



Post Phase II SBIR Transition Programs (Phase II-E and Related Sources)

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TecFusion Seminar Series 2012 – Commercialization Seminar

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Outline

- Why post Phase II technology transition programs are important
 - SBIR 2.0
 - SBIR Reauthorization – Outreach and Commercialization Initiatives
- NASA Phase II-Enhancement (II-E)
- DoD Transition Programs (from 2011 Beyond Phase II Conference)
 - Navy
 - Army
 - Air Force/DARPA
- Summary



SBIR 2.0

- Originated with the White House Innovation and Entrepreneurial Working Group (IEWG), a Federal Interagency Working Group formed in response to President Obama's emphasis on importance of innovation to U.S. economy.
 - Included a subgroup created to focus on SBIR Best Practices.
- SBIR 2.0 is a set of initiatives to improve efficiency and effectiveness of the SBIR program, and to make it more entrepreneur-friendly. See <http://www.sbir.gov/content/announcing-sbir-20>
- Initiatives of most interest to infusion: Shared Best Practices
 - Expand bridge financing programs with a focus on Phase II matching programs. Encourage more SBIR agencies to leverage their SBIR funds to encourage third party investment.
 - Expand use of the SBIR program to facilitate technology transfer from federal labs. Initially piloted by NIST to encourage commercialization of intramural research.
 - Encourage agencies to issue joint solicitations, to streamline topics for applicants and address areas of national priorities.



Outreach and Commercialization Initiatives in the Recent SBIR Reauthorization

- On 12/31/2011, the Federal SBIR Program was reauthorized through 9/30/2017 as part of the National Defense Authorization Act for Fiscal Year 2012, H.R.1540; Public Law No. 112-81.
- Full text at the Library of Congress website, <http://thomas.loc.gov/home/thomas.php>
 - Search Bill Summary and Status: Select “Bill Number” and input H.R.1540
 - Click on “Text of Legislation”
 - Select the most recent version [H.R.1540.ENR] to download a PDF.
 - In the PDF, navigate to Division E – SBIR and STTR Reauthorization
 - Subtitle B – Outreach and Commercialization Initiatives
- The U. S. Small Business Administration (SBA) has 180 days to implement new SBIR/ STTR policy directives – i. e. how the new legislation will be implemented
 - Sean Greene (SBA Associate Administrator for Investment and Innovation) has posted a summary of procedures and guidelines at <http://community.sba.gov/community/blogs/official-sba-news-and-views/open-business/implementing-sbir-and-sttr-reauthorization-our-plan-aXack>



11 Federal Agencies Participate in SBIR

- All Federal Agencies with an extramural R&D budget >\$100M (SBIR) or >\$1B (STTR) are required to participate.
 - Dept of Agriculture
 - Dept of Commerce (NIST, NOAA)
 - Dept of Defense (multiple agencies) *
 - Dept of Education
 - Dept of Energy *
 - Dept of Health & Human Services (NIH *, CDC, FDA, AHRQ, NCI)
 - Dept of Homeland Security
 - Dept of Transportation
 - Environmental Protection Agency
 - NASA *
 - National Science Foundation – NSF *
- Some of these agencies already have formal post Phase II tech transition initiatives



NASA Post Phase II Transition Programs: Phase II-E



What is NASA Phase II-E, and which SBIR companies are eligible?

- NASA has developed a Phase II Enhancement (II-E) policy to encourage transitioning SBIR Phase II contracts into post Phase II awards.
 - Can provide a company with up to \$150K (will be \$250K starting with the '11 Phase II's) of additional Phase II SBIR/STTR funds. Company must provide matching (cost sharing) funds from a non SBIR/STTR source – either a NASA project, NASA contractor, or third party commercial investor to enhance their technology for further research, infusion, and/or commercialization.
 - Extends an existing Phase II contract for at least 4 months.
- NASA has provided eligible companies with official guidance, including what types of relationships between a small company and outside investors qualify as an investment.
 - If you have access to the NASA SBIR/STTR Contract Administration and Closeout Electronic Handbook (EHB), the guidance is also posted there. Or we can e-mail you a copy.
- To qualify for Phase II-E:
 - During Phase II, the small business must submit a Phase II-E application via the Contract Administration and Closeout EHB. The submission window is specified in advance by NASA HQ.
 - '08 Phase II companies were eligible in 2011.

'09 Phase II companies will be eligible in 2012. Anticipate call in early to mid CY' 12.



NASA Phase II Enhancement FAQs (1/3)

Q1: Where can I find instructions on how to apply?

