

EXHIBIT 1

The Taste NY Experience at Welcome Centers

About

Taste NY currently has more than 50 presentations at public facilities, including ski centers, airports, roadside rest areas, and sport arenas. Each year, Taste NY participates in 40-80 events, where attendees can sample local products, learn about local brands, and purchase New York-made food and beverages. These events range from a very popular Taste NY Marketplace at the Great NYS Fair, to PGA golf events such as the Barclays Tournament at Bethpage State Park to locally significant festivals such as the Spiedie Festival in Binghamton. There are an additional 350+ companies that fall under the Taste NY umbrella that are identified through roadside signage around the state.

The branding and food offered at each Taste NY location is localized and varies in type. Typically, Taste NY retail locations have branded wall shelving that feature unique, local food products. At sport and entertainment arenas, ballparks, and State Parks, Taste NY concessions feature local food and beverage products such as hot dogs, sausages, rolls, chips and beer. Taste NY Cafés and Taste NY Bars have also received enthusiastic reviews and provide an experience that is uniquely New York.

Taste NY Markets, signature locations that include a larger dedicated shopping area, offer visitors product to sample and taste local foods and beverages. Markets can carry ready-to-go items such as locally prepared sandwiches, baked goods, and coffee, as well as grocery items such as frozen meat, fresh dairy, eggs, and spices. Stores also feature gift products and Taste NY gift baskets, which are full of local food and beverages, both during the holidays and year round.



Branding and Presentation

Launched by Governor Cuomo in 2013, Taste NY initially focused on events, with the first retail location opening on the Taconic State Parkway in June of 2014.

Taste NY has conducted two evaluations to understand the target audience and evaluate consumer reactions to existing facilities and help refine the original concept. These studies have shown that the program is a very flexible concept for consumers, and from this research Taste NY has successfully opened more cafés, markets and bars. The research was conducted through focus group sessions and stakeholder interviews.

Branding at Taste NY markets can be best described as a cross between a New York City deli and local country store: almost all locations emphasize weathered woods and subway tiles in white and blue. Chalkboard signs and menus, as well as other branded signage (“If it’s not NY, it’s not Taste NY”) and shelf-talkers reference the location of where items are sourced and produced. Other marketing materials further promote the various local vendors with contact information for interested customers.

This look and feel is easier to achieve when building a Taste NY store from the ground up. Integrating the Taste NY experience into existing food service has often resulted in compromises that dilute brand recognition and customer experience. Taste NY cafés or markets within the Welcome Center platform are an opportunity to further reinforce and enhance the brand.

Operations

Operating a Taste NY retail facility requires four goals:

1. Maintaining economic sustainability;
2. Meeting State and/or other procurement rules and/or site requirements;
3. Ensuring the location always reflects the region or area but is still consistently branded and recognizable as a Taste NY retail operation; and
4. Rotating product to provide opportunities for all local producers to bring new products to market and learn proper packaging and presentation of their products.

Current operations provide some guidance for rates of use and sales that can help estimate the appropriate scale of a Taste NY operation. All of the examples below are relatively new operations. Todd Hill opened in June 2014, Broome Gateway in July 2015, Lock 13 in May 2016, and Long Island Expressway (LIE) Welcome Center in October 2016. Current trends suggest that the Broome Gateway and LIE locations will achieve maintainable levels in the next year, but may require additional changes to hours of operation to align costs with sales activities.

Location	Square Footage	AADT	Number vehicles entering facility*	Average # Customers/Day	Average Sale Per Customer	Average Total Sales/Day	Average COGS/Day
Broome Gateway	1,100	12,500	750	100	\$6.33	\$635	\$381
Lock E-13	1,500	17,800	1,065	48	\$8.65	\$363	\$218
Todd Hill	1,100	18,000	1,020	254	\$12.61	\$3,212	\$1,927
LIE Welcome Center	2,600	86,000	5,160	412	\$6.73	\$2,774	\$1664

* Based on 6% DOT average capture rate

Product Mix and Pricing

Consumer perceptions, reinforced through focus group research, are that the Taste NY experience should feature fresh, local, crafted products. It is important there be good alignment with what is promised by the brand experience and what is delivered. For example, it is entirely consistent for locally produced sausages and burgers to be offered at a Taste NY concession located in a ballpark. However, the Markets suggest a fresher experience that requires a focus on items such as in-season produce, freshly made sandwiches, and locally crafted kettle chips.

