



**Training Proposal for:
California Manufacturing Technology Consulting
Agreement Number: ET10-0274**

Panel Meeting of: **October 23, 2009**

ETP Regional Office: **North Hollywood**

Analyst: N. Weingart

PROJECT PROFILE

Contract

Type: Priority/Retrainee
 Priority/SB<100 Retrainee
 SB <100 Retrainee

Industry

Sector(s): Manufacturing
 Transportation/Logistics
 Goods Movement

Counties

Served: Statewide

Repeat

Contractor: Yes No

Union(s): Yes No

United Steel Workers Local
9518

Priority

Industry: Yes No

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

FUNDING DETAIL

Program Costs	Support Costs	Total ETP Funding
\$701,280	\$48,700	\$749,980

In-Kind Contribution
\$560,886

TRAINING PLAN TABLE

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Estimated Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Advanced Technology, Business Skills, Computer Skills, Continuous Improvement, Hazardous Materials, Literacy Skills, Management Skills, Manufacturing Skills	408	24-200	0	\$693	\$13.00
				Weighted Avg: 36			
2	Priority/SB<100 Retrainee	Advanced Technology, Business Skills, Computer Skills, Continuous Improvement, Hazardous Materials, Literacy Skills, Management Skills, Manufacturing Skills	416	8-200	0	\$1,001	\$13.00
				Weighted Avg: 36			
3	SB<100 Retrainee	Advanced Technology, Business Skills, Computer Skills, Continuous Improvement, Hazardous Materials, Literacy Skills, Management Skills, Manufacturing Skills	60	8-200	0	\$847	\$13.00
				Weighted Avg: 36			

Minimum Wage by County: \$14.18 for Alameda, Contra Costa, Los Angeles, Marin, Orange, San Francisco, San Mateo, Santa Clara, and Santa Cruz counties; \$13.69 for Sacramento County; \$13.48 for San Diego and Ventura counties; and \$13.00 for 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
Administrative Staff	
Clerical Staff	
Technical Staff	
Production Staff	
Sales Staff	
Supervisor	
Manager	

INTRODUCTION

In this proposal, California Manufacturing Technology Consulting (CMTC) seeks funding for retraining as outlined below:

This will be the tenth Agreement between CMTC and the Employment Training Panel (ETP). CMTC is eligible to contract with ETP as a group of employers under Title 22, California Code of Regulations (CCR), Section 4400(j). Participating employers will meet the Panel's out-of-state competition requirements as manufacturers under Title 22, CCR, Section 4416(i), or by one of the special exemptions for non-manufacturing industries under Section 4416(d). CMTC is requesting Panel funds to assist in the retraining of incumbent frontline workers, supervisors, and managers primarily in the manufacturing sector so that employers can remain competitive.

CMTC was established in 1992 to assist small and medium-sized manufacturers in California improve their operational efficiencies and global competitiveness. Headquartered in Torrance, CMTC provides consulting and training services in the following areas:

- Information Technology – systems selection, implementation, and E-business
- Lean Enterprise – lean assessment, enterprise process improvement, inventory, and production management
- Strategic Business – strategic management, workforce development, and human resources strategies
- Quality Management – quality systems implementation, product assurance, environmental, and safety
- Manufacturing and Engineering – product design, manufacturing engineering, relocation management, and energy conservation

These services target, but are not limited to, California manufacturers with 500 or fewer employees. CMTC serves companies throughout the southern and central counties of California.

PROJECT DETAILS

Employer Demand

CMTC determines participating employers' specific needs for training based on surveys and pre-training assessments. CMTC conducts annual surveys of small and medium-sized manufacturers within the state to identify the key challenges to growth and profitability.

CMTC uses these survey results to develop programs to meet the defined needs of participating employers. According to CMTC representatives, employers are requesting training to sustain their competitiveness, improve productivity, and remain current on rapidly changing technology. The smaller manufacturers included in this proposal are seeking to upgrade the skills of their workers and improve their business processes. To remain competitive, other participating employers are expanding their operations and/or diversifying their product line, which necessitates new ways of doing business. The training outlined in this proposal will be customized based on thorough needs assessments and employer-driven training objectives.

