



DOE SBIR/STTR Programs Update

Claudia Cantoni

DOE SBIR/STTR Programs Office

claudia.cantoni@science.doe.gov, 301-9031866



U.S. DEPARTMENT OF
ENERGY

SBIR/STTR Programs
Office

DOE-NP SBIR/STTR Exchange Meeting, August 13-14, 2016

Recent Changes

- Award Amounts
- Commercialization Assistance
- SBIR/STTR Data Protection
- Third Phase II Award
- Draft Legislation



Maximum Award Amounts

- We periodically update award amounts to adjust for inflation and program changes
- **Phase I** : \$200,000
 - Increased to adjust for inflation and accommodate the longer Phase I project period (which was recently increased to 12 months)
- **Phase II**: \$1,100,000 or \$1,600,000 (varies by topic)
- **Phase IIA, IIB, IIC**: \$1,100,000



Commercialization Assistance: TABA

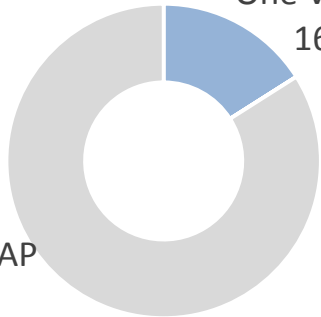
- DOE has fully implemented statutory changes for technical and business assistance that were passed by Congress in August 2018
- **Increased levels of Commercialization Assistance**
 - Phase I: \$6,500
 - Phase II: \$50,000
- **Expansion of allowable categories**
 - product sales
 - intellectual property protections
 - market research
 - market validation
 - development of certifications and regulatory plans
 - development of manufacturing plans
- **You may obtain these services using you own vendor(s) or the DOE vendor, but not both**
- **Reporting on your use of commercialization assistance**



