SBIR/STTR REGULATORY UPDATE SNAPSHOT

Summary of 2025 DFARS Changes related to SBIR/STTR Data Rights, including changes to DFARS 252.227-7018 ("Rights in Other Than Commercial Technical Data and Computer Software—Small Business Innovation Research Program and Small Business Technology Transfer Program")

> *These changes provide a framework for safeguarding the intellectual property rights of small businesses while ensuring the Department can meet its operational needs.*

	Key Changes	Summary
Updates to DFARS Solicitation Provisions and Clauses	1. SBIR/STTR Data Protection Period	The default data protection period is now a single, non-extendable 20-year term starting at contract award, replacing the previous extendable 5-year period. This change eliminates "daisy-chaining" extensions for new SBIR/STTR data, simplifying the protection timeline. *See DFARS 252.227-7018(c)(5); and see item #10 below for PGI guidance on redelivery of SBIR data.*
	2. Government Rights after Expiration of SBIR/STTR Data Protection Period	After the SBIR/STTR data protection period, the Government receives perpetual Government purpose rights instead of unlimited rights. This adjustment balances protecting small business intellectual property (IP) with enabling use and distribution for Government purposes. *See DFARS 252.227-7018(c)(2)(ii)(B) and 252.227-7018(a) for guidance on the Government's license rights after and during the SBIR/STTR data protection period.*
	3. Clarifications on Scope and Applicability	SBIR/STTR data encompasses all technical data and software developed or generated in the performance of a contract or agreement that is covered by SBIR/STTR policies, including contracts and subcontracts that include phase I, II, or III work. *See the definition of "SBIR/STTR data" in DFARS 252.227-7018(a) and the "Applicability" section in DFARS 252.227-7018(b); see also DFARS 227.7104-1(d).*
	4. Marking Requirements	Marking requirements address inadvertent omission of restrictive legends on SBIR/STTR data, aligns DFARS 252.227-7018 clause with the clauses at DFARS 252.227-7013 and DFARS 252.227-7014, helps contractors protect their IP, and provides critical insight for the Government on its data rights. *See DFARS 252.227-7018(g)(2).*
	5. STTR-Specific Provision and Clause	A new solicitation provision (DFARS 252.227–7040) and a new clause (DFARS 252.227–7041) clarify IP allocation between small businesses and research institutions, strengthening the STTR framework, and providing consistency in pre- and post-award requirements. *See DFARS 252.227–7040 and 252.227–7041.*
	6. SBIR/STTR Data Rights Assertions	Requirements related data rights assertions also apply to SBIR/STTR data that will be generated under a SBIR/STTR contract and delivered with SBIR/STTR data rights. *See DFARS 252.227–7017(b).*
Updates to DFARS Guidance for Contracting Officers	7. References to SBIR/STTR Policy Directive	The updated DFARS guidance for contracting officers emphasizes alignment with the revised SBIR/STTR Policy Directive. *See DFARS 227.7104-2(d).*
	8. IP Evaluations	Consistent with existing guidance, the updated DFARS guidance indicates that contracting officers may evaluate how restrictions on data or software rights could affect the Government's ability to use or share the data in ways that align with acquisition goals and preferences, ensuring compatibility with SBIR/STTR policies. *See DFARS 227.7104-1(c).*
	9. Prohibition on Pre-award Negotiation	The regulations explicitly prohibit pre-award negotiation of SBIR/STTR data rights, ensuring that small businesses are not pressured to relinquish their rights. *See DFARS 227.7104-2(c).*
	10. DFARS Procedures, Guidance, and Information (PGI)	New PGI provides illustrative examples to clarify the definition of the SBIR/STTR data protection period and the continued applicability of prior versions of the DFARS 252.227-7018 clause to previously delivered data. *See DFARS PGI 227.7104-2.*

**See Addendum for copy of updated clause at DFARS 252.227-7018 with highlighted sections referenced in this document.