



S_{MALL} **B**_{USINESS}

T_{ECHNOLOGY}

T_{RANSFER} **P**_{ROGRAM}

(STTR)

ANNUAL REPORT - FY 2004

**Office of Technology
U.S. Small Business Administration**

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The SBA is currently developing the government database which will maintain information on all Phase II awards funded under the STTR program. This database will not be accessible by the public; therefore, any confidential information that is provided by the STTR Phase II awardees will not be disclosed to the public. A username and password will be required to access the database. The SBA will control the issuance of the username and passwords. Coordination with the participating agencies is critical in the development process to ensure that the database data elements will capture sufficient information that will allow the SBA, each participating agency, Government Accountability Office, the National Academy of Science and the Congress to effectively measure the impact and success of the program.

SBA is currently seeking the Office of Management and Budget's approval for a survey form for STTR applicants that will ask for information regarding the commercialization of work completed under past Phase II STTR awards. The requested survey form is part of SBA's current enhancement of its TechNet data system. This reporting system will be required for STTR applicants as well as SBIR applicants.

Summary of Data

During FY 2004, small businesses submitted 2,829 proposals under the STTR program, including 2,555 Phase I proposals and 274 Phase II proposals. A total of 860 awards were made to 670 different small businesses including 667 Phase I awards and 193 Phase II awards. In FY 2004, total STTR program obligations were \$193,453,184. Small business received \$122,967,943 or 64 percent of total funding. Research institutions received \$75,476,164 or 39 percent.

HUBZone Small Business Concerns

The agencies received 80 Phase I and 13 Phase II proposals. The participating agencies made five Phase I awards totaling \$499,595 and four Phase II awards totaling \$2,249,221 to HUBZone certified small business concerns.

Table 1: Number of STTR Awards – FY 1994 through FY 2004

Fiscal Year	Phase I	Phase II	Totals
94	198	0	198
95	238	22	260
96	238	88	326
97	260	89	349
98	208	109	317
99	251	78	329
00	233	95	328
01	244	93	337
02	356	114	470
03	397	111	508
04	667	193	860
Total	3,290	992	4,282

Table 2: Value of STTR Awards-- FY 1994 through FY 2004 (in millions of dollars)

Fiscal Year	Phase I	Phase II	Totals
94	\$18.9	\$	\$ 18.9
95	23.0	10.8	33.8
96	22.7	41.8	64.4
97	24.1	44.8	69.0
98	19.7	45.1	64.8
99	24.3	41.0	*65.0
00	24.0	46.0	*70.0
01	25.4	46.0	* 71.4
02	36.3	55.3	*91.6
03	41.1	51.0	*92.1
04	76.8	107.8	184.6*
Total	336.3	489.6	825.9*

*Does not include modifications



Executive Order 13329

On February 24, 2004, the President signed Executive Order 13329, Encouraging Innovation in Manufacturing. The Executive Order states that continued technological innovation is critical to a strong manufacturing sector of the United States economy. The Executive Order recognizes that the commercialization of technologies, products, or services funded through the SBIR and STTR programs play a crucial role in stimulating the United States economy. The Executive Order further acknowledges that the research and development work performed by small businesses participating in these two important programs have contributed to our National defense, improved our health and welfare, protected the environment, and improved our production processes. SBA is proposing to amend the STTR Policy Directive to address the Executive Order.

During FY 2004, there were a total of 153 STTR Phase I and Phase II awards that involved manufacturing topics. Those awards totaled \$41.3 million.



Federal and State Technology Partnership

During FY 2004, the FAST program was funded and 21 awards were made. Public Law 106-554 requires the SBA to report on the status and implementation of the mentoring networks. The states that implemented a mentoring network during the third year of the FAST program were Alaska, Arizona, Arkansas, Indiana, Louisiana, Maine, Maryland, Mississippi, Missouri, New Mexico, North Dakota, Oklahoma,

Pennsylvania, Washington, West Virginia, Wisconsin, Wyoming, and Puerto Rico. SBA issues an annual report on the FAST program which discusses the program and awards made, in more detail.

