



U.S. ARMY

**SMALL BUSINESS INNOVATION
RESEARCH PROGRAM (SBIR)**

Version December 12, 2012



1. What is Army SBIR?

The Army SBIR program allows small, high-tech U.S. businesses with less than 500 employees and academia the opportunity to provide innovative research and development solutions to critical Army technology requirements. By capturing the tremendous and agile talents of the U.S. small business community, the SBIR Program benefits the Department of Defense (DoD), the private sector, our national economy, and most importantly, our Soldiers.

Congress initiated the Small Business Innovation Research (SBIR) Program in 1982 to increase small business participation in Federal Research and Development (R&D). Successful Army SBIR research efforts move through three phases:

- Phase I – Feasibility Study, which lasts up to six months and is funded for up to \$100,000 with a \$50,000 option.
- Phase II – Research and Developments, which lasts up to two years with up to \$1,000,000 in funding.
- Phase III – Commercialization, which requires funding from the private sector or non-SBIR program sources. No SBIR funds can be used in Phase III. The intention of SBIR is that each company receiving an investment of SBIR funds during Phases I and II should now be prepared to compete in the commercial marketplace in Phase III.



2. Program Assistance: What I Should Know About My SBIR Award

As part of the Army SBIR Program's commitment to small businesses, we have compiled the following list of frequently asked questions and responses to assist you with this process. A member of the Army SBIR Program Management Team will be contacting you shortly to discuss these questions and any others you may have so that you can concentrate on your research.

- Q. Do you have the name and contact information for your project Contracting Officer's Representative (COR) and Army organization Program Coordinator?
- A. Please contact the Army SBIR Program Management Team immediately if you do not have this information. Phone: (703) 399-2049. E-Mail: army.sbir@us.army.mil. Website: www.armysbir.army.mil.
- Q. Do you know how **proprietary information** is protected?
- A. If information is provided in a proposal which constitutes a trade secret, proprietary commercial or financial information, confidential personal information or data affecting the national security, it will be treated in confidence to the extent permitted by law, provided it is clearly marked in accordance with Section 5.3 of the Solicitation. (See <https://dodsbir.net/solicitation/default.htm> for detailed information)
- Q. Do you know the rules for **intellectual property rights**?
- A. Rights in technical data, including software, developed under the terms of any contract resulting from proposals submitted generally remain with the small business, except that the Government obtains a royalty-free license to use such technical data only for Government purposes during the period commencing with contract award and ending five years after completion of the project under which the data were generated. Upon expiration of the five-year restrictive license, the Government has unlimited rights in the data. During the license period, the Government may not release or disclose data to any person other than its support services contractors except:
1. For evaluation purposes;
 2. As expressly permitted by the contractor; or
 3. A use, release, or disclosure that is necessary for emergency repair or overhaul of items operated by the Government. See DFARS clause 252.227-7018, "Rights in Noncommercial Technical Data and Computer Software -- SBIR Program."



Q. Do you know the rules for **patent reporting**?

A. Small businesses normally may retain the principal worldwide patent rights to any invention developed with Government support. The Government receives a royalty-free license for its use, reserves the right to require the patent holder to license others in certain limited circumstances, and requires that anyone exclusively licensed to sell the invention in the United States must normally manufacture it domestically. To the extent authorized by 35 USC 205, the Government will not make public any information disclosing a Government-supported invention for a period of five years to allow the awardee to pursue a patent. For reporting information, visit <https://s-edison.info.nih.gov/iEdison/>.

Q. Do you know how and when to complete and submit a **Summary Report**?

A. All award winners must submit a non-proprietary summary report at the end of their Phase I project and any subsequent Phase II project. The summary report is unclassified, non-sensitive and non-proprietary and should include:

1. A summation of Phase I results
2. A description of the technology being developed
3. The anticipated DoD and/or non-DoD customer
4. The plan to transition the SBIR developed technology to the customer
5. The anticipated applications/benefits for government and/or private sector use
6. An image depicting the developed technology

The non-proprietary summary report should not exceed 700 words, and is intended for public viewing on the Army SBIR/STTR Small Business area. This summary report is in addition to the required final technical report and should require minimal work because most of this information is required in the final technical report. The summary report shall be submitted in accordance with the format and instructions posted within the Army SBIR Small Business Portal at <https://portal.armysbir.army.mil/SmallBusinessPortal/Default.aspx> and is due within 30 days of the contract end date.

