



*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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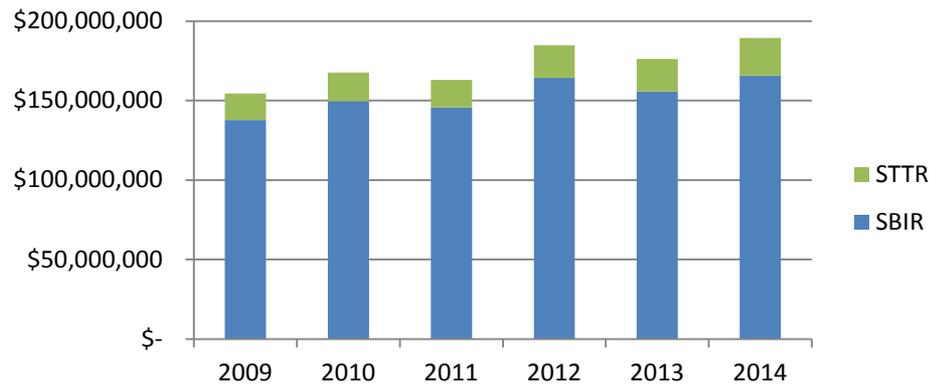
**DOE-NP SBIR/STTR Exchange Meeting
August 7, 2014**

SBIR/STTR Funding

- Allocations for SBIR & STTR programs will continue to increase through September 30, 2017 by statute

	<i>FY11</i>	<i>FY12</i>	<i>FY13</i>	<i>FY14</i>	<i>FY15</i>	<i>FY16</i>	<i>FY17</i>
SBIR	2.5%	2.6%	2.7%	2.8%	2.9%	3.0%	3.2%
STTR	0.30%	0.35%	0.35%	0.40%	0.40%	0.45%	0.45%
combined	2.80%	2.95%	3.05%	3.20%	3.30%	3.45%	3.65%

- However, DOE SBIR/STTR funding will vary with appropriation levels



Phase I Funding Opportunity Announcements

Participating DOE Programs (FY15)

Phase I Release 1

- Office of Advanced Scientific Computing Research (ASCR)
- Office of Basic Energy Sciences (BES)
- Office of Biological and Environmental Research (BES)
- Office of Nuclear Physics (NP)

Phase I Release 2

- Office of Defense Nuclear Nonproliferation (NA)
- Office of Electricity Delivery and Energy Reliability (OE)
- Office of Energy Efficiency and Renewable Energy (EERE)
- Office of Fossil Energy (FE)
- Office of Fusion Energy Sciences (FES)
- Office of High Energy Physics (HEP)
- Office of Nuclear Energy (NE)



Schedule: FY15 Phase I, Releases 1&2

Phase I FOA Schedule	Release 1	Release 2
Topics Issued	July 14, 2014	October 27, 2014
Topic Webinars	Week of July 21, 2014	Week of November 3, 2014
Funding Opportunity Announcement Issued	August 11, 2014	November 24, 2014
FOA Webinar	August 15, 2014	December 2, 2014
Letters of Intent Due	September 2, 2014	December 15, 2014
Full Applications Due	October 14, 2014	February 3, 2015
Award Notification	Early January, 2015*	Late April, 2015*
Grant Start Date	Mid February, 2015*	Early June, 2015*

**preliminary dates subject to change*



Schedule: FY15 Phase II, Releases 1&2

Phase I FOA Schedule	Release 1	Release 2
Funding Opportunity Announcement Issued	October 20, 2014	February 9, 2015
Letters of Intent Due (Supplemental Phase II only)	November 19, 2014	March 2, 2015
Full Applications Due	December 9, 2014	April 3, 2015
Award Notification	Late February, 2015*	Mid June, 2015*
Grant Start Date	Early April, 2015*	Late July, 2015*

**preliminary dates subject to change*



FY 2014 Changes

- Commercialization Plans
 - An updated commercialization will be required at the end of your Phase II award
- PAMS
 - Letter of Intent Submission
 - Award Selection Notification
 - Reviewer Comments
- Transition Rate Metrics
 - Phase I → Phase II
 - Phase II → Phase III
- 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

