

*Federal and State Funding Sources – and a few
other rocks to look under*

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*Facilitating technology transfer from the
Commonwealth's research institutions to its
companies.*

Federal

SBIR

- 2.5% of agency research budget
- Competitively awarded grants
 - Phase 1 Proof of Concept (NIH \$100K and 6 months)
 - Phase 2 Development (NIH \$750K and 2 years)
 - National Cancer Institute – Bridge Funding up to \$3million match
- For Profit, Small and US Company – 51% owned by individual(s)
- PI's primary employment must be with the company
- May have a university/research partner

Federal

- SBIR
 - Workshops and Conferences
 - National SBIR Conference Connecticut November 12 - 14, 2008 - http://www.ccat.us/sbir_conference_08
 - Grant writers
 - Try to meet agency staff (pre-solicitation)

**WEB SITE ADDRESS AT SBA FOR
THE AGENCIES' SBIR LINKS:**

<http://www.sba.gov/sbir/indexprograms2.html>

DOD
DOE
DOC
ED

HHS
NSF
EPA

NASA
USDA
DOT

Federal

SBIR

Pros –

- It is a grant

Cons –

- Long Solicitation Process

- March-in Rights

- Have to incorporate

- Have to have good accounting systems

- Very competitive in some agencies

Federal

STTR

- .3% of larger agency research budgets (NIH, DoD etc.)
- Competitively awarded grants
 - Phase 1 Proof of Concept (NIH \$100K and 6 months)
 - Phase 2 Development (NIH \$750K and 2 years)
- Must have a university partner
- Must work out technology transfer arrangements
- Less competitive than SBIR

Federal

Other

- NIH – RO1's
- NIST – Technology Innovation Program (TIP)
- DoD and DARPA
- Special initiatives – e.g. CCATSanDiego.org

- Review “The Federal Register” and SSTI

Federal

SBA Guaranteed Loans

- 7a and 504
- More of a bank loan
- Need to show sustainable revenues
- They do need to have a guarantee on the loan – e.g. your house!
- Good for Doctors and Dentists and Barbers and B&B's and a few technology companies

State

Renewable Energy Trust at Mass Tech Collaborative and/or the Massachusetts Clean Energy Center

<http://www.masstech.org/seed/index.asp>

Sustainable Energy Economic Development (SEED)

- Up to \$500,000 of funding in the form of a convertible loan will be available for new product development activities.
- 5-yr, 8% Note with deferred debt service (no royalties)
 - Years 0-2: Interest accrues
 - Year 3: Current interest is due quarterly
 - Year 4: Remaining interest is amortized quarterly through due date, at which point Principal is also payable.
- Convertible to equity
 - Automatically converts at a 25% discount during a qualified financing round
- Conditional on matching funds
- One award per company in any 12 month period

State

Massachusetts Life Sciences Center – One Billion

- 500 million in infrastructure bonds (new research buildings)
- 250 million in business incentives
- 250 million to Life Sciences Center
 - Currently in planning mode
 - Grants for sponsored research
 - Small Business Investment Funds
- <http://www.masslifesciences.com/>

State

Mass Tech Development Corporation – MTDC

- State VC fund
- Early stage – seed and first round – typically <\$1Million
- Investment (they take equity)
- Must be in Massachusetts
- Don't like biotech

State

MTTC – Proof of Concept Grants

- Up to \$40K
- Researcher at University
- Must show commercialization potential

Others

Business Plan Competitions

Foundation Grants – e.g. Juvenile Diabetes

Foreign Countries – e.g. France Entrepreneurship
Program

Large Companies



www.mattcenter.org

www.masstechportal.org

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