

SBIR/STTR Programs Offer Federal Funding to Entrepreneurs to Advance Innovative R&D projects

The **Small Business Innovation Research (SBIR)** and **Small Business Technology Transfer (STTR)** programs—collectively known as **America's Seed Fund**—award more than **\$4 billion annually** in competitive, non-dilutive funding to small businesses developing cutting-edge technologies. These programs encourage partnerships between industry and academia to translate research into commercial solutions that strengthen the nation's innovation ecosystem.

There are eleven Federal Agencies that participate annually in the SBIR program and five that participate in the STTR program. These Agencies designate R&D topics and accept proposals that support projects across a wide range of disciplines—from health and energy to defense, transportation, and education through federal agencies such as the NIH, NSF, DOE, and NASA.

How SBIR and STTR Differ

While the two programs share the same purpose—stimulating innovation and commercialization—there are key differences:

- **SBIR** provides equity-free funding through federal agencies to American small businesses. It allows small businesses to apply independently, while they can partner with research institutions, it does not require it. Its goal is to help small businesses bring innovations to market independently or with partners.
- **STTR** is a federal program that requires small businesses to collaborate with research institutions or Federally Funded Research and Development Centers (FFRDCs) on research and development projects, creating a formal partnership between the business and faculty researchers. Its primary goals are to stimulate technological innovation, foster technology transfer, encourage participation by socially and economically disadvantaged individuals plus encourage joint ventures between small businesses and research institutions to commercialize technology. The program also aims to commercialize innovations derived from federal funding. In STTR, the small business must be the prime contractor and perform at least 40% of the work, with the research partner performing at least 30% of the work. The balance can be done by either party and/or a third party.

Eligibility for the Small Business

- American-owned
- organized as a for-profit entity
- less than 500 employees.

To learn more, visit the Illinois I-Corp site at <https://icorps.illinois.edu/programs/sbir> or scan the QR code. Need assistance finding an academic partner, email siueresearch@siue.edu.