STTR Program Data - Fiscal Year 2004

AGENCY OBLIGATIONS	DOD	NSF	DOE	NASA	HHS	TOTAL
AGENCY EXTRAMURAL BUDGET	38,491,281,666	3,449,874,000	4,093,255,000	4,300,000,000	22,532,000,000	72,866,410,666
AGENCY STTR BUDGET	115,474,169	10,800,000	12,279,765	13,000,000	67,100,000	218,653,934
DOLLARS OBLIGATED	97,909,218	9,876,257	11,267,707	12,803,023	66,949,479	198,805,684
% OF EXTRAMURAL BUDGET	0.25%	0.29%	0.28%	0.30%	0.30%	0.27%
DEFICIT/SURPLUS	-17,564,951	-923,743	-1,012,058	-196,977	-150,521	-19,848,250
STTR AWARD PROFILE - COMMITMENTS						
TOTAL PHASE I AWARDS	294	32	53	45	250	674
MINORITY DISAD. PHASE I AWARDS	25	3	5	8	1	42
TOTAL PHASE II AWARDS	124	11	5	17	38	195
MINORITY/DISAD. PHASE II AWARDS	21	1	1	2	1	26
TOTAL PHASE I DOLLARS AWARDED	26,516,379	3,183,312	5,271,494	4,478,461	40,279,583	79,729,229
MIN/DISAD. PHASE I DOLLARS AWARDED	2,300,563	299,991	499,040	795,544	100,000	3,995,138
TOTAL PHASE II DOLLARS AWARDED	62,705,641	6,553,832	5,996,213	8,324,562	26,669,896	110,250,144
MIN/DISAD. PHASE II DOLLARS AWARDED	13,732,906	498,010	749,893	999,889	1,159,666	17,140,364
TOTAL PHASE I & II AWARDED	89,222,020	9,737,144	11,267,707	12,803,023	66,949,479	189,979,373
AVERAGE AMOUNT PHASE I AWARDS (\$)	90,192	99,479	99,462	99,909	161,118	118,293
STTR SOLICITATION PROFILE						
NO. OF SOLICITATIONS RELEASED	1	1	1	1	1	5
NO. OF RESEARCH TOPICS	118	4	45	9	132	308
NO. PHASE I PROPOSALS RECEIVED	1,275	148	280	179	680	2,562
NO. PHASE II PROPOSALS RECEIVED	159	12	8	22	75	276
RESEARCH INSTITUTION PROFILE						
NUMBER OF FERDCS	22	0	20	2	2	46
NUMBER OF UNIVERSITIES	381	43	34	58	263	779
NUMBER OF OTHER NON-PROFIT	15	0	4	2	51	72

STTR Program Data - Fiscal Year 2004

COOPERATIVE RESEARCH PROFILE	DOD	NSF	DOE	NASA	HHS	TOTAL
TOTAL DOLLARS OF AWARDS	89,222,020	9,737,144	11,267,707	12,803,023	66,949,479	189,979,373
DOLLARS TO SMALL BUSINESS	64,771,676	7,330,597	8,214,445	7,662,249	38,491,614	126,470,581
DOLLARS TO RESEARCH INSTITUTION	37,756,662	3,545,660	3,053,262	5,140,774	27,829,668	77,326,026
NO. OF AWARDS TO UNIVERSITIES	381	43	34	58	263	779
DOLLARS TO UNIVERSITIES	34,182,978	3,049,554	1,861,690	4,142,678	22,704,972	65,941,872
NO. OF AWARDS TO FFRDCS	22	0	20	2	2	46
DOLLARS TO FFRDCS	2,406,400	0	1,057,034	997,272	185,000	4,645,706
NO. OF AWARDS TO OTHER NON-PROFITS	15	0	4	2	51	72
DOLLARS TO OTHER NON-PROFITS	1,167,277	0	156,789	79,982	4,939,696	6,343,744
PHASE I						
NUMBER OF FFRDC AWARDS	15	0	18	0	2	35
NUMBER OF UNIVERSITY AWARDS	268	32	31	43	212	586
NO. OF OTHER NON-PROFIT AWARDS	11	0	4	2	36	53
TOTAL DOLLARS OF AWARDS	26,516,379	3,183,312	5,271,494	4,478,461	40,279,583	79,729,229
DOLLARS TO SMALL BUSINESS	15,784,519	1,813,419	3,315,981	2,552,723	23,086,347	46,552,989
DOLLARS TO RESEARCH INSTITUTIONS	10,026,071	1,369,893	1,955,513	1,925,738	16,925,327	32,202,542
NO. OF AWARDS TO UNIVERSITIES	268	32	31	43	212	586
DOLLARS TO UNIVERSITIES	9,156,503	1,369,893	1,161,690	1,845,756	14,313,960	27,847,802
NO. OF AWARDS TO FFRDCS	15	0	18	0	2	35
DOLLARS TO FFRDCS	530,577	0	637,034	0	185,000	1,352,611

STTR Program Data - Fiscal Year 2004

	DOD	NSF	DOE	NASA	HHS	TOTAL
NO. OF AWARDS TO OTHER NON-PROFITS	11	0	4	2	36	53
DOLLARS TO OTHER NON-PROFITS	338,986	0	156,789	79,982	2,426,367	3,002,124
PHASE II						
NUMBER OF FFRDCS	7	0	2	2	0	11
NUMBER OF UNIVERSITIES	113	11	3	15	51	193
NUMBER OF OTHER NON-PROFIT	4	0	0	0	15	19
TOTAL DOLLARS OF AWARDS	62,705,641	6,553,832	5,996,213	8,324,562	26,669,896	110,250,144
DOLLARS TO SMALL BUSINESS	48,987,157	3,799,864	2,629,893	5,152,458	15,405,267	75,974,639
DOLLARS TO RESEARCH INSTITUTIONS	27,730,591	1,679,661	1,120,000	3,294,194	10,904,341	44,728,787
NO. OF AWARDS TO UNIVERSITIES	113	11	3	15	51	193
DOLLARS TO UNIVERSITIES	25,026,475	1,679,661	700,000	2,296,922	8,391,012	38,094,070
NO. OF AWARDS TO FFRDCS	7	0	2	2	0	11
DOLLARS TO FFRDCS	1,875,823	0	420,000	997,272	0	3,293,095
NO. OF AWARDS TO OTHER NON-PROFITS	4	0	0	0	15	19
DOLLARS TO OTHER NON-PROFITS	828,291	0	0	0	2,513,329	3,341,620

FY 2004 dollars obligated include modifications to previous year's awards for DOD (\$8,687,198), and NSF (\$139,113)