



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

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In the matter of the appeal of

**K1 Direct, LLC**

FINAL ORDER 18-37

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

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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



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