Marketing and Employer Recruitment

CMTC has full-time consultants tasked with assisting employers to improve their management and manufacturing processes. These consultants meet directly with manufacturers to identify their improvement goals and devise training programs to help companies meet their operational objectives. CMTC obtains most of its participating employers through client referrals, manufacturing seminars, and referrals from other economic development partners.

Curriculum Development

CMTC works with employer representatives and multiple training entities to maintain a comprehensive curriculum that is relevant and responsive to the needs of employers. CMTC also conducts interviews with trainees and key company staff to determine which skill sets are required for specific occupations. In addition, training participants are encouraged to complete course evaluations for CMTC's training program. This valuable feedback is shared with trainers and company representatives to gauge the effectiveness of training and identify how certain modules can be improved to continuously meet employer demand. Customized training will be delivered by CMTC and a variety of qualified training partners in the following areas:

Business Skills training in customer service, communication skills, and sales techniques will teach employees how to communicate more effectively with internal and external customers.

Computer Skills training will provide trainees with the skills to become more proficient in the use of business solutions such as enterprise resource planning, e-commerce, computer networking, and Windows software applications.

Continuous Improvement training will equip trainees with the skills to achieve company goals through increased productivity, quality improvements, and cost control measures. This training is also designed to enhance teamwork, problem solving, and decision making. Lessons in Lean Manufacturing will improve internal processes, inventory control, and waste reduction.

Hazardous Materials training will include environmental management skills for those workers who develop and administer plans/systems for handling hazardous materials and industrial waste.

Manufacturing Skills training is designed to upgrade workers' production skills, improve product quality, reduce waste, improve inventory control measures, and enhance manufacturing processes.

Management Skills training will provide managers and supervisors with leadership, motivation, and strategic planning skills which will enable them to become more effective leaders in high performance workplaces.

Literacy Skills training, specifically Vocational English as a Second Language, will be provided in conjunction with job-specific skills training. This training will help employers overcome language barriers within their workforce to improve employee confidence, productivity, and teamwork.

Advanced Technology curriculum will consist of Microsoft certification courses; wireless LAN technology, administration, and security; SQL server system administration; CompTIA; SolidWorks; PDMWorks Jumpstart; 3DVIA Composer; and CAMWorks.

CMTC is requesting Advanced Technology reimbursement for MIS and IT professionals, designers, engineers, and other technical staff and managers to keep abreast of rapidly changing technology in order to support their companies and satisfy customer demand. IT professionals will gain the skills necessary to build, maintain, secure, troubleshoot, and integrate new technology into computer systems, while engineers and design staff will acquire the tools they need to create new and innovative products.

According to the Applicant, class size must be reduced to 10 trainees or less to allow for a considerable amount of one on one attention from the instructor, as well as time to address in-depth technical questions. The hourly rate of instructors, in combination with high tech equipment and books, and the need for small classes drives the cost of this training over standard ETP fixed fee rates.

Commitment to Training

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

Most of the participating employers lack the resources to conduct formal assessments, develop comprehensive training plans, or provide structured training. The majority provide on-the-job, one-on-one training to new employees, safety training, and off-site seminar training.

For some participating employers, this project will be an opportunity to participate in a formal training program for the first time. For other companies that may have only provided limited training in the past, ETP funding will enable them to provide a larger number of employees with a broader spectrum of skills development. CMTC anticipates employers will continue to provide training to support the ongoing implementation of new systems and processes.

RECOMMENDATION

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

ACTIVE PROJECTS

The following table summarizes performance by CMTC under active ETP Agreements:

Agreement No.	Approved Amount	Term	No. Trainees	No. Completed Training	No. Retained
*ET08-0313	\$2,131,005	12/26/07 – 12/25/09	1,758	2,019	1,423
**ET09-0515	\$350,887	04/06/09 – 04/05/11	346	0	0

*ET08-0313: All training ended September 26, 2009. Based on information from the September 23, 2009 ETP Contract Status Report and online Class/Lab Tracking system, 2,205 trainees have been enrolled; 2,019 have completed training; and 620 trainees are still active. Thus far, ETP has issued approved reimbursement in the amount of \$1,359,510 (64% of the funding amount). CMTC expects to achieve a 100% completion rate.

