Navy SBIR/STTR Programs

Richard McNamara
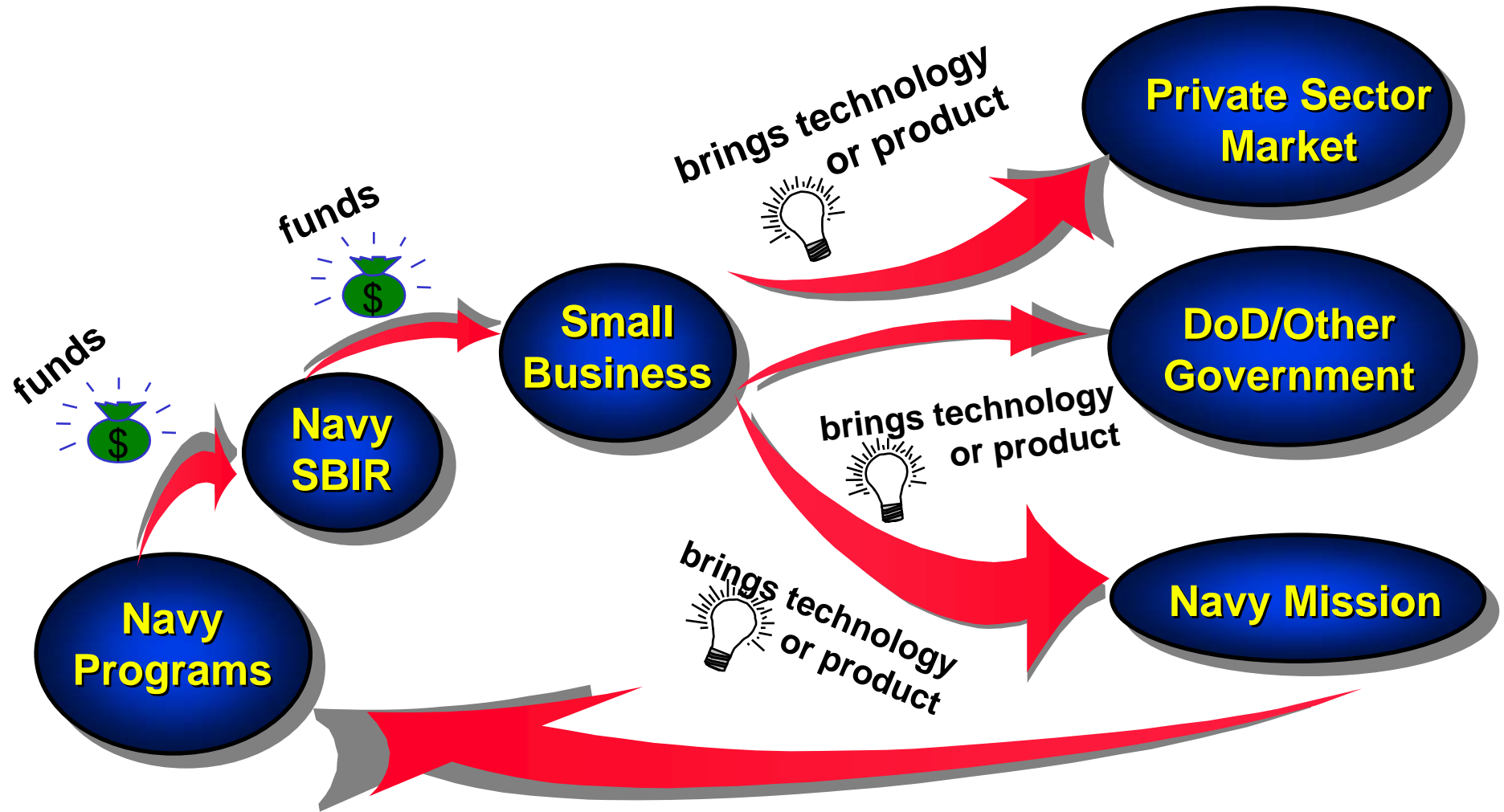## *PEO-SUB Executive Director*

www.navysbir.com

Navy SBIR Program Goals

- **Use small business to develop innovative R&D that address Navy needs**

- **Implement that technology into a Navy Weapon System**

Leveraging Investment in Small Business

funds

funds

Navy SBIR

Small Business

brings technology or product

Private Sector Market

Navy Programs

brings technology or product

DoD/Other Government

brings technology or product

Navy Mission

Navy Needs Are Diverse

Navy SBIR Program Description

- **Mission oriented R&D program**
  - Over 80% of Naval topics address a specific need from a PEO/PM/FNC office (i.e. military application)

