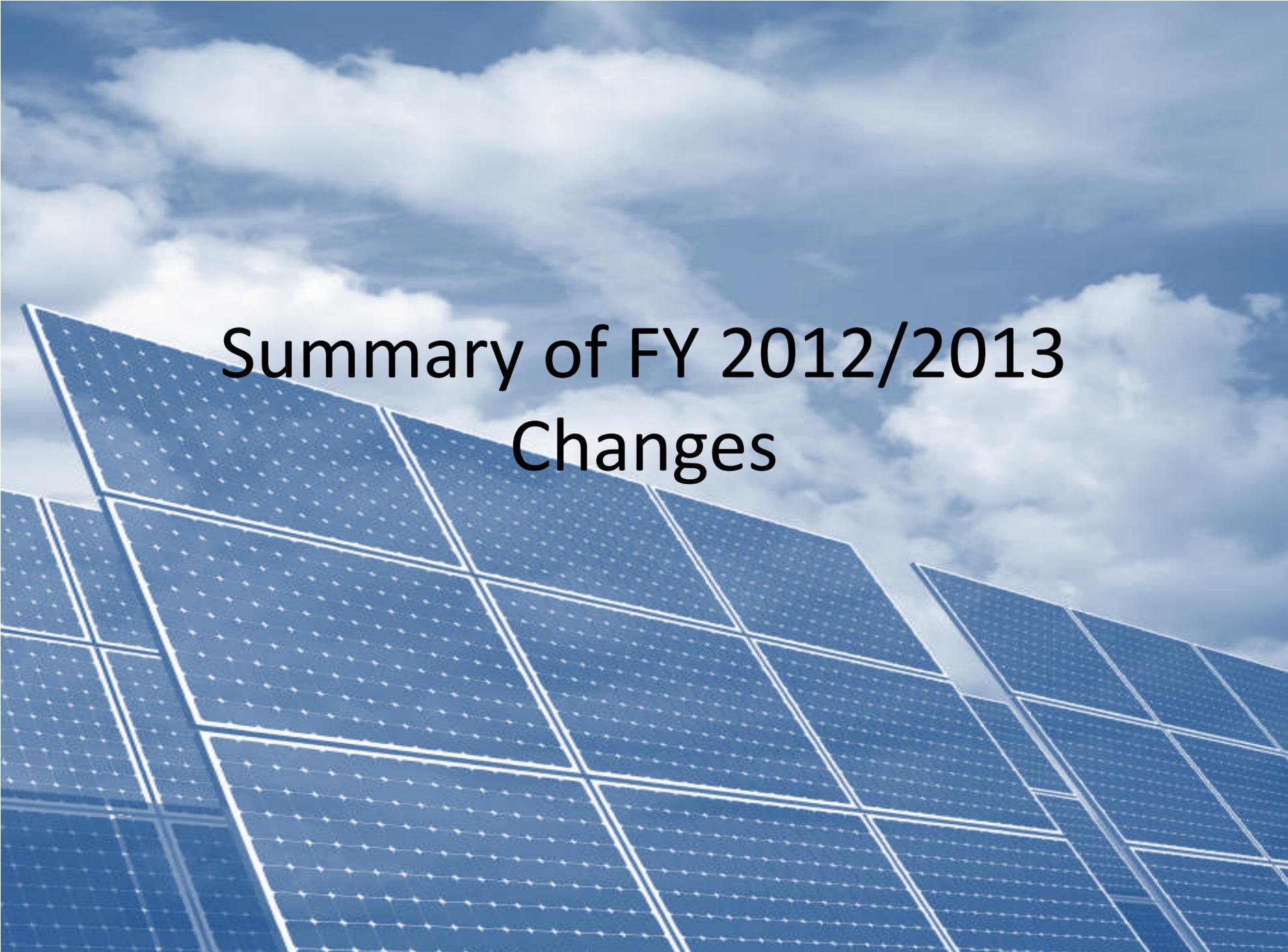




*Update on DOE's
Small **B**usiness **I**nnovation **R**esearch (SBIR)
and Small Business **T**echnology **T**ransfer
(STTR) Programs*

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Summary of FY 2012/2013 Changes

