

WOMEN'S INCLUSION IN AMERICA'S SEED FUND

AT ■ A ■ GLANCE

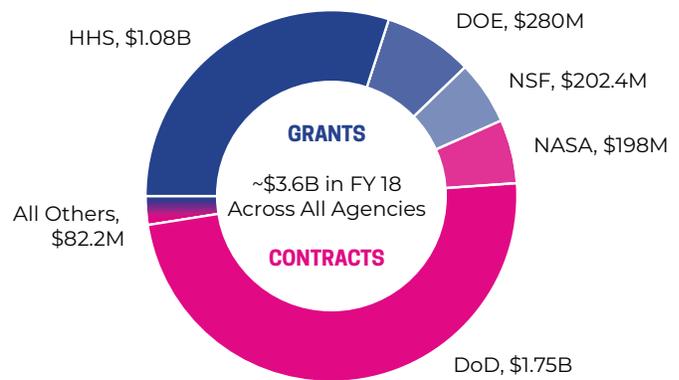
In August 2020, the National Women's Business Council (NWBC)—a federal advisory committee established to serve as an independent source of advice and policy recommendations to the President, the U.S. Congress, and the Administrator of the U.S. Small Business Administration (SBA) on issues of importance to women entrepreneurs—released a study titled “*America's Seed Fund: Women's Inclusion in the Small Business Innovation Research and Small Business Technology Transfer Programs*”.

The report features the first comprehensive analysis of women's participation in the Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) programs as business owners or principal investigators using award-level administrative data provided by funding agencies to the SBA, publicly available on SBIR.gov.

The SBIR/STTR programs are a key source of financing for early-stage research and development (R&D) that translates discoveries into impactful products, services, and companies, particularly in STEM industries with proven high-growth potential. *Unique to this program is that the company does not give up any equity and does not have to pay back the money.*

KEY FINDINGS

- Across the 11 federal agencies that fund these programs, **14.9% of Phase I proposals** were submitted by WOSBs, and **14.1% of Phase I awards** were made to WOSBs, with awards generally following the trend of proposals submitted over time.
- Additionally, across the entire portfolio, looking only at unique companies because an individual company may receive multiple awards, **13% were WOSBs**, and about **13% of unique principal investigators (PIs) were women**, with no clear trends over time.
- Also noteworthy is that **53% of female Principal Investigators (PIs)** work for a WOSB firm, with the majority of those PIs (about 70%) being self-employed (that is to say, work for a firm where they are also likely the owner).



— Featured as Figure 4 in the full report: FY2018 SBIR/STTR budgets by agency

- The gender of PIs also varied across agencies where the percentage of unique women PIs **was about the same or higher than** the percentage of WOSBs for certain agencies, including the Department of Health and Human Services (HHS) and the Department of Education (ED).

KEY FINDINGS

◇ There was a set of agencies with about **20% women PIs** (HHS, USDA, EPA, and NSF), and another set with about 9% women PIs (DoD, NASA, DOC, DOE, and DOT).

◇ The proportion of degrees awarded to women in various science and engineering fields associated with the typical areas of funding for these different agencies is a potential influencing factor related to the participation of women as technical leads in SBIR/STTR awards.

■ Though the study did not indicate major changes over time in the overall participation of women in the SBIR/STTR programs, there were differences among participating agencies. Two agencies demonstrated the largest changes.

◇ The National Science Foundation (NSF) went from awarding 15.5% SBIR Phase I awards to WOSBs in 2011 to 22.4% in 2018.

◇ The Department of Energy (DOE) went from 3.5% SBIR Phase I awards to WOSBs in 2011 to 10.5% in 2018.

◇ The Department of Education (ED) consistently had the highest portion of SBIR Phase I applications from and awards to WOSBs, with 40% of their SBIR Phase I awards going to WOSBs in 2018.

■ However, between 2013 and 2018 the total number of SBIR/STTR awards across all participating agencies combined decreased by about a little over 1%.

◇ In 2013, the total number of SBIR/STTR awards to WOSBs combined was 14.4%, while in 2018 the total number of awards to WOSBs was 13.0%.

	2013	2014	2015	2016	2017	2018
% WOSB SBIR/STTR Proposals	14.8%	15.4%	15.4%	14.8%	15.3%	14.0%
% WOSB SBIR/STTR Awards	14.4%	14.3%	15.6%	13.5%	13.8%	13.0%

– Featured as Figure 8 in full report: *SBIR/STTR Proposals v. Awards (2013-2018)*

◇ There was no major difference in the top four most prevalent SBIR industries that WOSBs and non-WOSBs participate in, with the majority of SBIR/STTR awardees in R&D in the Physical, Engineering, and Life Sciences.

	2011	2012	2013	2014	2015	2016	2017	2018
NSF	15.5%	12.4%	17.4%	14.7%	22.1%	19.0%	16.4%	22.4%
DoD	12.9%	12.9%	11.5%	14.1%	12.5%	11.8%	14.3%	11.5%
HHS	12.8%	10.5%	12.8%	11.3%	11.6%	13.9%	12.1%	13.7%
NASA	11.3%	10.8%	13.5%	8.4%	12.7%	10.7%	9.3%	9.0%
DOE	3.5%	5.7%	6.4%	7.2%	6.5%	9.7%	9.4%	10.5%

– Featured as Table 4 in full report: *Percent unique WOSB receiving SBIR Phase 1 awards in larger agencies*

15%

of small businesses in SBIR-funded industries are **WOSBs**. SBIR funded industries are a narrower subset of STEM-intensive industries.