A1: In the NASA SBIR/STTR Contract Administration and Closeout Electronic Handbook (EHB) at <https://ehb8.gsfc.nasa.gov/contracts/public/firmHome.do>

This also includes a link to the section “What Qualifies as Investment under NASA’s SBIR/STTR Phase II Enhancement”, which is NASA’s official guidance on what types of relationships between a small company and outside investors qualify.

Q2: When is the proposal submission period?

A2: The proposal submission period for active Program Year 2009 (PY’09) Phase II companies will be early to mid calendar 2012. NASA HQ will announce the exact dates in early 2012. There is one submission period per year. Note the phrasing: PY’09 Phase II companies will be eligible in 2012; PY’10 Phase II companies will be eligible in 2013, etc.

Updated February 2012; original appeared in “Technology Infusion Managers’ Voices: NASA Phase II Enhancement FAQs” in *The Concept: NASA SBIR/STTR Quarterly Newsletter*, Volume 2, number 2, Fall 2010, p. 4. Original is publicly available at <https://sbir.nasa.gov/SBIR/newsletter.html>



NASA Phase II Enhancement FAQs (2/3)

Q3: What items do I need to include in my Phase II Application?

A3: Six parts must be submitted at <https://ehb8.gsfc.nasa.gov/contracts/public/firmHome.do>

(1) Phase II Application Form, (2) Letter of Commitment from a qualified cost-sharing source, (3) Statement of Work for enhancement effort, (4) Cost Proposal for enhancement effort, (5) Summary Briefing Chart, and (6) Commercialization Plan.

Q4: I don't have cost-sharing funds confirmed. Can I still submit a Phase II Application if I need only \$150K (\$250K starting with FY'11 Phase II) and just want to apply for the SBIR portion? A4: No, matching funds from a non-SBIR/STTR source are required.

Q5: I have a Phase II SBIR contract with another funding agency, but I'm also interested in NASA applications. Can I apply for NASA Phase II funding?

A5: No, only an active NASA Phase II contract can be augmented with NASA Phase II (At least to date).

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NASA Phase II Enhancement FAQs (3/3)

Q6. In a Phase II award, can the amount of the matching funds exceed the size of the SBIR portion?

A6: Yes. The SBIR portion is limited to \$150K (\$250K starting with FY'11 Phase II), but the matching funds portion is not limited.

Q7. I'm familiar with several DoD SBIR transitioning programs, such as Phase II.5 (Navy) and Phase II-E (Army). Does NASA's Phase II operate like these DoD programs?

A7: The basic principles are similar – encouraging post Phase II technology transition, infusion and commercialization – but the details are different. Make sure to read the NASA program description carefully, even if you are familiar with analogous programs at other agencies.

Q8: If I have a question that isn't addressed in the EHB or in these FAQs, who should I contact?

A8: Please contact the NASA SBIR/STTR Program Support Office at 301-937-0888 or sbir@reisys.com

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How does NASA post phase II funding differ from that of other agencies?

- NASA's SBIR Program provides funds for Phase I (proof of concept), Phase II (demonstration/reduction to practice) and the Phase II-EOP (extension of a Phase II that increases infusion probability).
- Anything beyond that —needs to get its funds from elsewhere. Post Phase II funds can be NASA or non-NASA, but cannot be provided by SBIR/STTR.
- Several other SBIR agencies, particularly DoD, NSF and NIH; and especially the Navy, maintain a number of formal, funded Post Phase II commercialization, business development, and infusion programs to which SBIR companies can apply.
- There is currently no direct analog of these “umbrella” programs within NASA, so infusion into NASA programs and projects is individualized.
 - Some of these programs and strategies may eventually be adopted by NASA, as has been done with Phase II-E.
 - Nevertheless, most NASA infusion will continue to be on a case-by-case basis.



Navy Post Phase II Transition Programs

Director, Navy SBIR and Technology Transfer Programs
From presentation at the 2011 National SBIR Beyond Phase II Conference and Technology
Showcase, Atlanta, GA, Sept. 12-15, 2011

Originally publicly available online at
[http://www.cvent.com/events/2011-national-sbir-beyond-phase-ii-conference/
custom-126-4f1e5ebf274c4cb7b0fed9f9cf75812a.aspx](http://www.cvent.com/events/2011-national-sbir-beyond-phase-ii-conference/custom-126-4f1e5ebf274c4cb7b0fed9f9cf75812a.aspx)

The presentation is no longer available online, but copies are available on request.



