Preventing Bad Behavior Alone Doesn’t Lead to Business Success

Preventing bad outcomes is the whole reason Prevention Strategies is in business. The educational development and consulting company, based in Greensboro, leverages the discipline known as prevention science to influence people’s behavior towards positive outcomes, from preventing alcohol abuse to encouraging healthy behaviors. To prevent a lethal outcome when crossing the Valley of Death, however, sometimes a business needs more than science – turns out a little luck and an often-overlooked funding strategy comes in handy too.

“I know you have to do good work, but you have to have a lot of good breaks and you have to have people do nice things for you,” says Dr. David Wyrick, President of Prevention Strategies. Dr. Wyrick, Associate Professor of Public Health Education at UNC Greensboro, founded the company in 2006 with strong support from the university and generous help from a previous employer. The company was the first private company to spin out from UNC Greensboro, and represents the type of research-based company that is well positioned to leverage the funding advantages provided by federal Small Business Innovation Research grants (SBIR).

“The SBIR route is not a quick-to-market strategy,” says Shane Stadler, Vice President of Business Development for the company.

In contrast to seeking funds from venture capitalists, however, the SBIR route offers certain advantages.

“The flexibility that it gives you, once you receive funding, to really concentrate on the product,” says Stadler, “offers companies a lot of room to control their own destinies without the pressure to instantly turn a profit for the venture capital firm. Also, thanks to the technical and scientific rigor that’s involved with winning these federal grants, companies that win an SBIR gain valuable credibility.”

“In the circles we run in, if the SBIR came from the National Institutes of Health – that carries a lot of weight,” says Dr. Wyrick.

“It is what gave us entrée into the NCAA.” Currently, the National Collegiate Athletics Association is one of Prevention Strategies largest clients. “If we would have gone the venture capital route from the beginning, we’d have never gotten in to the NCAA. They respected the science behind what we were doing.”

While the credibility that comes with an SBIR grant does open doors, companies still must contend with the Valley – which is where the One North Carolina Small Business Fund plays a decisive role. “When you finish a Phase 1 (SBIR), if you’re one of the lucky few that gets Phase 2 funding the first time, the soonest you’re going to see money is nine months,” says Dr. Wyrick. SBIR Phase 2 grants provide greater funding levels to complete the prototypes developed in Phase 1. “The OneNC had a big impact on filling this gap. We’ve used it for personnel, to keep people engaged on the project. We’ve used it for further product development, and a lot of different uses.”

Thanks in part to the One North Carolina Small Business grant, Prevention Strategies is now a thriving small business, growing to 18 total employees and 13 professional staff. “I can’t imagine the state would not want to invest in small business. It’s a no-brainer,” says Dr. Wyrick.
Bridging the Valley of Death:
A One North Carolina Small Business Program SUCCESS STORY

ABOUT THE COMPANY

• A spinout of the University of North Carolina at Greensboro, Prevention Strategies provides evidence-based tools and programs to improve the overall health and wellness of adolescents and young adults.

• Year Founded: 2006

• Office Location: Greensboro, N.C.

• Current Number of Employees: 18

• Website: preventionstrategies.com

• Federal SBIR/STTR Funder: U.S. Department of Health and Human Services - National Institutes of Health

• One NC Small Business Grant Recipient in 2008, 2015, and 2016

Dr. David Wyrick, President of Prevention Strategies

Employees at Prevention Strategies are hard at work creating evidence-based tools and programs to improve the overall health and wellness of adolescents and young adults.

ABOUT THE PROGRAM

• Established in 2005 (§ 143B-437.80-81), the Program awards matching funds to small businesses that receive federal Phase I Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) Phase I grants.

• SBIR and STTR grants are the single largest source of early-stage technology development and commercialization funding for small businesses (more than $2 billion annually) – larger than all private sources combined.

• Yet the federal grants are often not large enough to allow the small businesses to complete their work, and federal restrictions on the uses of grant funds often limit the businesses.

• The North Carolina Program supplements and leverages the federal funds, helping homegrown businesses commercialize innovative technologies & create jobs.

• Since Program Inception:
  • 398 grants awarded
  • Over $24.7 million awarded
  • 255 different companies in 25 counties and 41 cities across the state have received funding
  • More than 900 jobs created or retained
  • More than $500 million in external capital investment
  • More than 100 patents and copyrights already received, and another 250 applied for and under review
  • More than $125 million in total sales resulting directly from the technology developed with Program funding
  • More than $1.5 billion in total sales resulting indirectly from licenses of the technology developed with Program funding
  • More than 95 percent of the grantee businesses agree that the Program encourages the establishment and growth of high-quality, advanced technology firms in North Carolina

• For more information, visit: nccommerce.com/sti/grant-programs

North Carolina Department of Commerce
Science, Technology & Innovation

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