

## US Army SBIR Commercialization Pilot Program (CPP)

Program Update – May, 2009

- The objective of the Army Small Business Innovation Research (SBIR) Commercialization Pilot Program (CPP) is to increase Army SBIR technology transition and commercialization success; to accelerate the fielding of capabilities to Soldiers; and to benefit the nation through stimulated technological innovation, improved manufacturing capability, and increased competition, productivity, and economic growth.
- The Army selected a small business to help manage the CPP process, MILCOM Venture Partners. Under the terms of the agreement, MILCOM will provide recommendations to the Army regarding those ongoing SBIR projects that are expected to meet high priority Army requirements and have the potential for rapid transitioning to Phase III and into the acquisition process. Additionally, each project may have the potential for commercial use in the private sector, attracting additional private investment to further development relating to the technology and/or generating revenue from the SBIR-developed technology.
- MILCOM provides CPP participants advice, guidance, analysis and assistance with business, marketing and technology transition plans; and assistance with matching SBIR developed Phase II technology with government and/or industry customers.
- MILCOM currently has no financial interests in any ongoing Army SBIR project, to include investment, ownership, or control. As set forth in its agreement with the Army, MILCOM has established an Organizational Conflict of Interest (OCI) plan that requires MILCOM to report any actual or potential conflicts of interest in connection with the CPP and provides for a resolution process in the event of any such report. There have been no such reports to date.
- While the CPP agreement does not include financial investment in SBIR small businesses by MILCOM, participating firms will receive advice and/or assistance in how to obtain: third-party (non-SBIR) funding, to include private sector and/or non-SBIR government funding; sales of the specific technology; and in some cases, possible venture capital investment by other entities, if desired by the SBIR small business. MILCOM has not been engaged to provide any investment into SBIR small businesses. Under its agreement, MILCOM provides recommendations to the Army for funding of certain SBIR Phase II participants to enhance the efforts of such participants to meet the objectives of the CPP and SBIR programs. The Army then determines whether or not to provide such funding.
- MILCOM reviews approximately 400 Army SBIR Phase II projects each year to obtain available project descriptions and other relevant information provided by eligible firms on a voluntary basis. The project information provided includes both technical and business data necessary to assist with identification of SBIR projects that have the necessary characteristics for participation in the CPP. This information is treated confidentially. As detailed on the Commercialization and Transition Assessment (CTA) form, the information will not be disclosed outside the government and its contractor unless (a) it is or becomes generally known or available to the public other than as a result of a breach of confidentiality by the government, (b) it was or becomes available to a third party on a non-confidential basis from a source who is not an agent, employee, officer, director or related party of the government or its contractor, (c) disclosed to a government support contractor who has signed an appropriate non-disclosure agreement and has agreed to adequately protect such data, (d) agreed to by the Phase II SBIR company, or (e) required by law, governmental, administrative or judicial rule, regulation or process.

- Small business response to the CPP has been positive with over 80% of eligible firms participating in the initial review and approximately 70% initiating the review process during the second year of the process. Over the first two years, 49 small businesses have participated in the CPP and received additional funding to augment research, development, testing and evaluation of the Phase II technology, with a number of those companies already engaged in product transition into Army programs.
- Point of contact for the Army CPP program is LTC Mark Morano or Mr. Christopher Rinaldi, US Army Research, Development and Engineering Command (RDECOM), 703-806-2085, [army.sbir@us.army.mil](mailto:army.sbir@us.army.mil).