

**United States Small Business Administration
Office of Hearings and Appeals**

VSBC Appeal of:

Dank Blossom, Inc.,

Appellant

SBA No. VSBC-345-A

Decided: April 2, 2024

ORDER DISMISSING APPEAL¹

On March 21, 2024, Dank Blossom, Inc. (Appellant) appealed the denial of its application for certification as a Service-Disabled Veteran-Owned Small Business (SDVOSB) to the U.S. Small Business Administration (SBA) Office of Hearings and Appeals (OHA). The denial letter explained that SBA was unable to certify Appellant, for two reasons. First, Appellant did not demonstrate that Mr. Eric A. Cook, Appellant's service-disabled veteran owner, fully controls Appellant due to other full-time employment. (Denial at 1-2, citing 13 C.F.R. § 128.203(i).) Second, Mr. Cook is a federal employee, but Appellant did not produce a statement of no objection from an appropriate ethics official, as required by 13 C.F.R. § 105.301(a). (*Id.* at 2.)

Because the appeal appeared deficient, OHA ordered Appellant to show cause, no later than March 29, 2024, why the appeal should not be dismissed. OHA noted that a valid SDVOSB appeal must explain why “the denial or decertification is in error.” (Order at 1, quoting 13 C.F.R. § 134.1105(a)(2).) A proper appeal also must contain “the signature of the appellant or its attorney.” (*Id.*, quoting 13 C.F.R. §§ 134.1105(a)(4) and 134.209.)

Here, Appellant's appeal petition was unsigned and did not allege that the denial decision was erroneous. Appellant acknowledged that it had not produced the ethics letter, and Appellant made no attempt to argue that such a letter was not required. Furthermore, Appellant remained silent as to SBA's finding that Mr. Cook has other full-time employment which may interfere with his control over Appellant. Appellant did not respond to OHA's Order.

By failing to respond to OHA's Order to Show Cause, Appellant essentially concedes that its appeal is deficient. *E.g.*, *VSBC Appeal of CBS Ins. Grp. LLC*, SBA No. VSBC-323-A (2023). Furthermore, a party's failure to comply with an OHA order may, by itself, be grounds for

¹ This appeal is decided under the Small Business Act of 1958, 15 U.S.C. §§ 631 *et seq.*, and 13 C.F.R. parts 128 and 134 subpart K.

dismissal. 13 C.F.R. § 134.219. Accordingly, the appeal is DISMISSED. This is the final decision of the U.S. Small Business Administration. 13 C.F.R. § 134.1112(d).

KENNETH M. HYDE
Administrative Judge