Awardees Using their Own Vendor in FY 2019

Phase I

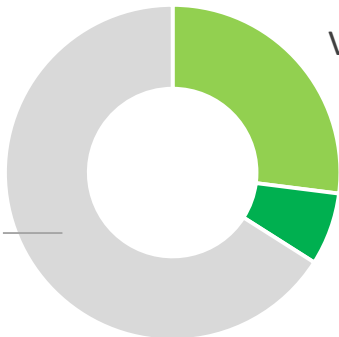
One Vendor
16%



Eligible for CAP
84%

Phase II

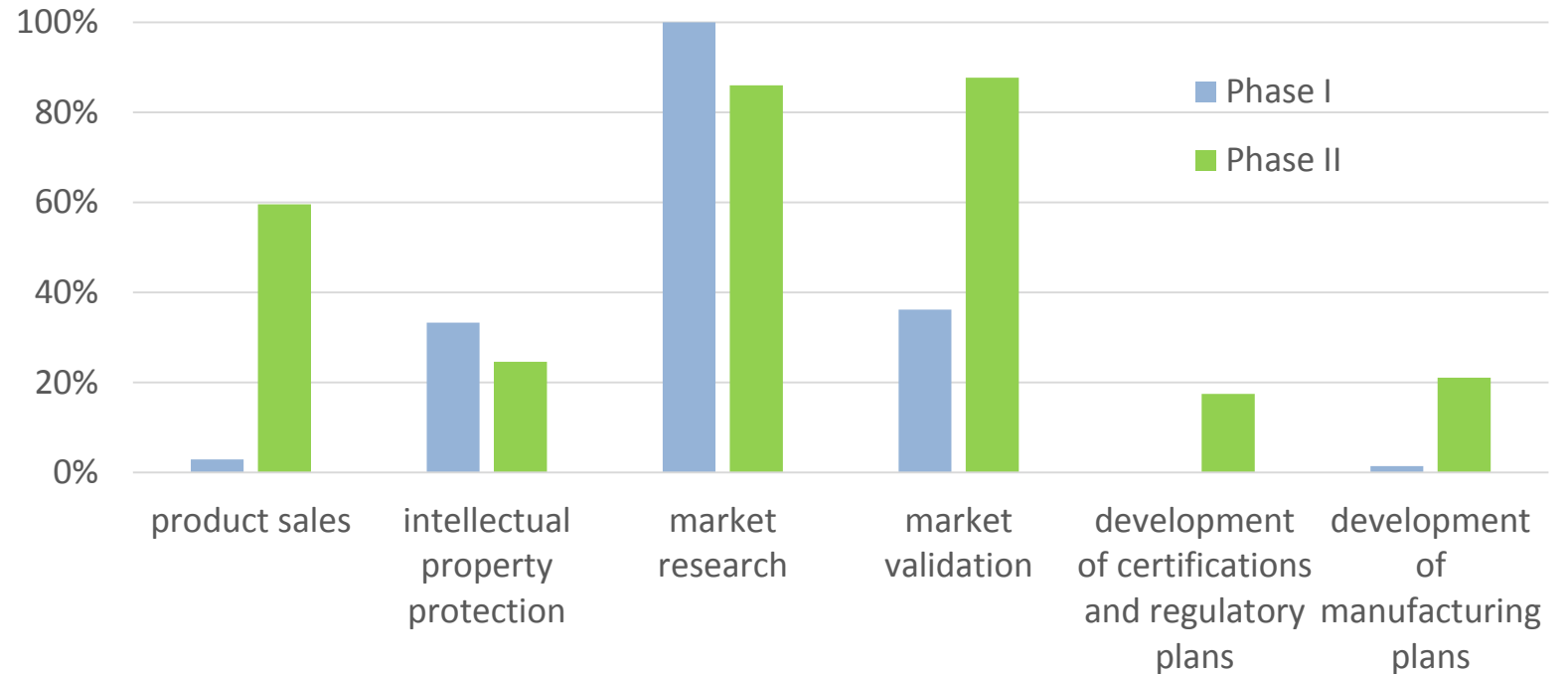
