

# Commercializing Your Technology

SBIR/STTRs, DoD, VCs, Angels, Banks  
and Plain 'Ol Boot Strapping.





In the End, it's all  
about the Product!

The winning strategy:

1. Know your own limitations
2. Respect the rules of the game
3. Produce



# Driving the Lane of Decisions – *Funding Options*

- **SBIR / STTR – Grants and Contracts: R&D Funds**
- **Department of Defense – Technology Transfer Days / Week**
- **Government Contracts**
- **TechConnects**
- **VCs & Angels in Innovation**
- **Standard Banks**
- **Ultimate Client / Customer**

# SBIR/STTR – *The 3 Point Play!*

SBIR and STTR Programs are “**Solicited**”

*(Their Wish List)* Meaning they need something from the public sector to meet **THEIR** objectives.

Federal Agencies *do not support un-solicited* actions.

If your concept does not fit their need; there is no reason to proceed!

Some Agencies will allow you to choose SBIR or STTR (not both) on the same project

**They have their rules.**

Now, *their rules are your rules.*

Learn them, know them, live by them.

If you do not follow their rules, you will not get into the program.



# SBIR/STTR – *The 3 Point Play!*

- Innovation Funding that does NOT require Paying Back Funds
- Federal Program: 1982 Initiated, requires Congress to continue
- **11 Federal Agencies: 2.5 to 5 % of R&D Budget set-aside for Small Business**
- Department of Defense has almost half of the budget
- No Two Agencies are Alike - No Two Grants are Alike
- Highly Competitive
- Less Than 20% of Eligible Applications are Funded for Phase 1
- Small Business Retains IP and Encouraged to Commercialize
- Phase 1 (Concept / Feasibility) = up to \$150,000 / 6 Months
- Phase 2 (Refine / Prototype) = up to \$1,000,000 / 2 Years

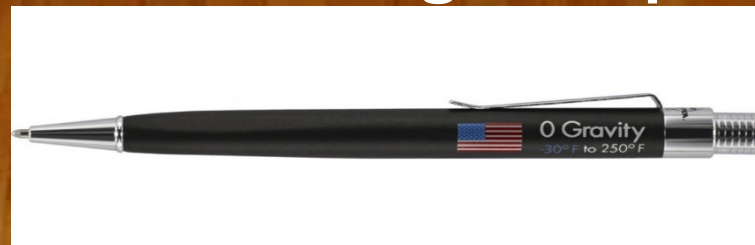
# SBIR/STTR : *The Difference*

**NASA** says “We need pens”

This is an invitation to bid on a Government Contract,  
but it is NOT an SBIR/STTR.



**NASA** says “We need a pen that will write in zero gravity, cold and heat”  
THIS is an invitation for applications to solve NASA’s problem, *and* create a  
product that is marketable to the general public, this is an SBIR/STTR project.



Find the Topic: <http://www.grants.gov>, [www.zynsys.com](http://www.zynsys.com), <https://www.sbir.gov>



# SBIR/STTR : *It is for Small Business...*

- **Ownership 51% or Greater must be**
  - US Citizen or Legally Admitted Permanent Resident Alien
- **For Profit Small Business**
  - Meeting SBA Standards (< 500 Employees)
- **Principal Investigator (P.I.) is Employed by Company**
  - 51% or Greater of Hours and Income must come from the Company
- **All Work Must be performed in the U.S.**
- **SBIR has controlling rights to Space/Equipment/Research**

**STTR: Non-Profit Research Institution *MUST* be part of Research Work**

**Both Require Multiple Registrations: FEIN, DUNS #, SAM.gov, SBA.gov, Legal Entity...**

# Department of Defense: DoD

- Technology Scouts are continuously looking for *Capabilities needed for the warfighter!*
- Defense Innovation Marketplace:
  - <http://www.defenseinnovationmarketplace.mil/>
- Combatant Command Common Capability Needs:
  - [http://www.defenseinnovationmarketplace.mil/resources/CCMD\\_Common\\_Needs.pdf](http://www.defenseinnovationmarketplace.mil/resources/CCMD_Common_Needs.pdf)

Rollup Subcategory	USAFRICOM	USCENTCOM	USEUCOM	US
Architectures & Components	Communications: C4ISR for Multi-National Operations; C4ISR Data Transport; Coalition-shareable Airborne ISR Architecture	Information Sharing: Data Management-Compression and Processing Information Sharing: Multiple Domain/ Cross Domain Assurance	Improved Interoperability with Partner and Allied Capabilities	Threat Sharing Dissemination Assurance Interoperability
Cyber Defense	Communications: Cyber Freedom of Action (FOM)	<b>Assured C2 in all environments; Ability to move and secure information across all domains ; reduced threats to automation &amp; autonomy</b>	Cyber COP Capable of Providing COCOM Freedom of Action	Network
	ISR: Radio Frequency	Reductions in SWAP		

