



**Training Proposal for:
Video Symphony EnterTraining, Inc.
Agreement Number: ET12-0292**

Panel Meeting of: **January 27, 2012**

ETP Regional Office: **North Hollywood**

Analyst: N. Weingart

PROJECT PROFILE

Contract Priority
Attributes: SB <100
Retrainee

Industry Sector(s): Multimedia/Entertainment

Counties Served: Statewide

Repeat Contractor: Yes No

Union(s): Yes No

Priority Industry: Yes No

| Turnover Rate % | Manager/ Supervisor % |
|-----------------|-----------------------|
| ≤20% | ≤20% |

FUNDING DETAIL

| Program Costs | Support Costs | Total ETP Funding |
|---------------|---------------|-------------------|
| \$250,640 | \$17,352 | \$267,992 |

| In-Kind Contribution |
|----------------------|
| \$241,000 |

TRAINING PLAN TABLE

| Job No. | Job Description | Type of Training | Estimated No. of Trainees | Range of Hours | | Average Cost per Trainee | Post-Retention Wage |
|---------|----------------------------|---------------------|---------------------------|------------------|-----|--------------------------|---------------------|
| | | | | Class / Lab | CBT | | |
| 1 | Priority SB <100 Retrainee | Advanced Technology | 217 | 8-56 | 0 | \$1,112 | \$14.39 |
| | | | | Weighted Avg: 40 | | | |
| 2 | Priority SB <100 Retrainee | Advanced Technology | 24 | 8-56 | 0 | \$1,112 | \$14.39 |
| | | | | Weighted Avg: 40 | | | |

Minimum Wage by County: The ETP minimum hourly wage requirement is \$15.70 for Los Angeles, Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara and Santa Cruz counties; \$15.68 for Orange County; \$15.26 for Sacramento County; \$15.06 for San Diego County; \$14.39 for Ventura and all other counties.

Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: Yes No Maybe

Participating employers may use health benefits to meet the Post-Retention Wage.

| Wage Range by Occupation | |
|------------------------------|------------|
| Occupation Title | Wage Range |
| Animator | |
| Art Director/Designer | |
| Assistant Editor | |
| Assistant/Associate Producer | |
| Avid Engineer | |
| Camera Operator | |
| Director | |
| Director of Operations | |
| DVD/Home Entertainment Staff | |
| Editor | |
| Engineer | |
| Graphics Staff | |
| Information Technology | |
| Internet Operations | |
| Marketing Staff | |

| | |
|-----------------------|--|
| On-Line Editor | |
| Producer | |
| Production Assistant | |
| Production Manager | |
| Production Staff | |
| Program Prep Staff | |
| Quality Control Staff | |
| Sound Designer | |
| Sound Editor/Mixer | |
| Sound Engineer | |
| Tape Operator | |
| Technician | |
| Telecine Staff | |
| Webmaster | |

INTRODUCTION

In this proposal, Video Symphony EnterTraining, Inc. (Video Symphony) seeks funding for retraining as outlined below:

Video Symphony is a private, for-profit training center that provides technical training in picture, sound, graphics, and new media skills; its customers are from entertainment industry production and post production and multimedia companies, a Panel priority. Participating employers will be from production studios and post-production houses; technical support and consulting companies; distribution; news agencies; advertising; and equipment sales and rental companies. These employers will be eligible for funding under Title 22, California Code of Regulations (CCR), Section 4416(d), (e) and/or (i) as companies facing out-of-state competition.

Founded in 1994 and located in Burbank, Video Symphony trains media professionals on the latest digital production tools used in the entertainment industry. According to staff, the school is an authorized training center for Apple, Avid, Digidesign, as well as an education center for Autodesk Maya, Maxon Cinema 4D, and the full suite of Adobe Products including Illustrator, After Effects, Photoshop, Adobe Bridge and Adobe Premier. The facility is equipped with state-of-the-art digital media hardware and software, and trainers are industry professionals, certified by software vendors. The school's client list includes Universal, Disney, Fox, Warner Brothers, Sony, ABC, CBS, NBC, Nickelodeon, production and post production companies, freelancers, cable and satellite networks and programmers, local broadcast stations, and industry guilds (IATSE, NABET, TAG, and the IBEW).

Training Agency Certification

Training agency eligibility requires certification by an independent third-party, as required for the type of school and course of study. Most schools must also be licensed by the Bureau of Private Postsecondary Education (BPPE), created in statute effective January 1, 2010.

In keeping with the Panel's standards at Title 22, CCR, Section 4426, Video Symphony is eligible as a training agency based on BPPE licensure (valid until April 2012) and Certification

by the Accrediting Council for Continuing Education and Training (ACCET) (valid through December 2012).

According to Video Symphony, everyone involved in media today must be fluent in the languages and processes of the digital environment. New forms of media such as DVD and streaming, HD and Digital Television broadcasting, digital film, and web/mobile content require new workflow techniques, new software, and new hardware that companies and their employees must master.

New software requires a continual commitment to training if an employer wishes to remain competitive. In the past year alone, new versions of software have come out for Adobe Photoshop, Adobe After Effects, Avid Media Composer, Digidesign Pro Tools, Cinema4D and Maya, Apple Final Cut Pro/DVD Studio Pro as well as other software digital media production platforms and professional plug-in packages. Participating employers face the expense and challenge of: (1) installing new software, (2) acquiring and installing complementary hardware; (3) training employees to use both, and (4) occasionally converting older files to newer file formats.

In addition to the change from analog to digital production, "runaway" production continues to plague the entertainment industry. Production and post-production continue to leave California for other states and other countries, and local companies are threatened by decreased business, which puts employees in danger of displacement unless they have new products and services and state-of-the-art technical skills to give them an advantage. California employers need to remain competitive in a marketplace that is increasingly global.

PROJECT DETAILS

For the past several years, Video Symphony's training has supported and sustained the industry's transformation from analog to technology. The need for training is ongoing to keep employees up-to-date on rapidly changing innovations and developments. With this proposal, Video Symphony proposes to provide Advanced Technology training to digital media specialists and support staff. Courses will include film and video production hardware and software; special effects; audio, music and sound; website/mobile media content creation and streaming media production and distribution; animation, and maintenance and troubleshooting of computer systems.

Advanced Technology Funding

According to Video Symphony, the cost of the proposed training is exceptionally high and exceeds standard ETP funding. The training requires high-end, professional-grade software and platforms well outside the budget limitations of more traditional education centers and off-the-shelf products, as well as specialized hardware and equipment. Instructors are often required to hold advanced level, third-party certifications, and possess specialized industry skills, experience, and technical teaching skills; consequently, rates average \$50 per hour and above.

Further, since demand for instructors usually exceeds availability, Video Symphony must expend additional funds to recruit trainers and develop qualified instructors internally. In addition, the school must purchase authorized curricula from software and equipment manufacturers at approximately \$65,000 to \$150,000 per year, and/or spend thousands of dollars in-house developing additional customize curriculum designed to meet the needs of its clients their customers. Finally, this specialized training requires small classes with a trainer-to-trainee ratio of 1:10 or less to allow in-depth coverage of the subject matter and personalized attention from the instructor.

Training Coordination

The majority of classes will take place at Video Symphony's main training center in Burbank; Pro Tools and audio-specific classes will be given at Video Symphony's new Pro Tools campus, which is now a professional recording studio located one mile from the main campus. Training will commence upon Panel approval. Video Symphony schedules about 80 classes per month; course frequency is based on employer demand. Video Symphony uses independent freelance trainers to teach almost all of its courses; instructors are industry professionals that are certified, whenever possible, by product vendors.

A dedicated, on-campus ETP representative will administer the contract. Additional support will come from Video Symphony Admissions, Registrar, Placement, and Marketing staff. The total number of staff involved with ETP activities may range from one to five employees.

Commitment to Training

Video Symphony staff reports that approximately 90% of the employers in its target market have fewer than 20 employees; and most employers have no significant internal training resources. Most now provide little to no training on their own, and what might be offered is informal and sporadic delivered by co-workers. Video Symphony asserts that most of the employers have little to no training budget, and would not be able to provide any significant training were it not for ETP funding: (1) companies lack qualified instructional staff and the availability of industry experts is limited; (2) employers find it difficult to schedule their own equipment out of production; (3) training materials are expensive and/or hard to get; and (4) it is too costly to give specialized classes for small numbers of workers. Video Symphony staff indicated that many employers will be offering training for the first time. Others who have previously participated will send some trainees for the first time and others for updated courses or new material they have not previously received.