**ET09-0515: The September 23, 2009 ETP Contract Status Report and online Class/Lab Tracking system show that 405 trainees have been enrolled; 8 trainees in fixed job numbers have completed at least 80% of their training; and 93 trainees in variable job numbers have reached the 24-hour minimum required for reimbursement. The contractor reports that CMTC has employer commitments for 100% of the ETP funding in this Agreement.

PRIOR PROJECTS

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

Agreement No.	Location	Term	Approved Amount	Payment Earned
ET03-0237	Statewide	01/06/03 – 01/05/05	\$3,644,845	\$2,891,592 (79%)
ET05-0159	Statewide	09/06/04 – 09/05/06	\$2,079,496	\$1,652,622 (79%)
***ET06-0280	Statewide	04/05/06 – 04/04/08	\$2,055,810	\$1,107,258 (54%)

***ET06-0280: According to the contractor, CMTC launched a new strategic initiative that reduced the number of manufacturers and trainees eligible for ETP funding, which resulted in a lower than expected number of program participants in this Agreement. CMTC has since taken corrective action to better target participating employers and is demonstrating greater program success under its subsequent Agreement (ET08-0313).

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

The following subcontractors will provide training services for an amount to be determined prior to the start of training:

BIOCOM, San Diego
Cerritos College, Norwalk
Cuesta College, San Luis Obispo
Fresno City Community College, Fresno
Glendale Community College, Montrose
Northern Orange County Community College District, Anaheim
Riverside Community College District, Riverside and Norco
University of California San Diego, La Jolla

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 to 200 Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Service Skills
- Sales Skills

COMPUTER SKILLS

- Enterprise Resource Planning (ERP)
- Electronic Commerce and eBusiness
- Word Processing (Intermediate & Advanced Level)
- Spreadsheets (Intermediate & Advanced Level)
- Presentation Software
- Database
- Computers on the Shop Floor

CONTINUOUS IMPROVEMENT

- Teams and Team Building
- Problem Solving
- Communication Skills
- Leading Change
- Lean Manufacturing
- Implementing ISO 9000
- Environmental Management System (EMS) Implementation
- Implementing TS16949
- Boeing Advanced Quality Systems (D1-9000)
- Six Sigma
- Design of Experiments (DOE)
- Failure Mode and Effects Analysis (FMEA)
- Statistical Process Control (SPC)
- Quality Function Deployment (QFD) and New Management & Planning Tools
- Improving Process Cycle Times
- Technical Process Improvement
- Quality Inspection
- Production and Inventory Management
- Integrated Resource Management

MANAGEMENT SKILLS***Management and Supervisory Skills**

- Leadership
- Effective Communication
- Decision Making and Problem Solving
- Motivation and Reinforcement
- Managing Change
- Project Management
- Coaching and Feedback
- Time Management and Delegation
- Conducting Effective Meetings
- Managing Diversity/Cross Cultural Issues
- Goal Setting
- Strategic Planning Overview
- Organizational Models
- Operations Strategy
- Reward Systems
- Planning and Control Systems
- Management Styles
- Performance Management
- Facilitation Skills
- Managing Customer Service
- Introduction to Teams
- Effective Teams

Strategic Planning and Policy Deployment

- Strength, Weaknesses, Opportunity, and Threat (SWOT) Analysis
- Planning: Milestone and Gantt Charts
- Procedures and Operational Definitions
- Customer/Supplier Partnerships
- Policy Deployment
- Mission Alignment and Measurement Systems

