EXHIBIT 6
DATE 01/21/05
HB 2

DP 1

DP-New-SBIR Grant- The executive request federal special revenue authority for small business innovation research (SBIR) grant for information sharing. The executive is requesting $100,000 per year in spending authority over the biennium.

A Proposal to Promote Montana-Based Technology Research, Development, and Commercialization.

Contact

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Request

$1 million to interface the numerous Montana services that work to grow long- term economic value across the State.

Summary

Improved networking across Montana will facilitate the growth and ultimate commercialization of Montana-based research and development innovations.

- Capacity building will 1) grow Montana's access to funding available under the federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs, and 2) increase Montana's competitiveness.
- Information networking will facilitate coordination between Montana economic development organizations and will help researchers and entrepreneurs access the right services for their needs.
- Outreach training will improve the interface between the services and enhance client utilization.

1. Capacity Building

The federal SBIR and STTR programs are proven funding resources for small technology companies. These federal grants and contracts represent strong and effective economic development tools, particularly for companies located in rural states where other R&D seed capital is in short supply. The primary goals of Montana's outreach activities for these programs are 1) to increase the number of awards received by Montana companies, and 2) to propel companies into viable commercial plans for their new technologies.

Outreach and participant coaching has a direct impact on connecting companies with these programs and successfully moving participants forward to Phase II funding and Phase III commercialization. Funding is needed to provide:

a) more one-on-one coaching, which greatly increases the participant success ratio;

b) an adequate travel budget to permit access to clients in all areas of Montana (particularly those residing in under-served rural communities);

c) an administrative assistant at the SBIR Program office to meet increased program demands;

d) a contribution to the support of a State Small Business Development Center with University system interface in eastern Montana; and

e) on-going enhancement of the entrepreneurial skills of early-stage innovators.

2. Information Networking

There currently is no ***central*** network that interfaces the existing and diverse technology services across the State. In order to facilitate client access and utilization, it is vital to that information is shared among the service providers m and coordinated to eliminate overlaps that waste precious resources. Similarly, it is equally critical to provide easy access for companies across the State. All too often, entrepreneurs

cannot access needed services because such services are difficult to locate and often found in many different locations.

A central, online network will facilitate economic development and the exchange of information for clients and service organizations across Montana. Consequently, funding will be used to: a) launch a partnership needs assessment, b) create a centralized website, and c) design a database to link technology-based service providers in support of their missions.

3. Outreach Training

A September 2003 SBIR Outreach needs assessment revealed that high value is placed on events that bring together private- and public-sector researchers and companies. Outreach training opportunities are the most effective ways to educate Montana innovators and to connect them with the right services for success.

To this end, this project will provide training materials, travel, and honorariums, and will

a) activate an orientation program designed to train the next generation of SBIR program coaches to service statewide needs;

b) conduct in-service training to other partner organizations; and

c) offer seminars and advanced workshops for groups of client companies