

NAVSEA SBIR/STTR Program Overview



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SBIR



SBIR

- Established by Congress in 1982 to incorporate small business technological innovation into Government supported Research and Development programs.
- Small Business Administration manages the SBIR Program through 11 participating agencies.
- DoD major components include Army, Navy, Air Force, Marine Corps
- Navy has 7 players - NAVSEA, NAVAIR, SPAWAR, MARCOR, ONR, SSP, and NAVFAC
- NAVSEA has participated in SBIR since its inception.
- SBIR = Innovation = Better, faster, cheaper products and processes for Navy use
- Small Business Technology Transfer (STTR) is a sister program that utilizes universities, non-profit Research Institution (RI), or Federally Funded Research and Development Centers (FFRDCs)



SBIR / STTR Program Goals

SBIR Program goals:

- Stimulate technological innovation
- Foster participation by socially and economically disadvantaged firms in technological innovation
- Increase small business participation in federally funded Research and Development
- Increase private sector commercialization of federal R&D

STTR Program goals:

- Create vehicles for moving ideas from research institutions to market
- Enable researchers to pursue commercial application of technologies
- Bridge funding gap between basic research and commercial product





Small Business Eligibility for SBIR / STTR Programs

| | SBIR | STTR |
|---|--|---|
| Firm Eligibility | U.S. for profit business off 500 or fewer employees | |
| Collaboration with a Research Institution (RI) (no size limit on the RI) | Optional - RI may work under subcontract | Required - formal agreement between firm and a university (subcontract), FFRDC, or non-profit RI; Small business must manage and control the contract |
| Principle Investigator (PI) | PI must spend >50% time employed by firm | PI may be at the firm or RI |
| Work Breakdown | Min of 2/3 of Phase I and 1/2 of Phase II effort performed by the firm | For Phase I & II, firm must perform min of 40% and RI min of 30% of effort |
| Work Performance | Work must be performed in the U.S. | |



SBIR / STTR Three Phase Program



Phase I: Feasibility Study

Concept Development / Feasibility Study

- \$125K base contract, six months
- \$100K option for six months
- Options depends on transition interest



Phase II: Full Research, R&D to Prototype

Technology Development for Prototype

- \$1.5M contract (\$500K for twelve months, \$500K option for twelve months, \$500K option for twelve months)
- Commercialization Readiness Program depends on potential for transition



Phase III: Commercialization

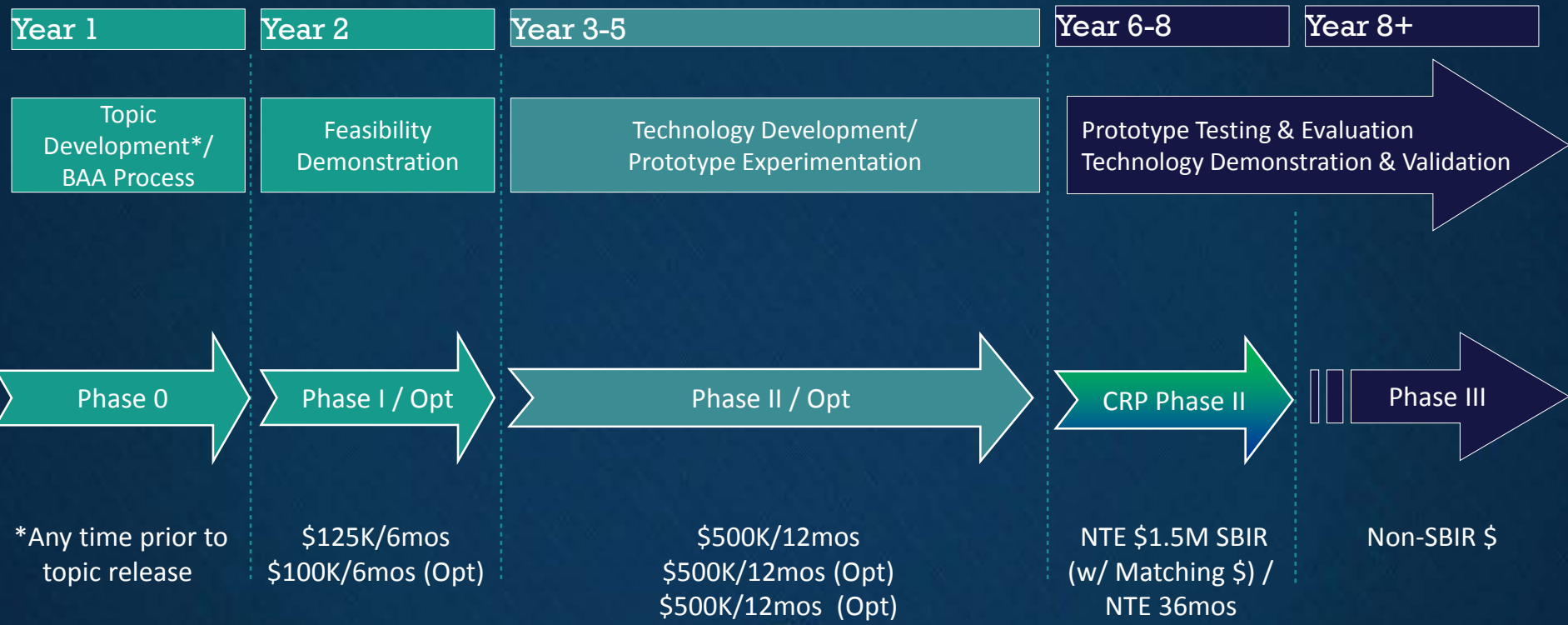
Demonstration / Implementation Commercialization

