



ACQUISITION
AND SUSTAINMENT

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

JUN 07 2018

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY,
ACQUISITION & PROCUREMENT (DASN-AP)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE,
(CONTRACTING)
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Establishment of the Pilot Program for Streamlined Technology Transition from the
Small Business Innovation Research (SBIR)/Small Business Technology Transfer
(STTR) Programs

Section 1710 of the National Defense Authorization Act (NDAA) of FY 2018, Public Law No. 115-91, requires the Department of Defense to establish a pilot program under which the Department will establish multiple award contracts to covered small business concerns for the purchase of technologies, supplies, or services developed in the SBIR or STTR Program. Any firm that has been awarded a Phase I or Phase II contract under SBIR/STTR is eligible for an award under this pilot. The pilot is in effect from June 12, 2018 through September 30, 2023. The purpose of the pilot program is to accelerate transition of SBIR/STTR-developed technologies to the Department and the warfighter, and to create efficient contracting vehicles in support of this goal for execution of Phase III awards across the Department.

Instructions for implementation of this pilot authority are attached. For additional information, contact the DOD Office of Small Business Programs at (571) 372-6305.

James J. Galvin
Acting Director, Office of
Small Business Programs

Attachment: As stated

**Office of Small Business Programs
DOD SBIR/STTR**

**Implementation Instructions
Pilot Program for Streamlined Technology Transition from
the SBIR and STTR Programs of the Department of Defense**



June 2018

1. **Purpose.** To provide implementation instructions for the “Pilot Program for the Streamlined Technology Transition from the SBIR and STTR Programs of the Department of Defense” in accordance with section 1710 of the National Defense Authorization Act for Fiscal Year 2018.

This pilot program is intended to streamline the transition of cutting edge technology to the Joint Force by improving access to SBIR and STTR technology investments. Use of contracts/agreements that can be accessed across the department allows us to reduce the risk of the “valley of death” encountered by so many small technology businesses. In addition, this pilot will enhance DOD efforts to improve the speed and affordability of technology development and transition.

2. **Applicability.** This instruction applies to any military department or component of the Department of Defense.
3. **Authority.** The authority for this pilot is section 1710 of the National Defense Authorization Act for Fiscal Year 2018.
4. **Eligibility.** The pilot may be used to award multiple award vehicles to any small business concern that has completed a Phase II award under the DOD SBIR or STTR program, or small business concern that has completed a Phase I award when recommended for inclusion by a DOD contracting officer.
5. **Execution.**
 - a. Appropriate vehicles under this pilot are indefinite delivery indefinite quantity contracts, multiple award requirements contracts, blanket purchase agreements and basic ordering agreements.
 - b. Awards made under this pilot meet the definition of a SBIR Phase III award and may be awarded without competition.
 - c. All contracts under this pilot authority must be available for use by any military department or component of the DOD.
 - d. The establishing agency shall manage the contract ceiling and assist with scope reviews as requested.
 - e. The initial award of a contract or agreement under this pilot does not constitute an SBIR funding agreement and therefore has no impact on SBIR data rights. However, subsequent orders executed under a contract or agreement do meet the standard for an SBIR funding agreement. Therefore, all orders made under against a contract/agreement under this pilot authority must include the provisions of the SBA’s SBIR & STTR Policy Directives, §8(b)(1), (2), and (3) as data rights clauses. Ordering offices shall establish payment and other terms and other administrative terms and conditions on an order-by-order basis.

- f. Contracting officers should complete FPDS-NG field 5B, "Who Can Use" by selecting the option "Defense Only". This enables the widest possible use within DOD.
6. **Reporting.** An initiating agency shall report the establishment of a multiple award vehicle under the authority of this pilot program to sbirhelp@bytecubed.com using *MAC Pilot* as the subject. The report shall include the technology area, the topic, the company name and DUNS number, the multiple award contract numbers, and the period of performance. OSBP shall obtain information on award activity and dollar values from the Federal Procurement Data System – Next Generation (FPDS-NG).
7. **Responsibilities.**
- a. Director, Small Business Programs
 - Provide policy guidance for the use of this pilot authority.
 - Monitor the use of this authority by DOD organizations.
 - b. Program Administrator, DOD SBIR/STTR Programs -
 - Prepare and submit any necessary reports regarding use and outcomes from the Pilot Program for Streamlined Technology Transition from the SBIR and STTR Programs of the Department of Defense
 - c. DOD Pilot Participants –
 - Leverage opportunities to use this pilot authority to streamline the transition of SBIR and STTR developed technologies.
 - Ensure that awards made under this pilot authority are identified as SBIR Phase III awards in FPDS-NG.
 - Monitor outcomes from this pilot program in order to provide valuable feedback at the completion of the pilot.
 - d. Ordering Activities – Compliance with host agency protocols and order execution.
8. **Effective Dates.** The effective date for this pilot program is 11 June, 2018. The Pilot Program terminates on September 30, 2023.

“(6) The justification and approval required by paragraph (1) is not required in the case of a Phase III award made pursuant to section 9(r)(4) of the Small Business Act (15 U.S.C. 638(r)(4)).”.

10 USC 2304
note.

SEC. 1710. PILOT PROGRAM FOR STREAMLINED TECHNOLOGY TRANSITION FROM THE SBIR AND STTR PROGRAMS OF THE DEPARTMENT OF DEFENSE.

(a) **DEFINITIONS.**—In this section—

(1) the terms “commercialization”, “Federal agency”, “Phase I”, “Phase II”, “Phase III”, “SBIR”, and “STTR” have the meanings given those terms in section 9(e) of the Small Business Act (15 U.S.C. 638(e));

(2) the term “covered small business concern” means—

(A) a small business concern that completed a Phase II award under the SBIR or STTR program of the Department; or

(B) a small business concern that—

(i) completed a Phase I award under the SBIR or STTR program of the Department; and

(ii) a contracting officer for the Department recommended for inclusion in a multiple award contract described in subsection (b);

(1) the term “Department” means the Department of Defense;

(2) the term “military department” has the meaning given the term in section 101 of title 10, United States Code;

(3) the term “multiple award contract” has the meaning given the term in section 3302(a) of title 41, United States Code;

(4) the term “pilot program” means the pilot program established under subsection (b); and

(5) the term “small business concern” has the meaning given the term in section 3 of the Small Business Act (15 U.S.C. 632).

(b) **ESTABLISHMENT.**—Not later than 180 days after the date of enactment of this Act, the Secretary of Defense shall establish a pilot program under which the Department shall award multiple award contracts to covered small business concerns for the purchase of technologies, supplies, or services that the covered small business concern has developed through the SBIR or STTR program.

(c) **WAIVER OF COMPETITION IN CONTRACTING ACT REQUIREMENTS.**—The Secretary of Defense may establish procedures to waive provisions of section 2304 of title 10, United States Code, for purposes of carrying out the pilot program.

(d) **USE OF CONTRACT VEHICLE.**—A multiple award contract described in subsection (b) may be used by any military department or component of the Department.

(e) **TERMINATION.**—The pilot program established under this section shall terminate on September 30, 2023.

(f) **RULE OF CONSTRUCTION.**—Nothing in this section shall be construed to prevent the commercialization of products and services produced by a small business concern under an SBIR or STTR program of a Federal agency through—

(1) direct awards for Phase III of an SBIR or STTR program; or

(2) any other contract vehicle.