Army Post Phase II Transition Programs

“Army SBIR Transition Beyond Phase II 2011”, by Michael John Smith, Program Manager, HQ RDECOM, Aberdeen Proving Ground, MD

From presentation at the 2011 National SBIR Beyond Phase II Conference and Technology Showcase, Atlanta, GA, Sept. 12-15, 2011

Originally publicly available online at
<http://www.cvent.com/events/2011-national-sbir-beyond-phase-ii-conference/custom-126-4f1e5ebf274c4cb7b0fed9f9cf75812a.aspx>

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Air Force/DARPA Post Phase II Transition Programs

“Air Force/DARPA SBIR Transition ” , by Walt Fenstermacher, AF SBIR Transition Program, BRTRC

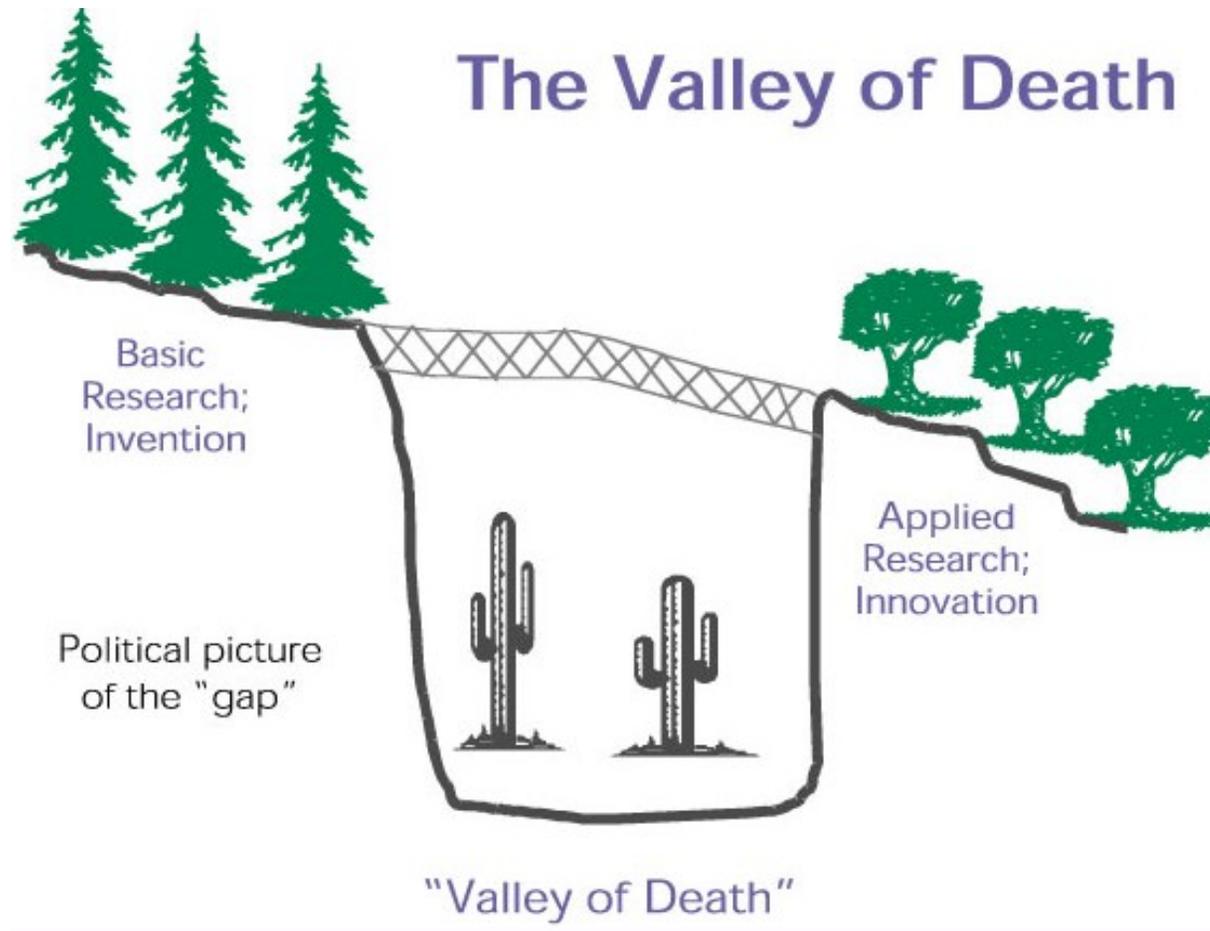
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Summary: Transition Programs Can Help Bridge the Mid-TRL Gap





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