



NATIONAL SCIENCE FOUNDATION
4201 WILSON BOULEVARD
ARLINGTON, VIRGINIA 22230

NSF 15-043

Dear Colleague Letter: Small Business/Engineering Research Center Collaborative Opportunity (SECO) - Supplemental Funding Opportunity for Current SBIR/STTR Phase II Awardees

Dear Colleagues:

This Small Business/Engineering Research Center Collaborative Opportunity (SECO) is a supplemental funding opportunity that aims to facilitate the market entry and adoption of products, services, and processes developed by NSF Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Phase II grantees through partnership with an NSF-funded Engineering Research Center (ERC). The intent of this funding opportunity is to enhance the impact of NSF's investments in SBIR/STTR grantee companies via partnerships with ERCs. The specific goal of this opportunity is to strengthen the research capacity of active NSF SBIR/STTR Phase II awardees to speed the entry of their innovations into the marketplace and broaden their portfolio of marketable products through additional research conducted in collaboration with an ERC. The objective of the proposed research is to leverage ERC technology to help improve the competitive position of the proposing SBIR/STTR firm. The participants create a mutually beneficial research and commercialization strategy that joins the small business firm and ERC in the short-term, with a goal of continued collaboration in the long-term.

An active NSF Phase II SBIR/STTR awardee can partner with an active or self-sustaining, graduated ERC. Active NSF SBIR/STTR Phase II awardees should contact an ERC of interest to learn more about that center's scope of research, its membership agreement, and the members of its Industrial Advisory Board (IAB). Additional information on ERCs can be found at <http://www.erc-assoc.org>.

ELIGIBILITY AND FUNDING INFORMATION

- **Principal Investigator (PI) and Co-Principal Investigator (Co-PI) Eligibility:** PIs of currently active SBIR Phase II awards and PIs/Co-PIs of currently active STTR Phase II awards are eligible to apply for this opportunity. PIs and Co-PIs of awards on a no-cost extension or not in good standing are not eligible for this supplement.
- **Maximum Supplement Amount:** 20% of the original Phase II award amount, subject to the availability of funds and the quality of the supplemental funding requests.
- **Duration:** The maximum duration of a SECO supplement project will be 12 months. The supplement does not automatically extend the original award expiration date. However, this supplemental funding opportunity may extend the current Phase II award, at the discretion of the program director, for no more than 12 months.
- **Limit on Number of SECO Supplemental Funding Requests:** One per active Phase II grant. A SECO supplement does not limit the eligibility for a Phase IIB award or other supplemental opportunities. Other supplemental awards do not limit the eligibility for a SECO supplement.
- **Estimated Number of Supplements:** Up to twenty (20) supplements are anticipated per year

subject to the availability of funds and the quality of the supplemental funding requests. It is expected that up to \$3,000,000 may be available each year for this supplemental funding opportunity, pending availability of funds.

PREPARATION AND SUBMISSION INSTRUCTIONS

Supplemental funding requests submitted in response to this Dear Colleague Letter must be prepared and submitted according to the instructions for submitting supplemental funding requests (reference: www.nsf.gov/eng/iip/sbir/Supplement/instructions.jsp).

Pre-Submission Executive Summary and Letters: Awardees may submit a SECO supplemental funding request after discussing the following pre-submission materials with their NSF Program Director:

Executive summary from the SBIR/STTR Phase II grantee (No more than 1-2 pages):

- A brief profile of both the NSF SBIR/STTR Phase II grantee company and the Engineering Research Center, including a discussion of the ERC's technology focus.
- A brief statement of the vision and goals of the proposed collaboration.
- The value of the research partnership to the small business and how the ERC will contribute to the small business.
- The research tasks to be performed to address the market opportunity; barriers to commercialization and how this research collaboration will help overcome them.

Letter of endorsement from the ERC Center Director:

- Describes the value of the research partnership to the ERC and indicates whether the partnership facilitates any part of the ERC's longer term strategic plan.
- A description of the problem/need and how this is addressed by the ERC technology.
- A statement justifying why the ERC is a good fit for the proposed commercial strategy of the small business.
- Justify how the proposed project strengthens the technology translation capabilities of the ERC.

Supplemental Funding Request Submission: The active NSF SBIR/STTR Phase II company will submit a request for supplemental funding to the original Phase II award via FastLane. The SECO supplemental funding request will describe the commercial opportunity, including a description of the targeted market segment and commercial potential, the proposed research, and how this collaboration will enhance the competitiveness of the Phase II grantee. The ERC will be a sub-awardee, and the sub-awardee budget to the ERC must not exceed 50% of the total supplemental funding amount.

Budgetary Information: Budgets for a SECO supplemental funding request may not exceed 20% of the Phase II award for a maximum total duration of twelve months. The hourly rate of salary/wage for each budgeted employee, the rate of fringe benefits, the rate of indirect costs, and the rate of fee cannot exceed those in the final award budget of the current Phase II award.

The ERC will be a sub-awardee, and the sub-awardee budget to the ERC must not exceed 50% of the total supplemental funding amount.

Submission Deadlines: SECO supplemental funding requests should be submitted within 18 months of the effective start date of the Phase II award; a Program Director may, at his or her discretion, modify the submission deadline.

REVIEW INFORMATION

Requests for supplemental funding submitted in response to this Dear Colleague Letter will be reviewed internally by the cognizant SBIR/STTR Program Director. The review will focus on both the technical objectives and the commercial plan and strategy in the supplemental funding request as well as the commercial potential brought about by the partnership.

CONTACT PERSONNEL

Questions about this letter should be directed to the cognizant SBIR/STTR program officer in the Division of Industrial Innovation and Partnerships, Directorate for Engineering.

The list of IIP SBIR/STTR Program Officers can be found on the NSF website at the following URL: http://www.nsf.gov/staff/staff_list.jsp?orgId=115&subDiv=y&org=IIP.

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