In testimony before the Senate Small Business and Entrepreneurship Committee, Stephen Ezell highlighted the successes of federal small business programs directed toward innovation research and technology transfer and argued there is much more to be done to promote technology transfer and commercialization.

The success of the Small Business Innovation Research (SBIR) and Small Business Technology Transfer Research (STTR) programs shows that effective public-private partnerships can play an important role in stimulating America’s innovation economy. In general, the SBIR and STTR programs have been highly successful and deserve Congress’s continued and enthusiastic support. In fact, cutting back SBIR/STTR funding, or eliminating entire SBIR programs, such as at the Department of Energy, as the Heritage Foundation proposed in its so-called *Blueprint for Balance*, would weaken the United States' capacity for private-sector innovation.

But despite the success of the SBIR/STTR programs, innovation never ceases, nor does global competition for innovation advantage, and efforts to continue to enhance the programs’ potential to contribute to greater levels of technology transfer and commercialization are warranted, with a good example of “institutional innovation” in the programs being Congress’s recent authorization that a modest share (up to 5 percent) of SBIR Phase II funds could be applied to commercialization-oriented activities. Expanding resources available for “Phase 0” or related proof of concept activities could also help enhance the impact of SBIR applications.
While 11 federal agencies participate in SBIR—and, as this testimony has contended, generally effectively so—federal policy can and should still do much more to promote technology transfer and commercialization from U.S. universities, federal laboratories, and other research institutions. A broader initiative is needed. Accordingly, a Spurring Commercialization of our Nation’s Research Program (SCNR) would build institutional capacity for innovation at U.S. universities and federal laboratories and provide additional resources to help U.S. states stimulate technology transfer and commercialization activity, such as by supporting state TBED programs or by providing a pool of funds that could be used to provide matching funds for initiatives such as states' Phase 0 proof of concept programs. In conclusion, the SBIR/STTP programs are some of the most effective in America’s arsenal of programs to stimulate innovation, though efforts toward continued refinement and improvement are warranted.