

**National Institute of Food and Agriculture
U.S. Department of Agriculture
OMB No. 0524-New
Information Collection Request**

SUBJECT: Supporting Statement for Paperwork Reduction Act Submission to allow the USDA Small Business Innovation Research (SBIR) Program to Implement a Phase III Commercialization Survey

A. JUSTIFICATION

1. CIRCUMSTANCES MAKING COLLECTION OF INFORMATION NECESSARY

The Small Business Innovation Research (SBIR) program at the U.S. Department of Agriculture (USDA) makes competitively awarded grants to qualified small businesses to support high quality, advanced concepts research related to important scientific problems and opportunities in agriculture that could lead to significant public benefit if successful.

The USDA SBIR Program Office proposes to contact Phase II awardees to determine their success in achieving commercial application of a market ready technology that was funded under the USDA SBIR Program. The survey would collect information from Phase II companies that received funding during the years of 1994 to 2014. Data from the survey will be used to provide information that currently does not exist. The data will be used internally by the USDA SBIR Office to identify past and current activities of Phase II grantees in the areas of technology development, commercialization success, product development or services, and factors that may have prevented the technology from entering into the marketplace. Depending on the results of the survey, information from the survey will be used to highlight commercialization successes within the small business community; improve and refine program interactions with, and responsiveness to, the small business community; potentially refocus the strategies that are used to accomplish SBIR objectives for commercialization; and identify areas in need of improvement and enhancement. This survey will not be used to formulate or change policies. Rather, it will be used to enable the USDA SBIR Office to be responsive to its constituents and document successes within the USDA SBIR Program.

The objectives of the SBIR Program are to: stimulate technological innovations in the private sector; strengthen the role of small businesses in meeting Federal research and development needs; increase private sector commercialization of innovations derived from USDA-supported research and development efforts; and foster and encourage participation by women-owned and socially and economically disadvantaged small business firms in technological innovations. The USDA SBIR program is carried out in three separate phases:

1. Phase I awards to determine, insofar as possible, the scientific and technical merit and feasibility of ideas that appear to have commercial potential.

2. Phase II awards to further develop work from Phase I that meets particular program needs and exhibits potential for commercial application.
3. Phase III awards where commercial applications of SBIR-funded R/R&D are funded by non-Federal sources of capital; or where products, services or further research intended for use by the Federal Government are funded by follow-on non-SBIR Federal Funding Agreements.

The USDA SBIR Program is administered by the National Institute of Food and Agriculture (NIFA) of the USDA. NIFA exercises overall oversight for the policies and procedures governing SBIR grants awarded to the U.S. small business community, representing approximately 2.5% to 2.8% of the USDA extramural R/R&D budget. This represents approximately \$201M in Phase II grants awarded to the U.S. small business community from 1994 to 2014. In 1982, the Small Business Innovation Research (SBIR) Grants Program was authorized, Public Law 97-219, and in 2011, The National Defense Authorization Act for Fiscal Year 2012, enacted on December 31, 2011, reauthorized the SBIR and STTR programs through September 30, 2017.

2. HOW, BY WHOM, AND PURPOSE FOR WHICH INFORMATION IS TO BE USED

A total of 500 USDA SBIR Phase II grants were awarded to small businesses between 1994 and 2014, and the USDA SBIR Program plans to contact past Phase II awardees to determine their success in achieving commercial application of a market ready technology under Phase III.

The survey will be administered through a USDA led contract where a contractor will perform an initial web based survey administered through a secure Internet link with a telephone interview and/or in person interview as a follow-up with SBIR Phase II grantees. Both the web based survey and telephone/in person interviews will consist of a series of questions that relate to the commercial status of the technology developed with USDA SBIR Phase II funding as well as general questions regarding the USDA SBIR Program. The USDA SBIR Program office will coordinate the initial contact with the Phase II companies in an effort to introduce the scope of the survey, provide straightforward instructions and facilitate the survey work that the contractor will initiate and complete. Phase II companies that do not respond within two weeks to the initial contact from the USDA SBIR Program Office will be sent a second request by email or by phone to respond. It is envisioned that the contractor would then conduct the web based survey and interviews thereafter.

Participation in the survey is completely voluntary. All participant-identifying information from the survey will be kept confidential, unless compelled by law. Both USDA NIFA and the contractor will be required to ensure that all electronic information will be kept on secure servers and hard copy information will be kept in locked facilities.

The information collected by the contractor will undergo a statistical analysis by both the contractor and the USDA SBIR Program Office.

3. USE OF IMPROVED INFORMATION TECHNOLOGIES

The survey will be administered through a USDA led contract where a contractor will perform an initial web based survey administered through a secure Internet link with a telephone interview and/or in person interview as a follow-up with SBIR Phase II grantees.

4. EFFORTS TO IDENTIFY DUPLICATION

No duplication is involved. This data collection for the USDA SBIR program has never existed.

5. METHODS TO MINIMIZE BUDGET OF SMALL BUSINESSES OR ENTITIES

A concentrated effort has been made to ensure that the survey only collects data of importance and does not collect information that is not needed in an effort to not overburden the company that would respond. Additionally, the online survey will have mechanisms built in to only show certain questions based on earlier answers provided.

6. CONSEQUENCE IF INFORMATION COLLECTION WERE LESS FREQUENT

The consequences of not obtaining the data would not allow the USDA SBIR program to highlight commercialization successes within the small business community; improve and refine program interactions with, and responsiveness to, the small business community; potentially refocus the strategies that are used to accomplish SBIR objectives for commercialization; and identify areas in need of improvement and enhancement. Additionally USDA SBIR would not be able to report commercialization successes to Members of Congress, the Small Business Administration and USDA Leadership.