- **Aligned with Acquisition Programs**
  - Acquisition offices select topics and awardees based on their R&D priorities and SBIR funding allocation

- **Provides small business an opportunity to meet Naval needs and requirements**
  - Navy topics are found in every SBIR/STTR solicitation

- **Provides transition assistance support**
  - Transition Assistance Program (TAP)

- **Decentralized management**
  - Need to be aware of various specific guidelines

Transition Assistance Program (TAP)

- **All Phase II companies attend orientation**
- **Optional contractor service provided by Navy**
- **Business strategy development training**
- **Defense transition plan development training**
- **Course includes development of business plans, protection of intellectual property, license agreements, partnering, venture capital, etc**
- **10 month program ends with companies briefing Naval PM's, Industry and VC's communities at 3 day forum**

Funding and Program Managers

Program administration: John Williams, Director NAVY SBIR

FY 2006: NAVY SBIR ….$288M

NAVY STTR......$35M

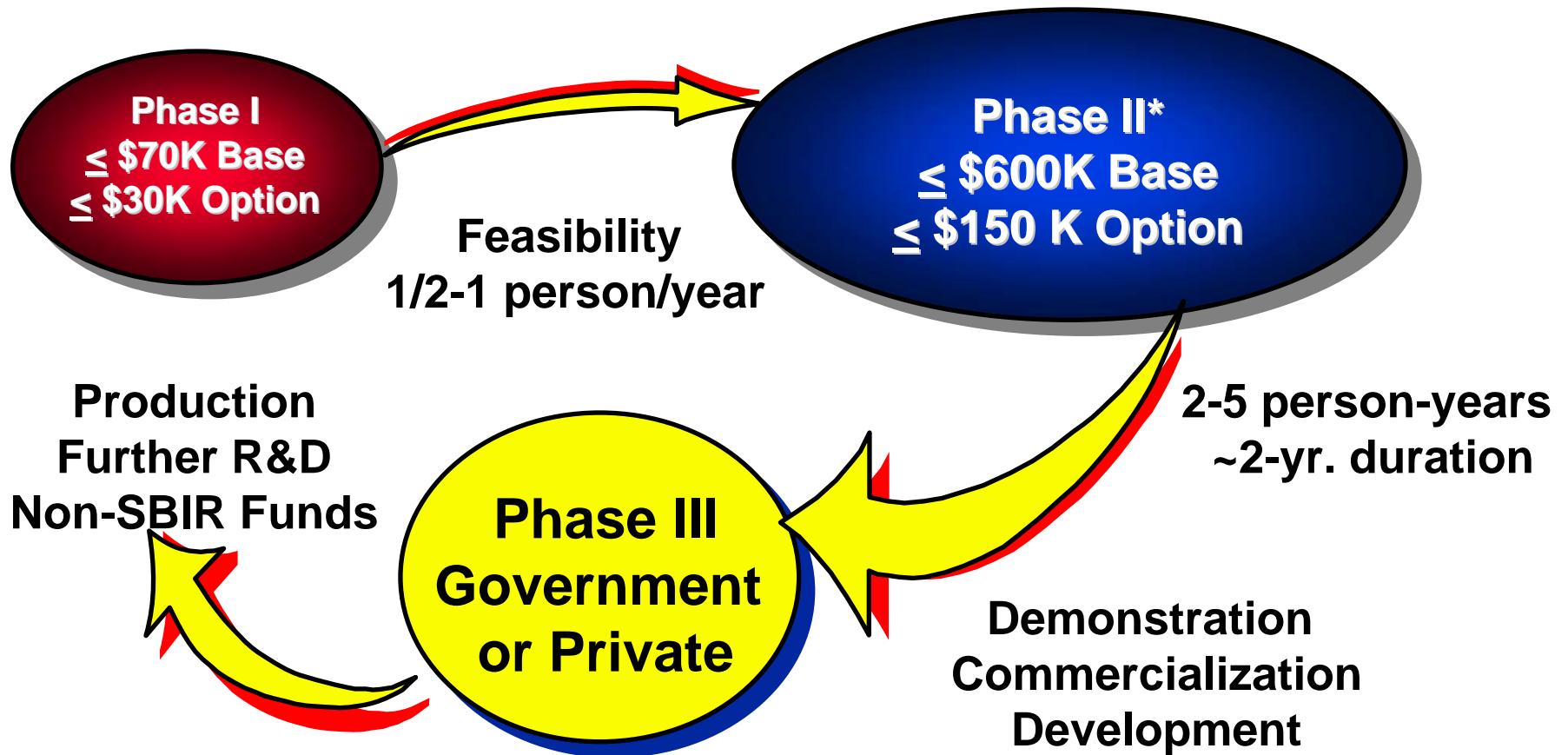**Program execution*:**

NAVY SBIR FY 2005 ($253) Funding Breakout:

