</td>
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<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>$206.1 M</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>$20.3 M</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>$8.4 M</td>
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<td>Department of Transportation (DOT)</td>
<td>$7.9 M</td>
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<tr>
<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

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### Grants vs. Contracts

- **Grants**: $2.25B
- **Contracts**: $296M

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- **DOD**: $1.070 B
- **HHS**: $797.0 M
- **DOE**: $206.1 M
- **NASA**: $180.1 M
- **NSF**: $176.0 M
- **All Others**: $797.0 M

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* SBIR: $2.25B
  - STTR: $296M
Typical Application Process

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

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<th>NASA</th>
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<td>Electronic Handbook (EHB)</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 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

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