After the completion of ETP-funded training, employers are encouraged to utilize Video Symphony resources to provide ongoing training for their employees to maintain their cutting-edge skills. Employers are learning that continuous training will help ensure business growth and steady employment for the trainees with a particular company or within the entertainment industry in general.

Video Symphony represents that ETP funds will not displace the existing financial commitment to training of participating employers, and anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area. Video Symphony also represents that safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

Marketing and Support Costs

Video Symphony staff reports that the school has many links to the employer community; companies and studios, large and small, have become familiar with Video Symphony training. There is broad knowledge of its ETP program, mainly from outreach efforts over the past eight years of ETP contract activity. The Video Symphony and ETP partnership has become known via ongoing advertising through mailings, word of mouth, letters, mail, phone contacts, attendance at industry-related events, and extensive outreach through the Video Symphony website. Video Symphony has a prominent presence on the Internet: it receives approximately 4,000 visitors per month, has top ranking on several major search engines, and has links

through several of its software manufacturers' websites. Further, an experienced VS Website Live Advisor is available for live online chats to answer questions from employers and employees.

Video Symphony staff personally visits interested employers to recruit employers and employees and help assess their specific training needs. Video Symphony staff believes that this personalized approach ensures that employees receive relevant training. Classes are added and dropped based on industry needs; input into curriculum comes regularly from contact with current and previous clients (both companies and trainees), training partners, unions, and other industry organizations. Software and hardware updates are immediately incorporated into the curriculum. Employers select only the training courses they need for their business and for their employees. If an employer requires training beyond the scope of scheduled courses or at unconventional times, Video Symphony will work with them to customize a class that will respond to any special needs. Video Symphony then obtains feedback through online student evaluations rating course content, instructors, and equipment to determine how valuable a class has been and the need for adjustments.

Support Costs

Video Symphony intends to dedicate one full-time staff member dedicated to administering the ETP contract and interacting with participating employers and employees. Employer recruitment, assessment, scheduling, and feedback will be ongoing activities throughout the ETP Agreement term. The additional 8% support funding is needed to sustain the activities of the ETP coordinator and staff from other departments that will interact with the employer community.

Substantial Contribution

Video Symphony serves large and small employers, some of which may have received training in prior ETP contracts. If a large participating employer (over 100 full-time employees) has received the benefit of training with payment earned in excess of \$250,000 within the past five years, reimbursement for trainees at the same facility will be reduced by 15% to reflect that employer's substantial contribution to the cost of training. Funding for any employer that has previously been assessed a 15% substantial contribution will be reduced by 30% to 50%. Small businesses with 100 or fewer full-time employees in California and 250 or fewer worldwide are not subject to this provision.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Video Symphony under ETP Agreements that were completed within the last five years:

| Agreement No. | City | Term | Approved Amount | Payment Earned |
|---------------|---------|---------------------|-----------------|-----------------|
| ET08-0120 | Burbank | 07/03/07 – 07/02/09 | \$399,168 | \$150,426 (38%) |
| ET05-0252 | Burbank | 06/01/05 – 05/31/07 | \$492,000 | \$141,097 (27%) |

ET08-0120: According to the Contractor in the final Monitoring Report, the overall completion percentage was lower than anticipated for several reasons: (1) at that time, the industry had more skilled workers available than in prior years, thereby decreasing current training needs; (2) overall demand for training decreased because employers were making fewer changes to newer equipment; (3) a previous writers' strike interrupted the training schedule; (4) the school utilized other government programs to fund longer training programs with less restrictive retention requirements; and (5) some employers still balked at training co-pays and enrolled fewer workers than expected.

Today, the Contractor is optimistic and expects better performance on this new proposal for several reasons. Video Symphony staff indicated that it has received input from several companies indicating a move away from established picture editing platforms to newer software; consequently, these employers are anticipating the need to send many, if not all, of their editors to training. The conversion to digital technology is ongoing and strong, and generates a steady need for trained workers. In fact, employer certification statements used as the basis for this proposal cover more than 100% of the number to be trained. Commitment notwithstanding, employer recruitment will continue in the face of potential changing circumstances, and because several additional companies have already expressed the desire to train workers in 2012. No one is currently on strike, and companies seem willing to provide co-pays in light of the benefits that training affords them.

