



DEPARTMENT OF THE NAVY
Small Business Innovation Research (SBIR)
Small Business Technology Transfer (STTR)

DoN SBIR/STTR Programs Overview
July 23, 2024

SBA/SBIR Program

DoN SBIR/STTR programs provide opportunities for domestic small businesses and start-ups to deliver solutions to meet naval needs through Federal Research/Research and Development (R/R&D). These competitive, three phase, awards-based programs advance innovations with an aim toward transitioning the resulting technologies to the Force/Fleet and commercialization in private markets.

Welcome



Brian Shipley

Acting Director, DoN SBIR/STTR Programs

brian.r.shipley.civ@us.navy.mil

Authorities



United States Code

15 U.S. Code § 638. Research and development

<https://www.govinfo.gov/content/pkg/USCODE-2011-title15/pdf/USCODE-2011-title15-chap14A-sec638.pdf>

SBIR/STTR Policy Directive

Provides guidance from SBA to the participating Federal agencies for the general operation of the SBIR and STTR programs.

<https://www.sbir.gov/about/about-sbir>



Federal SBIR/STTR Goals

Small Business Innovation Research (SBIR) Program

Program Goals

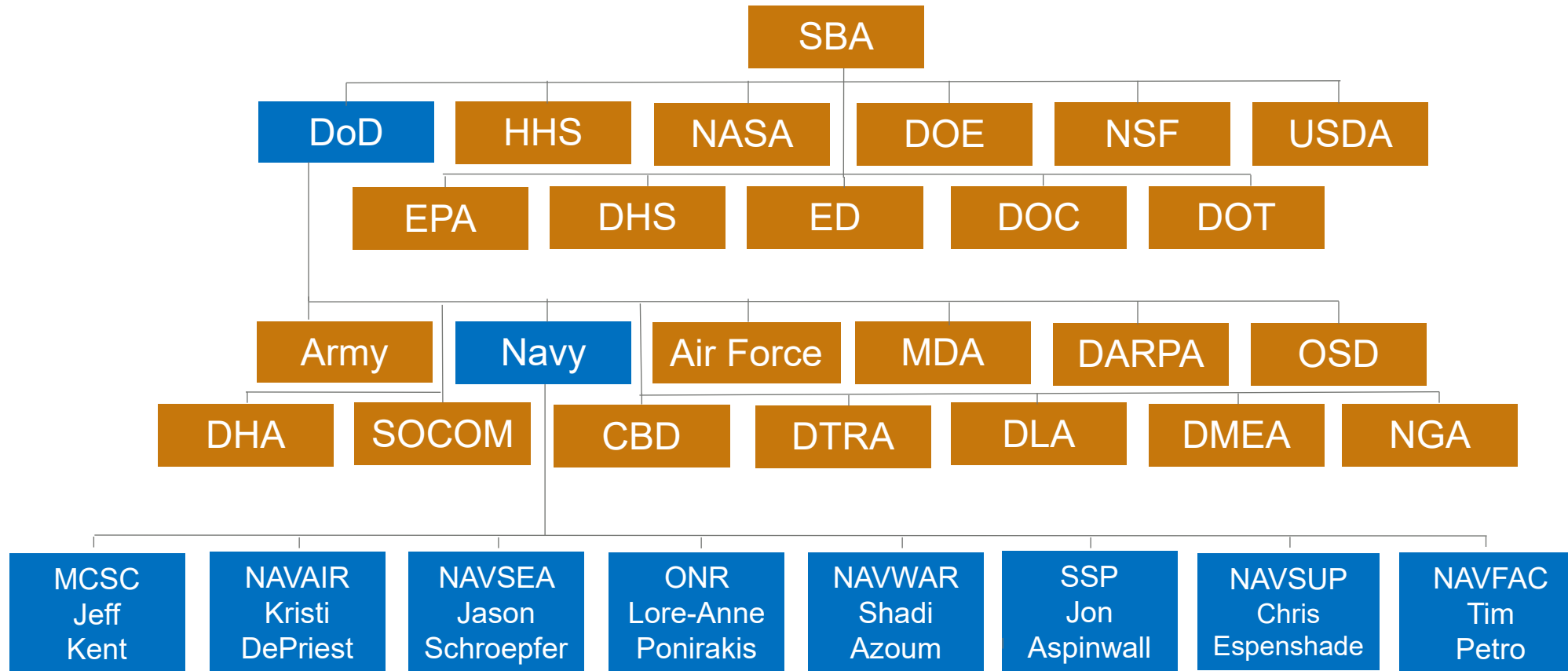
- Stimulate technological innovation
- Increase small business participation in federally funded R&D
- Foster participation by socially and economically disadvantaged firms in technological innovation
- Increase private sector commercialization of federal R&D

Small Business Technology Transfer (STTR) Program

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

Federal SBIR/STTR Programs – SBIR.gov



\$4B in Opportunities Across Granting and Contracting Agencies

Eligibility



- Must qualify as a small business concern as defined by 13 CFR 121.702:
 - Organized for profit, with a place of business located in the United States
 - More than 50% owned and controlled by one or more individuals who are citizens or permanent resident aliens of the United States, or by other small business concerns that are each more than 50% owned and controlled by one or more individuals who are citizens or permanent resident aliens of the United States; and
 - No more than 500 employees, including affiliates
- Must meet the commercialization and transition rate benchmark requirements as determined by the SBA.



