

Small Business Innovation Research (SBIR) Pilot: Frequently Asked Questions

What is the SBIR Pilot?

The SBIR Pilot aims to provide commercial opportunities for innovators while solving Queensland Government challenges.

Through a new procurement process, Queensland Government Departments release challenges to the market where there is no identified viable solution. Applicants propose solutions to these challenges, and if selected, receive funding to research, develop and test their idea. This funding supports innovators through crucial feasibility and proof of concept stages, which can be difficult to fund.

At the end of the process, applicants have the possibility to secure a contract with a Queensland Government agency.

Intellectual property developed within the SBIR Pilot is retained by the party who developed it, allowing innovators the potential to access broader commercial opportunities.

How does the SBIR Pilot Work?

Queensland Government agencies identify specific challenges where no viable solution has been identified. These challenges are then released to the open market, seeking innovative solutions from businesses.

Based on the published challenge details, applicants will submit an application outlining details of how the feasibility of their proposed solution will be proven. These applications are then assessed against the published criteria (See "How are applications selected?"), with the best being shortlisted to attend Information Exchange and Solution Presentation Days.

The most suitable applicants will be invited to complete the Feasibility Stage to test the technical and commercial viability of their proposed solutions. This stage is funded, and is expected to last no longer than six months.

Solution providers who have demonstrated that their solution is feasible may then be invited to participate in the Proof of Concept Stage. This stage is expected to last no more than 12 months,

with funding provided to develop an operational model or prototype of the proposed solution.

Timeframes for each stage are approximate, and may vary at the discretion of the Queensland Government.

Successfully developed solutions are then able to be commercialised by the applicant and may be procured by the Queensland Government.

How is the SBIR Pilot different to a traditional procurement process?

The SBIR Pilot is a new way for government to do business, and delivers procurement in an innovative way.

Instead of the Queensland Government going to market seeking a specific product or service, the SBIR Pilot focuses on what the challenge is. Innovators can tell government how they think it should be solved, and receive funding to develop their ideas.

Why is the Queensland Government releasing challenges this way?

The SBIR Pilot provides an opportunity for the Queensland Government to find innovative solutions to complex challenges by working with innovators who may not typically apply for Government contracts.

The SBIR Pilot also aims to stimulate the Queensland economy by assisting innovators to take new ideas to market, grow innovative businesses and creating the knowledge based jobs of the future.

Is the SBIR Pilot a grants program?

No, while funding support is provided for successful applicants to undertake a feasibility study and/or a proof of concept stage, the SBIR Pilot has been designed to be a competitive procurement process.



This means that applicants within the SBIR Pilot will be working within the requirements of the Queensland Procurement Guidelines, making it possible for successful applicants to have their innovations procured by the Queensland Government at the end of the process.

What is meant by an “innovative” solution?

The SBIR Pilot is seeking innovative solutions to complex challenges.

An innovative solution could be an entirely new product, process or system, or could be a novel application of an existing product, process or system.

Which Queensland Government Agencies are participating in the Pilot?

The SBIR Pilot is being delivered as part of the Advance Queensland initiative, and is led by the Department of Science, Information Technology and Innovation in partnership with participating challenge owner agencies:

- Department of Environment and Heritage Protection
- Department of Housing and Public Works
- Department of National Parks, Sport and Racing.

Details of each of the challenges within the SBIR Pilot can be found in the Challenge Statements available on the [Advance Queensland](#) website.

Where can I find further details about the challenges?

In line with Queensland Government Procurement Guidelines, it is important that the same information is provided to all interested parties at the same time, to ensure a fair, transparent and equitable procurement process.

If you have questions that are not answered in the relevant Challenge Statement it is important that you do **not** attempt to contact the participating agency directly.

Instead, applicants should direct questions to SBIR@dsiti.qld.gov.au or call 13 QGOV (13 74 68). Frequently asked questions will be collated and published online, so all applicants have equal access to information.

What are the key dates of the SBIR Pilot?

Applications for the SBIR Pilot close on **12 September 2016**. Applicants can expect to hear back about their applications in **late October 2016**.

The Information Exchange Day will be held in **early November 2016**, and the Solution Presentation Day held in **mid-November 2016**, to provide time for applicants to revise their proposed solutions.

It is expected that successful applicants will be commencing their projects in **January 2017**.

Where can I find the Terms and Conditions for the SBIR Pilot?