Q. Do you know how and when to complete and submit a **Final Report**?

A: A final technical report is required for each project. Per DFARS clause 252.235-7011 (<http://www.acq.osd.mil/dpap/dars/dfars/html/current/252235.htm#252.235-7011>), each contractor shall (a) submit two copies of the approved scientific or technical report delivered under the contract to the Defense Technical Information Center, Attn: DTIC-O, 8725 John J. Kingman Road, Fort Belvoir, VA 22060-6218; (b) Include a completed Standard Form 298, Report Documentation Page, with each copy of the report; and (c) For submission of reports in other than paper copy, contact the Defense Technical Information Center or follow the instructions at <http://www.dtic.mil>.



Q. Do you know how and when to submit a **Phase II proposal**?

A. **Invitations are no longer required to submit a Phase II proposal commencing with Phase I projects from the DoD 2013.1 Solicitation and beyond.**

Phase II proposals can be submitted by 2013.1 Phase I awardees and beyond only within one of four submission cycles (30 calendar days starting in mid-October, early March, mid-June and early August. Specific dates for each of these periods are available at www.armysbir.army.mil); must be submitted between 5 to 17 months after the Phase I contract award date. Any proposals that are not submitted within these four submission cycles and before 5 months or after 17 months from Phase I contract award will not be evaluated.

DoD is not obligated to make any awards under Phase I, II, or III. For specifics regarding the evaluation and award of Phase I or II contracts, please read the DoD Program Solicitation very carefully. Phase II proposals will be reviewed for overall merit based upon the criteria in Section 8.0 of the solicitation.

Small businesses submitting a proposal are required to develop and submit a technology transition and commercialization plan describing feasible approaches for transitioning and/or commercializing the developed technology in their Phase II proposal. Army Phase II Cost Volumes must contain a budget for the entire 24 month Phase II period not to exceed the maximum dollar amount of \$1,000,000. During contract negotiation, the contracting officer may require a Cost Volume for a base year and an option year. These costs must be submitted using the Cost Volume format (accessible electronically on the DoD submission site), and may be presented side-by-side on a single Cost Volume Sheet. The total proposed amount should be indicated on the Proposal Cover Sheet as the Proposed Cost. Phase II projects will be evaluated after the base year prior to extending funding for the option year.

SBIR Phase II Proposals have 4 sections: Proposal Cover Sheets, Technical Volume, Cost Volume and Company Commercialization Report. The Technical Volume has a 38-page limit including, but not limited to: table of contents, pages intentionally left blank, references, letters of support, appendices, technical portions of subcontract documents [e.g., statements of work and resumes] and all attachments). However, offerors are instructed to NOT leave blank pages, duplicate the electronically generated cover pages or put information normally associated with the Technical Volume in others sections of the proposal submission as THESE WILL COUNT AGAINST THE 38 PAGE LIMIT. ONLY the electronically generated Cover Sheets, Cost Volume and Company Commercialization Report (CCR) are excluded from the 38-page limit. As instructed in Section 5.4e of the DoD Program Solicitation, the CCR is generated by the submission website, based on information provided by you through the “Company Commercialization Report” tool. Army Phase II proposals submitted over 38-pages will be deemed NON-COMPLIANT and will not be evaluated.



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- Q. Do you know what a **Company Commercialization Report (CCR)** is and how to submit one?
- A. The Company Commercialization Report (CCR) is submitted online in accordance with Section 5.4e of the solicitation. The CCR is the fourth section of a complete proposal package. The Company Commercialization Report is prepared through the DoD Electronic Submission Web site (www.dodsbir.net/submission). A Company Commercialization Report is required even if the proposing firm has not previously received SBIR or STTR awards. Follow the instructions on the web site and enter the quantitative commercialization results of your firm's prior Phase II projects. Include the items listed below as well as other information relative to your firm's commercialization track record.
- a. Sales revenue from new products and non-R&D services resulting from Phase II technology;
 - b. Additional investment from sources other than the federal SBIR/STTR Program in activities that further the development and/or commercialization of Phase II technology;
 - c. Whether the Phase II technology has been used in a fielded DoD system or acquisition program and, if so, which system or program;
 - d. The number of patents resulting from the contractor's participation in the SBIR/STTR Program;
 - e. Growth in number of firm employees; and
 - f. Whether the firm has completed an initial public offering of stock (IPO) resulting, in part, from a Phase II project.

