Your SBIR Data Rights and How to Protect Them

Jere W. Glover
Executive Director
Small Business Technology Counsel

Seidman & Associates, P.C.
923 15th Street, NW
Washington, DC 20005
202-662-9700  202-737-2368
jglover@seidmanlaw.com
DFARS § 252.227-7018
Congress directs the Administrator to provide in the SBIR policy directive:

- (j)(2)(C) procedures to ensure, to the extent practicable, that an agency which intends to pursue research, development, or production of a technology developed by a small business concern under an SBIR program enters into follow-on, non-SBIR funding agreements with the small business concern for such research, development, or production;

- (j)(3)(C) to require agencies to report to the Administration, not less frequently than annually, all instances in which an agency pursued research, development, or production of a technology developed by a small business concern using an award made under the SBIR program of that agency, and determined that it was not practicable to enter into a follow-on non-SBIR program funding agreement with the small business concern,
(7) For Phase III, Congress intends that agencies or their Government-owned, contractor-operated facilities, Federally-funded research and development centers, or Government prime contractors that pursue R/R&D or production developed under the SBIR Program, give preference, including sole source awards, to the awardee that developed the technology. In fact, the Act requires reporting to SBA of all instances in which an agency pursues research, development, or production of a technology developed by an SBIR awardee, with a concern other than the one that developed the SBIR technology. (See Section 4(c)(7) immediately below for agency notification to SBA prior to award of such a funding agreement and Section 9(a)(12) regarding agency reporting of the issuance of such award.) SBA will report such instances, including those discovered independently by SBA, to Congress.

(8) For Phase III, agencies, their Government-owned, contractor-operated facilities, or Federally-funded research and development centers, that intend to pursue R/R&D, production, services, or any combination thereof of a technology developed by an SBIR awardee of that agency, with an entity other than that SBIR awardee, must notify SBA in writing prior to such an award. This notice requirement also applies to technologies of SBIR awardees with SBIR funding from two or more agencies where one of the agencies determines to pursue the technology with an entity other than that awardee. This notification must include, at a minimum: (a) The reasons why the follow-on funding agreement with the SBIR awardee is not practicable; (b) the identity of the entity with which the agency intends to make an award to perform research, development, or production; and (c) a description of the type of funding award under which the research, development, or production will be obtained. SBA may appeal the decision to the head of the contracting activity. If SBA decides to appeal the decision, it must file a notice of intent to appeal with the contracting officer no later than 5 business days after receiving the agency’s notice of intent to make award. Upon receipt of SBA’s notice of intent to appeal, the contracting officer must suspend further action on the acquisition until the head of the contracting activity issues a written decision on the appeal. The contracting officer may proceed with award if he or she determines in writing that the award must be made to protect the public interest. The contracting officer must include a statement of the facts justifying that determination and provide a copy of its determination to SBA. Within 30 days of receiving SBA’s appeal, the head of the contracting activity must render a written decision setting forth the basis of his or her determination.
7) For Phase III, Congress intends that agencies or their Government-owned, contractor-operated facilities, Federally-funded research and development centers, or Government prime contractors that pursue R/R&D or production developed under the SBIR Program, give preference, including sole source awards, to the awardee that developed the technology. In fact, the Act requires reporting to SBA of all instances in which an agency pursues research, development, or production of a technology developed by an SBIR awardee, with a concern other than the one that developed the SBIR technology. (See Section 4(c)(7) immediately below for agency notification to SBA prior to award of such a funding agreement and Section 9(a)(12) regarding agency reporting of the issuance of such award.) SBA will report such instances, including those discovered independently by SBA, to Congress.