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

OR

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



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



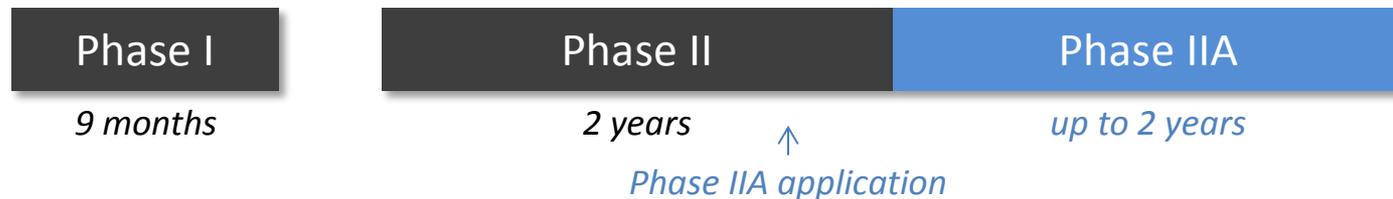
Statutory Change

- SBIR/STTR Reauthorization Act of 2012 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 DOE 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



Phase IIA

- Eligibility Criteria

- DOE program managers select which topics and subtopics that received Phase II awards (two years ago) are eligible to apply

DOE Program	Eligible Topic(s)/Subtopic(s)
Fossil Energy	22c, 23c
Nuclear Energy	58a

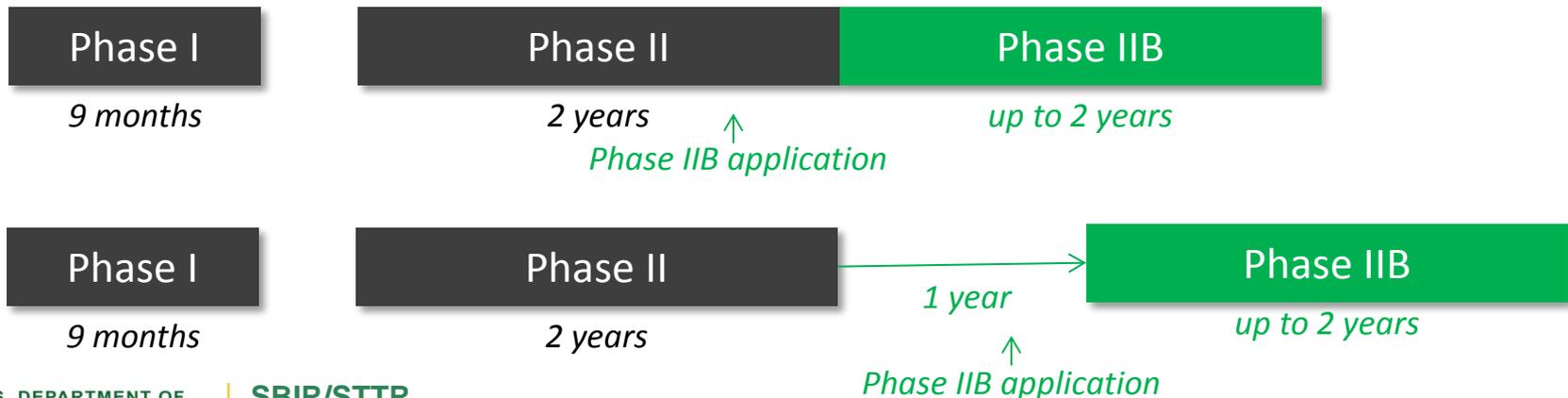
- Review Criteria

- The review criteria for Phase IIA is largely identical to that for initial Phase II with the following difference:
 - Phase IIA: Phase I & II project performance is reviewed
 - Initial Phase II: Only Phase I project performance is reviewed



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



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
Electricity Delivery & Energy Reliability		71
Energy Efficiency and Renewable Energy	1-7	1-8
Environmental Management	48	47-49
Fossil Energy	23-29	22-28
Nuclear Energy	55	58



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.



Funding for Phase IIA & IIB Awards

- Maximum Award Amount
 - \$1,000,000, up to 2 years
 - Award amounts and duration require justification



Letter of Intent Requirement

- Sequential Phase II applicants are required to submit a letter of intent through PAMS
 - This allows us to begin reviewer identification prior to application receipt
- Initial Phase II applicants are not required to submit a letter of intent



FAQ

- 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
- 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



No Fund Extensions

- Please note a company will only be eligible to receive a Sequential Phase II award if their Phase II project has completed
 - Phase IIA: The initial Phase II should be completed on schedule
 - Phase IIB: Applicants requiring a no fund extension (up to 1 year) should apply during the second application window



FY 2014 Phase II Awards

Category	Applications	Awards	Award Rate
Initial Phase II	279	118	42%
Phase IIA	9	3	33%
Phase IIB	70	21	30%



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, filled with numerous white, fluffy clouds of varying sizes and shapes. The clouds are scattered throughout the lower and middle portions of the frame, creating a sense of depth and texture. The overall scene is bright and clear, suggesting a sunny day.

Questions?