All prior DoD and non-DoD Phase II projects must be reported, regardless of whether the project has any commercialization to date.

The Web site will compare these results to the historical averages for the DoD SBIR Program to calculate a Commercialization Achievement Index (CAI) value. Only firms with four or more Phase II projects that were awarded at least two years prior to this solicitation will receive a CAI score; otherwise the CAI is not applicable (see the Company Commercialization Report section of the DoD Submission Web site for more details). Firms with a CAI at the 20th percentile or below will be rated no higher than "Marginal" for this factor. This report shall only be prepared once and submitted with all your proposals for this solicitation. A report showing that a firm has received no prior Phase II awards will not affect the firm's ability to obtain an SBIR award.

Additional explanatory material relating to the firm's record of commercializing its prior SBIR or STTR projects may be included in the Commercialization Track Record Narrative section of the Company Commercialization Report. Examples of the additional information

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include: commercialization successes in government or private sector markets that are not fully captured in the quantitative results (e.g. commercialization resulting from your firm's prior Phase I projects); any mitigating factors that could account for low commercialization; and recent changes in the firm's organization or personnel designed to increase the firm's commercialization success.

Q. Do you know what **Phase III** is?

A. SBIR Phase III refers to work that derives from, extends, or logically concludes effort(s) performed under prior SBIR funding agreements, but is funded by sources other than the SBIR Program. Phase III work is typically oriented towards commercialization of SBIR research or technology. A Federal agency may enter into a Phase III SBIR agreement at any time with a Phase II awardee.

Similarly, a Federal agency may enter into a Phase III SBIR agreement at any time with a Phase I awardee. SBIR Phase III awards may be made without further competition. The competition for SBIR Phase I and Phase II awards satisfies any competition requirement when processing Phase III awards. Therefore, an agency is not required to conduct another competition in order to satisfy any statutory provisions for competition. Additional information can be found at

http://www.acq.osd.mil/osbp/sbir/sb/resources/deskreference/13_phas3.shtml.

Q. Do you have any **further questions** or need additional information?

A. Please contact the Army SBIR Program Management Team at any time with questions or concerns. Phone: (703) 399-2049. E-Mail: army.sbir@us.army.mil.

3. Army SBIR Technical Assistance

In accordance with section 9(q) of the Small Business Act (15 U.S.C. 638(q)), the Army provides technical assistance services to small businesses engaged in SBIR projects through a network of scientists and engineers engaged in a wide range of technologies. The objective of this effort is to increase Army SBIR technology transition and commercialization success thereby accelerating the fielding of capabilities to Soldiers and to benefit the nation through stimulated technological innovation, improved manufacturing capability, and increased competition, productivity, and economic growth.



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The Army has stationed Technical Assistance Advocates (TAAs) across the Army to provide technical assistance to small businesses that have Phase I and Phase II projects with the participating organizations within their regions.

Each TAA will provide:

1. Expert advice and analysis to Phase I SBIR projects selected annually for the purpose of assisting in: a) making better technical decisions concerning such projects; b) solving technical problems which arise during the conduct of such projects; c) minimizing technical risks associated with such projects; and d) developing and commercializing new commercial products and processes resulting from such projects.
2. Expert advice and analysis to the Government regarding technology transition planning and development of technology integration roadmaps through participation in PEO requirements development, technology assessment, and technology transition planning and management activities, specifically to facilitate the provision of relevant and timely technical advice to supported small business concerns regarding integration of SBIR derived technologies into DoD programs.
3. In coordination with the Government research manager, SBIR awardee, and any potential stakeholders, Phase III plans for Phase I projects selected for Phase II award. The Phase III plan must document the strategy, requirements, and resources to transition the SBIR project to Phase III and from research into an acquisition program, larger science & technology effort, or stand-alone product or service. The Phase III plan shall include, at a minimum: a) the target program(s), manager(s), or commercial customer(s); b) program technology need(s); c) integration strategy; d) description of technology/product or capability to be delivered; e) current status of technology/product; f) technology development strategy; g) risks to include mitigations and contingencies; h) milestones (key technical measures of readiness) for transition; i) resource requirements and potential sources; and j) methods for furthering promising technologies through additional research & development, testing and evaluation.