(8) For Phase III, agencies, their Government-owned, contractor-operated facilities, or Federally-funded research and development centers, that intend to pursue R/R&D, production, services, or any combination thereof of a technology developed by an SBIR awardee of that agency, with an entity other than that SBIR awardee, must notify SBA in writing prior to such an award. This notice requirement also applies to technologies of SBIR awardees with SBIR funding from two or more agencies where one of the agencies determines to pursue the technology with an entity other than that awardee. This notification must include, at a minimum: (a) The reasons why the follow-on funding agreement with the SBIR awardee is not practicable; (b) the identity of the entity with which the agency intends to make an award to perform research, development, or production; and (c) a description of the type of funding award under which the research, development, or production will be obtained. SBA may appeal the decision to the head of the contracting activity. If SBA decides to appeal the decision, it must file a notice of intent to appeal with the contracting officer no later than 5 business days after receiving the agency’s notice of intent to make award. Upon receipt of SBA’s notice of intent to appeal, the contracting officer must suspend further action on the acquisition until the head of the contracting activity issues a written decision on the appeal. The contracting officer may proceed with award if he or she determines in writing that the award must be made to protect the public interest. The contracting officer must include a statement of the facts justifying that determination and provide a copy of its determination to SBA. Within 30 days of receiving SBA’s appeal, the head of the contracting activity must render a written decision setting forth the basis of his or her determination.
7) For Phase III, Congress intends that agencies or their Government-owned, contractor-operated facilities, Federally-funded research and development centers, or Government prime contractors that pursue R/R&D or production developed under the SBIR Program, give preference, including sole source awards, to the awardee that developed the technology. In fact, the Act requires reporting to SBA of all instances in which an agency pursues research, development, or production of a technology developed by an SBIR awardee, with a concern other than the one that developed the SBIR technology. (See Section 4(c)(7) immediately below for agency notification to SBA prior to award of such a funding agreement and Section 9(a)(12) regarding agency reporting of the issuance of such award.) SBA will report such instances, including those discovered independently by SBA, to Congress.

(8) For Phase III, agencies, their Government-owned, contractor-operated facilities, or Federally-funded research and development centers, that intend to pursue R/R&D, production, services, or any combination thereof of a technology developed by an SBIR awardee of that agency, with an entity other than that SBIR awardee, must notify SBA in writing prior to such an award. This notice requirement also applies to technologies of SBIR awardees with SBIR funding from two or more agencies where one of the agencies determines to pursue the technology with an entity other than that awardee. This notification must include, at a minimum: (a) The reasons why the follow-on funding agreement with the SBIR awardee is not practicable; (b) the identity of the entity with which the agency intends to make an award to perform research, development, or production; and (c) a description of the type of funding award under which the research, development, or production will be obtained. SBA may appeal the decision to the head of the contracting activity. If SBA decides to appeal the decision, it must file a notice of intent to appeal with the contracting officer no later than 5 business days after receiving the agency’s notice of intent to make award. Upon receipt of SBA’s notice of intent to appeal, the contracting officer must suspend further action on the acquisition until the head of the contracting activity issues a written decision on the appeal. The contracting officer may proceed with award if he or she determines in writing that the award must be made to protect the public interest. The contracting officer must include a statement of the facts justifying that determination and provide a copy of its determination to SBA. Within 30 days of receiving SBA’s appeal, the head of the contracting activity must render a written decision setting forth the basis of his or her determination.
7) For Phase III, Congress intends that agencies or their Government-owned, contractor-operated facilities, Federally-funded research and development centers, or Government prime contractors that pursue R/R&D or production developed under the SBIR Program, give preference, including sole source awards, to the awardee that developed the technology. In fact, the Act requires reporting to SBA of all instances in which an agency pursues research, development, or production of a technology developed by an SBIR awardee, with a concern other than the one that developed the SBIR technology. (See Section 4(c)(7) immediately below for agency notification to SBA prior to award of such a funding agreement and Section 9(a)(12) regarding agency reporting of the issuance of such award.) SBA will report such instances, including those discovered independently by SBA, to Congress.

