



ARMY ACQUISITION REFORM



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SBIR

TAPPING SMALL BUSINESS TO MEET ARMY NEEDS

Thanks to the **Small Business Innovation Research (SBIR)** program, the Army has tapped the small business community for high-quality, innovative, and commercializable R&D products and services since the programs inception in 1983. The Army's annual \$100M SBIR budget, which comes from a mandated 2.5% assessment on the Army extramural R&D budget, is used to fund hundreds of relevant Phase I (six-month \$100K feasibility demonstration) and follow-on Phase II (two-year \$750K R&D) efforts annually. SBIR funds are not used for the so-called commercialization phase (Phase III)* in which the small business is expected to sell its products or services to industry or the government.

SBIR OPERATING & SUPPORT COST REDUCTION

At the suggestion of Dr. Kenneth Oscar, DASA(P), the Army moved in 1996 to increase SBIR efforts directed at the critical high-payoff area of **operating and support cost reduction**. 35 of 179 (20%) SBIR topics in the May 1996 solicitation resulted in 69 out of 290 (24%) Phase I awards. Performance exceeded Dr. Oscar's goal of 15% at every stage. Examples of **OSCR Phase I projects** nearing completion which will soon compete for follow-on Phase II contracts are:

- * **Inflatable Airbeams** - reduce weight, transport, and deployment costs of field structures
- * **Compact 15/1 Compressor** - improve small gas turbine efficiency
- * **Advanced Polymers for Soil Remediation** - regenerate Army facilities

GETTING SBIR CONTRACTS OUT FASTER

Dr. Paul Kaminski, USD(A&T), commended the Army for **drastically shortening award times on Phase I & II contracts** during 1996, awarding over 95% of Phase I projects within four months and over 80% of Phase II projects within six months of proposal receipt. The Army continues to seek ways of reducing these timelines even further.

* For Army Phase III Success Stories and information on Phase II Quality Awards Program, visit the SBIR Homepage at **<http://www.aro.ncren.net/arowash/rt/sbir.htm>**.