

Venture Capital and America's Seed Fund

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www.sbir.gov



U.S. Small Business
Administration

The Small Business Innovation Research and Small Business Technology Transfer (SBIR/STTR) programs have seeded innovation since 1982.



4,000

Average number of
companies funded per year



\$4.7 billion

Total funds
invested in FY23



0%

Equity or IP ownership taken
by the government

11

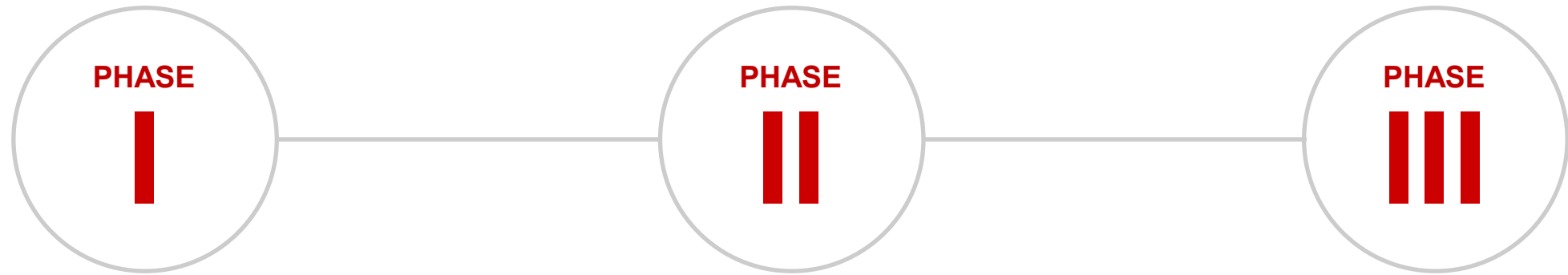
Federal R&D Funding
Agencies

3

Phases

How it works.

Participation with America's Seed Fund is based on a three-phased process:



Proof-of-Concept

6–12 months
\$50,000–\$315,000

Technology Development

24 months
\$750,000–\$2.1 million

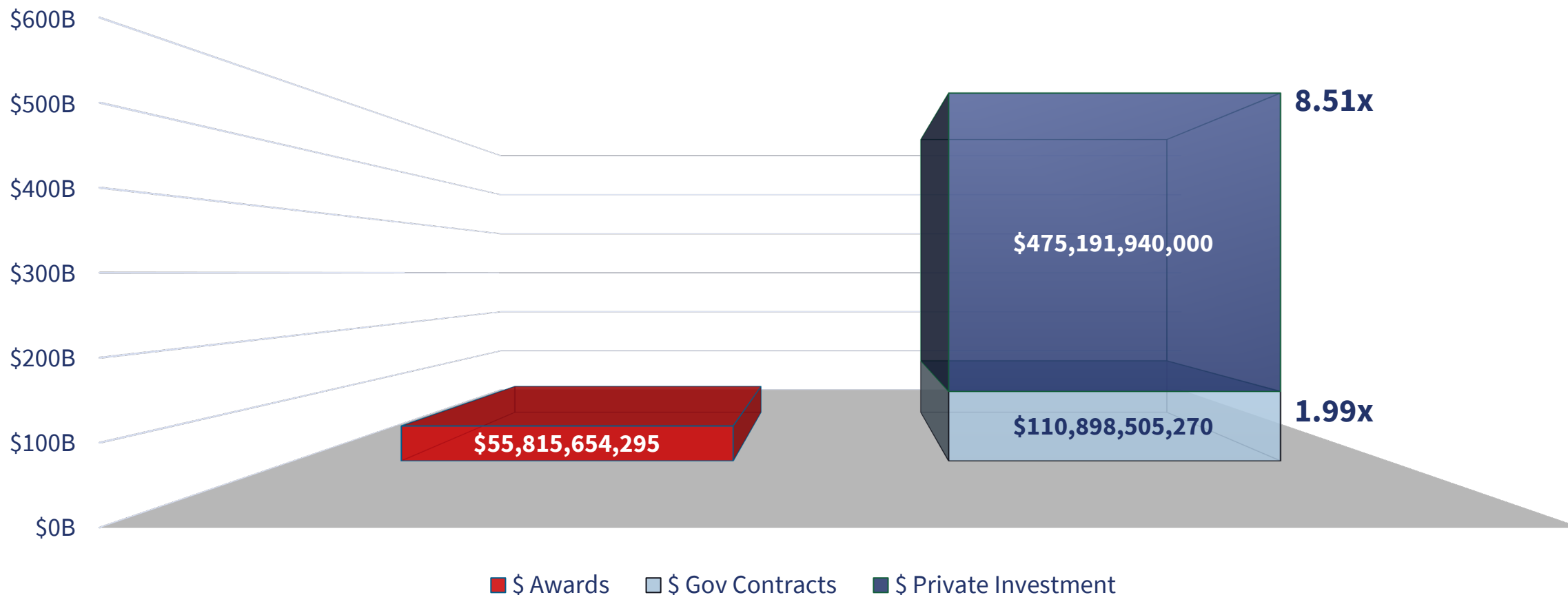
Commercialization

Unlocks sole source access
to the \$665 billion federal
contracting marketplace

**SBIR/STTR funding reserved
only for small businesses**

Investing in American innovation gets returns.

Federal Agencies: SBIR/STTR Return on Investment (2015-2025)



\$ Awards - SBIR.gov, \$ Gov Contracts - FPDS-NG (Designated Phase III's for company),
\$ Private Investment - Pitchbook (Total Raised for company)



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[The SBA Role in America's Seed Fund

Oversight and guidance on SBIR/STTR programs

- Survey and monitor agencies and report to Congress annually
- Develop and provide policy and program guidance
- Responsible for all data to include gathering, analysis and reporting, and manage SBIR.gov data platform

Lead Federal-wide outreach, training, and building of the support ecosystem

- Increase participation in SBIR/STTR programs, done through extensive outreach and training to both private/public support network and tech entrepreneur
- Manage FAST (Federal And State Technology) Partnerships Program, Regional Innovation Clusters, and Growth Accelerator Fund Competition
- Build a strong network to include SBA Field Offices, R&D agencies, state economic development offices, universities, and resource partners

SBIR/STTR Program Eligibility: Reference Documents

- SBIR/STTR Policy Directive
- Size and Eligibility Requirements for the SBIR/STTR Programs
 - 13 CFR § 121.701 – 121.705
- Guide to SBIR/STTR Program Eligibility
 - Updated September 2024

SBIR/STTR Program Eligibility: The Basics

- Certify eligibility at time of award

SBIR and STTR

- For-profit concern located in the US
- More than 50% directly owned and controlled by a US citizen or permanent resident alien, or other small business concerns
- 500 or fewer employees, including affiliates

SBIR only

- May be majority owned by multiple venture capital operating companies, hedge funds, or private equity firms as long as no one such firm owns or controls more than 50% of the equity

How could equity investment impact SBIR eligibility?

- Size changes dues to affiliation
- Ownership and control

VC Involvement

- Minority shares
- VC itself more than 50% directly owned and controlled by one or more US citizens or permanent resident aliens
- Specific agencies accept applications by for small businesses majority-owned by multiple VC firms

How might we work together to improve data quality and reduce administrative burdens in measuring ROI?

SBIR/STTR Awardees

- Submit **Company Commercialization Reports**
- Identify/credit SBIR/STTR award ID's in patents, publications
 - Enables use & automatic connection of awards to existing public patent, publication databases