One Vendor
27%



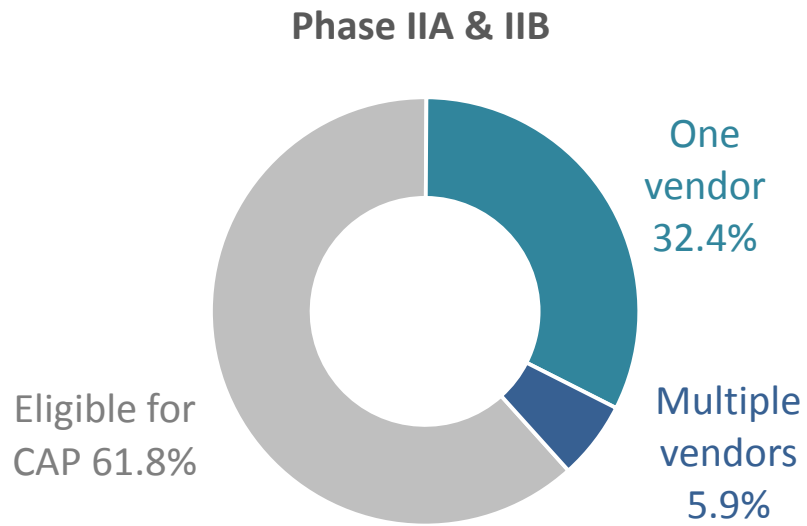
Multiple Vendors
7%

Eligible for CAP
66%

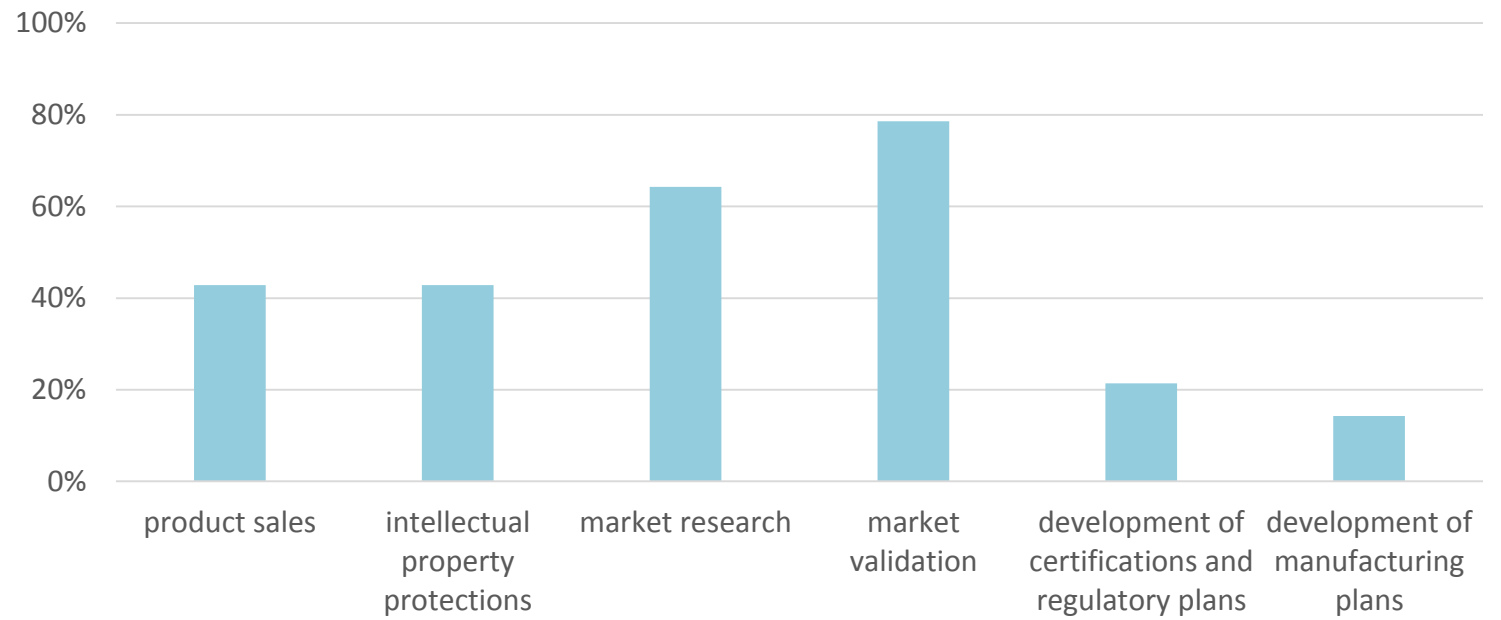
