Doing Business with DARPA

BRIDGING THE GAP

1958 DARPA 2008

50 YEARS

POWERED BY IDEAS

Doing Business with DARPA

DARPA's mission is to maintain the technological superiority of the U.S. military and prevent technological surprise from harming our national security by sponsoring revolutionary, high-payoff research that bridges the gap between fundamental discoveries and their military use. To achieve these goals, DARPA focuses on the following when crafting business agreements:

- Development of innovative business relationships and practices
- Matching military requirements with technological opportunities
- Protecting information and ideas
- Creating agreements for investments in high-risk projects involving revolutionary technologies and systems
- Promoting innovation by creating flexible strategy agreements

Getting Your Ideas Considered by a DARPA Program Manager

Don't constrain your great ideas by how you think DARPA may react. Even though DARPA may not appear active in a particular area doesn't mean the Agency won't be interested in a great technological idea in a new arena. In fact, your idea could lead to new areas of research.

The key to working with DARPA is through a program manager. To maintain an entrepreneurial atmosphere and the flow of new ideas, DARPA hires hire program managers for 2 to 6 years; the best way to foster new ideas is to bring in new people with fresh outlooks.

DARPA program managers:

- Provide feedback regarding whether an idea is suited to DARPA.
- Help shape ideas to synchronize with an ongoing or new DARPA program.

In some cases, a program manager may substantially alter what he or she plans to do based on a new idea.

A big part of a program manager's job is to find great ideas upon which to build new programs. Information exchanges with DARPA program managers are the foundation for "Doing Business with DARPA." Some of the best opportunities to pitch ideas for DARPA programs are when DARPA program managers are starting new programs.

When considering an idea, DARPA program managers will ask:

- What are you trying to do?
- How is this done now? What are the limitations?
- How will this approach remove those limitations and improve performance? By how much?
- If an idea is successful, what difference will it make?

DARPA program managers often fund studies ("seedlings") as initial research to determine if a more formal program is appropriate. This brochure provides guidance for transforming your ideas into agreements with DARPA.

Notices of DARPA Business Opportunities

DARPA provides information about research areas of interest to the Agency by the following means:

- For information on DARPA programs and areas of research by individual technical offices, visit www.darpa.mil and click on "DARPA Offices."
- To find solicitations, visit www.darpa.mil and click "Solicitations." Another option is the official Federal acquisition opportunities Web site at www.fedbizopps.gov.
- DoD Small Business Innovation Research (SBIR) program solicitations can be found at www.acq.osd.mil/sadbu/sbir. Current DARPA SBIR programs are described at www.darpa.mil/sbir/.
- Federal grants—awards of financial assistance from a Federal agency to carry out a public purpose of support or stimulation authorized by a law of the United States—are listed at www.grants.gov.

DARPA Methods of Soliciting Business

DARPA uses requests for proposals (RFPs) and broad agency announcements (BAAs) to solicit business.

Because DARPA understands that creating proposals involves a great deal of time and effort, many DARPA solicitations encourage the submission of a white paper or abstract to determine whether an idea is likely to be selected. DARPA does not tend to think in terms of individual contracts, but rather collections of contracts or projects. It is the program manager's job to develop projects, so be sure to demonstrate how your idea will fit as part of a larger project.

As a Government contractor, it is helpful to be familiar with the Federal Acquisition Regulations (FAR) from the Government Printing Office or at www.arnet.gov/far/.

Requests for Proposal (RFPs)

An RFP provides a specific statement of work, contract deliverables, and evaluation criteria for Government selection. It lists the Government requirements, solicitation provisions, proposal preparation instructions, and the evaluation method for the review of proposals. An RFP serves as the basis for award selection.

If the proposed award is for a cost-type contract, the awardee must have an approved cost accounting system to audit costs.

Broad Agency Announcements (BAAs)

A BAA is a competitive solicitation procedure used to obtain proposals for basic and applied research and that part of development *not related to the development of a specific system or hardware procurement*. The type of research solicited under a BAA attempts to increase knowledge in science and/or to advance the state of the art compared to practical application of knowledge. BAAs are described in FAR 6.102, "Use of Competitive Procedures," and FAR 35.016, "Broad Agency Announcements."

Each DARPA technical office has an "office-wide" BAA that covers a broad range of topics and is usually open for 1 year. Program-specific BAAs are targeted specifically to a particular area of research.

DARPA BAAs describe:

- The Agency's research interest for either an individual program requirement or broadly defined areas of interest covering the full range of the Agency's requirements
- Criteria for selecting proposals, their relative importance, and the method of the evaluation
- Specific time available for submission of proposals
- Specific instructions for the preparation and submission of proposals.

Preproposal Information

DARPA industry days are held after publication of a program notice and prior to the submission of proposals. They provide the opportunity to hear program managers and meet potential industry partners for teaming. DARPA industry days are not limited to the promotion of BAAs; they are used for all methods of soliciting business.

White papers are the initial ideas submitted to a DARPA program manager and are not considered proposals. They permit the presenter to make a detailed, written explanation of the idea/concept. A white paper allows for feedback from a DARPA program manager and, if appropriate, may result in a formal proposal submittal.

Evaluation and Award

BAA proposals are evaluated on technical merit and are not compared to other proposals. There is no common statement of work. DARPA identifies general areas of interest, but does not tell organizations how to propose work or how to solve problems. The basis for the selection of proposals is the technical importance with respect to Agency programs and funding availability.

Cost realism and reasonableness is also considered, to the appropriate extent, in the evaluation of a proposal. The award may be in the form of a contract, assistance agreement, or an Other Transaction. The proposal can list the type of preferred agreement; however, the appropriate type of award is subject to negotiation.

Small Businesses Working with DARPA

DARPA funds the innovations of small businesses through participation in the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs.

Small Business Innovation Research (SBIR) Program

The purpose of the SBIR program is to:

- Stimulate technological innovation.
- Increase private sector commercialization of Federal research and development (R&D).
- Increase small business participation in Federally funded R&D.
- Generate participation by minority and disadvantaged firms in technological innovation.

To participate in the SBIR program, a firm must:

- Be a U.S. for-profit small business with 500 or fewer employees.
- Perform work in the United States.
- Have the principal investigator spend more than one-half of the time employed by the proposing firm.

SBIR efforts fall into three categories:

- Phase I is limited to 6-month efforts that do not exceed $99,000.
- Phase II is limited to 2-year efforts that do not exceed $750,000.
- Phase III commercializes technology with non-SBIR funds.

For more information on the SBIR program, visit www.sba.gov.

Small Business Technology Transfer (STTR) Program

STTR is a competitive program that aims to award funding to small businesses and nonprofit research institutions to bring technological innovations to fruition. The purpose of the STTR program is to:

- Expand funding opportunities for Federal R&D.
- Facilitate public and private sector partnerships.
- Create joint venture partnerships for small businesses and large nonprofit research institutions.
- Provide opportunities to develop the innovations necessary to meet the nation's technological challenges.

To participate in the STTR program, a firm must:

- Be a U.S. for-profit small business with 500 or fewer employees.
- Perform work in the United States.
- Have the principal investigator spend more than one-half of the time employed by the proposing firm or the research institute.

For more information on the STTR program, visit www.sba.gov.

For more information on doing business with DARPA, visit www.darpa.mil/body/dobdar.html.