New York State  
Department of Economic Development  
Division of Minority and Women’s  
Business Development

In the matter of the appeal of

Coverco, Inc.

FINAL ORDER 17-06

From a denial of certification as a Women-owned Business Enterprise pursuant to Executive Law Article 15-A.

This order arises from an administrative appeal brought on behalf of Coverco, Inc. ("Coverco") pursuant to section 144.4 of title 5 of the New York Codes, Rules and Regulations. Appellant, Ms. Elizabeth Schaab, seeks reversal of the decision of the Division of Minority and Women’s Business Development (the “Division”), dated January 15, 2016, to deny Coverco certification as a Women-owned Business Enterprise (“WBE”).

This appeal was assigned to Administrative Law Judge Daniel P. O’Connell. Appellant, represented by Ms. Linda H. Joseph, Esq., appeared at a hearing regarding this matter on August 25, 2016. The Division was represented by Mr. Phillip Harmonick, Esq. A recording of the proceedings is contained in the appeal record.

The issues on appeal were whether the Appellant: made a contribution of money, property, equipment, or expertise in proportion to her ownership interest in Coverco; shared in the risks and profits of Coverco in proportion to her ownership interest therein; possessed adequate managerial experience or technical competence to operate the business enterprise; and made decisions pertaining to the operations of the business enterprise.

On January 27, 2017, the Division received from Administrative Law Judge O’Connell a Recommended Order that affirmed the Division’s determination to deny the application by Appellant to certify Coverco as a WBE. The Recommended Order recommended that that the denial should be modified by striking the denial ground pertaining to Appellant’s managerial experience or technical competence and, as so modified, affirmed.
After considering the appeal record, I accept the recommendation of the Administrative Law Judge as it pertains to the facts of this case. Incorporation by reference is hereby made with respect to the findings and conclusions of the Recommended Order.

It is hereby ORDERED that the decision to deny certification, dated January 15, 2016 is affirmed. Accordingly, Coverco will not be listed in the Division’s directory of certified Minority and Women-owned Business Enterprises.

January 30, 2017

[Signature]
Lourdes Zapata
Executive Director
Division of Minority and Women’s Business Development