Three-Phase Programs

- **Phase I**

- Establish the technical merit, feasibility, and commercial potential of the proposed R/R&D efforts
- Determine the quality of performance of the small business awardee prior to providing further Federal support in Phase II
- \$50-250K; 6 months to one year PoP

- **Phase II**

- Continue the R/R&D efforts initiated in Phase I
- Funding based on the results achieved in Phase I and the scientific and technical merit and commercial potential of the project proposed in Phase II
- Up to \$2M; 18-36 months in PoP



Three-Phase Programs

- **Phase III:** The process of developing and delivering products, processes, technologies, or services for sale to or use by the Federal Government or commercial markets.
 - Right to sole source contracts;
 - Exemption from SBA size standards for a procurement;
 - No limits on the dollar size of a Phase III procurement;
 - Right to the Phase III mandate, by which the SBIR firm has a right to be awarded a future Phase III award to the greatest extent practicable;
 - Right to receive subcontracts for Phase III work on a sole source basis;
 - Ability to pursue research, research and development, services, products, production, or any combination of those under a Phase III.



Program Starts with a Topic

- **Focused**
 - Identifies a specific problem for which a solution is sought
 - Basic and applied research
- **Open**
 - Generalized mission requirements or specific technology areas
 - Adapt commercial products or solutions to close capability gaps, improve performance, or provide technological advancements in existing capabilities
 - May be broad or focus on a specific technology area/mission priority
- **Direct to Phase II**
 - Seeks a solution with a higher technology readiness level
 - Awardee must not have received a Phase I award for research and development for the same project



DoD Critical Technology Areas

- FutureG
- Trusted AI and Autonomy
- Biotechnology
- Advanced Computing and Software
- Integrated Sensing and Cyber
- Directed Energy (DE)
- Hypersonics
- Microelectronics
- Integrated Network Systems-of-Systems
- Quantum Science
- Space Technology
- Renewable Energy Generation and Storage
- Advanced Materials
- Human-Machine Interfaces

About Navy



- Accept proposals from firms owned and controlled by more than one VC, hedge fund, or private equity firm so long as no one such firm owns a majority of the stock [15 U.S.C. 638(dd)(1)]
- Centralized management, decentralized execution across seven Systems Commands
- Acquisition Pull
 - Topic alignment to acquisition, sustainment and modernization programs
 - Program Office sponsorship with resources to transition
 - Customer and transition end-state defined at Phase I



Acquisition Aligned Portfolios

Phase I

Feasibility

Focused Topics

- Acquisition aligned
- Program Office sponsored
- \$240K FFP, 12-month PoP

Open Topics

- Broad technical priorities
- Leverages proven solutions
- \$175K FFP, 10-month PoP

Phase II

Development

Continued

Development

- Competitive awards
- NTE \$1.9M; CPFF
- 18-30-month PoP

Direct to Phase II

- Higher TRL solutions
- NTE \$1.9M; CPFF
- 18-30-month PoP

Catapult

Priority investment

- Leverages prior Naval and cross-Agency investment
- Meets Naval priority with high transition potential
- Ongoing customer nominations
- Optimizes cost and schedule to meet transition target
- Utilizes non-SBIR investment as a force-multiplier

Phase III

Commercialization

- Derives from, extends, or completes prior SBIR/STTR investment
- Non-SBIR/STTR funding
- DON Program Offices funded 233 projects across 175 unique firms (FY23)

Phase II Transition Support – Unique to Navy



SBIR/STTR Transition Program (STP) *25 years strong!*

- Annual 11-month Navy-funded Program for Phase II awardees
- Services to assist with transition of technologies through business mentoring, education, and networking
- Information at NavySBIR.com/programs/navystp

DON SBIR/STTR Experimentation Cell (DON-SEC)

- Connects SBIR innovators with the DON experimentation community to test innovative solutions
- Full spectrum of end-to-end facilitation, mentoring, and training in all aspects of experimentation
- Information at NavySBIR.com/SEC

Support to firms to deliver solutions at scale



Phase II Transition Support – Unique to Navy

NAVY Launch

- Annual 10-month program to Educate + Accelerate + Scale beyond traditional defense markets; entrepreneur-first startup strategies
- Prioritize markets, explore private funding, discover customers, and engage for new growth
- Information at NavySBIR.com/programs/navylaunch

Private Capital Education **New!**

- Deeper understanding of private capital and the strategies and knowledge needed to leverage private capital effectively
- Bootcamp in a 3-part series, delivered in a hybrid format
- Virtual office hours to answers questions and engage further
- Information at NavySBIR.com/programs/private_capital

Support to firms to deliver solutions at scale

Stay in Touch



Email

navy-sbir-sttr@navy.mil



Website

www.navysbir.com



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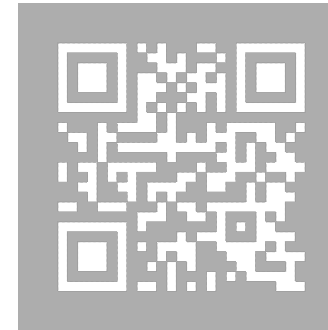


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www.linkedin.com/company/donsbir

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