The Terms and Conditions are available [here](#).

Are the Terms and Conditions negotiable?

No. When submitting an application, applicants are agreeing to be bound by the Terms and Conditions should their application be successful.

What is required of Applicants under the Queensland Procurement Policy Guidelines?

The SBIR Pilot has been designed in line with the Queensland Government Procurement Policy guidelines.

Applicants should be aware that they may need certain accreditation to have their developed solution purchased by Government. For example, information and communications technology solutions may need the applicant to be accredited with QAssure and the Queensland Government Information Technology Contracting (GITC) framework. It is the responsibility of the applicant to attain all necessary accreditation by the time their solution is procured.

The Information Communication Technology (ICT) Small to Medium Enterprise (SME) Participation Scheme is a whole of government policy to provide ICT SMEs with fair and equitable access to the Queensland Government market. This Scheme provides ICT SMEs additional evaluation scoring advantages in application evaluations. The Scheme also provides evaluation scoring advantages for entities of any size, who engage ICT SMEs as subcontractors to deliver work associated with a Proposal.



When an entity is engaging an ICT SME as a subcontractor they must specify the anticipated ICT SME participation level in their application and in Schedule 1, which will be included in the contract with the Applicant, if the Applicant is successful.

ICT SME participation level accounts for 10% of the overall evaluation. ICT SME Participation level will be calculated as followed:

- ICT SME Applicant: scores the full advantage of 10% criteria automatically, or
- Non-ICT SME Applicant engaging an ICT SME subcontractor: scoring advantage calculated on the net proportion of the contract which is to be paid to ICT SMEs.

The successful Applicant's nominated ICT SME participation level will be published on the Queensland Government QTender website.

For more information regarding:

- Supplying to Queensland Government, refer to: qld.gov.au/procurement
- QAssure accreditation and the GITC framework, refer to: qassure.com.au/
- The ICT SME Participation scheme, refer to: www.qld.gov.au/dsiti/about-us/business-areas/ict-strategic-sourcing/sme-participation-scheme/
- Your responsibilities as an applicant please refer to the Terms and Conditions.

What funding is available?

The SBIR Pilot provides funding to shortlisted innovators to develop and test solutions to complex challenges.

Funding of up to \$250,000 is available for the Feasibility stage and up to \$500,000 for the Proof of Concept stage, at the discretion of the Queensland Government agency posing the challenge. As this is a competitive procurement process, assessment of applications will take into account value for money.

For details on what the funding of each stage aims to achieve, refer to "What are the aims of the Feasibility Stage?" and "What are the aims of the Proof of Concept Stage?"

The SBIR Pilot uses a competitive procurement process with funding amounts negotiated as part of the application and shortlisting process. Please note that applications will be assessed on their potential

value for money. For a full list of assessment criteria, see "How are applicants selected?"

Applicants will need to submit a completed Schedule 1 to the Terms and Conditions, which sets out their proposed activities and costs for each stage of development, and the Government contribution sought. Guidance on completing Schedule 1 can be found in the [Application Form Guide](#).

Please note that multiple applicants may be selected to progress to the Feasibility and Proof of Concept stages for an individual challenge.

If a Government agency chooses to procure a solution at the end of this process, or continue their relationship with an applicant beyond the SBIR Pilot, then this will be negotiated separately.

Who can submit an application?

Applications are open to any organisation able to provide a solution to a published challenge. Small-to-medium enterprises, startups, universities, research organisations, entrepreneurs and not-for-profit organisations are all welcome to submit applications to the SBIR Pilot.

However, all applicants must be in a position to be able to enter into a commercial contract with the Queensland Government. Applicants will be required to demonstrate a clear plan to commercialise their solution in their application, and will need to identify the commercial vehicle they will use to supply their final solution to Government.

Applicants must not be employees of the participating Government agency, the Department of Science, Information Technology and Innovation or service providers engaged in the delivery of the Pilot.

I'm a research organisation, can I apply to the SBIR Pilot?

Yes, research organisations can apply to the SBIR Pilot. However, solutions developed within the SBIR Pilot must be available to be procured by Queensland Government.

As such, research organisations applying to the SBIR Pilot should ensure they have a clear plan to commercialise their solution, and identify the commercial vehicle they will use to supply their final solution to Government.

For advice on supplying to Government, refer to qld.gov.au/gov/supplying-queensland-government.

