

TIGER TIPS
RESOURCES FOR AUBURN RESEARCHERS
SBIR/STTR Programs

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs provide qualified small businesses, **including faculty start-ups**, with opportunities to propose innovative projects that meet specific federal needs. These programs offer more than \$2 billion dollars annually to support the research and development of technology by small businesses across the nation. Federal agencies set aside a portion of their extramural R&D budget to be awarded to small businesses, the amounts are calculated as a percentage of each agency's R&D budget.

As these programs are intended to support small businesses, Auburn University is ineligible to apply directly, but may partner with a small business concern serving as a subawardee.

[Alabama Launchpad](#), a program of the Alabama Economic Development Partnership of Alabama, provides an Alabama SBIR/STTR Support Program that works toward: raising awareness of the programs through a statewide network of partners and by hosting SBIR/STTR workshops; educating Alabama companies on how to compete within these programs; and providing one-on-one writing assistance and proposal strategy.

The following information is provided as a resource for faculty who have or have considered start-up companies and/or are planning to work with a small business as a partner on one of these programs.

The [Small Business Innovation Research \(SBIR\)](#) program is a highly competitive program that encourages domestic small businesses to engage in Federal Research/Research and Development (R/R&D) that has the potential for commercialization. Through a competitive awards-based program, SBIR enables small businesses to explore their technological potential and provides the incentive to profit from its commercialization. By including qualified small businesses in the nation's R&D arena, high-tech innovation is stimulated and the United States gains entrepreneurial spirit as it meets its specific research and development needs.

The [Small Business Technology Transfer \(STTR\)](#) is another program that expands funding opportunities in the federal innovation research and development (R&D) arena. Central to the program is expansion of the public/private sector partnership to include the joint venture opportunities for small businesses and nonprofit research institutions. The unique feature of the STTR program is the requirement for the small business to formally collaborate with a research institution in Phase I and Phase II. STTR's most important role is to bridge the gap between performance of basic science and commercialization of resulting innovations.

The following are highlights of each of these programs:

Name	Small Business Innovation Research (SBIR)	Small Business Technology Transfer (STTR)
Small Business Concern (SBC) Eligibility	<p>Organized for profit, with place of business located in the US;</p> <p>At least 51% owned and controlled by either:</p> <p>One or more citizen(s) or permanent resident alien(s) of the US</p> <p>Another for-profit business concern that is 51% owned and controlled by 1 or more citizen(s) or permanent resident alien(s) of the US; and</p> <p>No more than 500 employees, including affiliates</p>	<p>Organized for profit, with place of business located in the US;</p> <p>At least 51% owned and controlled by 1 or more citizen(s) or permanent resident alien(s) of the US; and</p> <p>No more than 500 employees, including affiliates</p>
Principal Investigator	Principal investigator must have primary employment with the SBC (unless a waiver granted by agency)	Principal investigator does not have to be primarily employed by the SBC
Nonprofit Research Institution	Not required	<p>Required for Phase I and II</p> <p>Nonprofit Research Institute Eligibility: Located in the US</p> <p>Meet one of the following three definitions: Nonprofit college or university Domestic nonprofit research organization Federally funded R&D center</p> <p>Must establish an intellectual property agreement detailing the allocation of intellectual property rights and rights to carry out follow-on research, development or commercialization activities between SBC and Nonprofit Research Institution SBC must perform at least 40% of the R&D and the single partnering research institution to perform at least 30% of the R&D</p>

Name	Small Business Innovation Research (SBIR)	Small Business Technology Transfer (STTR)
Phase I	Establish technical merit, feasibility, and commercial potential and determine quality of performance before providing further Federal support in Phase II Usually not more than \$150,00 for 6 months	Establish technical merit, feasibility, and commercial potential and determine quality of performance before providing further Federal support in Phase II Usually not more than \$100,000 for 1 year
Phase II	Continue R/R&D efforts of Phase I; funding based on results of Phase I and the scientific and technical merit and commercial potential of project proposed in Phase II Usually not more than \$1,000,000 total costs for 2 years	Continue R/R&D efforts of Phase I; funding based on results of Phase I and the scientific and technical merit and commercial potential of project proposed in Phase II Usually not more than \$750,000 total costs for 2 years
Phase III	When appropriate, small business pursues commercialization objects SBIR does not fund Phase III	When appropriate, small business pursues commercialization objects STTR does not fund Phase III

Additional information regarding these programs can also be found at the [SBIR Gateway](#) website which provides direct links to news, agency program links and pending opportunities.