

America's Seed Fund Strengthens Small Business and Global Competitiveness

America's Seed Fund, made up of the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs, provides technology-focused entrepreneurs, startups, and small businesses with early-stage funding to develop and commercialize their ideas.

These programs foster American innovation, fuel small business growth, and strengthen the research and development (R&D) partnership between universities and industry across the country. By connecting universities with small businesses and entrepreneurs, America's Seed Fund programs advance American innovation, productivity, and global competitiveness.

A recent AAU analysis shows that **SBIR/STTR awards are geographically broad**, underscoring the broad impact and widespread benefits of America's Seed Fund programs.

Why these programs matter

- SBIR/STTR are proven engines of innovation, helping small businesses develop cutting-edge technologies **from concept to market**.
- The programs provide critical equity-free seed funding, ensuring that startups and small businesses in **all parts of the country** - rural, urban, and suburban - can scale innovation without sacrificing ownership.
- **Rural counties** have secured more than \$1.5 billion in SBIR/STTR seed funding for new business creation.
- SBIR/STTR generate strong returns on federally funded research by **supporting commercialization** that leads to job creation, spinoff companies, and economic growth.
- They ensure **discoveries do not remain "stuck in the lab"** and instead enrich America's innovation ecosystem.
- They adhere to **national security protocols** so that America's interests are protected.

\$1.5B

The amount rural counties have secured in SBIR/STTR seed funding for new business.



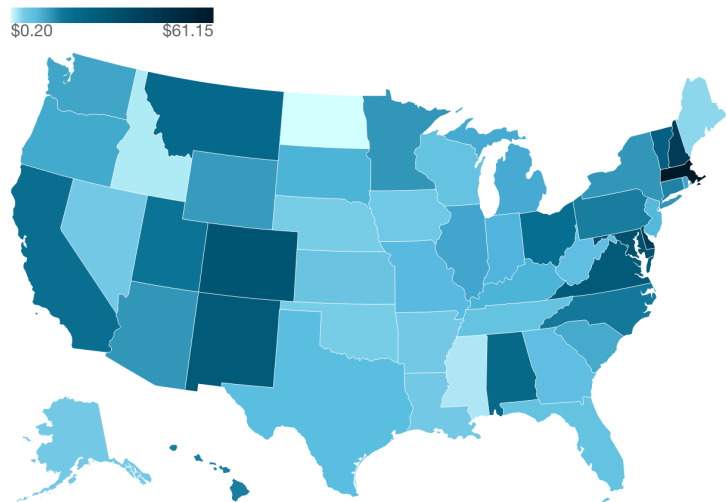
STTR Spotlight

The STTR program is unique because it requires formal collaboration between small businesses and nonprofit research institutions. Its statutory purpose is to stimulate partnerships that move federally funded research into the marketplace.

- Partnerships between research institutions and small businesses extend far beyond a single state, creating **national networks of collaboration**.
- The program is **more geographically distributed in rural areas** than often assumed.
- Small businesses in Alabama alone received more than \$108 million in STTR grants, amounting to more than \$21 per person and **ranking Alabama among the top 10 grantees** in the nation.
- Small businesses in rural counties have received nearly **\$260 million in STTR funding**.
- Awards benefit both large research hubs and **states with emerging innovation corridors**.

STTR Award Dollars per Capita

Small Business Technology Transfer (STTR) awards to small businesses in each state from 2015 - 2025 (Q2), adjusted for population.



Source: AAU Analysis of SBIR/STTR Award Data

Success Story: SIMBA Chain

Located in Plymouth, Indiana, SIMBA Chain is a blockchain company originally developed to support secure communications for the U.S. military. The company was launched with seed funding awarded by the Defense Advanced Research Projects Agency (DARPA) Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs in collaboration with the University of Notre Dame.

SIMBA Chain has since grown into a commercial platform that is used across government, aerospace, and supply chain sectors. Today, SIMBA Chain continues to expand its workforce in Indiana—demonstrating how SBIR and STTR seed funding fosters research partnerships and delivers real-world impact, national security solutions, and economic growth in communities across the county.

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