(8) For Phase III, agencies, their Government-owned, contractor-operated facilities, or Federally-funded research and development centers, that intend to pursue R/R&D, production, services, or any combination thereof of a technology developed by an SBIR awardee of that agency, with an entity other than that SBIR awardee, must notify SBA in writing prior to such an award. This notice requirement also applies to technologies of SBIR awardees with SBIR funding from two or more agencies where one of the agencies determines to pursue the technology with an entity other than that awardee. This notification must include, at a minimum: (a) The reasons why the follow-on funding agreement with the SBIR awardee is not practicable; (b) the identity of the entity with which the agency intends to make an award to perform research, development, or production; and (c) a description of the type of funding award under which the research, development, or production will be obtained. SBA may appeal the decision to the head of the contracting activity. If SBA decides to appeal the decision, it must file a notice of intent to appeal with the contracting officer no later than 5 business days after receiving the agency’s notice of intent to make award. Upon receipt of SBA’s notice of intent to appeal, the contracting officer must suspend further action on the acquisition until the head of the contracting activity issues a written decision on the appeal. The contracting officer may proceed with award if he or she determines in writing that the award must be made to protect the public interest. The contracting officer must include a statement of the facts justifying that determination and provide a copy of its determination to SBA. Within 30 days of receiving SBA’s appeal, the head of the contracting activity must render a written decision setting forth the basis of his or her determination.
7) For Phase III, Congress intends that agencies or their Government-owned, contractor-operated facilities, Federally-funded research and development centers, or Government prime contractors that pursue R/R&D or production developed under the SBIR Program, give preference, including sole source awards, to the awardee that developed the technology. In fact, the Act requires reporting to SBA of all instances in which an agency pursues research, development, or production of a technology developed by an SBIR awardee, with a concern other than the one that developed the SBIR technology. (See Section 4(c)(7) immediately below for agency notification to SBA prior to award of such a funding agreement and Section 9(a)(12) regarding agency reporting of the issuance of such award.) SBA will report such instances, including those discovered independently by SBA, to Congress. (8) For Phase III, agencies, their Government-owned, contractor-operated facilities, or Federally-funded research and development centers, that intend to pursue R/R&D, production, services, or any combination thereof of a technology developed by an SBIR awardee of that agency, with an entity other than that SBIR awardee, must notify SBA in writing prior to such an award. This notice requirement also applies to technologies of SBIR awardees with SBIR funding from two or more agencies where one of the agencies determines to pursue the technology with an entity other than that awardee. This notification must include, at a minimum: (a) The reasons why the follow-on funding agreement with the SBIR awardee is not practicable; (b) the identity of the entity with which the agency intends to make an award to perform research, development, or production; and (c) a description of the type of funding award under which the research, development, or production will be obtained. SBA may appeal the decision to the head of the contracting activity. If SBA decides to appeal the decision, it must file a notice of intent to appeal with the contracting officer no later than 5 business days after receiving the agency’s notice of intent to make award. Upon receipt of SBA’s notice of intent to appeal, the contracting officer must suspend further action on the acquisition until the head of the contracting activity issues a written decision on the appeal. The contracting officer may proceed with award if he or she determines in writing that the award must be made to protect the public interest. The contracting officer must include a statement of the facts justifying that determination and provide a copy of its determination to SBA. Within 30 days of receiving SBA’s appeal, the head of the contracting activity must render a written decision setting forth the basis of his or her determination.
7) For Phase III, Congress intends that agencies or their Government-owned, contractor-operated facilities, Federally-funded research and development centers, or Government prime contractors that pursue R/R&D or production developed under the SBIR Program, give preference, including sole source awards, to the awardee that developed the technology. In fact, the Act requires reporting to SBA of all instances in which an agency pursues research, development, or production of a technology developed by an SBIR awardee, with a concern other than the one that developed the SBIR technology. (See Section 4(c)(7) immediately below for agency notification to SBA prior to award of such a funding agreement and Section 9(a)(12) regarding agency reporting of the issuance of such award.) SBA will report such instances, including those discovered independently by SBA, to Congress.

(8) For Phase III, agencies, their Government-owned, contractor-operated facilities, or Federally-funded research and development centers, that intend to pursue R/R&D, production, services, or any combination thereof of a technology developed by an SBIR awardee of that agency, with an entity other than that SBIR awardee, must notify SBA in writing prior to such an award. This notice requirement also applies to technologies of SBIR awardees with SBIR funding from two or more agencies where one of the agencies determines to pursue the technology with an entity other than that awardee. This notification must include, at a minimum: (a) The reasons why the follow-on funding agreement with the SBIR awardee is not practicable; (b) the identity of the entity with which the agency intends to make an award to perform research, development, or production; and (c) a description of the type of funding award under which the research, development, or production will be obtained. SBA may appeal the decision to the head of the contracting activity. If SBA decides to appeal the decision, it must file a notice of intent to appeal with the contracting officer no later than 5 business days after receiving the agency’s notice of intent to make award. Upon receipt of SBA’s notice of intent to appeal, the contracting officer must suspend further action on the acquisition until the head of the contracting activity issues a written decision on the appeal. The contracting officer may proceed with award if he or she determines in writing that the award must be made to protect the public interest. The contracting officer must include a statement of the facts justifying that determination and provide a copy of its determination to SBA. **Within 30 days of receiving SBA’s appeal, the head of the contracting activity must render a written decision setting forth the basis of his or her determination.**
IMPORTANT REGULATIONS TO CONSIDER

- Patent Rights – FAR §§ 52.227-11, 12 and 13
- Authorization and Consent – FAR § 52.227-1
- Notice & Assistance regarding Patent and Copyright Infringement – FAR § 52.227-2
- Patent Indemnity – FAR § 52.227-3
- Rights in noncommercial technical data and computer software – Small Business Innovation Research (SBIR) Program- DFARS § 252.227-7018
- SBA SBIR Policy Directive- 67 FR 60072
POINTERS: PROTECTING INTELLECTUAL PROPERTY RIGHTS