Awardees Using Their Own Commercialization Vendors:
Percent Using Funds for Specified Purposes



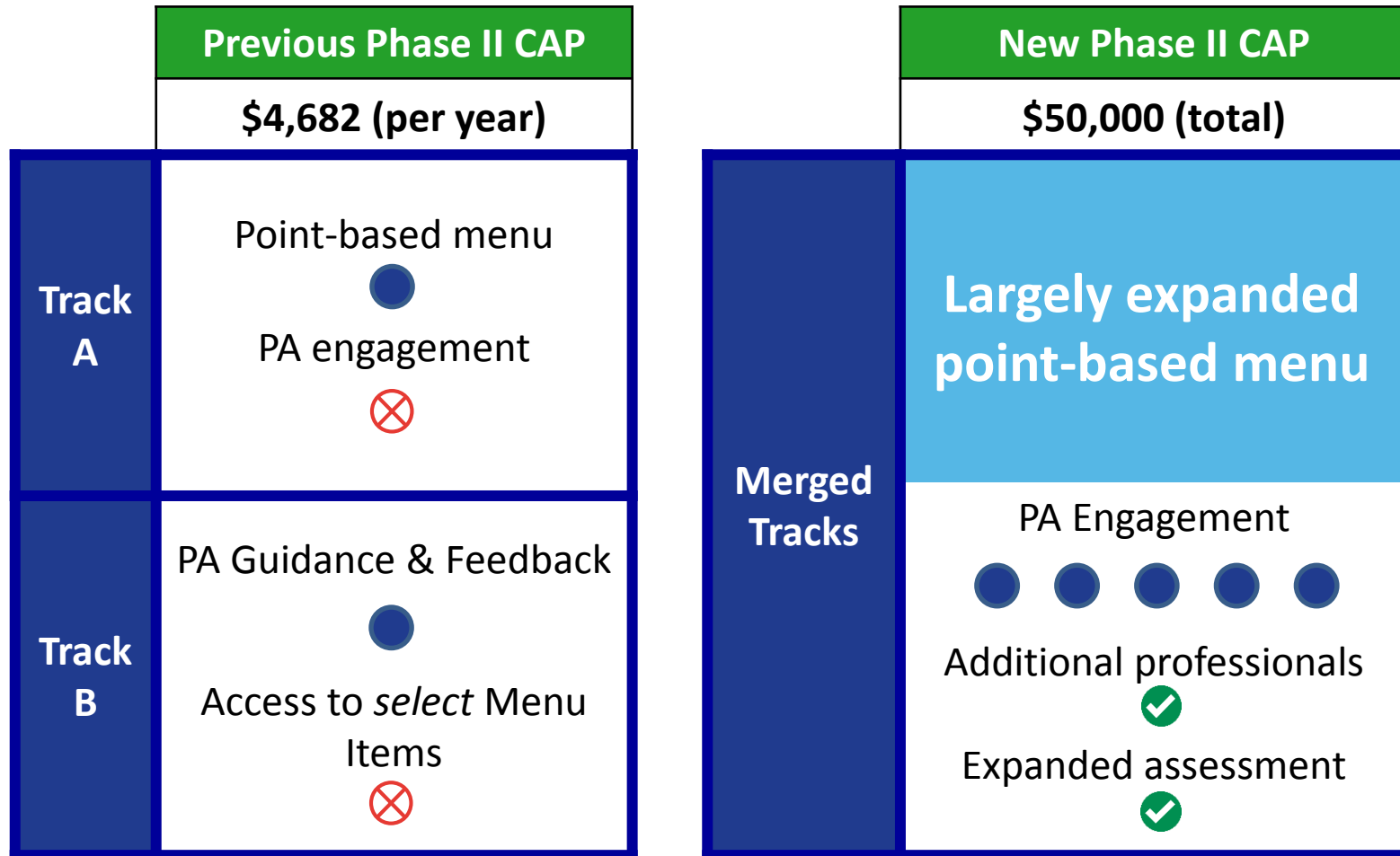
Phase II A & IIB using their own vendor in FY 2019