I'm a researcher at a university, can I apply to the SBIR Pilot?

If you are a university researcher applying to solve a challenge, you must be able to show a clear plan on how you will commercialise your proposed solution at the time of application.

Additionally, you must identify the commercial vehicle you will use to supply the final solution to Government.

For advice on supplying to Government, refer to qld.gov.au/gov/supplying-queensland-government.

Do applicants need to be based in Queensland?

No, applicants can be located anywhere.

Can two or more entities submit a joint application?

Yes, subject to a lead partner being identified and authorised to act on behalf of the applicants.

Can I submit applications for more than one challenge?

Yes. An organisation can apply to solve more than one challenge, however they would need to demonstrate they have capacity and capability to be represented at both the Information Exchange and Solution Presentations days, and deliver multiple solutions.

Can I submit a hardcopy application?

Only online applications will be accepted.

How are applicants selected?

Applications will be assessed on the following criteria:

1. Do you have the capability to deliver the proposed solution?
 - a. Experience and skills to deliver the solution?
 - b. Access to any associated or existing intellectual property (where applicable)?
 - c. Identified route to commercialise and take the solution to market?
2. How well does the solution solve the challenge?
 - a. Is the solution innovative – new to the market, already existing but applied in a new way or novel?

- b. How well does the proposed solution address the outlined constraints and deliver the benefits sought in the challenge statement?
3. Is the project plan sound, and the proposed solution viable and achievable within the timeframes of the SBIR program stages?
4. Does the proposed solution represent the potential for value for money, and appear financially viable with broad commercial potential?
5. Does the proposed solution present broader benefits for Queensland?

The above criteria will be used to shortlist applicants to attend the Information Exchange and Solution Presentation Days, and to select applicants to proceed into the funded Feasibility and Proof of Concept stages of the SBIR.

Who assesses the applications?

Participating agencies will assemble expert judging panels to assess the proposed solution. These panels may include technical and commercial experts and the end-users of an eventual solution.

How and when will I know if I've been successful?

Applicants to the SBIR Pilot will be notified of the outcome of their application in writing in **late October 2016**.

What is the Information Exchange Day?

The Information Exchange Day will provide selected applicants with the opportunity to seek additional information about the challenge directly from the participating Government agency.

There will be equal time and opportunity for every shortlisted applicant to discuss the challenge with relevant Queensland Government agency personnel.

After the Information Exchange Day, applicants will have time to revise their proposed solution and submit a revised application.

An acknowledgement of the Terms of Participation will need to be signed by all parties upon submitting an application. If shortlisted, a printed and signed copy of these



Terms will need to be brought to the Information Exchange Day.

What is the Solution Presentation Day?

The Solution Presentation Day will be held approximately one to two weeks after the Information Exchange Day, and will allow shortlisted applicants to present their finalised solutions in 'closed' presentations to the selection panel.

Following the Solution Presentation Day, the participating agency may select one or more solution providers to progress to the next stage of the Pilot.

Can different teams be sent to the Information Exchange and Solution Presentation Days?

No, the same team must attend both days.

What is the aim of the Feasibility Stage?

The Feasibility Stage aims to prove a proposed solution is technically and commercially viable.

Specifically, the Feasibility Stage aims to:

- prove the technical merit of the proposed solution
- demonstrate how the proposed solution will solve the challenge
- identify how the proposed solution will operate within any constraints identified by the participating Agency
- identify any technical problems, production barriers or other risks, and viable actions to address them
- determine if the proposed solution can proceed to the Proof of Concept Stage
- identify key activities and proposed outcomes for the Proof of Concept Stage
- determine the commercial potential and route to market, including anticipated timeframes, for the proposed solution.

Prior to beginning the Feasibility Stage, all parties will be required to sign a contract governing participation in the Feasibility Stage, including funding, reporting, deliverables and intellectual property considerations.

Please note, successful completion of the Feasibility Stage does not guarantee progression to the Proof of Concept Stage.

The Queensland Government reserves the right to not proceed with any proposal at any time.

It is expected that the Feasibility Stage will last no longer than six months. However, timeframes for the Feasibility Stage are approximate, and may vary at the discretion of the Queensland Government.

What happens if the proposed solution is deemed not feasible at the end of the Feasibility Stage?

If the proposed solution is found not feasible by an expert judging panel, then the applicant will not be invited to progress to the Proof of Concept Stage.

