



SBIR · STTR
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Responsibilities and Opportunities Associated with an NSF SBIR/STTR Phase I Award:

Immediate Requirements:

- The SBIR/STTR program **requires** each Phase I grantee to attend the Phase I Grantees' Workshop. The Workshop will be held **March 13-15, 2017** in Arlington, Virginia. Please plan ahead to ensure your attendance. Many companies send the principal investigator and the person who leads the business activities for the Phase I project as the workshop is heavily focused on commercial and entrepreneurial discussions. You will receive more information confirming the Workshop dates and the agenda at a later date. Please send the first and last name, and email address for all team members that require an invitation to this event to sbir@edjassociates.com.

Assistance:

- All Phase I grantees are given the opportunity to work with a **Commercialization Planning** contractor, provided free of charge by the NSF. Currently we use two companies for this service – Dawnbreaker and Larta. One of these companies will contact you soon after the date of award to introduce themselves and the Commercialization Assistance Program.
- You are eligible to participate in the **Beat-the-Odds Boot Camp**. The program provides successful start-up basics, based on the Customer Discovery method, designed just for NSF SBIR/STTR Phase I Grantees. You will receive the first notification of this program soon, and I strongly encourage you to participate. *It is highly recommended that each team take Steve Blank's free "[How to Build a Start Up](#)" course online immediately, to gain the most benefit from this program. Click "Start Free Course" on the right side of this page to get started.*

Changes:

- If there is a need for a **Principal Investigator (PI)** change, please notify me immediately. A PI change must be submitted via FastLane and also must be approved by the Program Director. Click [here](#) to read how to submit a change through FastLane.
- You must obtain NSF's approval to **change your organization's name** or transfer the NSF award/recognize a successor to one or more of your active NSF awards (i.e. novate). Please notify me before you make any changes and I will share the legal requirements with you.
- Any changes in the **budget** or **research plan** must be approved by me, your Program Director. Any deviation of the research plan must first be discussed with and approved by me. And, you need my approval to make changes (by more than 10 percent) to your budget.
- The NSF SBIR/STTR program is heavily focused on commercialization, and we recognize that early stage companies need to make **course corrections** (pivots) as they discover more about their own technology and their target markets. Please contact me if



you feel you need to pivot, and we can discuss the proposed changes. Generally speaking, we are supportive of pivots that are evidence-based.

Extensions:

- If you need additional time at the end of your award period to complete the project you can apply for a no-cost extension via FastLane. However, the reasons have to be genuine and it will be your responsibility to keep me in the loop. Please note that a no-cost extension does not change the Phase II submission deadlines in your Phase I award letter.

Final Report & Final Payment:

- Any IP resulting from your work under this grant has to be registered on iEdison database at NIH per Bayh-Dole Act. You own the IP but you **must** register it. The Bayh-Dole Invention Step Guide (see Appendix A of this document) gives you instructions on how to register your IP.
- SBIR Phase I grantees are required to submit a **final report**. This report, or a variation of it, must be included as a key part of a Phase II proposal. The report must be submitted to the research.gov website no later than 15 days after the end of your award. [Click here](#) for instructions for submitting a Phase I final report. I encourage companies to not only include the data you obtained but also discuss the results and how they inform your technical and commercialization plans moving forward. The final report must show your results and actual data for each research objective and task of the technical plan awarded by the NSF. You must also discuss the steps taken and results obtained in your commercialization and fundraising efforts during Phase I.
- In order to make the Phase II application process as smooth as possible, your Phase I final report should be prepared offline and uploaded as a stand-alone PDF file on research.gov. This single PDF can then also be uploaded with your Phase II proposal, as a Supplementary Document. The Phase II reviewers will not automatically be able to see the full Phase I final report that you submit in research.gov, only the document that you upload into NSF Fastlane during the Phase II submission process.
- Please note that your final payment will not be processed until after your final report is submitted to NSF and approved by your Program Director.

Beyond Phase I:

- You have a choice of **three deadline dates to submit a Phase II proposal**, as noted in your Phase I award letter. You have only one opportunity to submit a Phase II proposal, so please consider this decision carefully. Extensions to your Phase I award will not affect these dates.
- Please be aware that for companies who receive a Phase II award there is approximately a 6 to 8 month gap between submission of the Phase II proposal and notification of the award. Phase II awardees therefore need to find a way to fund this gap.
- If you submit your Phase II proposal before completing your Phase I award, please upload a complete copy of your most up-to-date Phase I technical report (this could be a



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Final Report or an Interim Report) with the Phase II proposal. (Note: The report should not exceed 15 pages.)