Awardees Using Their Own Commercialization Vendors:
Percent Using Funds for Specified Purposes

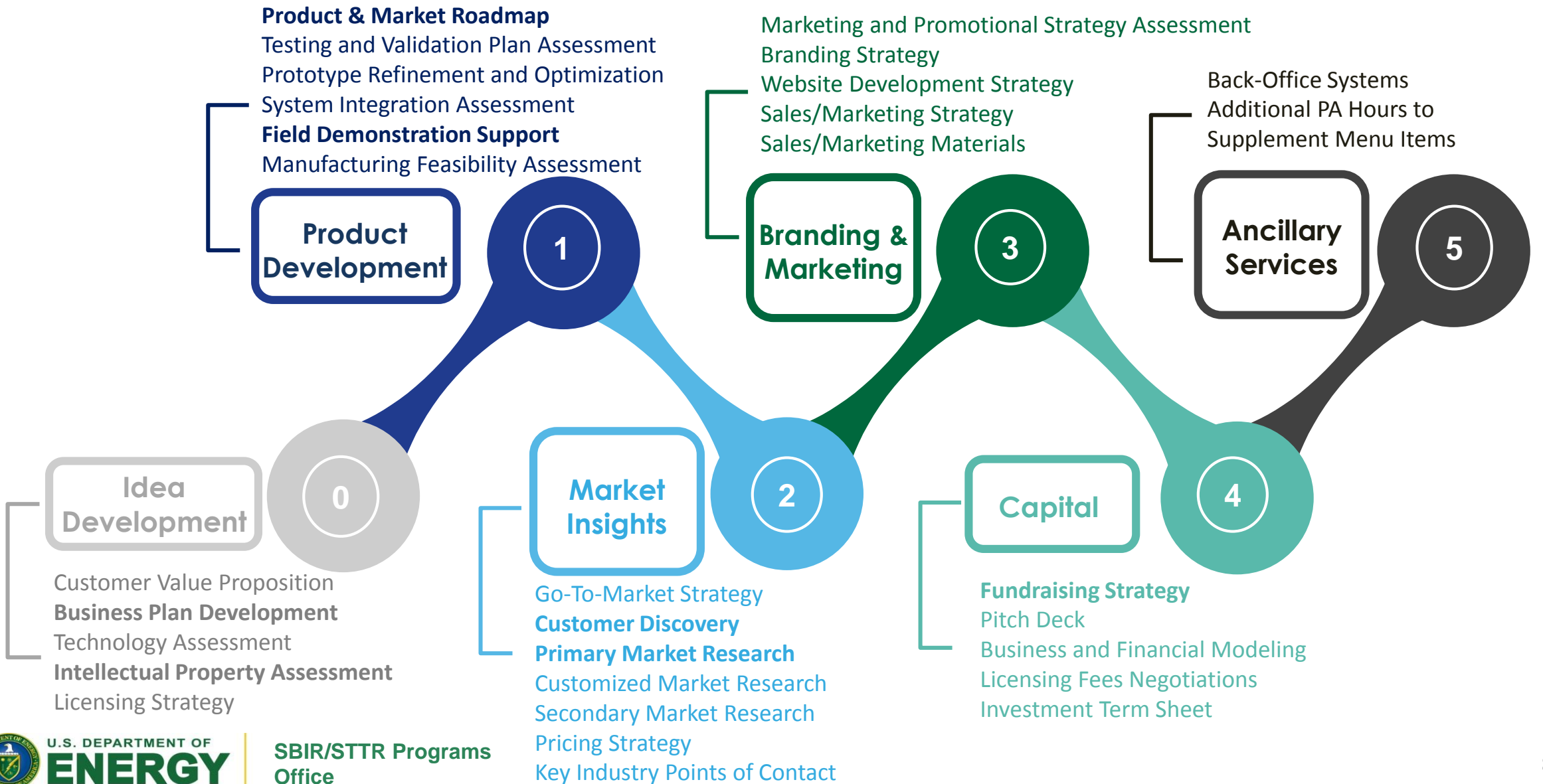


Commercialization Assistance: DOE Vendor



- Awardees can select any combination of 41 services grouped in 6 Service Hubs not to exceed a maximum of 105 points.
- Several services are new, some of which require the assistance of third-party vendors for market research services.
- PA time is built into each service to customize the scope of work.

New CAP offerings target each stage of the business process





Phase III Preference

- Case studies have identified a broken link in National Labs procurement process for technologies developed under the SBIR/STTR.
- DOE National Laboratories should give preference to SBIR/STTR firms that developed the technology to the greatest extent practicable.
- DOE Headquarters memo reminds Office of Science National Laboratories of such preference. <https://science.osti.gov/sbir/Awardee-Resources>

SBIR/STTR Data Protection

- **The Small Business Administration issued a new SBIR/STTR Policy Directive in May 2019.** One of the changes introduced applied to SBIR/STTR Data Protection
- **SBIR/STTR Data refers to data generated during the execution of your SBIR/STTR** and is typically included in the final technical reports to the agency
- **The period of protection has changed**
 - Previously: 4 years from submission of your final technical report. Protection can be extended by certifying that funding has been obtained to continue the R&D.
 - Effective May 2019: 20 years from the date of your award. This protection period is fixed and cannot be extended.
- **The protection period that applies to your award depends on when your award was made—** SBIR/STTR data protection is part of your award terms and conditions
 - Awards issued prior to May 2019: 4 year extendable
 - Awards issued May 2019 and later: 20 year fixed



Third Phase II Award (Phase IIC)

- **DOE Implemented Phase IIC Awards in FY 2019** (Phase II Release 2)
- Phase IIC Awards are being made available under a Congressionally mandated Commercialization Assistance Pilot Program. **The program extends through September 30, 2022.**
- The intent of the pilot program is reflected in the statutory considerations agencies must consider in making these awards
 - (A) the extent to which such award could aid the eligible entity in commercializing the research funded under the eligible entity's Phase II program;
 - (B) whether the updated Phase II commercialization plan submitted under paragraph (4) provides a sound approach for establishing technical feasibility that could lead to commercialization of such research;
 - (C) whether the proposed activities to be conducted under such updated Phase II commercialization plan further improve the likelihood that such research will provide societal benefits;
 - (D) whether the small business concern has progressed satisfactorily in Phase II to justify receipt of a subsequent Phase II SBIR award;
 - (E) the expectations of the eligible third party investor that provides matching funding under paragraph (5); and
 - (F) the likelihood that the proposed activities to be conducted under such updated Phase II commercialization plan using matching funding provided by such eligible third-party investor will lead to commercial and societal benefit.