NAVAIR…...$108M   Janet McGovern

NAVSEA......$59M   Janet Jaensch

ONR………..$46M   Cathy Nodgaard

MARCOR… $12M   Paul Lambert

SPAWAR ….$15M   Linda Whittington

NSMA..........…$8M   Leslie Ferguson

NAVSUP, SSPO, NAVFAC …~$5M

STTR…..$30M   Dottie Vincent

*each SYSOM has different guidelines for phase II

Program Phases

Phase I
≤ $70K Base
≤ $30K Option

**Feasibility
1/2-1 person/year**

Phase II*
≤ $600K Base
≤ $150 K Option

**Production
Further R&D
Non-SBIR Funds**

**Phase III
Government
or Private**

**2-5 person-years
~2-yr. duration**

**Demonstration
Commercialization
Development**

*varies by component

Navy SBIR Program Statistics

- **Statistics for the SBIR programs:**

	# of Topic	$M	# of proposals	# of Phase I	# of Phase II
2001	192	129	1,798	241	136
2002	207	158	3,072	573	170
2003	222	205	3,088	510	122
2004	266	219	3,667	585	239
2005	163	253	2,746	*500	tbd

- **Statistics for STTR programs:**

	# of Topic	$M	# of proposals	# of Phase I	# of Phase II
2001	10	7.7	100	19	7
2002	19	9.5	158	42	16
2003	26	12.4	314	69	20
2004	34	25	404	91	27
2005	33	30	467	96	*35

* estimated

Small Business Participation
SBIR Proposals/Awards

Colorado Navy Phase I Proposals/Awards

05.1 = 41 proposals/6 awards

05.2 = 16 proposals/3 awards

05.3 = 17 proposals/2 awards

FY05 DOD SBIR AWARDS for Colorado

Ph I	Award	Amount	Ph II	Amount	Total SBIR for CO
646	99	$9,217,670	57	$41,846,815	$51,064,485

What Are The Odds

- **Average 12 proposals per topic**

- **2 phase I awards per topic**

- **40% of Phase I proposals go to Phase II**

What Does TAP do for the Small Business?

- **Develops a business strategy for the technology transition**

- **Provides assistance (Dawnbreaker portfolio manager) to help coach/nag you along the process**

- **Provides a venue, Opportunity Forum, for contacts with key decision makers from Prime Contractors, PEO's, Private Industry and Investment Community**

- **Provides tools to continue the transition path after graduation from TAP**
  - **Business plan**
  - **Elevator presentation**
  - **Company capability brochure**

What you need to know!

- **What is the target for your technology?**

- **Who is responsible for buying that target?**

- **Who is responsible for building that target?**

- **Who is responsible for maintaining that target?**

- **When can the target accept your technology?**

- **Where is the money to buy your technology?**

- **Why is your technology important to the target?**

What you need to know!