*For Managers and Supervisors only

HAZARDOUS MATERIALS

- Hazardous Materials Parts One, Two, Three, and Four

MANUFACTURING SKILLS

- Programmable Logic Controllers
- Soldering
- Blueprint Reading
- Shop Math and Geometric Dimensioning & Tolerancing
- CNC Programming
- Surface Mount Technology: Manufacturing & Rework
- Low-Residue/No-Clean Soldering Process Implementation
- Printed Wiring Board Repair
- Through Hole Technology: Rework and Repair
- Sewing
- Productions Skills
- FDA Good Manufacturing Practices (cGMP)
- FDA Good Laboratory Practices (cGLP)
- Small Batch Manufacturing
- Large Batch Manufacturing
- Clean Room Technology
- Biotech Research and Development (Laboratory Skills)
- Biotech Research and Development/Upstreaming (Laboratory Skills)
- Biotech Research and Development/Downstreaming (Laboratory Skills)
- Metrology
- Writing Bio Standard Operating Procedures (SOP's)
- Animal Science
- Biotechnology Design Control
- Risk Assessment & Hazard Analysis
- Software Verification & Validation Strategies
- Electronic Record Keeping & Signatures
- Product Submissions: Getting to Market
- Quality System Requirements, Good Manufacturing Practices, & Inspections
- Medical Devices and the European Market
- Requirements for Device Safety
- Manufacturing Logistics Management

ADVANCED TECHNOLOGY

- Microsoft Certified Desktop Support Technician (MCDST)
- Microsoft Certified Systems Administrator/Microsoft Certified Systems Engineer (MCSA/MCSE)
- Wireless Local Area Network (WLAN) Fundamentals
- Wireless LAN Administration
- Wireless LAN Security
- Structured Query Language (SQL) Server System Administration
- Implementing and Managing Exchange Server
- CompTIA A+ Certification
- SolidWorks
- PDMWorks Jumpstart
- 3DVIA Composer
- CAMWorks

LITERACY SKILLS**

Vocational English as a Second Language (VESL)

Listening/Understanding

- Questions, Imperatives, Verbal Directions, Statements, Descriptions
- Active Listening Techniques

Speaking

- Requests for Clarification, Directions
- Taking Messages, Using Voice Mail
- Calling Supervisors
- Giving Directions, Descriptions
- Following Instructions
- Acknowledgements
- Explaining Needs for Completion of Job
- Asking for Feedback on Performance
- Describing Tools, Parts, and Products

Reading

- Understanding Directions, Signs, Manuals, Reports, & Forms
- Scanning for Specific Information

Writing

- Filling Out Job Completion and Work-Specific Forms
- Leaving Accurate & Understandable Messages
- Describing Condition of Products
- Generating Written Questions and Statements

Employee Responsibilities

- Work Procedures

**Literacy Skills training will not exceed 45% of a trainee's total training hours.

Safety Training cannot exceed 10% of total training hours

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of delivery method.

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: California Manufacturing Technology Consulting CCG No. ET10-0274
Reference No: 10-0068 Page: 1 of 4

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: 3D Metal Fabrication, Inc.

Address: 1196 N. Osprey Circle

City, State, Zip: Anaheim, CA 92807

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 21

Total # of full-time company employees in California: 21

Company: APEC

Address: 5050 Rivergrade Road

City, State, Zip: Baldwin Park, CA 91706

Collective Bargaining Agreement(s): None

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

Total # of full-time company employees worldwide: 4800

Total # of full-time company employees in California: 380

Company: ASCO Sintering Company

Address: 2750 Garfield Avenue

City, State, Zip: Commerce, CA 90040

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 89

Total # of full-time company employees in California: 89

Company: California Machine Specialties

Address: 12282 Colony Avenue

City, State, Zip: Chino, CA 91710-2095

Collective Bargaining Agreement(s): None

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

Total # of full-time company employees worldwide: 16

Total # of full-time company employees in California: 16

Company: Garcia Plastic Molding, Inc.

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: California Manufacturing Technology Consulting CCG No. ET10-0274
Reference No: 10-0068 Page: 2 of 4

Address: 9183 Hermosa Avenue

City, State, Zip: Rancho Cucamonga, CA 91730

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 14

Total # of full-time company employees worldwide: 29

Total # of full-time company employees in California: 29

Company: Hilz Cable Assemblies

Address: 31889 Corydon #A110

City, State, Zip: Lake Elsinore, CA 92530

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 11

Total # of full-time company employees in California: 11

Company: Machinetek

Address: 1985 Palomar Oaks Way

City, State, Zip: Carlsbad, CA 92011

Collective Bargaining Agreement(s): None

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

Total # of full-time company employees worldwide: 10

Total # of full-time company employees in California: 10

Company: Miller Gasket Co.