FY 2012/2013 Process Changes

- Topics
 - Posted topics 4 weeks in advance of the FOA
 - Implemented topic webinars
 - Implemented Technology Transfer Opportunity topics from National Labs and universities
- FOA
 - Implemented two Phase I FOAs/year
 - Implemented FOA webinars
- Letters of Intent
 - Required Letters of Intent for Phase I applications
 - Initiated early assignment of reviewers
 - Decreased the number of nonresponsive applications

FY 2012/2013 Process Changes

- Applications
 - Implemented page limits on project narratives
 - Implemented a Phase I commercialization plan requirement
 - Implemented a Phase II DOE investment multiple requirement
 - Reduced notification time (<90 days) *[statutory requirement]*
 - Implemented Fast-Track (combined Phase I & II) applications
 - Permitted switching of programs between Phases I and II
 - Provided more detailed declination information: (1) administrative (2) declined after review; (3) recommended for funding, not awarded



FY 2012/2013 Process Changes

- Awards
 - Implemented two award levels:
 - Phase I: \$150,000/\$225,000
 - Phase II: \$1,000,000/\$1,500,000
 - Reduced negotiation average award negotiation time to six weeks
 - Implemented new lifecycle certifications *[statutory requirement]*
 - Revamped the Commercialization Assistance Program
- Final Reports
 - Shortened period for submitting final reports
 - Phase I: due 14 days after the end of Phase I budget period (required attachment for Phase II application)
 - Phase II: due 30 days after the end of Phase II budget period



A field of white wind turbines under a blue sky with light clouds. The turbines are arranged in rows, with one in the foreground being the most prominent. The text is centered over the image.

FY 2014 Changes
Transition Rate Metrics
Phase II Commercialization Plan
Sequential Phase II Awards

Transition Rate Metrics

- The SBIR Reauthorization Act of 2012 required all agencies to implement two transition rate metrics
- Phase I → Phase II transition rate
 - Applies to companies that have received > 20 Phase I awards in the past 5 years
 - Metric calculation example for FY 2012

$$\frac{\text{Number of Phase II Awards FY 2007 – 2011}}{\text{Number of Phase I Awards FY 2006 – 2010}} \geq 0.25$$



Transition Rate Metrics

- Phase II → Phase III success rate
 - Applies to companies that have received > 15 Phase II awards during the last 10 fiscal years, excluding the two most recently completed fiscal years
 - Metric calculation example for FY 2012

$$\frac{\textit{Total Investment + Revenue from Phase II Awards FY 2000 – 2009}}{\textit{Number of Phase II Awards FY 2000 – 2009}} \geq \$100,000$$

OR

$$\frac{\textit{Number of Patents from Phase II Awards FY 2000 – 2009}}{\textit{Number of Phase II Awards FY 2000 – 2009}} \geq 0.15$$



Transition Rate Metrics

- Companies that fail to meet the either metric will be ineligible to apply for any Phase I awards for 1 year.
- Companies can see if they fail to meet either metric by checking the SBA company registry (SBIR.gov)
- Implementation
 - Phase I → II Transition Rate metric will be included in the FY 2014 and future Phase I Funding Opportunity Announcements
 - Phase II → III Transition Rate metric will be included in the FY 2015 and future Phase I Funding Opportunity Announcements



Phase II Commercialization Plans

- Beginning in FY 2014, all newly issued Phase II awards will require the submission of an updated Commercialization Plan at the end of the Phase II project
 - Submission will occur through PAMS (final technical report is still submitted through OSTI).
- Purpose: Improve tracking of commercialization prospects of DOE SBIR/STTR awardees.



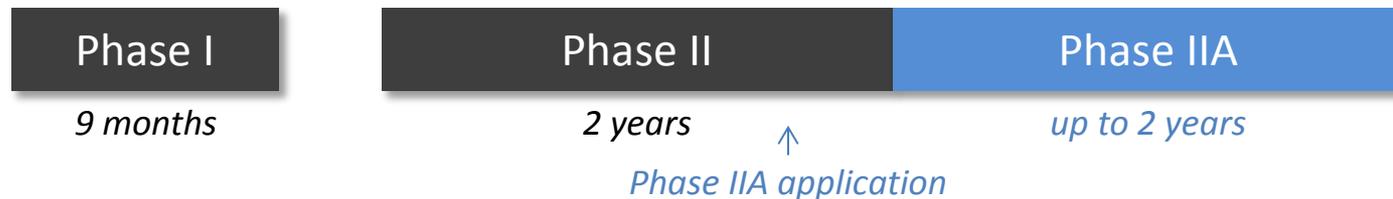
Statutory Changes

- SBIR/STTR Reauthorization (December 31, 2011) permitted agencies to issue sequential Phase II awards
- 15 USC 638
 - (ff) Additional SBIR and STTR awards.
 - (1) Express authority for awarding a sequential Phase II award. A small business concern that receives a Phase II SBIR award or a Phase II STTR award for a project remains eligible to receive 1 additional Phase II SBIR award or Phase II STTR award for continued work on that project.
- Only Phase II awardees are eligible
- Only 1 additional Phase II award may be made per Phase II project



