SBIR Grants and Non-Dilutive Funding to Bootstrap your Startup Company

Perspective from a Proposal Writer and Principal Investigator

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Boston Entrepreneurs Network
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EVERSON BIO

• Founded consulting practice in 2011 for Small Business Innovation Research (SBIR) program

  *Mission: to be the catalyst between your laboratory and the marketplace*


• Previous Positions:
  – Director of Business Development at QinetiQ North America, Waltham, MA
  – Senior Engineer, Foster-Miller, Inc., Waltham, MA

• Won SBIR Tibbetts Award
• Earned PhD, Physics, Boston College
SBIR Program Overview

SBIR Program Goals:*  
• Stimulate technological innovation  
• Meet Federal research and development needs  
• Foster and encourage participation in innovation and entrepreneurship by women and socially or economically disadvantaged persons  
• Increase private-sector commercialization of innovations derived from Federal research and development funding

* www.sbir.gov
SBIR Program Overview, continued

• There are 11 Government agencies that participate in the SBIR program
• SBIR funding is distributed over 3 phases:
  – Phase I: initial proof on concept; 6 months, $150K
  – Phase II: extension of Phase I work leading to engineering prototype; up to 2 years, up to $1M
  Phase III: commercialization; non SBIR funds, few $M
• Intended for small businesses < 500 employees
• SBIR solicitations listed on SBIR Gateway (www.zynsys.com)
• Check with www.SBIR.gov for complete information
Before Writing that SBIR Proposal: a Reality Check

• What is your innovation (hardware, software, process)?
• What problem does it solve?
• What is the demand for it? (Intense, or “nice to have, but…”)
• Is it disruptive or simply evolutionary?
• Why is your company superior to your competition?
Reality Check, continued

• Who are your potential customers (military, civilian)?
• Do they have funding?
• What is your preliminary data: breadboard, computer simulation?
• What is your preliminary business plan? Staffing needs?
• Do you have a timeline with milestones and required funding estimates?
Reality Check, continued

SBIR proposal submission dates
- Department of Defense: Feb., June, Sept.
- National Science Foundation timeline:

- There is a 6 month lag from submission until award for NSF. Similar for the DOD. Can you wait that long?
- Chance of winning SBIR Phase I: 15%; Phase II: 40%
Hints on Getting Started

• Read solicitations carefully!
• Understand agency mission and how development of your innovation would support that mission.
• Does your innovation fit a specific need of the DOD (i.e., a contract) or broader areas defined by the National Science Foundation (i.e., a grant)?
• Memorize proposal writing rules (e.g., page count)!
• Register your company: DUNS, SAM (System for Award Management), SBC (Small Business Concern).
• Allow 2-3 weeks for registration.
Proposal Writing Hints

• Expect to spend 120-150 hours on a Phase I proposal.
• “Grab” the proposal reviewer during the first few opening sentences. Otherwise forget it!
• Illustrate your innovation early in the proposal to create credibility.
• User fewer pages than allowed if possible. Some poor soul has to read your “epistle”
Want Assistance?

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Back Up Slides
Your Facilities and Equipment

• Your backyard garage
• Incubator facilities:
  – North Shore Innoventures (www.nsiv.org)
  – Greentown Labs (www.greentownlabs.com)
  – Cambridge Innovation Center (www.cictr.com)
SBIR Award Databases

Was the current SBIR topic of interest done previously in some form?  
Check:  
• SBIR.gov  
• SBIRSource  
• Inknowvation.com