- TIMELY NOTIFY GOVERNMENT OF INVENTIONS ON REQUIRED FORM
  - *Campbell Plastics*
- TAILOR MODE OF PROTECTION TO IP AT ISSUE
  - *Night Vision*
- MARK DATA OR SOFTWARE
  - *Night Vision*
- OBTAIN FOLLOW ON SBIR CONTRACTS
- DEVELOP AT PRIVATE EXPENSE
- CHARGE DEVELOPMENT INDIRECT TO EXTENT PERMITTED
  - See P. Seidman, “‘What’s Mine is Mine and What’s Yours is Mine’ – The Return of Overpriced DOD Spare Parts”, 36 *Government Contractor* ¶207, p. 8, April 13, 1994
- MAINTAIN EVIDENCE OF DEVELOPMENT AT PRIVATE EXPENSE
BASES FOR CHALLENGING BUNDLING

• COMPETITION IN CONTRACTING ACT
  • FULL AND OPEN COMPETITION REQUIREMENT
  • MINIMUM NEEDS RULE

• CAUSE OF ACTION
  • “BUNDLING” NOT NECESSARY TO MEET MINIMUM NEEDS

• SMALL BUSINESS ACT/ANTIBUNDLING REGS
  • IMPOSES JUSTIFICATION REQUIREMENTS

• CAUSE OF ACTION
  • FAILURE TO MEET REQUIREMENTS
Seidman & Associates, P.C.
ATTORNEYS AT LAW
923 FIFTEENTH STREET. N.W.
WASHINGTON, D.C. 20005

Telephone: 202-737-5734  Website: www.seidmanlaw.com

FIRM RESUME
The firm of Seidman & Associates, P.C. represents businesses competing for and performing Government contracts. The firm has an active practice before GAO, the Federal Courts, and Boards of Contract Appeals. It also represents clients in legislative and rulemaking efforts relating to Government contracts.
Attorneys in the firm are Paul J. Seidman, Jere W. Glover and David J. Seidman.

PAUL J. SEIDMAN  pjseidman@seidmanlaw.com
Paul Seidman is a graduate of the Georgetown University Law Center. Prior to entering private practice he served as a law clerk to Judge Philip Nichols, Jr., of the U.S. Court of Appeals for the Federal Circuit, Assistant Counsel for Contract Claims at Naval Sea Systems Command and Assistant Chief Counsel for Procurement in the SBA Office of the Advocacy.
Mr. Seidman has served as counsel in bid protests before GAO and Federal Courts and contract disputes before Boards of Contract Appeals and Federal Courts.
Mr. Seidman is "AV" Rated in the Martindale-Hubbell law directory. The "A" signifies the highest level of legal skill, the "V" signifies "very high" adherence to professional standards of conduct, ethics, reliability, and diligence.
Mr. Seidman has appeared as an expert witness on procurement related issues in Congressional hearings and before the Packard Commission. He has written and lectured widely. He is an NCMA Fellow and served on the Advisory Board of The Government Contractor. His biography appears in Who's Who in America.

JERE W. GLOVER  jglover@seidmanlaw.com
Jere Glover was Chief Counsel for Advocacy at SBA from 1994 to 2001. He also served as Counsel to the House and Senate Small Business Committees. In these positions he played a key role in the development of the Small Business Innovation Research ("SBIR") Act and implementing regulations.
Prior to joining SBA, Jere established his own law firm and was CEO of several technology-related businesses. Mr. Glover served as a trade association executive and on the boards of several national trade associations. Mr. Glover has engaged in private and public venture capital efforts.
Mr. Glover also served as Director of the Legal Division of the Consumer Product Safety Commission, and as a senior antitrust trial attorney for the Federal Trade Commission. He has testified before Congress over 30 times and appeared in over 200 agency proceedings, numerous Federal Court proceedings, Federal rulemakings, adjudications, enforcement proceedings, and others.
Mr. Glover has appeared in numerous Federal Court and agency proceedings concerning regulatory, size determination and SBIR and other SBA problems.

DAVID J. SEIDMAN  davidjseidman@seidmanlaw.com
David J. Seidman is a 2005 graduate of the University of Baltimore Law School where he served on the executive board of the Journal of Environmental Law and won a legal writing competition. He began his legal career as law clerk to Judge Joseph A. Dugan, Jr. of the Montgomery County Circuit Court in Maryland. He is currently enrolled in the prestigious Government Procurement Masters Program at the George Washington University Law School.
Mr. Seidman is admitted only in Maryland. He is supervised by attorneys at Seidman & Associates, P.C., who are admitted to the D.C. Bar.