

FACT SHEET

Small Business Innovation Research (SBIR) Phase I and II

The Small Business Innovation Research Program (SBIR) was developed to foster and transform scientific research into products and services that benefit society. SBIR consists of two phases that are federally funded, and then a third phase that does not involve SBIR funds but is meant to build on the Phase I and II work towards commercialization of the product or service. This program spans across ten topic areas that cover multiple disciplines. The goals of SBIR are to support innovation in the private sector; strengthen research and development that has stemmed from the priorities of the federal government; support the commercialization of products that have been effectively researched; and lastly, to encourage business owners that are socially and/or economically disadvantaged and women-owned small businesses.

IMPORTANT FACTS

- SBIR is Congressionally mandated and authorization comes from the FY 2017 National Defense Authorization Act and SBIR Business Act.
- NIFA expects to fund approximately 15% of Phase I applications within each of the 10 topic areas for 2021.
- For Phase II, NIFA expects to fund approximately 45% of the applications within each of the 10 topic areas in 2021.

APPLICANT ELIGIBILITY for SBIR Phase I

- Each applicant must qualify as a Small Business Concern (SBC) through registration with the Small Business Association (SBA).
- An SBIR awardee, combined with its affiliates, must not have more than 500 employees.
- The research and development for Phase I applications must be performed in the United States.
- Phase I applications cannot exceed \$175,000, or \$181,500 with Technical and Business Assistance (TABAs).
- The project duration is 8-months; however, a no-cost extension of up to an additional 12 months is available.
- Requested Grant Types: Standard grants only. New and Resubmitted applications are accepted for Phase I.
- All proposed research should have some potential commercial outcome.

APPLICANT ELIGIBILITY for SBIR Phase II

- Only new applications are accepted for Phase II and these projects must be previously awarded by Phase I.
- A Phase I award can only apply for Phase II funding one time.
- An SBIR awardee, combined with its affiliates must not have more than 500 employees.
- The research and development for Phase II applications must be performed in the United States.
- Phase II applications cannot exceed \$600,000, or \$650,000 including TABAs.
- The project duration is 24-months; however, a no-cost extension of up to an additional 12-months is available.

PROGRAM AREA PURPOSE AND PRIORITIES

1. Involves a high degree of technical risk, for example, has never been attempted, successfully achieved, and/or is still facing technical hurdles.
2. Has the potential for significant commercial impact and/or societal benefit, as evidenced by: having the potential to disrupt the targeted market segment; having good product market fit (as validated by customers); removing barriers to entry for competition; offering potential for societal benefit (through commercialization under a sustainable business model).

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3. The Phase I application should concentrate on research that will significantly contribute to providing the scientific or technical feasibility of the approach or concept, describes the potential market for the innovation, and will be a prerequisite to further USDA SBIR support in Phase II.

- The aim of Phase II applications is to continue the research and development established under Phase I with a goal to commercialize and bring the innovation to market as the Phase II project completes.
- Phase II will require a more comprehensive application, outlining the proposed effort in detail and the commercialization strategy for the effort.

PROGRAM AREA TOPICS

- 8.1 Forests and Related Resource
- 8.2 Plant Production and Protection (Biology)
- 8.3 Animal Production and Protection
- 8.4 Conservation of Natural Resources
- 8.5 Food Science and Nutrition
- 8.6 Rural and Community Development
- 8.7 Aquaculture
- 8.8 Biofuels and Biobased Products
- 8.12 Small and Mid-Size Farms
- 8.13 Plant Production and Protection (Engineering)

PROGRAM AREA PRIORITY CONTACT

NIFA Support Staff: SBIR@usda.gov

Refer to the RFA for the specific contact for each topic area.

OTHER INFORMATION

Link to the 2022 SBIR Phase I RFA:

<https://nifa.usda.gov/sites/default/files/rfa/FY22-SBIR-Phase1-Mod-Version-2-RFA%20508.pdf>

Link to the 2022 SBIR Phase II RFA:

<https://nifa.usda.gov/phase-i-phase-ii-solicitations>

For more information on SBIR please visit [SBIR.gov](https://www.sbir.gov).

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