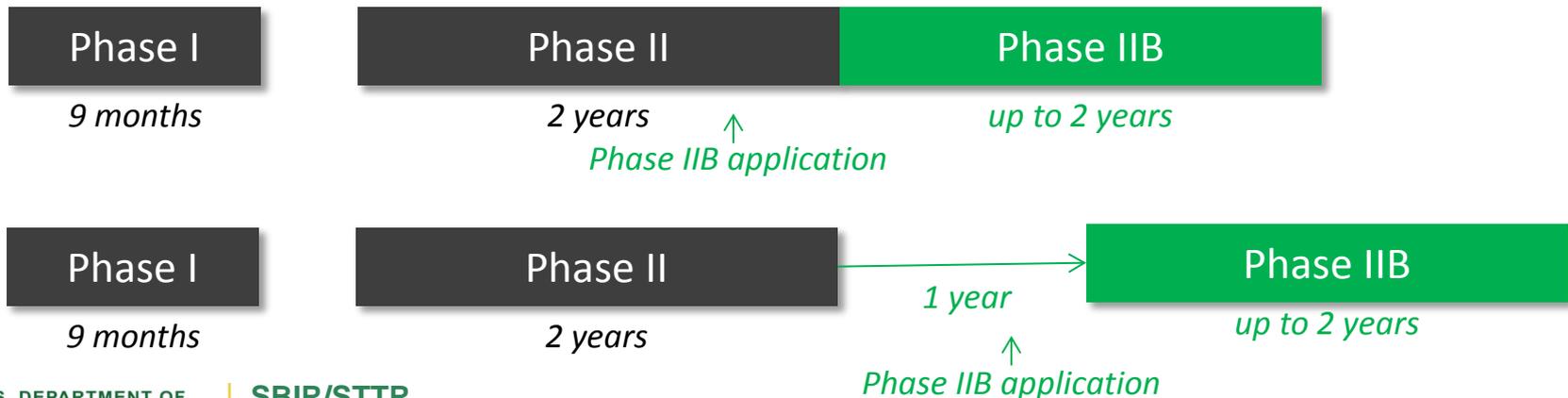
Motivation: Phase IIA

- Some prototype, product, or process R&D efforts require more time and funding than available with a single Phase II award
 - DOE Program managers will select the topics/subtopics for which Phase IIA applications will be accepted
- Historically such projects required small businesses to complete two or more Phase I/II cycles to complete their R&D
- Phase IIA awards will start immediately upon completion of the Phase II award



Motivation: Phase IIB

- After successfully completing Phase II R&D, some projects may require R&D funding to transition an innovation towards commercialization
- DOE is utilizing Phase IIB to increase the number of positive commercialization outcomes resulting from Phase II awards
- Phase IIB awards will start immediately after completing a Phase II or up to 1 year later



Funding for Phase IIA & IIB Awards

- Maximum Award Amount
 - \$1,000,000, up to 2 years
 - Award amounts and duration require justification
- Available Funding
 - Sequential Phase II funding is obtained from DOE SBIR & STTR allocations used to make Phase I & II awards.
 - The SBIR & STTR allocation percentages are increasing. However, agency FY 2014 R&D budgets are still unknown.
 - FY 2013: 2.7% for SBIR and 0.35% for STTR
 - FY 2014: 2.8% for SBIR and 0.40% for STTR
- Number of Awards
 - Will depend on the number and quality of applications received

Phase II Release 1 Funding Opportunity Announcement (FOA) DE-FOA-0001019

- Both initial and sequential Phase II applications will be accepted and will compete for available Phase II funds
- Initial Phase II
 - Eligibility Criteria: No Change
 - Previous year Phase I awardees apply to the appropriate Phase II Release