- No Limit (Non-SBIR funds)

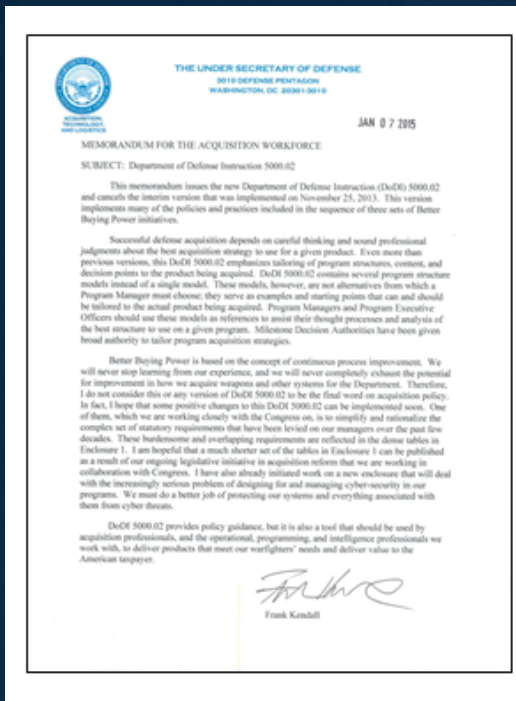
SBIR / STTR Buys Research and Development Not Parts and Services

SBIR/STTR Timeline

Timeline



- SBIR/STTR's Need to be Tied into All Major Acquisition Programs (ACAT I-IV)
 - Programs Managers will Establish SBIR/STTR Goals
 - For \$100M+ Contracts, SBIR/STTR Subcontracting Plans are Required
 - SBIR/STTR Data Needs to be Collected, Reported, and is Reviewed at every Milestone





Data Rights

- **SBIR/STTR Data Rights are Unique**
 - Data Is delivered to the Government and gets a royalty free government purpose license
 - SBIR protections noted on the deliveries
 - The Government must protect those right for 5 years after the last deliverable on the last contract
 - Must get Small Business approval to provide data to others
 - SBIR data right are defined in FAR and DFAR 252.227-7018
 - All Intellectual Property is retained by the company
 - The Government can release for form, fit, and function
 - Best for Government to just stay out of the middle!
- **The law says the Government to the greatest extent practicable should award Phase III follow on work to the SBIR firm**
 - The requirement for competition has been satisfied in Phases I and II
 - There is no limit on the value, timing, or number of Phase III contracts
 - Funds come from a Program Office (not SBIR “seed” funding)
 - Phase III Guidebook is available at www.navysbir.com

Questions?