



## Dr. Arthur Obermayer and the Beginning of the Billion Dollar Small Business Innovative Research Program

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In 1961, Arthur Obermayer started Moleculon Research, a contract research company. From 1961 to 1965, he worked with Henry Hill before Henry moved his company, Riverside Research, to Haverhill. Arthur was an avid promoter of small businesses.

He was very active in NESACS starting in the late 1950's. He was a NESACS councilor, a trustee, and Chair in 1982. In 1996 through Obermayer's leadership, NESACS was among the first local sections to set up its own website.

I met Dr. Arthur Obermayer for the first time in Oct. 2012 when I (along with Jennifer Maclachlan and Mukund Chorghade) organized a Small Chemical Business Symposium at Nova Biomedical Corp. This symposium was scheduled to run from 12 to 5 PM.

This was the NESACS monthly meeting, which began at 4:30 PM and the evening meeting, which involved the recognition of 50- and 60-year members as well as the presentation of the Henry Hill Award. Arthur was to receive recognition as a 60-year member of the ACS. He wanted to talk at the meeting but was told that there was no time in the evening program.



(l-r): Madeleine Jacobs (ACS), Arthur Obermayer (presenter at the symposium and 60-year member), Mukund Chorghade and Jack Driscoll (co-organizers of the symposium)

Photo credit: M. Hoffman

I was asked if I could find a place in our symposium for Arthur to speak. Madeleine Jacobs, ACS Executive Director and CEO, graciously agreed to give up her slot to Arthur to talk about the formation of the Small Business Innovative Research (SBIR) Program. It was a great addition to our program. Arthur's speech is printed in the Dec. 2012 edition of the Nucleus ([http://nesacs.org/pub\\_nucleus/2012/Dec2012.pdf](http://nesacs.org/pub_nucleus/2012/Dec2012.pdf)).

When I heard his speech, I was amazed that he had been involved in starting the SBIR program in 1982. I was also very surprised that he had been involved in the Bayh-Dole Patent Act a few years later that gave the patent rights to the SBIR awardees instead of the government. This was an incredible result. Instead of the Intellectual Property rights residing in a government warehouse, the private company would have the right to patent and commercialize their successful project.

After the symposium, I asked the audience if anyone was aware of Arthur's accomplishments with regard to the SBIR. There were representatives from banks, venture capital, ACS SCHB, and small businesses at the meeting. No one in the audience knew about this. I was aware of a number of companies that had successful SBIR's and I called and asked them whether anyone knew about Arthur Obermayer and the SBIR. Again no one was aware of this! We did get Arthur's remarks published in the Dec. 2012 issue of the Nucleus. Obermayer received the Henry Hill Award in Oct. 2013. [http://nesacs.org/pub\\_nucleus/2013/Oct13.pdf](http://nesacs.org/pub_nucleus/2013/Oct13.pdf)

In July 2015 Arthur and Judith Obermayer were inducted into the SBA Hall of Fame at a White House Ceremony (<http://www.mvtimes.com/2015/06/24/white-house-honors-chilmarkcouple/>)

Sadly, in 2016, Arthur passed away. We organized a symposium in honor of Dr. Obermayer and the SBIR Program at the ACS National Meeting in Boston in 2018. It was part of the Small Chemical Business Div. Program <http://analyzersource.blogspot.com/2018/#!> which was held on Aug. 20, 2018.

We had seven speakers and were fortunate to have Dr. Tom Connelly, Executive Director and CEO of the ACS, open the program. These presentations had a considerable amount of information on the early history to present day of the SBIR/STTR programs.

During my research, I was amazed to find that the SBIR/STTR program, which had been started in 1982 with a \$25,000 NSF award to Obermayer's Moleculon was funded at 1.7% of the Federal R&D budget in 2018 or \$2.3 billion dollars. From 1982 to 2018, the

Federal Government invested \$50 billion dollars in 25,000 awards to small businesses. What a boon to innovation and small business!! We need to do more to publicize Obermayer's contribution to the SBIR program and hopefully this article is a good start.

I am pleased that Dr. Obermayer gave his talk at our symposium because he normally did not talk about the incredible impact of the SBIR/STTR for small businesses. He was clearly a champion for small business. We at NESACS are very proud of the Obermayer's contributions to small businesses which today provide 40% of the jobs for scientists and engineers.