NAVSEA SBIR/STTR Program Overview

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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 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

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

Phase I:
Feasibility Study

- Concept Development / Feasibility Study
  - $125K base contract, six months
  - $100K option for six months
  - Options depend 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

SBIR / STTR Buys Research and Development Not Parts and Services

Statement A: Approved for Release. Distribution is unlimited
## SBIR/STTR Timeline

### Timeline

<table>
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<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3-5</th>
<th>Year 6-8</th>
<th>Year 8+</th>
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<td><em><em>Topic Development</em>/ BAA Process</em>*</td>
<td><strong>Feasibility Demonstration</strong></td>
<td><strong>Technology Development/Prototype Experimentation</strong></td>
<td><strong>Prototype Testing &amp; Evaluation</strong></td>
<td><strong>Technology Demonstration &amp; Validation</strong></td>
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### Phase 0
- *Any time prior to topic release*
- $125K/6mos
- $100K/6mos (Opt)

### Phase I / Opt
- $125K/6mos
- $100K/6mos (Opt)

### Phase II / Opt
- $500K/12mos
- $500K/12mos (Opt)

### CRP Phase II
- NTE $1.5M SBIR (w/ Matching $) / NTE 36mos
- Non-SBIR $
• 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 rights 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?