Frequently Asked Questions
PY26.3.2 SBT Program

1. What is the Strategic Breakthrough (SBT) Program?

The Strategic Breakthrough (SBT) Program is a Department of the Air Force (DAF) and Department of War (DoW) funding mechanism established under Section 3 of the Small Business Innovation and Economic Security Act, which amended 15 U.S.C. § 638. The program is designed to accelerate the transition of critical technologies by providing sequential Phase II awards to small businesses that have already successfully completed an initial Phase II effort.

SBT awards may be structured as a single award or a series of awards totaling up to $30 million over a period of performance not to exceed 48 months.

2. Who is eligible to apply for an SBT award?

To be eligible, a Small Business Concern (SBC) must:

- Have successfully completed an initial Phase II SBIR/STTR award.
- Propose a follow-on effort that is directly related to the previously completed Phase II project.
- Meet all program-specific requirements, including matching funds and acquisition commitments.

SBT funding cannot be used for an initial Phase II award.

3. What is meant by a "sequential Phase II" award?

A sequential Phase II award is a follow-on effort that builds upon an already completed and successful Phase II SBIR/STTR award. The proposed work must demonstrate continuity and further advance the technology toward operational use and transition.

4. What technologies are eligible for SBT funding?

Proposed efforts must align with:

- Office of the Secretary of War (OSW) Critical Technology Areas; or
- A validated Department of War operational requirement.

Applicants should clearly demonstrate how their technology addresses a critical capability gap or operational need.

5. What is the maximum amount of funding available?

An SBT award may provide up to $30 million in total funding over a period of performance not exceeding 48 months.

Awards may be issued as a single award or as a series of awards.

6. Are matching funds required?

Yes. Applicants must demonstrate matching funds equal to at least 100% (1:1) of the requested SBT award amount.

For example:

- A $5 million SBT request requires a minimum of $5 million in matching funds.
- A $10 million SBT request requires a minimum of $10 million in matching funds.

7. What are the matching fund requirements?

At least 20% of the required matching funds must come from new Department of War (DoW) funding sources outside of the SBIR/STTR program.

The remaining portion (up to 80%) may come from:

- Private-sector investment
- Other non-SBIR/STTR federal funding sources

Matching funds cannot originate from Phase I or Phase II SBIR/STTR awards.

8. What qualifies as DoW non-SBIR/STTR funding?

Eligible DoW funding sources are new funds awarded under DoW programs outside of SBIR/STTR.

Applicants must identify:

- **Source(s):** Indicate the qualifying DoW funding source(s)
- **Amount:** Indicate the amount attributable to each source

At least 20% of the total 1:1 matching requirement must be satisfied using these qualifying funds.

9. Can private investment be used as matching funds?

Yes. Private-sector funding may be used to satisfy a portion of the matching requirement; however, it cannot exceed 80% of the total required match.

Examples may include:

- Venture capital investments
- Angel investments
- Corporate strategic investments
- Other private funding sources

10. Is market research required?

Yes. Applicants must demonstrate that market research has been conducted and that the proposed technology represents a viable and effective solution with transition potential.

11. Is an acquisition commitment required?

Yes. Applicants must obtain a written commitment for acquisition or follow-on funding.

The commitment must:

- Come from an official with Program Acquisition Executive (PAE) authority or higher within a DoW Component.
- Confirm the technology addresses a high-priority operational need.
- State that the technology will be incorporated into the Component's planning and budgeting activities.

12. How are submissions evaluated?

Selections are made in accordance with the criteria established in 15 U.S.C. § 638(ff)(3)(C)(v).

Applicants should clearly demonstrate:

- Technical merit
- Transition readiness
- Alignment with DoW priorities
- Market viability
- Availability of matching funds
- Acquisition support and transition planning

13. How quickly are awards issued?

Strategic Breakthrough awards must be issued no later than 90 days after proposal receipt. Failure to award subject effort within prescribed timelines will result in forfeiture of supplemental funding. By signing this agreement, it is acknowledged that an award timeline of more than 90 days is not acceptable and will result in loss of SBIR funds.

14. Can SBT funding replace other commercialization programs?

No. SBT funding is not intended to replace existing commercialization authorities, including:

- Commercialization Readiness Program (CRP)
- Commercialization Assistance Pilot Program (CAPP)

These programs remain separate funding mechanisms.

15. What documentation should applicants be prepared to provide?

Applicants should be prepared to provide documentation supporting:

- Previous Phase II completion
- Matching fund commitments
- DoW non-SBIR/STTR funding sources
- Market research findings
- Acquisition commitment letters
- Technology transition plans
- Alignment to OSW Critical Technology Areas or DoW requirements

16. What are common reasons an application may be deemed ineligible?

Applications may be deemed ineligible if:

- The effort is an initial Phase II rather than a sequential Phase II.
- Matching funds do not meet the 1:1 requirement.
- Less than 20% of matching funds come from qualifying DoW non-SBIR/STTR sources.
- Acquisition commitment documentation is missing.
- Market research is insufficient.
- The technology does not align with a DoW requirement or OSW Critical Technology Area.
- Required documentation is incomplete at the time of submission.