

BURNS & LEVINSON LLP

Using Government Resources for Funding and Technical Assistance

Jacob (Jesse) N. Erlich

Partner, Burns & Levinson LLP

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Boston Entrepreneur's Network

Sources of Technology

- Government
- Universities
- Industry



U.S. Federal Laboratory System

- Employs over 200,000 engineers and scientists
- Utilizes newest and most sophisticated technical equipment
- Funding in excess of 40 billion dollars

U.S. Federal Laboratory System (cont'd)

- Small Business Innovation Research (SBIR) Program
- Small Business Technology Transfer (STTR) Program
- Licensing
- Federal Technology Transfer Program
- Cooperative research and development agreements
 - Authority to enter CRDAs
 - Public law no. 99-502 (Federal Technology Transfer Act)
 - 15 USC 3710a
 - Agency Implementing Instructions

Types of Licenses

- Exclusive
- Partially exclusive
- Non-exclusive
 - Note: Government makes license subject to the irrevocable royalty-free right of government to practice, for governmental purposes, or have practiced, for governmental purposes, the licensed invention.

SBIR / STTR Programs

- 1982- Government committed \$36 million in funds
- Present- Government committed over \$1 billion in funds
 - DoD over \$500 million
 - Other Agencies/Departments
 - Agriculture
 - Commerce
 - Education
 - Energy
 - Health & Human Services (NIH)
 - Transportation
 - EPA
 - NASA
 - Nuclear Regulatory Agency

What are the Programs?

- SBIR (Small Business Innovation Research) Program
 - Involves Small Technical Companies (under 500 employees)
- STTR (Small Business Technology Transfer) Program
 - Involves Small Technical Companies under 500 employees (40%) collaborating with non-profit research institutions, contractor –operated federally funded research and development centers, or universities (30%).

Program Structure

- Phase I
 - Establish technical merit and feasibility
 - Allows government to evaluate performance before commitment of additional funds
 - SBIR- 6 months/\$100,000
 - STTR- 1 year/\$100,000
- Phase II
 - Continues R&D efforts from Phase I and begins evaluation of commercial potential
 - Only Phase I awardees eligible
 - SBIR- 2 years/\$750,000 (can be up to \$3 or \$4 million)
 - STTR- 2 years/\$500,000
- Phase III
 - Commercialization of Phase I/Phase II possible results Sole Source Procurement

Federal Technology Transfer Act of 1986

- Government may:
- R&D Agreements
 - Accept funds, personnel, services, and property from collaborating parties
 - Supply any of these, except funds, to collaborating parties
 - Grant (or agree to grant in advance) patent licenses, assignments or options for inventions of lab employees
 - Waive right of ownership to inventions made with collaborators
 - Ensure collaborator retains title to inventions made solely by collaborator
 - Reserve right to paid up Government license