- **Will your technology meet the target's requirements?**

- **What is the cost technology?**

- **Who will manufacture your technology?**

- **What is the TRL of your technology?**

- **Has your technology been tested, evaluated, accepted?**

- **Who/what is your competition?**

Phase III Comparison
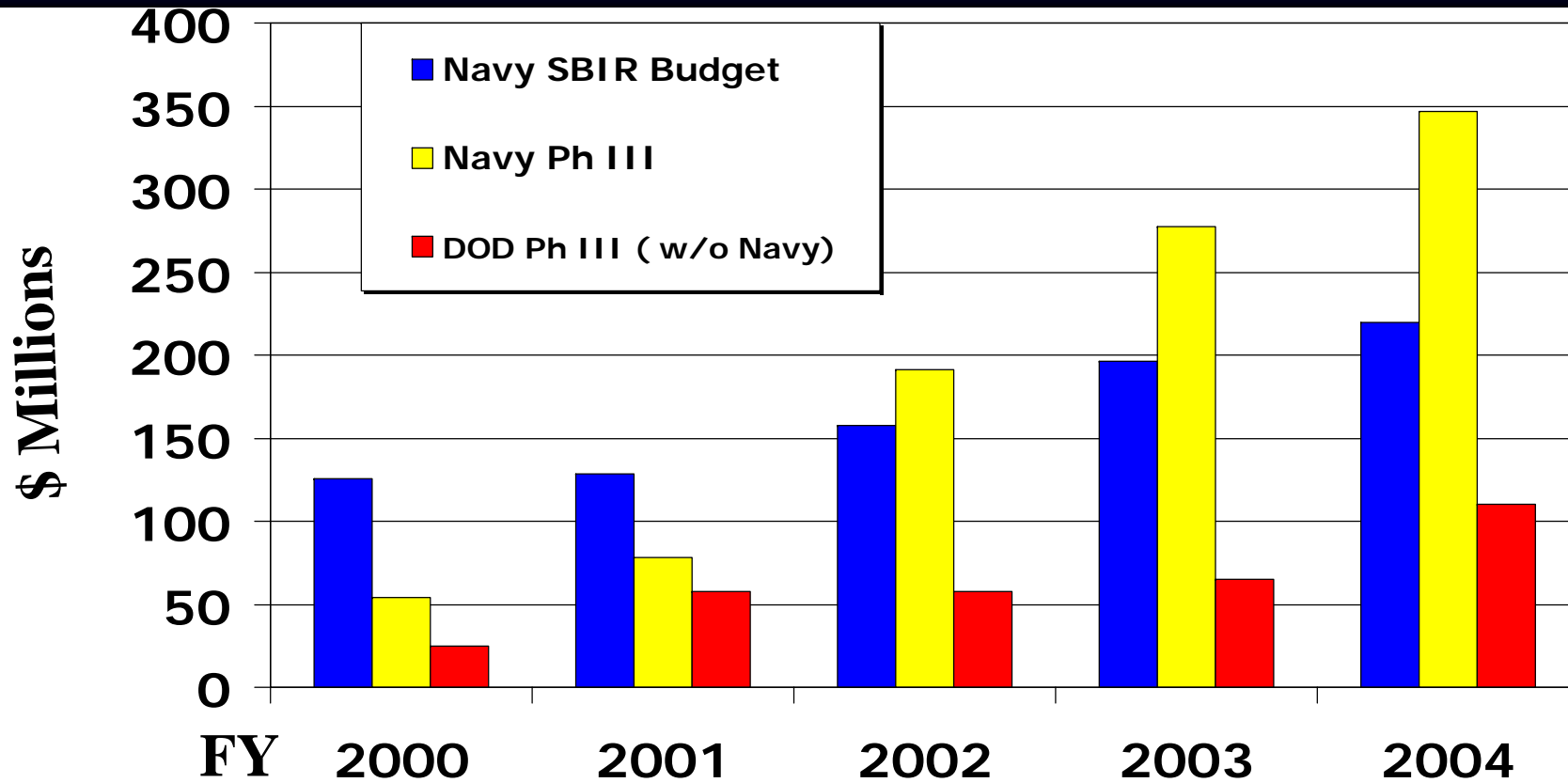
• Phase III data from DD 350 forms

• FY04 DOD Phase III funding was $456 M, Navy was $346 (76%) which came from 114 separate contracts to 81 individual firms

Navy SBIR/STTR Bulletin Board

Get the most updated information on the Navy program
http://www.navysbir.com

Success Story Publication
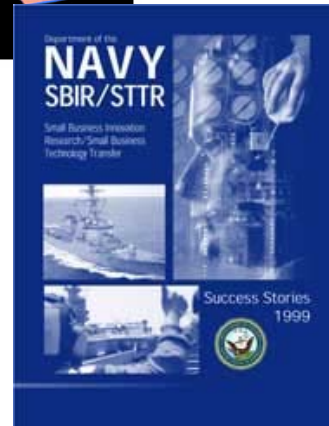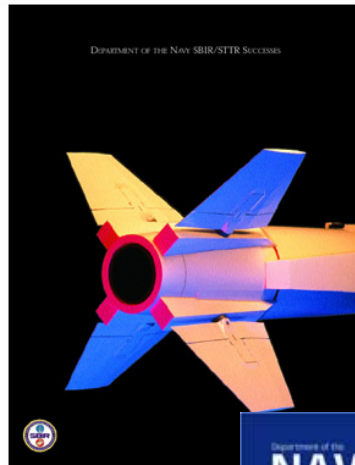
- **success story books highlighting SBIR and STTR companies that have transitioned technology**
  - **copies disseminated to Congressional leaders, PEO/PM's, Large Primes, and Small Businesses**

Brochures, POC Cards and Website Information