- When a Phase I grantee is recommended by the NSF Program Director to receive a Phase II award, the awardee will be required to provide documentation necessary for NSF to conduct various administrative and financial reviews. This includes an external review by a NSF-selected CPA firm of your company's financial systems, solvency, debt obligations, and liquidity, cash flows, financial commitments and other factors. **Thus, it is imperative that all Phase I awardees ensure the integrity of their accounting systems and resulting financial statements from the outset of the Phase I project.** To assist with this endeavor, NSF strongly recommends that all new NSF SBIR and STTR grantees review [the CAAR SBIR/STTR Phase II Administrative/Financial Reviews](#) carefully at the outset of the Phase I award. We have also authorized you to spend up to \$10,000 of your Phase I award budget on CPA services for this purpose, and we suggest you discuss with your Program Director before thinking about whether/how to allocate these funds. Your company's accountant should watch the in-depth [CAAR webinar](#) and review our [Frequently Asked Questions: NSF SBIR/STTR Phase I Budgets and Accounting](#).

Appendix A:

The Stages of a Bayh-Dole Invention at NSF General Overview of Dates and Helpful Information

1. Subject invention = an invention of the grantee conceived or first actually reduced to practice in the performance of work under an NSF grant.
2. The grantee will disclose each subject invention to NSF within two months after the inventor discloses it in writing to the grantee. Inventions must be disclosed electronically using the NIH iEdison database at <https://s-edison.info.nih.gov/iEdison/index.jsp>. When the invention is being reported by a small business or inventor who has never disclosed an invention to NSF, the small business or inventor must register as a User in the NIH iEdison database. The small business/inventor does so by clicking on "Register institution to use iEdison" under login on the left-hand side of the log-in page, and filling out the registration information. Once the iEdison number is provided to the small business/inventor, the disclosure should be reported. If a patent application has already been filed prior to disclosure, it may be used as the invention disclosure. If the invention is being reported late, do not input any publication dates into the disclosure record as that



date will lock the record if the one-year period to file has passed. Disclosure should be uploaded as a PDF into iEdison.

3. The grantee will elect (or not elect) title to subject invention within two years of disclosure to NSF (accomplished electronically in iEdison by changing Status to “Elect Title” and providing date. In cases where publication, on sale, or public use has initiated the one-year statutory period for patent protection in the US, NSF may shorten the period for election of title to 60 days prior to the end of the statutory period.
4. Grantee must file the initial patent application within one year of electing title. In cases where publication, on sale, or public use has initiated the one-year statutory period for patent protection in the US, grantee must file for patent protection prior to the end of that one-year period. Although some agencies require a copy of the entire patent application, the first page of the application is sufficient for our purposes. These are publicly available documents and can be found at www.USPTO.gov.
5. Grantee must file patent applications in additional countries or international patent offices within either ten months of the initial patent application, or six months from the date when the Commissioner of Patents and Trademarks grants permission to file foreign patent applications when such filing has been prohibited by a Secrecy Order. Grantee will notify NSF if it decides not to file in all or only certain foreign countries. Notification is required to allow the Government agency time to file.
6. The Grantee must include the following language in any patent application and any patent covering subject invention, “This invention was made with Government support under (identify grant number) awarded by the National Science Foundation. The Government has certain rights to this invention.” The page of the patent application that contains the Federal support clause must be transmitted to NSF by the Grantee within two months of filing the domestic patent application. NSF enters date clause received into iEdison. This should be uploaded as a PDF into iEdison.
7. For each subject invention, the Government shall have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the United States the subject invention throughout the world. A confirmation of this license must be transmitted to NSF by the Grantee within two months of filing any domestic or foreign patent application. NSF enters date license received into iEdison. This should be uploaded as a PDF into iEdison.
8. The NSF must forward license to the United States Patent and Trademark Office for to record license.
9. The grantee must notify the NSF of any decision not to continue prosecution of a patent application, pay maintenance fees, or defend a reexamination or opposition proceeding



on a patent, in any country, not less than 30 days before the expiration of the response period required by the relevant patent office.

10. The NSF Patent Assistant must approve requests for assignment of principal rights to an invention, assignment of rights to another entity, or waivers of the U.S. manufacturing requirement in writing. For more information, call the NSF's Office of General Counsel at 703.292.8060.
11. Extension requests to disclose, elect title or file a patent application are automatically granted. The number of years requested is input into iEdison by the NSF.