# SBIR: Limerick City and County Council competition for development contracts

## **FREQUENTLY ASKED QUESTIONS**

#### How does an SBIR competition work?

SBIR enables government departments to connect with technology organisations, finding innovative solutions to specific public sector challenges and needs. It aims to use the power of government procurement to accelerate technology development, supporting projects through the stages of feasibility and prototyping which are typically hard to fund. SBIR offers an excellent opportunity for businesses, especially early stage companies, to develop and demonstrate technology, supported by an intelligent lead customer.

SBIR is a simple structured process. Typically competitions are structured in two phases.

Phase 1 proposals concentrate on that research and development which will significantly contribute to proving the scientific, technical and commercial feasibility of the proposed project. The results of Phase 1 determine whether the solution should go further to Phase 2, however not all projects will progress to Phase 2. The principal research and development effort takes place in Phase 2, which aims to produce a well-defined prototype. At the end of Phase 2 it is intended that what has been developed will be manufactured and marketed as a way of fulfilling requirements.

## Is my business eligible to submit an application to an SBIR competition?

Any organisation can submit an application, although it is expected that opportunities presented by SBIR will be particularly attractive for SMEs. SBIR is aimed at organisations working on the development of an innovative process, material, device, product or service. Successful applications will be those whose technology best addresses the specific needs identified, with the potential to make a measurable improvement to currently available products, processes materials, devices or services. Development contracts will be awarded only to individual organisations. However, organisations may also wish to demonstrate that successful collaboration will enhance their overall development. Work may be subcontracted but this is the responsibility of the main contractor.

#### I am a pre-startup company may I apply?

Yes, but contracts must be awarded to legal entities.

## I am based at a university, may I apply?

Universities may apply, however they must demonstrate a route to market, *ie* the application must include a plan to commercialise the results. It is unlikely that a university will be able to demonstrate the appropriate level of commercialisation to be successful beyond Phase 1, therefore the application should explain how the product will be developed by a commercial organisation.

## My company is a registered charity, can I apply?

Yes, registered charities are equally eligible to enter SBIR competitions via their trading company limited by guarantee. All organisations must demonstrate a route to market.

## How do I submit my application?

All bids should be submitted electronically using the post-box available on [www.etenders.gov.ie].

All proposals must contain the following:

- Completed Application Form
- Valid tax clearance certificate or confirmation that one can be made available if successful

[You must create a login using your email address and a password, via the 'Apply Now' link on the competition page].

Details of the challenge and expected outcome of the projects can be found in the project documents. You are strongly advised to read all published competition documents before completing the application form.

Briefing events for businesses interested in finding out more about the competition will be held on the 3<sup>rd</sup> of October 2018. Please check www.limerick.ie for confirmation of dates and venues.

#### What is the deadline for applications?

12 noon on the 9<sup>th</sup> November 2018.

## How will the successful applications be chosen?

Proposals will be selected by an expert group of selected assessors and a final assessment panel.

## When will I find out if my application has been successful?

All applicants will be informed shortly after the assessments have been concluded.

## Who owns the Intellectual Property generated by the project?

Intellectual property rights are retained by the applicant although certain rights of usage may be applied by the funding authority including royalty-free, non-exclusive licence rights and the right to require licenses to third parties, at a fair market price.

#### Can I work in collaboration with other companies?

Contracts will be awarded only to individual organisations. However, applicants may identify components of the work which they wish to subcontract and may also employ specialist consultants or advisers if they believe this will increase the chances of the project being successful.

#### Do SBIR contracts constitute state aid?

No. Where public authorities buy R&D from organisations at a fair market price, not for their exclusive use and where the competition is advertised in an open market, there is no advantage and consequently no element of state aid.

## Should project costs include VAT?

Yes. SBIR is a pre-commercial procurement process and the resulting development contract is subject to VAT. Therefore the maximum allowable budget also includes VAT. VAT is the responsibility of the invoicing business, and it is required that applications will list total costs inclusive of VAT. Should you consider you are VAT exempt then you may quote without VAT but you will not at a later date be able to increase invoice values to cover VAT.

#### Can overheads be included in project costs?

An element of overheads may be included in project costs. However, such an element must be realistic. Assessors will consider financial costs in terms of 'value for money' at the assessment stage. Projects showing costs that are considered unreasonable will be rejected on these grounds.

## Who should I contact if I have any further questions?

Questions on the specifics of this competition should be sent to jillian.robinson@limerick.ie

Questions on the overall SBIR program should be addressed to Marguerite.Bourke@enterprise-ireland.com.