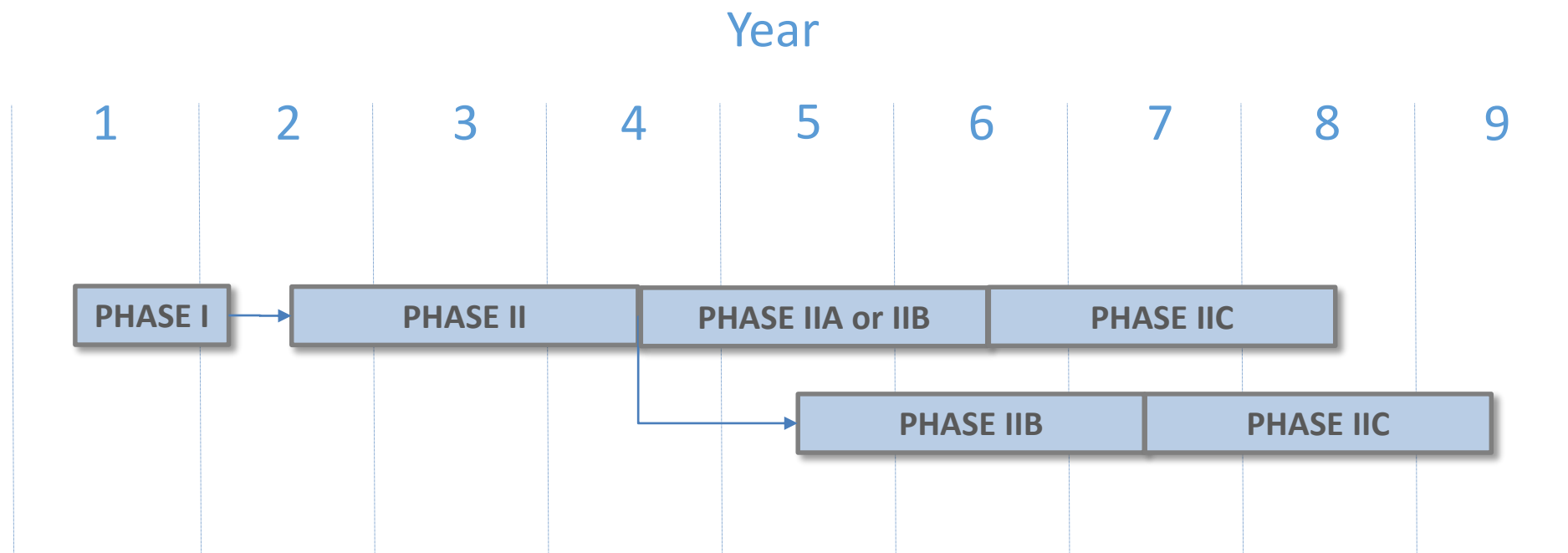


Phase IIC Eligibility

- A small business must meet the following eligibility criteria
 - Have received an SBIR Phase II award and an SBIR Phase IIA or IIB award as specified in the FOA
 - The SBIR Phase IIA or IIB award will typically have been issued two fiscal years prior to the time you are eligible for a Phase IIC award
 - Please note that Phase IIC awards are limited by statute to the SBIR program. No Phase IIC awards will be made under the STTR program. Also to be eligible for Phase IIC your prior Phase II and Phase IIA or IIB awards must be SBIR (not STTR) awards.



Phase IIC Timeline



Phase IIC follows a Phase IIA or Phase IIB award. There will be only one opportunity to apply for Phase IIC--two years after you applied for your second SBIR Phase II award

Phase IIC Matching Funds

- **A Phase IIC award requires that the applicant have at least 1:1 matching funds** equal to the amount of the Phase IIC grant (less fee).
- **The matching funds must be from an eligible third party investor**
 - The term ‘eligible third-party investor’ means a small business concern other than an eligible entity, a venture capital firm, an individual investor, a non-SBIR Federal, State or local government, or any combination thereof.
 - Please note that SBIR/STTR Phase I, II, or III funding from a Federal agency may not be used as matching funds.
- The following types of funding do not qualify as matching funds
 - The eligible entity’s internal research and development funds.
 - Funding in forms other than cash, such as in-kind or other intangible assets.
 - Funding from the owners of the eligible entity, or the family members or affiliates of such owners.
 - Funding attained through loans or other forms of debt obligations.



Draft SBIR/STTR Legislation

- Small Business Administration Reauthorization and Improvement Act of 2019
 - Bill has undergone an initial draft by the Senate Committee on Small Business and Entrepreneurship
 - Contains numerous provisions relating to the SBIR/STTR programs
 - making the SBIR and STTR programs permanent;
 - increasing the combined SBIR/STTR allocations from 3.65% to 7.4% by 2024;
 - reducing the timelines associated with SBIR/STTR awards;
 - opening the SBIR/STTR programs to VC-owned small businesses;
 - requiring education of contracting officers on Phase III awards;
 - greater emphasis on commercialization in the review process and through the appoint of an agency Technology Commercialization Official; and
 - further improvements to technical and business assistance



Questions?

Contact information:

- DOE SBIR/STTR Operations: 301-903-5707
- DOE SBIR/STTR Email: sbir-sttr@science.doe.gov

Our Website:

- DOE SBIR/STTR Website: <https://www.energy.gov/science/sbir/small-business-innovation-research-and-small-business-technology-transfer> or <https://science.osti.gov/sbir/>.



