



**Training Proposal for:
 JB Radiator Specialties, Inc.
 Agreement Number: ET10-0261**

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

ETP Regional Office: **Sacramento**

Analyst: J. Basquez

PROJECT PROFILE

Contract Type: Priority/Retrainee

Industry Sector(s): Manufacturing

Counties Served: Sacramento

Repeat Contractor: Yes No

Union(s): Yes No

Priority Industry: Yes No

No. Employees in CA: 167

No. Employees Worldwide: 170

Turnover Rate	Manager/ Supervisor
16%	9%

FUNDING DETAIL

Program Costs	Substantial Contribution	Total ETP Funding	In-Kind Contribution
\$151,200	\$0	\$151,200	\$157,000

TRAINING PLAN TABLE

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Continuous Improvement; Manufacturing Skills; Management Skills	140	24-200	0	\$1,080	\$13.69
				Weighted Avg: 60			

Minimum Wage by County: Sacramento County \$13.69.

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

\$3.53 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Administrative Staff	
Support Staff	
Production Worker	
Engineers & Engineering Tech.	
Technical Staff	
Leads	
Managers/Supervisors	

INTRODUCTION

In this proposal, JB Radiator Specialties, Inc. (JB Radiator) seeks funding for retraining as outlined below:

JB Radiator is eligible for ETP funding under Title 22, California Code of Regulations, Section 4416(d)(1,2), as a company engaged in manufacturing engine cooling, oil cooling, and air cooling products.

Founded in 1975, JB Radiator uses state-of-the-art Finite Element Analysis software with the latest metal fabrication manufacturing technology to produce customized heat exchange systems. According to company representatives, JB Radiator is one of the nation’s leading manufacturers of cooling system products and is the only original equipment manufacturer of its kind in California. The products range from components such as sheet metal radiators, bolted radiators, remote mounted radiators, oil coolers, charge air cooler and after cooler, to fully integrated vehicle cooling packages. Each product is custom designed to meet the needs of the customer. The company employs 165 individuals in Sacramento where training will occur.

JB Radiator had a prior ETP contract more than five years ago (project termed in 2002). The project earned 72% of the funds.

PROJECT DETAILS

JB Radiator competes with companies in the Midwest/Southwest, China, Finland, and other countries. Currently, 100% of JB Radiator's manufacturing occurs in Sacramento, while 85% of the products are shipped out-of-state or internationally. To offset shipping costs, the overall manufacturing costs must be reduced.

Additionally, the company invested approximately \$3,000,000 in the last two years in tools and equipment to improve productivity, quality, and reduce waste. Employees were trained on the use of the new equipment, but the company is not utilizing the equipment to its fullest advantage.

In order to maintain and improve its market share, reduce costs, meet customer demands, and increase efficiency and quality, several strategies are being employed. These strategies include implementing lean principles throughout the organization, obtaining ISO 9001 certification, and moving to a high performance workplace.

The overall goals of the training plan are to provide employees with the skills to increase productivity and product quality and reduce production costs. To achieve these goals, JB Radiator proposes to deliver the following training:

Continuous Improvement Training for all staff will include topics such as value stream mapping, decision making/problem solving techniques, lean principles, team building, kaizan ISO 9001, quality systems training, and statistical process control.

Manufacturing Skills Training for production workers will include manufacturing techniques and shop floor drawings.

Management Skills Training for managers and supervisors will include leadership and management development.

Commitment to Training

Currently, the company invests approximately \$70,000 annually for on-the-job training, new employee orientation, government mandated training, basic product knowledge, and general safety training. The opportunity for enhanced formal class/lab training made possible by ETP funds will allow JB Radiator to support its strategies and achieve a high performance workplace.

JB Radiator represents that ETP funds will not displace its existing financial commitment to training. Indeed, JB Radiator anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

JB Radiator represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

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

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

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

24 – 200

Trainees will receive any of the following:

CONTINUOUS IMPROVEMENT

- Champion and Leadership Education
- Value Stream Analysis
- Decision Making/Problem Solving Techniques
- Lean Principles and Techniques
- Team Building
- Kaizen
- Reducing Waste
- ISO 9001
- Quality Systems Training
- Standard Operating Procedures
- Statistical Process Control
- Project Management
- Dashboard and Delivery Time Reduction

MANUFACTURING SKILLS

- Manufacturing Techniques
- Shop Floor Drawings

MANAGEMENT SKILLS (Managers & Supervisors only)

- Leadership
- Management Development

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