SBIR Funding Agency Partners

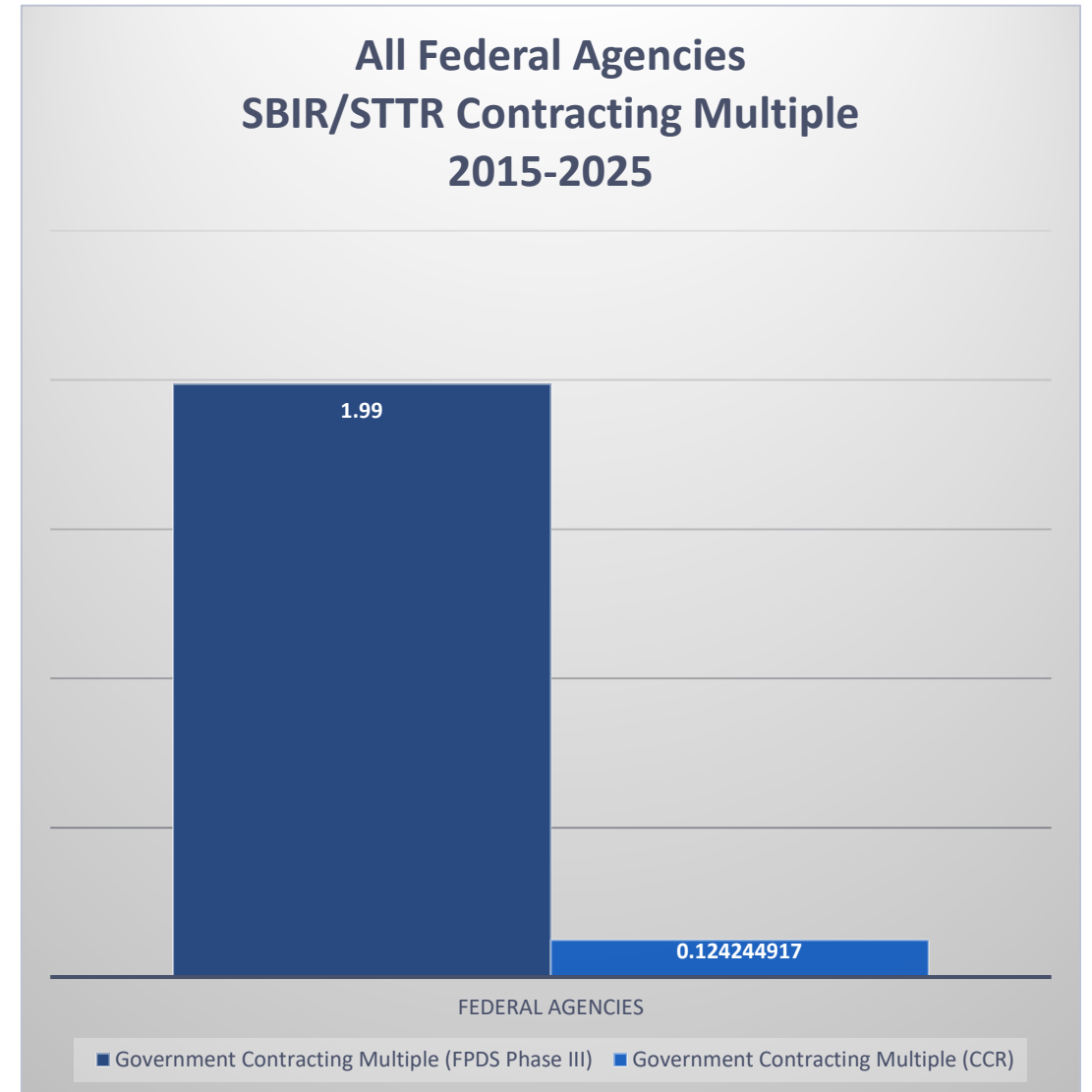
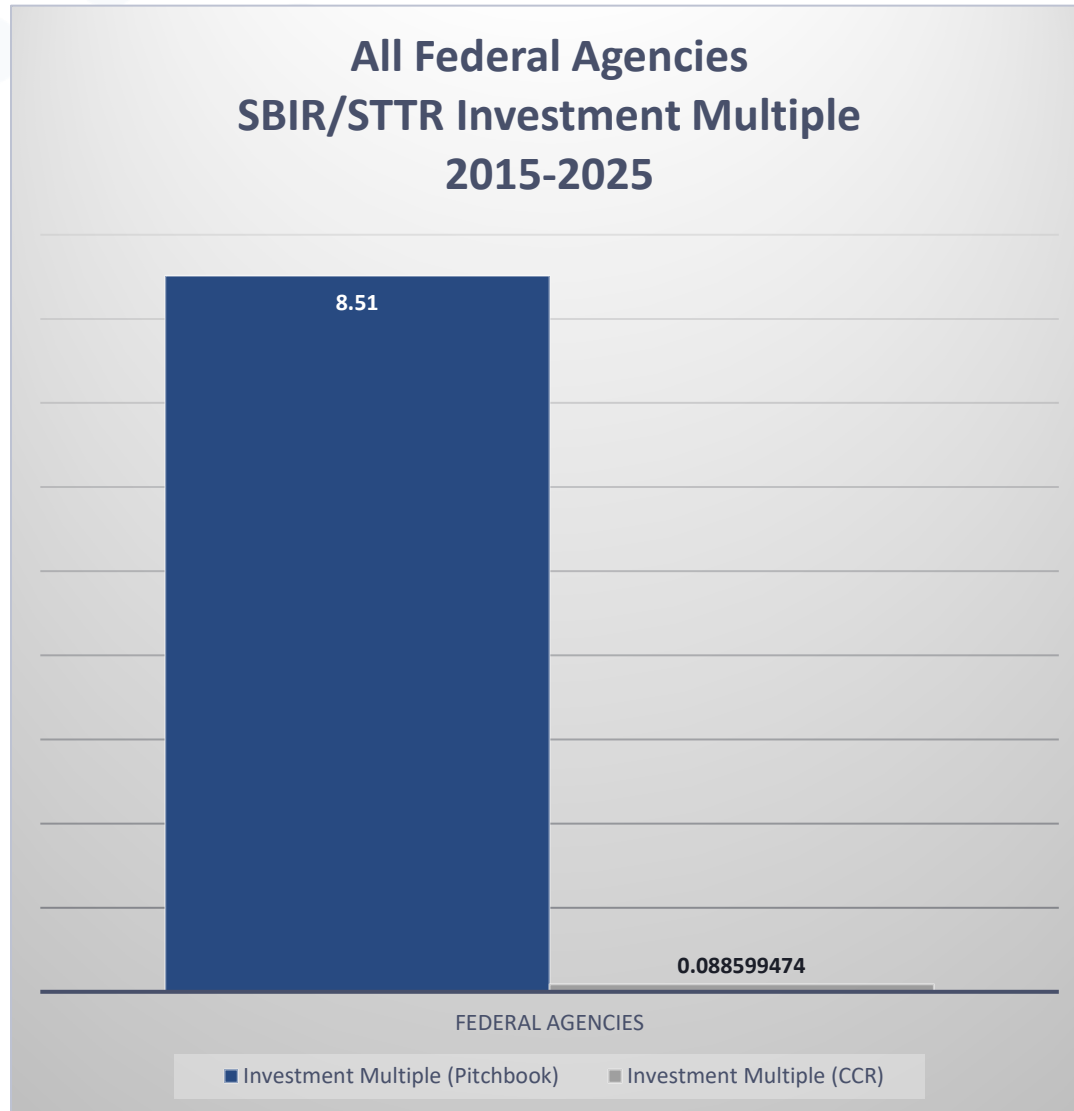
- Validate & verify funding data submitted to SBA (abstracts, award amounts)

Federal Agency Procurement Partners

- Mark Phase III in FPDS reporting

Investment Type	Investment Type
DoD prime contractors	DoD contracts/subcontracts
Private Sector	Angel Investors
Export Markets	Venture Capital
Other Federal Agencies	Self Funded
Additional Commercialization by 3rd party revenue	Private Sector
Other Customers	Other Federal Contracts/Grants
Other Sources	Other Sources
Total Sales	Total Investment

Current analysis of ROI: All Federal (2015-2025) Awards



Notable awardees.

America's Seed Fund played a catalytic role in many American innovation giants including:

Qualcomm

illumina

23andMe

iRobot

Let's work together to see your companies on this list!