

Science Policies

Funding for Investigators Under Small Business Innovation Research (SBIR) Grants and Small Business Technology Transfer (STTR) Grants (SC-380)

Background

The SBIR and STTR programs are federal government programs administered by federal agencies, including the NIH, which provide funding to small U.S. businesses to engage in research and development work that has the potential for commercialization. The SBIR/STTR programs encourage and, in certain instances, require grantee companies to collaborate on the funded work with non-profit research institutions. Collaborating research institutions are subcontractors to the small businesses receiving SBIR/STTR grants; non-profit institutions may not apply directly for SBIR/STTR funding.

As explained in its [Company-Sponsored Research](#) policy, HHMI generally does not permit company-funded research in its laboratories. HHMI recognizes, however, that the funding provided by a company under an SBIR/STTR grant is similar to other funding that HHMI's host-based laboratories receive on a regular basis through their host institutions from federal agencies such as the NIH. As with other NIH funding, the grant application for an SBIR/STTR project must describe in detail the proposed role and budget for the academic scientist associated with the project. In addition, SBIR/STTR projects are evaluated by standard peer review and are subject to oversight by federal agencies. For these reasons, HHMI will now regard funding from a company under an SBIR/STTR grant as similar to competitive grant funding that is provided directly by the NIH.

Policy

An Investigator may collaborate with a company on a project funded by a Small Business Innovative Research (SBIR) Program grant or Small Business Technology Transfer (STTR) Program grant and may, through his or her host institution, accept funding from the company under the grant, provided that the collaboration with the company is consistent with HHMI's other policies, including HHMI's policy on [Research Collaborations, SC-340](#). HHMI will consider funding from a company under other government grant programs that are similar to the SBIR/STTR grant programs on a case-by-case basis.

Investigators who own equity in a company with which they would like to collaborate on an SBIR/STTR grant-funded project should note that under its policy on [Research Collaborations](#), HHMI will review whether it is appropriate for the Investigator to engage in the collaboration while holding the equity interest. Where there is not only a proposed collaboration but also a proposal for SBIR/STTR grant funding to flow to the HHMI laboratory, the potential for a conflict of interest is higher. For this reason, it is unlikely that HHMI will approve a proposal for SBIR/STTR grant funding for an Investigator's laboratory in a situation where the Investigator owns equity in the company.

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