Nationally distributed products, such as Pepsi Co. or Frito-Lay, even though produced within New York State, are not viewed by consumers as consistent with Taste NY. These should be avoided as much as possible as to not hurt the brand. There are places (such as Broome Gateway, which is just down the road from a Frito-Lay plant) that it would be appropriate to include these products, but the story of the product should be provided so consumers understand why a national brand may be positioned within Taste NY. This should remain the exception rather than the rule.

Many locally produced products are competitively priced, and New York agriculture is globally competitive in many areas. Reasonable pricing can be challenging due to availability and distribution of product from smaller businesses. Some products, particularly crafted gift products, may command premium prices that reflect their quality and uniqueness. However, it is important that pricing remain within norms for convenience products within the area selected.

Sale of Beer, Wine, Spirits and Cider

The sale of alcohol beverages requires appropriate licensing with the State Liquor Authority. Currently, package stores may sell wine, spirits and cider, but not beer. They must have a separate entrance and

exit and are unable to sell food and other products. A farm-based beverage license is available to producers of wine, beer, spirits and cider and allows for the sale of New York foods and New York labeled craft beverages.

Another way to introduce beer, wine, spirit and cider sales is through a permitted farmers' market. This is only available to producers of those beverage products when meeting the requirements for a legally recognized farmers' market.

Any of these options can be achieved at a Taste NY store but require significant planning and often, additional space to integrate.

The Taste NY Experience at the Welcome Centers

Governor Andrew M. Cuomo has proposed 11 new Welcome Centers that will provide a unique experience for travelers and showcase regional attractions. These Centers are intended to pleasantly surprise passers-by and serve as a celebration of the region. A significant Taste NY experience is intended to be part of each of these Centers to highlight local agriculture, food and beverages.

The various sites identified are operated by the Department of Transportation, NYS Thruway Authority, two different municipalities, a public authority, and the Office of Parks, Recreation and Historic Preservation. As a result of working with many agencies, different rules are required for presentation and procurement of goods and services across the platform.

While developing sites from the ground up creates the opportunity for a strong Taste NY experience with appropriate branding and presentation, it also means a great deal of uncertainty exists with respect to consumer use and behavior. It will take a period of 18 to 24 months to refine the product mix, hours of operation and other operational needs to meet consumers/travelers' interests at each particular site.

The Department has proposed and developed a draft RFP for a management entity to bring consistency and unified management to the Taste NY platform. This has many advantages and for purposes of this discussion it is assumed that this will take place. Decisions regarding individual operators can then be addressed within procurement requirements or other

General Venue and Space Requirements

Tour bus traffic is an important revenue driver, bringing in key Taste NY customers. Tour operators have consistently noted that seating is needed in order to make a travel center a designated meal stop. We are not aware of any standards for seating but a typical tour bus capacity is 54 to 58 passengers. Seating to support at least one tour bus is desirable for any Welcome Center that will have a Taste NY Market or Café.

Farmers' Markets

In order to offer a farmers' market at Welcome Center sites, there needs to be appropriate outdoor or indoor space (in some cases) to accommodate vendors. A typical farmers' market stall is a 6-foot table

covered by a 10'x10' pop up tent. Depending on traffic, space should be provided for four to eight vendors. Ideally, this would be covered space but could also be a sheltered, highly visible and a safe environment that encourages customers to linger and purchase local products.

Each market requires a “market manager” or entity to organize and support the market. It is desirable to have a manager who can administer Farmers’ Market Nutrition Program benefits. This may best be a function of the entity selected to operate the Taste NY store. However, that will not be the case in all instances. The “specific site recommendations” provides specifics of nearby markets and their potential for relocating or developing a satellite market that might be an extension and operate on complementary hours.

Vending

All of the roadside sites should have Taste NY-branded vending machines that function as an extension of the Taste NY operation. The vending should be run by the operator, which will ensure consistent product mix, minimize issues with expired products, and reduce on-site conflicts for sales. The LIE Welcome Center uses machines that are leased from a vending company and stocked by the Taste NY operator, with all sales accounted for as part of the Taste NY operation. The vending company provides service and technical support.

Vending can be provided by a single refrigerated machine, or multiple machines, that can dispense food and beverages. An appropriate amount of indoor and/or outdoor space should be provided for Taste NY vending along with the necessary electric to meet power requirements as well as any necessary gating for security purposes.