Address: 11537 Bradley Avenue

City, State, Zip: San Fernando, CA 91340

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 22

Total # of full-time company employees in California: 22

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: California Manufacturing Technology Consulting CCG No. ET10-0274
Reference No: 10-0068 Page: 3 of 4

Company: Myers Container

Address: 21508 Ferrero Pkwy #B

City, State, Zip: City of Industry, CA 91789

Collective Bargaining Agreement(s): Yes United Steel Workers Local 9518

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

Total # of full-time company employees worldwide: 150

Total # of full-time company employees in California: 68

Company: Nitto Denko Tech Corp.

Address: 501 Via Del Monte

City, State, Zip: Oceanside, CA

Collective Bargaining Agreement(s): None

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

Total # of full-time company employees worldwide: 90

Total # of full-time company employees in California: 90

Company: Performance Materials Corp.

Address: 1150 Calle Suerte

City, State, Zip: Camarillo, CA 93012

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 48

Total # of full-time company employees worldwide: 46

Total # of full-time company employees in California: 46

Company: Poly Pak America

Address: 2939 E. Washington Blvd.

City, State, Zip: Los Angeles, CA 90023

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 77

Total # of full-time company employees in California: 77

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: California Manufacturing Technology Consulting CCG No. ET10-0274
Reference No: 10-0068 Page: 4 of 4

Company: Remote Ocean Systems

Address: 5618 Copley Avenue

City, State, Zip: San Diego, CA 92111

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 14

Total # of full-time company employees worldwide: 50

Total # of full-time company employees in California: 50

Company: Reuland Electric

Address: 17969 E. Railroad Street

City, State, Zip: Industry, CA 91748

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 17

Total # of full-time company employees worldwide: 253

Total # of full-time company employees in California: 184

Company: RND Enterprises

Address: 42122 8th Street East

City, State, Zip: Lancaster, CA 93535

Collective Bargaining Agreement(s): None

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

Total # of full-time company employees worldwide: 117

Total # of full-time company employees in California: 117

Company:

Address:

City, State, Zip:

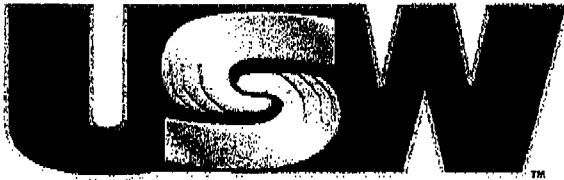
Collective Bargaining Agreement(s):

Estimated # of employees to be retrained under this Agreement:

Total # of full-time company employees worldwide:

Total # of full-time company employees in California:

UNITED STEELWORKERS



UNITY AND STRENGTH FOR WORKERS

Mike DiGildo
President
Local Representative

LOCAL 9518

July 27, 2009
Via Fax (503-501-4911)

To: Attention: Ana Wade
California Manufacturing Technology Consulting
690 Knox Street, Suite 200
Torrance, CA 90502

RE: Union Support of Proposed ETP training

Dear CMTC:

We are aware that employees of Myers Container Company located at 21508 Ferrero Parkway, City of Industry, Ca. 91789, will receive training funded through the Employment Training Panel and we concur with the proposed training.

If any additional information is required, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike DiGildo', written over a printed name.

Mike DiGildo
Local 9518 President, Representative

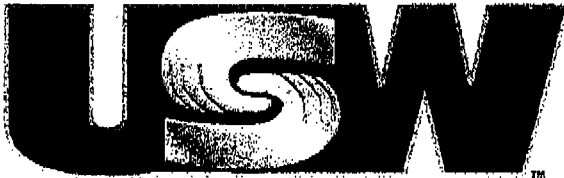
Cc: File
International Representative - Al Madrigal

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International
Union

USW Local 9518 4850 Gage Ave. Bell, CA. 90201

Ph - 323-773-7975 Fax - 323-773-2178 Email - mdigildo9518@sbcglobal.net

UNITED STEELWORKERS



UNITY AND STRENGTH FOR WORKERS

Mike DiGildo
President
Local Representative

LOCAL 9518

July 27, 2009
Via Fax (503-501-4911)

To: Attention: Ana Wade
California Manufacturing Technology Consulting
690 Knox Street, Suite 200
Torrance, CA 90502

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International Representative - Al Madrigal

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International
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