# SBIR Proposal Writing Basics: We Live (& Submit SBIR/STTR Proposals) In Interesting Times

Gail & Jim Greenwood, Greenwood Consulting Group, Inc.

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The question we get asked most frequently these days is “What’s going to happen to SBIR/STTR under Trump’s Administration?” The following is our answer.

First, let’s be clear: we don’t have a crystal ball, and we don’t have a spy in his inner circle of advisors, so like everyone else, we don’t know with any degree of certainty what will happen. But we are certainly willing to share with you our thoughts, and advice.

One change may be an overall reduction in the number of SBIR/STTR projects being funded. This could come from the lack of support for R&D in the current Administration, and/or its desire to trim Federal government spending. The SBIR/STTR budget is tied to each agency’s extramural R&D budget, so if the latter gets whacked, the former will also drop.

Another change may come from certain agencies being targeted by the Administration for reductions (or even elimination). Two SBIR agencies that are mentioned frequently are the Dept. of Energy (DOE) and the Environmental Protection Agency (EPA). Per our comments above, if either or both take big reductions in their R&D budgets, then that will lead to large reductions in their SBIR programs. It also is possible that EPA would drop out of the SBIR program—it is the smallest of the 11 SBIR awarding agencies, and it wouldn’t take much of a cut in its R&D budget before it no longer met the minimum threshold of when an agency must participate in SBIR.

Another change could be a redirection in focus away from R&D and innovation in the SBIR/STTR programs, and a movement towards jobs and business growth. The focus on jobs could include both creation of new jobs, as well as protection of existing jobs or even the reclaiming of US jobs that were lost to foreign countries.

Yet another change could be greater scrutiny of the use of foreigners on a proposed SBIR/STTR project. Some agencies, most notably DOD, already ask proposers to disclose the citizenship status of the applicant’s team members—we could see an expansion of this to other agencies, and maybe even more limits on employees or contractors who are not US citizens or permanent resident aliens.

Finally, a change may occur in terms of a divide between the SBIR/STTR agencies and their reviewers. This is more applicable to the grant-awarding agencies like NIH, NSF, DOE, and USDA that use outside (non-employee) reviewers, who come primarily from academia. The reviewer might take a more liberal view on a social issue or commercialization plan, while the agency decision makers may reflect the conservative view of the Administration. This could amplify something we already see, which is notices of non-funding (rejection) of a particular SBIR/STTR proposal, but then the reviewers’ comments are overwhelmingly positive and supportive.

So given the cloudy future of SBIR/STTR, what can you do as a Phase I or II applicant? Let us offer the following advice:

Stay calm. Don’t panic. We’re all in this together. While some will choose to run around like chickens with their heads cut off, the SBIR/STTR agencies still have funding set aside for small companies like yours to solve pressing mission or social problems, and need rational, well-conceived innovative ideas presented in high quality proposals.

Stay on your toes. It is likely that things will be very “fluid” in Washington for the foreseeable future, and that will reflect on the SBIR/STTR programs and the agencies that administer them. With change comes opportunity, they say, so there can be lots of opportunity out there if you are aware of it and are thinking of how you can exploit it.

Submit multiple places. If EPA’s future is in doubt (at least in terms of the SBIR program), then doesn’t it make sense to not just send your environmental proposal to them? Send a version of that same proposal to other agencies, including NSF, NIH, USDA, NOAA and even DOD that may have similar interests. By diversifying your proposal submissions, you are helping protect yourself from shifting political priorities—and submitting multiple versions of a proposal to multiple agencies has always been a smart strategy for increasing the likelihood of getting funding.

Watch your mouth. So do you have a technology that will help build the Great Wall of Texas? Or monitor the Keystone Pipeline so the “crazy environmentalists” don’t blow it up? Then why don’t you just go out in a thunderstorm and wave a metal rod high over your head? You are looking for trouble in such situations! We live in a very divisive time, when it is popular to hold an extreme position, demand to be heard and respected, and refuse to acknowledge or respect any idea that is different or contrary. We can’t really solve that unfortunate situation, but we can tell you to not take sides on a controversial issue in your SBIR/STTR proposals because you may run into a reviewer (or two) who is on the opposite side of that issue. Instead, look for common ground that a reviewer who stands on either side of an issue could hopefully support—the need to monitor pipelines so they aren’t blown up by terrorists or leak millions of gallons of crude into a pristine river, for example.

Commercialize, commercialize, commercialize. One way to get away from the ever-shifting political winds that buffet the SBIR/STTR programs is to prove your innovation’s feasibility in Phase I, perfect the prototype in Phase II, and take it to the marketplace in Phase III. If you do that with your SBIR/STTR projects, then eventually you may have enough sales and/or licensing revenues to lessen your dependence on SBIR/STTR, and maybe even on the Federal government (if your Phase III customers are in the private sector).

Good luck to you in the coming months/years as we all adjust to this new Administration (and then have to adjust to the next one and the one after that). At least none of us can claim that it is boring to be in the SBIR/STTR programs these days.