7. SPECIAL CIRCUMSTANCES FOR INFORMATION COLLECTION

! requiring respondents to report information to the agency more often than quarterly:

The agency does not require respondents to report information more often than quarterly.

! requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it.

The survey is based on past grantees volunteering to provide a response and is therefore not a requirement.

- ! requiring respondents to submit more than an original and two copies of any document:

The survey is provided electronically via a secure internet link and therefore does not require an original and two copies to be submitted.

- ! requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;

This is not applicable for this data collection request.

- ! in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;

The data collected is specific to each USDA SBIR Phase II grantee that received an award from 1994 to 2014. However the data generated can be analyzed and modified to a cumulative summary for overall USDA SBIR program data. As an example the data could provide some of the following information that could be reported to Congress, SBA and USDA Leadership:

1. Total USDA SBIR Return on Investment (ROI) over a timeframe (i.e., yearly or over a period of years)
2. Total sales of new products and services from USDA SBIR innovations
3. Total outside investment in USDA SBIR companies
4. Total number of companies acquired by larger corporations
5. Total number of technologies that have been licensed to other companies for commercialization

- ! requiring the use of a statistical data classification that has not been reviewed and approved by OMB;

This information collection does not require the use of statistical data classification that has not been reviewed and approved by OMB.

- ! that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use;

This information collection does not require a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or

which unnecessarily impedes sharing of data with other agencies for compatible confidential use.

- ! Requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information=s confidentiality to the extent permitted by law:

5 CFR 1320.6(i): In providing proprietary information that constitutes a trade secret, proprietary commercial or financial information, confidential personal information, or data affecting the national security, applicants are informed to clearly mark such information and that this information will be protected to the extent permitted by law.

8. FEDERAL REGISTER NOTICE

The notice for extension of this currently approved information collection appeared in the Federal Register on Tuesday, March 31, 2015, 80 FR No. 61 17025. There were no comments.

CONSULTATIONS WITH PERSONS OUTSIDE THE AGENCY

The following individuals were consulted to review the forms and assist in determining time estimates for completing the forms:

Giulia Stellari, AgSquared | Email: giulia@agsquared.com

Judy Hsieh, Sr. Programs Manager, Larta Institute | Email: jhsieh@larta.org

Roald Gundersen, Co-founder, Architect, Whole Trees, LLC | Email: roaldgundersen@wholetrees.com

Robert Cheetham, Azavea Inc., | Email: cheetham@azavea.com

Ellen R. Campbell, Vice President, Nitrate Elimination Company, Inc | Email: ellenr@nitrate.com

9. DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS, OTHER THAN REMUNERATION OF CONTRACTORS OR GRANTEES

The agency does not provide payment or gifts to respondents, other than remuneration of contractors or grantees.

10. CONFIDENTIALITY PROVIDED TO RESPONDENTS

Companies that respond to the survey will be notified that the results are for USDA purposes only. If there is any data that may be selected to be released, USDA will contact the respondent to gain approval to use the data outside of USDA. In general USDA will only publish data that has already been released to the public. Examples are when USDA SBIR has published information on companies that have been acquired by other larger companies and the data was provided to USDA via the popular press.

11. QUESTIONS OF A SENSITIVE NATURE

The certifications as to whether or not the applicant is a minority and disadvantaged small business and/or a women-owned small business could be viewed as sensitive in nature. However, the intent of the SBIR legislation is to encourage such firms to participate in technological innovation and to afford such firms the opportunity for Federal support of their research and development efforts. Therefore, it is necessary to collect this information in order to evaluate the effectiveness and impact of the SBIR Program in these areas.

12. ESTIMATE OF BURDEN

Public reporting burden for the collection of information the survey is estimated to average one (1) hour per response.

Respondents include businesses or other for profit concerns.

Estimated number of respondents:	500
Estimated number of responses per respondent:	1
Estimated total annual burden on respondents:	500 hours

TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS.

For the USDA SBIR Survey

	Avg. Hourly Wage	Avg. Hours/Form	Total	Total Forms/year	Total Yearly Cost
Senior Executive	\$252.00	1	\$252.00	500	\$126,000.00

*Average Hourly Wage was calculated using cost estimates submitted by 4 vendors that responded to a request for proposals to develop the survey being used for this data collection effort.

ANNUALIZED COSTS TO RESPONDENTS

The estimated total man-hours for this information collection is 500, based on 500 respondents. It is estimated that with equipment currently in use, the cost to respondents is \$126,000.00.

13. CAPITAL/STARTUP COSTS

There are no capital or startup costs.

14. ANNUALIZED COST TO THE FEDERAL GOVERNMENT

Contract to a vendor to implement the data collection and collect the data, estimated cost: \$167,770.00

Estimated time and review costs using GS 13 step 5 and GS 15 Step 5:

	Avg. Hourly Wage	Avg. Hours/Form	Total	Total Forms/year	Total Yearly Cost
GS13/5	\$49.49	4	\$197.96	500	\$98,980.00
GS15/5	\$68.79	2	\$137.58	500	\$68,790.00

15. REASONS FOR CHANGE IN BURDEN

This is a new information collection

16. TABULATION, ANALYSIS AND PUBLICATION PLANS

No plans to publish - not applicable.

17. SEEKING APPROVAL TO NOT DISPLAY OMB APPROVAL ON FORMS

These forms are not subject to change; therefore, in order to save on printing costs, the Agency requests to not display the expiration date on the forms.

18. EXCEPTION(S) TO THE CERTIFICATION STATEMENT (19) ON OMB 83-1

None.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Information to be collected does not employ statistical methods.

Attachments:

USDA SBIR Phase III Survey template