FY 2013 Phase I Release 1* —————> FY 2014 Phase II Release 1

- Review Criteria: No Change

** FY 2012 Phase I Release 3 awardees who started their Phase I grants on 2/19/2013 are also eligible to apply*



DE-FOA-0001019: Phase IIA

- Eligibility Criteria

- DOE program managers have selected which topics and subtopics that received Phase II awards in FY 2012 are eligible to apply

DOE Program	Eligible Topic(s)/Subtopic(s)
Biological & Environmental Research	29b, 31a,c,e, 34b
Basic Energy Sciences	14c, 15b
Fusion Energy Science	70a
Nuclear Nonproliferation	50d, 51b, 52a, 57c

- Review Criteria

- The review criteria for Phase IIA is largely identical to that for initial Phase II with the following change: for Phase IIA, your Phase I & II performance is reviewed (for Phase II, only your Phase I performance is reviewed).



DE-FOA-0001019: Phase IIB

- Eligibility Criteria
 - The following topics that received Phase II awards in FY 2011 and 2012 are eligible to apply

DOE Program	FY 2011 Phase II topics	FY 2012 Phase II topics
Advanced Scientific Computing	36 - 42	35 - 41
Basic Energy Sciences	8 -22	9 - 21
Biological and Environmental Research	30 - 35	29 - 34
Fusion Energy Sciences	66 -68	68 - 70
High Energy Physics	59 - 65	60 - 67
Nuclear Nonproliferation	49 - 54	50 - 57
Nuclear Physics	43 - 47	42 - 46



DE-FOA-0001019: Phase IIB

- Review Criteria

- The weighting of the review criteria have been changed to reflect the greater importance placed on impact:

Award	Strength of the Scientific/Technical Approach	Ability to Carry Out the Project in a Cost Effective Manner	Impact
Phase II, Phase IIA	1/3	1/3	1/3
Phase IIB	1/4	1/4	1/2

- Applicants are strongly encouraged to include **Phase II Funding Commitments** and **Phase III Follow-on Funding Commitments** in their applications. These will receive significant emphasis in the evaluation of impact.



Letter of Intent Requirement

- Sequential Phase II applicants are required to submit a letter of intent through PAMS
 - Content:
 - Business Official name and contact information (telephone number and email address)
 - Name(s) of any proposed subcontractor(s) or consultant(s), if any
 - DOE Phase II Award Number DE-SC000XXXX
 - Type of Sequential Phase II submission: Phase IIA or Phase IIB
 - Technical abstract that sufficiently describes your technology and application. The abstract should not exceed 500 words and two pages and it must provide sufficient technical depth to allow DOE to assign technical reviewers for your application. Please note that your abstract should not contain any proprietary information.
- Initial Phase II applicants are not required to submit a letter of intent

FAQ

- If I received a 2011 or 2012 Phase II award and my topic was not listed in Release 1, will it be listed in Release 2?
 - Phase IIA: DOE Program Managers will select these topics/subtopics prior to Release 2
 - Phase IIB: Topics for the following programs will most likely be listed for Release 2
 - Electricity Delivery and Energy Reliability
 - Energy Efficiency and Renewable Energy
 - Fossil Energy
 - Nuclear Energy
- If I'm eligible for both Phase IIA and Phase IIB, can I apply for both?
 - NO, you may submit only one sequential Phase II application per Phase II project
- If I apply for a Phase IIA award this year and do not receive an award, may I apply for a Phase IIB next year?
 - YES

FAQ (continued)

- If I receive a Phase IIA award, will I be eligible to receive a Phase IIB award in the future as I transition to commercialization?
 - NO, you may receive only one sequential Phase II award per Phase II project
- Can I start my Sequential Phase II award prior to the completion of my Initial Phase II award?
 - NO. The Sequential Phase II award is an extension of the Initial Phase II award. If your initial Phase II is active, your Sequential Phase II award will typically start immediately after your Phase II ends (this includes no-cost extensions to your initial Phase II)
- Can the combined Initial and Sequential Phase II extend beyond four years?
 - NO. Please note the four year period includes only the budget periods described in your Phase II applications. No-cost extensions to your Phase II grants can increase the total time beyond 4 years.



A bright sun is positioned in the upper left quadrant of the image, casting a soft glow across the sky. The sky is a clear, vibrant blue, dotted with numerous white, fluffy clouds of varying sizes. The clouds are more densely packed in the lower half of the frame, creating a sense of depth and texture. The overall atmosphere is bright and clear.

Questions?