

Action Plan by Department of Transportation on the Implementation of Executive Order 13329: Encouraging Innovation in Manufacturing

Background: On February 26, 2004, Executive Order (EO) 13329 was signed by President George W. Bush requiring SBIR/STTR agencies, to the extent permitted by law and in a manner consistent with the mission of that department or agency, to give high priority within the SBIR and STTR programs to manufacturing-related research and development (R&D). “Manufacturing-related” is defined as “relating to manufacturing processes, equipment and systems; or manufacturing workforce skills and protection.”

E.O. 13329 is intended to help ensure that Federal agencies properly and effectively assist the private sector in its manufacturing innovation so as to sustain a strong manufacturing sector in the United States economy by advancing innovation, including innovation in manufacturing, through small businesses. The Small Business Administration (SBA) requires each Agency with an SBIR/STTR Program to develop a written policy on the implementation of E.O. 13329. This policy shall be developed in consultation with SBA and describe the processes and techniques to be employed “to give high priority within such programs to manufacturing-research and development to advance the policy set forth in Section 1 of E.O. 13329.

Policy on Implementation of EO 13329: The Department of Transportation has developed the following action plan on the implementation of E.O. 13329. Five specific areas are described: 1) Outreach to raise awareness; 2) Emphasizing new funding opportunities for manufacturing-related research; 3) Award selection; 4) Tracking of manufacturing-related SBIR awards; and 5) Reporting. These areas are described in more detail below:

1) Outreach: Raise awareness of the EO to Small Business Community

Target Dates/Milestones:

July 2004	Establish a link on the DOT SBIR website highlighting EO 13329 and linking to the “Manufacturing in America” document issued by the Department of Commerce (DOC).
Ongoing	Continue to remind state and local officials that manufacturing products and services created by the SBIR/STTR programs is an excellent way to rebuild their local manufacturing infrastructure and their local economy Discuss E.O. 13329 at all state, regional and national SBIR/STTR Conferences to raise awareness of manufacturing issues in the U.S.
November 2004	At the upcoming National SBIR/STTR Conference (October 2004) in Boise Idaho, participate with other SBIR/STTR agencies and MEP programs in a specific session on manufacturing to give the issue more visibility.
Ongoing	At future National SBIR/STTR Conferences, coordinate with local representatives to include a specific session on manufacturing which focuses on educating manufacturers in the region on how they can benefit from E.O. 13329.

2) Emphasize Funding Opportunities for Manufacturing-related Research

Target Dates/Milestones:

Ongoing	Continue to emphasize that DOT is seeking commercially viable solutions to the problems/topics posted in the DOT SBIR Solicitations. A commercially viable
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solution is one that multiple copies of it will be manufactured by a cost effective and efficient method.

June 2004 Issue an e-mail to the Heads of Operating Administrations in DOT communicating the Secretary's giving priority to E.O. 13329.

Ongoing Include in all call for topics for DOT SBIR Solicitations a statement to factor in E.O. 13329 in topic selection and description.

3) Award Selection

Ongoing Where appropriate, DOT may use manufacturing-related projects as a "tie-breaker" in the award selection process.

4) Tracking of Manufacturing-related SBIR Awards

Target Dates/Milestones:

July 2004 Review baseline of awards (average of awards made FY 2001-2003) provided by the SBA for consistency.

Ongoing Tag each one of the baseline abstracts for follow-up and reporting purposes.

5) Reporting

Target Dates/Milestones:

August 2004 Establish baseline (average of FY01, FY02, FY03) of manufacturing-related research projects funded by DOT.

Ongoing Submit to SBA, as part of the Annual Report, all Phase I and Phase II awards related to manufacturing. The report shall contain:

- The total number of the agency's current manufacturing-related SBIR awards separated into Phase I and Phase II;
- The total dollar value of the agency's current manufacturing-related SBIR awards separated into Phase I and Phase II;
- The number of firms associated with those awards and the number of employees in the firm.
- The agency's % of increase over the baseline of manufacturing-related SBIR projects, separated into Phase I and Phase II; and
- Any other significant actions DOT has taken to advance and give high priority to manufacturing-related research and development