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Technical Assistance Advocates

Region and Participating SBIR Organizations	TAA Name	Email	Phone
National Capital Region <ul style="list-style-type: none">• Army Test and Evaluation Command (ATEC)• Engineer Research and Development Center (ERDC)	John Ruehe (Team Lead)	john.ruehe@us.army.mil	703-399-2041
Biotechnology <ul style="list-style-type: none">• Medical Research and Materiel Command (MRMC)• Edgewood Chemical Biological Center	Colleen Gibney	colleen.n.gibney.ctr@us.army.mil	301-619-3719
Aviation and Missile <ul style="list-style-type: none">• Aviation and Missile Research Development and Engineering Center (AMRDEC)• Army Space and Missile Defense Command (SMDC)• Simulation and Training Technology Center (STTC)• PEO Simulation, Training and Instrumentation (STRI)• PEO Aviation• PEO Missiles and Space	Chris Willisson	chris.willisson@us.army.mil	256- 876-4123
Armaments and Soldier Systems <ul style="list-style-type: none">• Armaments Research Development and Engineering Center (ARDEC)• Natick Soldier Research Development and Engineering Center (NSRDEC)• Army Research Laboratory (ARL) and Army Research Office (ARO)• PEO Ammunition (AMMO)• PEO Soldier	Jyothi Krishnan, PhD.	jyothi.krishnan@us.army.mil	973-724-9669



4. Transition Initiatives

Along with Technical Assistance, the Army SBIR program offers two other forms of transition assistance:

Phase II Enhancements:

Army SBIR Phase II Enhancement provides Phase II SBIR funding to firms that require additional funding during their open Phase II contract. Instances where more funding may be required on a Phase II should initially be identified by the project's Contracting Officer's Representative (COR). The COR, in conjunction with the Technical Assistance Advocate (TAA) and the organization's SBIR Program Coordinator (PC) will compile the documentation needed for PM, SBIR to make a determination. Documentation should be forwarded to PM, Army SBIR no later than 6 months prior to the end of the Phase II period of performance. Businesses that graduate from the SBIR small business definition or are acquired by a larger business that would not qualify during their Phase II contract will not be considered for Phase II Enhancement funding. Generally SBIR Phase II Enhancement funding will not exceed \$500,000 per request and funding is subject to availability and a deliberate approval process. Small Businesses interested in Phase II Enhancements should contact their Contracting Officer Representative.

Phase II Enhancement documentation consists of the following:

- a. A memorandum from the participating organization's Technical Director, PEO, or his/her designated representative to PM, Army SBIR providing a compelling reason for the additional funding.
- b. A concise statement of work (SOW) for the additional effort to be executed with the SBIR Phase II Enhancement funds. The SOW should contain adequate detail to be included in any contract modification actions.
- c. A detailed cost proposal for the Phase II enhancement. Matching funds are not required, but if available, include amount and source in the cost estimate. Note that matching funds represent a commitment on the part of the transition partner and weigh favorably toward approval.
- d. Note that any resources provided for Phase II enhancement will only be used for continuation of the Phase II effort. These funds are intended to support transition of the SBIR technology by means of enhancing capability, providing additional prototypes, addressing additional proof of concept, or similar areas of technology demonstration. They are not designed to supplement system development efforts, nor are they intended to provide capital equipment to develop a production capability of the SBIR technology.



- e. Letters of interest or supporting documents should be provided from potential customers of the SBIR developed technology. Ideally, this would include a Technology Transition Agreement or a similar document that details how the SBIR technology will be used by the accepting organization.

SBIR Phase II Enhancement selection decisions will be made by the PM, Army SBIR as soon as possible after receipt of the SBIR Phase II Enhancement package. Once approved and money is distributed, all awards are subject to the successful completion of negotiations, and the availability of SBIR funding.