However, as applicants retain their intellectual property, they can continue to develop the solution (at their own cost) to release to a wider market for other interested parties.

What if I have already proven the feasibility of my proposed solution?

It is anticipated that most proposed solutions will require a feasibility study to be undertaken. However, if you can demonstrate that your proposed solution is feasible at the time of application, then you are able to apply directly to the Proof of Concept Stage.

You will need to attach clear justification of your proposed solution's feasibility to your application, which will be reviewed by an expert judging panel against the objectives of the Feasibility Stage. If the judging panel determines that the proposed solution requires feasibility testing, then you may be asked to submit a revised application.

What is the aim of the Proof of Concept Stage?

After completing the Feasibility Stage, applicants may be invited to demonstrate a proof of concept by producing an operational form of their proposed solution.

The Proof of Concept Stage aims to:

- develop a working prototype/model based on the participating agency needs
- undertake a pilot to test and validate the proposed solution
- conduct the key proof of concept activities identified in the Feasibility Stage

- assess the outcomes of the Proof of Concept Stage against the expected outcomes identified in the Feasibility Stage
- examine the operational requirements for the Queensland Government Agency to implement the developed solution
- finalise the proposed route to market, and steps required so the solution can be acquired by the participating Government agency and other customers.

Prior to beginning the Proof of Concept Stage, all parties will be required to sign a contract governing participation in the Proof of Concept Stage, including funding, reporting, deliverables and intellectual property considerations.

Please note that successful completion of the Proof of Concept Stage does not guarantee procurement by the Queensland Government. The Queensland Government reserves the right to not procure any proposal.

It is expected that the Proof of Concept Stage will last no longer than 12 months. However, timeframes for the Proof of Concept Stage are approximate, and may vary at the discretion of the Queensland Government.

What happens if the proposed solution is not ready for release to market at the end of the Proof of Concept Stage?

If a proposed solution is shown to be unsuccessful within the Proof of Concept Stage, then it will not be procured by the Queensland Government agency.

If a solution is considered to require further development before being released to market, the participating Queensland Government agency may decide to continue to work with the applicant outside of the scope of the SBIR Pilot.

Regardless, the applicant will retain their intellectual property and can continue to develop their solution (at their own cost) for release to the market for other interested parties.

What contact will I have with the participating Queensland Government Agency through the development stages?

Applicants will be required to meet regularly with the participating agency to track progress

towards the objectives negotiated in the contracts for each stage.

Progress and final reports will be required in both the Feasibility and Proof of Concept Stages. These reports must outline:

- the work completed towards developing the proposed solution
- the applicant's view on the continuing viability of their proposed solution
- any hurdles or roadblocks for the development of the proposed solution
- activities planned for the next period of development
- how participation in the SBIR has contributed to the applicant's future business development.

Full reporting requirements will be set out in the terms and conditions of each stage of development.

Who owns the Intellectual Property (IP)?

The applicant owns the IP that they develop during their SBIR project. However, it is expected that any negotiations for the purchase of the developed solution will take into account the financial support provided to the applicant during the SBIR Pilot.

The Terms and Conditions of each stage set out how IP is managed through the SBIR Pilot.

More general information about IP in Australia can be found at www.ipaustralia.gov.au.

Will entity and project information remain confidential?

Yes. The Queensland Government is bound by information security and information privacy legislation. All information will be treated confidentially and will not be disclosed unless required by law. See clause 10 of the Terms and Conditions for more information.

What about the Right to Information Act?

The *Right to Information Act 2009* (QLD) (RTI Act) provides members of the public with a legally enforceable right to access documents held by Queensland Government agencies. The RTI Act requires that documents be disclosed upon request, unless they are exempt or disclosure is contrary to the public interest.



If disclosure under the RTI Act is of concern to an applicant, the Department of Science, Information Technology and Innovation should be notified at the time the relevant information is provided. The Queensland Government cannot guarantee that any information that is provided will be protected from disclosure under the RTI Act.

More information on the RTI Act and how it affects applicants to the SBIR Pilot can be found in the Terms and Conditions.

Where can I get more information?

Further information on the SBIR pilot or the details of specific challenges is available by:

Web: advance.qld.gov.au/SBIR

Email: SBIR@dsiti.qld.gov.au

Phone: 13 QGOV (13 74 68)

Int'l Phone: +617 3405 0985 (+10 hours UTC)