- Your Innovation Technology must be in a Category, Subcategory and fit one Capability Need
- You won't succeed by being a Jack-of-all-Trades!
- You have to meet with the right person looking for what you can provide.
- TRL Target : *6ish* - On a scale of 1 – 9, where is your Technical Readiness Level? Preferred Target is around 6.



# Technology Transfer Week – *Slam Dunk!*

- Apply for Technology Transfer Week - to Present to Tech Scouts behind closed doors without competition.
  - (Speed Round Presentations – 30 Mins) or (Poster Board Presentations)
    - NYC (April 19 – 28) (Closed out – or almost closed out) Tech Transfer Days
    - Wichita (October 23 – 27) Living Agenda – First Annual
      - First Day: All Day Conference, hear from Tech Scouts, Combatant Command Officials, Department of Defense, Resource Partners
      - Three Plus Days of Tech Transfer Speed Presentations
      - Last Day / Feedback from Tech Scouts: *LISTEN CLOSELY!!!*
      - Meetups / Network Mixers in the Evenings – *Connect w/ Allies / Clients*
      - Real Scouts with Real Needs looking for Real Solutions with Real Money!
      - Get the Training and Prep from Kansas SBDC

# Government Contracting

## Kansas Procurement and Technical Assistance Center (PTAC)

- **Kansas PTAC exists to help create more competition in order for the government to have a greater selection of products and services. The results of the improved competition is generally reduced prices and better quality.**
- **Assist in developing a government marketing strategy and identifying agencies that purchase your product or service. Help to find government advertised bidding opportunities using their web-based bid-matching service.**
- **Scott Knapp, Deputy Director at Kansas PTAC**
  - **316.978.6688**
  - **Scott.knapp@Wichita.edu**



# Technical Connections – *Assist 2 point play*

TechConnect.org: [www.techconnect.org](http://www.techconnect.org)

- **Creates conference type interactions for technical innovators to meet government, corporate and investment partners.**
  - **Hyper-speed Presentation Rounds (10 mins) with panelists, allies, competitors and audience to create Network interactions**
  - **TechConnect is a global innovation prospecting company, delivering the most promising technologies to the world's leading corporate, investment and government clients. We strive to accelerate technology commercialization from lab-to-industry by providing partnering, funding and licensing opportunities to the global innovation community. Working closely with our corporate and government clients, TechConnect's events, challenges, and prospecting programs annually vet thousands commercially-viable innovations; connecting state-of-art solutions with our client's strategic problem-sets.**
  - **Generally, having conferences in step with SBIR/STTR, Smart Cities, or Defense Energy Summits (as stand alone conferences)**

# Venture Capital / Angel Investors–

## Venture Capital

- Always Looking for the *Right Deal*
  - *Vetting Continually:*
    - *Saying NO to 95-99 out of 100*
    - *Will take greater stake*
    - *Not for the Start-Up*
    - *Experts in Their Field*

## Angel Investors

- Technically, not looking for Deals
  - Has the Capability to Fund
    - Must have Passion or Expertise in Your Field, Industry or Innovation
    - To Find, Generally must Network
    - Some Angel Lists and Groups
      - Then *becomes (VCs, just smaller)*
    - Usually, earlier investor – targeting the early innovator (plans for 1 out of 5 to make it and deals accordingly)



# Banker / Lender – *Assist 2 point play*

## **Banks want to Assist**

- **They are looking for four things in order to move forward:**
  - **Personal Investment – 20-30% Generally Minimum**
  - **Credit Worthiness – Personal Credit Score and Report (*No Red X's*)**
  - **Expertise – (Are you and/or your Team the Experts in your Field/Industry?)**
  - **Business Model / Business Plan**

# Ultimate Client – *Team Play*

## The Client that Needs What You Have

- They are looking for you now: (Market Research)
  - What are they doing now in place of your product or service?
  - Have *YOU* found them?
  - Can You compete with Competition?
  - What deal are you willing to live with?
    - Remember 20% of Something is ALWAYS GREATER than 100% of Nothing.





[www.Wichita.edu/ksbdc](http://www.Wichita.edu/ksbdc)

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