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

In the matter of the appeal of

K1 Direct, LLC

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 K1 Direct, LLC
(“K1 Direct”) pursuant to section 144.2 of title 5 of the New York Codes, Rules and Regulations.
Appellant seeks reversal of the decision of the Division of Minority and Women’s Business
Development (the “Division”), dated April 4, 2017, to deny K1 Direct certification as a Women-
owned Business Enterprise (“WBE”).

The Appellant initiated this appeal on May 8, 2017. On May 11, 2018, the Division
notified Appellant of a hearing date set for June 5, 2018, for this matter to be heard. The hearing
occurred as scheduled before Administrative Law Judge P. Nicholas Garlick. David G. Burch,
Jr., Esq., and Colm Ryan, Esq., represented Appellant. Steven Gawlick, Esq., represented the
Division. The hearing concluded on that date and the record closed on June 6, 2018, upon
receipt of the recording of the hearing.

The single issue on appeal was whether Karen LaFever, as the one hundred percent
owner, operates K1 Direct as an independent business enterprise, as required by 5 NYCRR §§
144.2(a)(2) and 144.2(c)(2).

On June 25, 2018, the Division received a Recommended Order from Administrative
Law Judge Garlick that recommended affirmation of the Division’s denial of the application to
certify K1 Direct as a WBE on the grounds set forth in the Division’s April 4, 2017 denial letter.
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 April 4, 2017, is affirmed. Accordingly, K1 Direct will not be listed in the Division’s directory for Minority and Women-owned Business Enterprises.

July 30, 2018

Valerie White
Executive Director
Division of Minority and Women’s Business Development