ET05-0252: Video Symphony encountered a number of challenges that hindered fulfillment of this contract: (1) facility limitations that resulted in a limited number of classes and long waiting lists; (2) employer scheduling problems; and (2) employer co-pay issues.

Since Video Symphony's first ETP contract, overall student enrollment expanded steadily and many new courses were added; however, demand outgrew space and the school was at full capacity. At the start of this ETP contract, Video Symphony secured a new facility but the lease agreement fell through. The school finally found larger quarters and relocated to Burbank, but the move and reorganization took longer than expected. ETP activities resumed, but lack of space and the move had already affected performance. Going forward, in addition to having adequate space for more classes, Video Symphony was able to accommodate employers who needed to schedule staff at the last minute as production breaks occurred. However, employer production schedules continued to be a variable in the overall success rate of the ETP Agreement.

Video Symphony also discovered that many studios were accustomed to no-cost training and did not adapt easily to employer co-pays, often lacking an internal accounting system to process them. Video Symphony estimated that about 30% of lost ETP enrollees was due to employer fees, which caused clients to forego training or look elsewhere. Since ETP reimbursement increased from \$20 to \$26 for this priority industry, Video Symphony was able to reduce its per employee co-pay which encouraged more employer participation.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8 - 56

(Large Employer: 24 - 56)

(Small Business: 8 - 56)

Trainees may receive any of the following:

Advanced Technology

101 Intro to Avid Media Composer Editing
 203/102 Digital Film/Working with Film & 24p on Avid
 104 Intro to Decks & Mixers Avid
 107 Basic Editing Workshop Avid
 107F Basic Editing Workshop Web & Mobile Publishing
 110 Avid Intro to Media Composer Effects
 120F Sound Recording Principles & Techniques Web & Mobile Publishing
 136 Avid Script to Screen
 198 Web Media Essentials
 199 HD Essentials

201 Avid Advanced Media Composer Techniques
 202 Avid Project & Media Management
 205/305 Advanced Effects Tools & Techniques for Avid
 206 Editing Audio in Avid
 207 Intermediate Editing Workshop Avid
 209 Intermediate Avid MC & AVX Effects
 212 Graphics Formatting, Importing & Exporting for Avid
 236 Avid Dailies to Rough Cut
 239 Color Correction with Avid Media Composer

301 Intro to Short-Form Editing Avid
 301F Intro to Short-Form Editing Web & Mobile Publishing
 306 Intro to Promo Editing for Television Avid
 307 Advanced Editing Workshop Avid
 308 Sapphire Plug-In Effects for Avid
 336 Avid Rough Cut to Fine Cut

501 Avid Intermediate Long-form Editing for "Dramatic"
 506 Avid Intermediate Long-form Editing for "Action"
 510 Survival Skills for the Avid Assistant Editor
 531 Avid Post Production Session 1

600 Motion Graphics Concepts
 601 Intro to Adobe Illustrator
 603 Typography Design
 605 Color Theory in Design
 607 Layout and Composition
 609 Motion Graphics Aesthetics
 610 Intro to Adobe Photoshop

611 Intermediate Photoshop
612 Advanced Photoshop
619/620 Intro to Adobe After Effects
621 Intermediate After Effects
622 Advanced After Effects
630 Cinema 4D Essentials
632 Intermediate Cinema 4D Techniques
633 Cinema 4D Texturing and Compositing
634 Cinema 4D Advanced Rendering Techniques
640 Storyboarding for Motion
641 Maya Essentials
650 Compositing & Rotoscoping for Film & Television
660 Adobe Premier Production Essentials
670 Title Graphics for Film & TV
680 Media Delivery Essentials
680F Media Delivery Essentials Web & Mobile Publishing

FCP 200 Comprehensive Intro to Final Cut Pro
FCP 300 Editing, Color Correction and Effects in Final Cut Pro
FCP 310 Color Correcting in Final Cut Studio
FCP320 Sound Editing in Final Cut Studio
FCP330 Intro to Apple Motion

