



June 9, 2021

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Dr. Francis Collins, M.D., Ph.D.
Director
National Institutes of Health

Dear Director Collins,

The Biden Administration is looking to renew investment into American R&D and infrastructure to build a stronger and healthier economy with better lives for Americans. NIH's role is crucial in this. As you explore how to best make this once-in-a-generation investment, we ask you consider a greater focus of your R&D investment through small businesses, in particular your Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. Having small businesses do innovative R&D is productive in terms of the innovations, plus there is the added benefit that the new technology is already in an entrepreneurial small business that is well-suited to rapidly transitioning into the economy.

The SBIR/STTR programs are wonderful way to multiply NIH R&D funding. A recent study into the economic impacts of the SBIR/STTR programs at the National Cancer Institute¹ found that every R&D dollar invested in NCI's SBIR program resulted in \$11.56 in sales, \$33 in total economic output and nearly \$4 in tax revenues. Every dollar the NCI invested in the SBIR/STTR program resulted in an additional dollar of follow on research investment in SBIR/STTR technology. NCI SBIR firms were acquired for 21.6 billion dollars. This means that others have invested 36 times more into the NCI SBIR/STTR awards of \$787 million. The law also requires that SBIR/STTR awards must fund work in the U.S., which guarantees that American R&D funding stays in America to create American jobs.

The SBIR/STTR programs are the most successful innovation programs in government. SBIR/STTR firms create over 20% of the world's key innovations², which include such technologies as GPS on a chip and CMOS cameras. The NIH website has dozens of SBIR/STTR success stories ranging from Medical devices, drugs, diagnostic technologies, and basic research.³ SBIR/STTR results in One of the more famous SBIR success stories is the Ebola Vaccine, which was developed under a series of CDC SBIR awards, and was used to treat the West Africa Ebola outbreak in 2013-2016. Overall, the NIH SBIR/STTR R&D has been exemplary in fulfilling NIH's mission of enhancing health, lengthening life and reducing illness and disability.

¹ Swearingen, Will and Jeffrey Peterson, "1998-2018 National Economic Impacts from the National Cancer Institute SBIR/STTR Programs"; Techlink, 2019

² Fred Block and Matthew Keller, *Where Do Innovations Come From? Transformations in the U.S. National Innovation System 1970-2006*, Information Technology and Innovation Foundation, 2008

³ <https://sbir.nih.gov/stories/>



Representing America's innovative small businesses and the SBIR community, the SBTC would like to have an opportunity to speak with you or your designee about how NIH can even more fully leverage small business's innovative and economic power, and help generate American jobs while boosting America's abilities in key high-tech areas. We look forward to a meeting with the NIH to discuss how SBTC believes the NIH can further improve the SBIR/STTR program in support of your mission.

Sincerely,

A handwritten signature in black ink, reading "Jere W. Glover". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Jere W. Glover
Executive Director
Small Business Technology Council

The [Small Business Technology Council](http://www.NSBA.biz) (SBTC), is the nation's largest association of small, technology-based companies in diverse fields. SBTC is a council of the National Small Business Association (www.NSBA.biz), the nation's first small-business advocacy organization. NSBA is a staunchly nonpartisan organization with 65,000 members in every state and every industry in the U.S. SBTC advocates on behalf of the 6000 firms who participate in the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs.