

## SBIR/STTR Funding

### Grants and Contracts Awarded to Small Businesses

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**SBIR (Small Business Innovation Research)** is a federal government program administered by 11 federal agencies for the purpose of helping to provide early-stage Research and Development funding to small technology companies (or individual entrepreneurs who form a company). Solicitations are released periodically from each of the agencies and present technical topics of R&D which the agency is interested in funding.

#### Program Description:

Phase	Award Amount*	Duration*
Phase I	\$150,000	6 months
Phase II	\$1,000,000	2-3 years
Phase III	Programs vary by agency – not all participate	

\*Award amount and duration vary by agency

**Phase I.** The objective of Phase I is to establish the technical/scientific merit and feasibility of the proposed R/R&D efforts. The application should concentrate on R/R&D efforts that will significantly contribute to proving the scientific or technical feasibility of the approach or concept that would be a prerequisite to further support in Phase II.

**Phase II.** The objective of Phase II is to continue the research or R&D efforts initiated in Phase I. Funding shall be based on the results of Phase I and the scientific and technical merit and commercial potential of the Phase II application.

Only Phase I awardees are eligible to apply for and obtain Phase II funding.

**Phase III.** An objective of the SBIR/STTR program is to increase private sector commercialization of innovations derived from Federal R/R&D. During Phase III, the small business concern (SBC) is to pursue commercialization with non-SBIR/STTR funds (either Federal or non-Federal). In some Federal agencies, Phase III may involve follow-on, non-SBIR/STTR funded R&D, or production contracts for products or processes intended for use by the U.S. Government.

**STTR (Small Business Innovation Research Technology Transfer)** is modeled after the SBIR program. The objective of the program is to encourage technology transfer through cooperative research between small business concerns (SBC) and Research Institutions (RI). The applicant SBC is required to enter into a cooperative agreement with an RI or federally funded research and development center (FFRDC). The RI or FFRDC is generally required to perform 30% of the research and the SBC to perform 40%. An agreement must be reached at the time of application.

#### Participating Agencies:

##### SBIR and STTR Participants

Department of Defense  
National Institutes of Health  
National Aeronautics and Space Administration  
Department of Energy  
National Science Foundation

##### SBIR Participants

Department of Homeland Security  
Department of Agriculture  
Environmental Protection Agency  
Department of Transportation  
Department of Commerce  
Department of Education

## Eligibility Requirements:

Each applicant submitting an SBIR/STTR grant application must qualify as a small business concern (SBC) at the time of award.

1. For-profit small business concern
2. Less than 500 employees including affiliates
3. Independently owned and operated primarily in the United States
4. 51% owned and controlled by one or more individuals who are U.S. citizens or permanent residents
5. Research must be performed in the U.S.

## Principle Investigator (PI) Eligibility:

**SBIR:** The PI must be primarily employed by the SBC at the time of award. If SBIR grants are the sole source of financing, then the PI must be listed as 51% effort on the grant/contract. Otherwise the PI must commit a reasonable amount of effort to the project as deemed by the agency.

**STTR:** Rules vary by agency. Some require the PI to be primarily employed by the SBC others will allow the PI to be employed by the collaborating RI. Read the rules carefully.

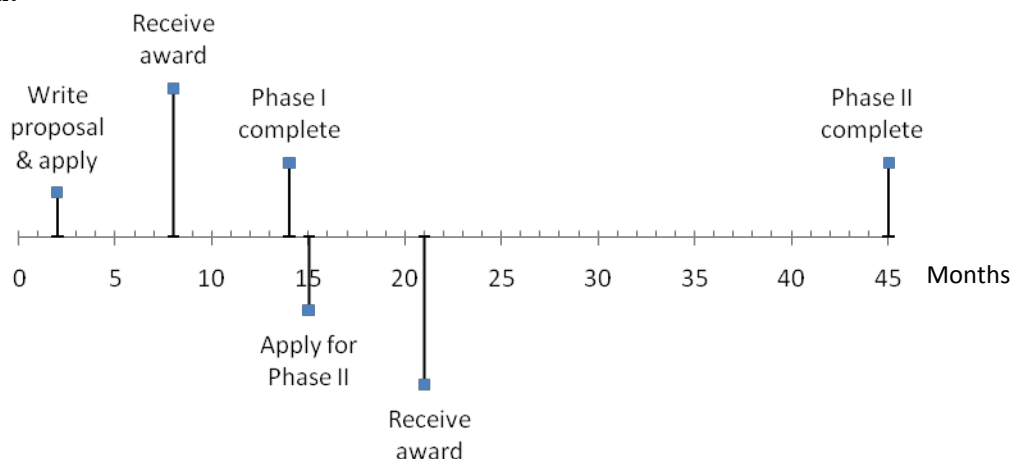
## SBIR/STTR Comparison:

	SBIR	STTR
Budget Percentage	2.5%	0.3%
Participating Agencies	11	5
PI - Award Duration	6 months*	12 months
Partnering	subcontract allowed†	Required
PI Eligibility	51% employed by SBC	Varies by agency

\*Award duration can be extended by some agencies

†Total subcontracted amount must not exceed 33% including consultants

## Timeline to award:



## Internet Resources:

SBIR Gateway <http://www.zyn.com/sbir/>  
 SBIR main page <http://www.sbir.gov>  
 SBIR Assistance Program <http://innovate.gatech.edu/sbir>

Solicitation search of open and closed topics  
 Link to all agencies