930 Motion Graphics and 3D
941 HD Cinematography

PT101 Introduction to Pro Tools
PT110 Pro Tools Production
PT111 Intro To Pro Tools Plug-ins and Effects
PT115 Intro to Audio Engineering Tools & Workflows
PT120 Recording Studio Operations & Setups Pt 1
PT121 Recording Studio Operations & Setups Pt 2
PT140 Post Production Sound
PT201 ProTools Production Essentials
PT210M Music Production Techniques
PT210P Post Production Techniques
PT211 Pro Tools Music Studio Session
PT212 Vintage Analog Equipment, Plug-ins and Applications
PT219 Intermediate Sound Design
PT220 Music Recording & Production
PT222 5.1 Surround Sound Mixing
PT225 Editing Sound Effects
PT235 Editing Backgrounds
PT240 Television & Foley Production Techniques
PT245 Foley Editing
PT265 Dialogue & ADR Editing
PT280 Voice Over Recording & Production
PT291 Conforming & Synthesis
PT310M Advanced Music Production Techniques
PT310P Advanced Post Production Techniques
PT 319 Implementing Sound Design

PT320 Field & Film Recording
PT321 Stereo & Surround Digital Mixing Techniques
PT322 5.1 Surround Digital Music Mixing
PT331 Noise Reduction Techniques
PT333 Spotting Music
PT335 Advanced Audio & Music Editing
PT339 Creating Video Game Audio Assets
PT340 CD, Vinyl, Stereo Download & Surround Mastering Techniques

Note: Reimbursement for retraining is capped at 56 total training hours per trainee, regardless of the method of delivery.

**Participating Employers for
Multiple Employer Contract (MEC) Retraining**

Contractor's Name: Video Symphony EnterTraining, Inc.

CCG No.: ET12-0292

Reference No: 12-0263

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Alpha Dogs, Inc.

Address: 1612 W. Olive Ave. #200

City, State, Zip: Burbank, CA 91506

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained under this Agreement:: 5

Total # of full-time company employees worldwide: 9

Total # of full-time company employees in California: 9

Company: Authentic Entertainment

Address: 2860 N. Naomi St.

City, State, Zip: Burbank, CA 91504

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 25

Total # of full-time company employees worldwide: 120

Total # of full-time company employees in California: 120

Company: Big Screen Network Productions, Inc.

Address: 860 Hampshire Rd., Ste A

City, State, Zip: Westlake Village, CA 91361

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 7

Total # of full-time company employees worldwide: 17

Total # of full-time company employees in California: 9

Company: CBS TV Distribution

Address: 2401 Colorado Ave., Ste 110

City, State, Zip: Santa Monica, CA 90404

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 6

Total # of full-time company employees worldwide: 435

Total # of full-time company employees in California: 280

**Participating Employers for
Multiple Employer Contract (MEC) Retraining**

Contractor's Name: Video Symphony EnterTraining, Inc.

CCG No.: ET12-0292

Reference No: 12-0263

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: DVS IntelStream

Address: 2625 W. Olive Ave.

City, State, Zip: Burbank, CA 91505

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 160

Total # of full-time company employees in California: 160

Company: Imagem Production Music LLC dba 5 Alarm Music

Address: 35 W. Dayton St.

City, State, Zip: Pasadena, CA 91105

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 8

Total # of full-time company employees worldwide: 10

Total # of full-time company employees in California: 8

Company: Point.360

Address: 2777 N. Ontario St.

City, State, Zip: Burbank, CA 91504

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 245

Total # of full-time company employees in California: 245

Company: Technicolor

Address: 1631 Gardena Ave.

City, State, Zip: Glendale, CA 91604

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 200

Total # of full-time company employees worldwide: 18,000

Total # of full-time company employees in California: 700

**Participating Employers for
Multiple Employer Contract (MEC) Retraining**

Contractor's Name: Video Symphony EnterTraining, Inc.

CCG No.: ET12-0292

Reference No: 12-0263

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Telemundo Network News

Address: 3000 W. Alameda Ave., Ste 4227

City, State, Zip: Burbank, CA 91523

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 1,520

Total # of full-time company employees in California: 8

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

Company:

Address:

City, State, Zip:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California: