

PROGRAM: SBA Small Business Innovation Research (SBIR) Program

AGENCY: Small Business Administration (SBA)

DESCRIPTION: Contract awards by federal agencies are awarded for research and development projects that meet federal agency research needs. This program provides an opportunity for small technology-based firms to compete for federal research and development contracts.

ELIGIBLE USE:

- Phase I: exploration of the technical merit or feasibility of an idea or technology
- Phase II: the R&D work is performed and the developer evaluates commercialization potential. Only Phase I award winners are considered for Phase II.
- Phase Three: from the laboratory to the marketplace.

PROGRAM/LOAN STRUCTURE:

- The program has three phases:
 - Phase I is the startup phase. Awards of up to \$100,000 for approximately 6 months of support
 - Phase II awards of up to \$750,000, for as many as 2 years, expand Phase I results.
 - Phase III is the period during which Phase II innovation moves from the laboratory into the marketplace. No SBIR funds support this phase. The small business must find funding in the private sector or other non-SBIR federal agency funding

QUALIFICATION CRITERIA/COMMENTS:

- Applicants must be a small business as defined by the SBA; generally 500 employees or less, gross income of less than \$13 million depending on the type of industry, with no more than \$750,000 outstanding on any SBA loan.
- Specific projects are identified by 11 participating federal agencies. Businesses must apply to the agency that has made a research and development request. Applicants are given a referral notice with additional information about the agency's needs. The proposed product must be commercially viable in addition to satisfying the needs of the agency. The applicant business then submits a one page summary of its idea. If the concept is accepted by the agency, the business becomes eligible for a Phase I award.
- See <http://www.sba.gov/sbir/indexsbir-sttr.html#sbir> for more information and the handbook for SBIR proposal preparation <http://www.sba.gov/gopher/Innovation-And-Research/SBIR-Pro-Prep/> or visit the SBA homepage at http://www.sba.gov/starting_business/index.html .