Commercialization Readiness Program (CRP):

The objective of the CRP effort is to increase Army SBIR technology transition and commercialization success and accelerate the fielding of capabilities to Soldiers. The CRP: 1) assesses and identifies SBIR projects and companies with high transition potential that meet high priority requirements; 2) matches SBIR companies to customers and facilitates collaboration; 3) facilitates detailed technology transition plans and agreements; 4) makes recommendations for additional funding for select SBIR projects that meet the criteria identified above; and 5) tracks metrics and measures results for the SBIR projects within the CRP.

Based on its assessment of the SBIR project's potential for transition as described above, the Army utilizes a CRP investment fund of SBIR dollars targeted to enhance ongoing Phase II activities with expanded research, development, test and evaluation to accelerate transition and commercialization. The CRP investment fund must be expended according to all applicable SBIR policy on existing Phase II contracts. The size and timing of these enhancements is dictated by the specific research requirements, availability of matching funds, proposed transition strategies, and individual contracting arrangements.

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5. Success Story

The Army is very proud of the success of the SBIR program. As our Nation's largest source of early stage technology financing, this billion-dollar program enables hundreds of small businesses to move ideas from drawing boards to the marketplace. Through SBIR, we now know that the best ideas do not necessarily come from the labs of large corporations or even our government labs. Most often, innovative technologies are invented by creative individuals at small, entrepreneurial companies.

Below is an example of a SBIR "Success Story", for additional information, please visit: <https://www.armysbir.army.mil/Commercialization/Default.aspx>



Communications-Electronics
Research, Development and
Engineering Center

Digital Media Exploitation Device

I.D.E.A.L. Technology Corporation
Orlando, FL
www.idealcorp.com
info@idealcorp.com

Soldiers and investigators are facing a growing challenge as an increasing number of digital devices and media are being seized during operations and there is limited time to process and analyze this digital evidence to determine relevance. Computers and other devices have become the backbone of both conventional and unconventional forces, including data on operations, logistics, finances, and intent. Currently, the information contained on a captured computer is normally extracted and analyzed in a removed digital forensics laboratory. While this meets strategic intelligence requirements, it does not provide timely and useful information to the tactical force. In response to this requirement, I.D.E.A.L. Technology Corporation developed a cutting-edge, digital forensics product for counter-terrorism, intelligence gathering, and criminal investigations called the System for TRIaging Key Evidence (STRIKE™).

STRIKE™ is a rugged, portable, and easy-to-use digital media exploitation tool designed to determine if electronic data contains information critical to the success of an operation. This "triage" tool enables operators to flag the computers that must be prioritized immediately for detailed analysis in a full-fledged digital forensics laboratory or strategic analysis center. By providing a means to quickly extract data and analyze information in real time, the STRIKE™ supports a wide range of tactical operations against a variety of file systems, file formats and storage media. STRIKE™ is the only tactical evidence capture and triage device of its kind – designed for speed and simplicity, providing intelligence that can be acted upon within minutes.

Phase III Impacts:

I.D.E.A.L. Technology has received over \$2M in additional non-SBIR research and development funding from DoD adapt the STRIKE for specific military contingency operations. As of January 2008, 214 STRIKE kits have been delivered to various government organizations resulting in sales of over \$2.25M.





6. Websites

www.armysbir.army.mil: The Army SBIR website is where you can find information regarding submitting topics, proposals, solicitations and dates, small business portal, transition initiatives, TAA program, contact information, outreach events and more.

www.acq.osd.mil/osbp/sbir/index.shtml: Department of Defense SBIR website for viewing solicitations and submitting proposals.

Contact Information:

Program Management Office, Army SBIR
US Army Research, Development and
Engineering Command (RDECOM)
ATTN: AMSRD-PEB
3071 Aberdeen Blvd.
Aberdeen Proving Ground, MD 21005-5201
Phone: (703) 399-2049; E-Mail: army.sbir@us.army.mil

For a full list of contacts in the Army SBIR Program Management office and participating organizations, please visit: <https://www.armysbir.army.mil/sbir/POC.aspx>