



**Training Proposal for:
Anheuser-Busch, LLC**

Agreement Number: ET17-0159

Panel Meeting of: July 22, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Solano and Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Union of Operating Engineers, Local 501; International Union of Painters and Allied Traders, Local 36; International Brotherhood of Electrical Workers, Local 2295; International Association of Machinists and Aerospace Workers, District Lodge 947; International Brotherhood of Teamsters, Local 896 – Apprentices, Packaging Operators, Brewers and Analysts		
Number of Employees in:	CA: 2,097	U.S.: 13,076	Worldwide: 132,000
Turnover Rate:	15%		
Managers/Supervisors: (% of total trainees)	10%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$633,276		\$0	\$0		\$633,276

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,131,805
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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	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Improv., Mfg. Skills, PL- Mfg. Skills, HAZMAT, HAZWOPER	718	8-200	0-14	\$882	\$21.87
				Weighted Avg: 49			

Minimum Wage by County: \$15.60 per hour in Solano County and \$16.48 per hour in Los Angeles County.

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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Packing Operators		323
Brewers		82
Analysts		52
Maintenance Technicians		139
Engineers		20
Utilities Operators		26
Managers		76

INTRODUCTION

Founded in 1852, and headquartered in St. Louis, Anheuser-Busch, LLC (Anheuser) develops, distributes and markets a variety of alcoholic beverages. The Company's products include Budweiser, Corona, Stella Artois and Becks. Anheuser has thirteen locations in California and facilities worldwide however, only the Fairfield and Van Nuys facilities will participate in training. Anheuser is eligible for funding under Out-of-State competition guidelines.

PROJECT DETAILS

In the past year, Anheuser has expanded into the craft beer market. Due to this expansion, Anheuser has invested \$35M dollars in new production equipment for its Fairfield and Van Nuys facilities. This new production equipment includes Stretch Wrappers, Depalletizer, Labelers,

Multipackers, Palletizers and a Crown Elevator. This new production equipment requires that Anheuser train staff on new production processes and procedures to seamlessly incorporate craft beer into their offerings.

Training Plan

Training will be conducted via Class/Lab, CBT, and PL in the following:

Business Skills (10%): Training will be provided to all occupations to enhance communication and problem solving skills. Courses will include Communication, Business Process and Project Management Skills. These courses will increase trainee's skills, enabling them to promote within the Company.

Computer Skills (5%): Training will be provided to Analysts and Managers on Microsoft Word, Access and Excel Software to increase efficiency in tracking and shipping inventory.

Manufacturing Skills (60%): Training will be offered to Packing Operators, Brewers, Maintenance Technicians, Analysts and Utility Operators to increase production knowledge and efficiency. Topics will include Equipment Operations, Lock Out Tag Out and Production Processes, to increase production output and create a safe working environment.

Continuous Improvement (25%): Training will be provided to all occupations to enhance production efficiencies and critical thinking. Courses will include Quality Control, Decision Making, and Operating Procedures.

Productive Laboratory

Anheuser will train 400 Packing Operators, Brewers, Maintenance Technicians and Utility Operators on Bottle Fillers, Labelers, Packers and Palletizers. This training will be at a much slower pace than regular production and will result in high defects. A subject matter expert will conduct training. The trainer will first demonstrate how to use the equipment and then supervise trainees using the equipment. The trainer will attest to the trainee's competency once training is completed.

Training will be provided at a 1:1 trainer-to-trainee ratio. PL training is capped at 40 hours per trainee.

Certified Safety Training

Hazardous Waste Operations and Emergency Response Standard (HAZWOPER). This training is a series of courses specifically designed for workers who handle hazardous substances as first-responders, or clean up as needed at a hazard disposal or emergency site. It consists of 40 hours of classroom or CBT training, for workers stationed at the hazard site; and 24 hours for workers who visit the site (e.g., Engineers). Field training is also required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. Each certification requires an 8-hour annual refresher course. This coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA. Trainees will not receive 40 hours of HAZWOPER training unless they work full time onsite at the clean-up location.

Hazardous Materials (HAZMAT). This training is a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from "first responder" to "incident commander." It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT. In this proposal, Packing Operators, Brewers, Maintenance Technicians, Engineers, Utility Operators and Managers will receive up to 24

hours of training. Field training may be required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. This coursework is not under Cal-OSHA, but is administered under the Department of Transportation and CalTRANS. There are various certification entities for the coursework and instructors. In this proposal, the certification entity has not yet been determined.

Green/Clean Operations

Anheuser has recently installed solar panels at its Van Nuys facility to produce some of the electricity that is required for production. The use of solar panels will lower Anheuser's production costs and directly benefit the environment.

Commitment to Training

Anheuser has an annual training budget of \$450,000 per facility. Training includes new-hire orientation, staff development, and safety training.

ETP funds will not displace their existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Anheuser has an in-depth training plan and high-level officials are very committed to this training. They have a detailed training plan and four staff members dedicated to monitoring this project. Training will be delivered by a combination of internal and external subject matter experts in the beverage manufacturing industry.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Tax Credit Co of Los Angeles assisted with development services for a flat fee of \$2,500.

ADMINISTRATIVE SERVICES

Tax Credit Co will also assist with administration for a fee not to exceed 4% of earned funds.

TRAINING VENDORS

To Be Determined

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Processes
- Business Writing
- Communication Skills
- Conflict Management
- Interpersonal Skills
- Project Management
- Product Knowledge
- Coaching
- Leadership Skills
- Presentation Skills

COMPUTER SKILLS (Advanced/Intermediate Only)

- Office Word
- Office Excel
- Office Access
- Office PowerPoint

CONTINUOUS IMPROVEMENT

- Best Manufacturing Practices
- Decision Making
- Leadership Skills for Frontline Workers
- Operating Procedures
- Problem Solving
- Process Improvement
- Quality Control
- Team Building
- VPO-Voyager Plant Optimization

HAZARDOUS MATERIALS (Ratio 1:40)

- HazMat

HAZWOPER (Ratio 1:40)**MANUFACTURING SKILLS**

- Confined Space
- Cross Training
- Electrical Training
- Equipment Operations
- Fork Lift Operation
- Glass Handling
- Lean Manufacturing
- Lock Out/Tag Out
- Manufacturing Techniques
- Material Handling

- Production Processes
- Standard Operating Procedures
- Technical Specifications
- Warehousing

Productive Lab Hours (Trainer-to-trainee ratio 1:1)

0-40

MANUFACTURING SKILLS

- Busse Depalletizer
- Meca Filler
- Opera Labeler
- Varioline Packer
- Alvey 942 Palletizer
- Bastian Robotic Operation

CBT Hours

0-14

BUSINESS SKILLS

- | | |
|---------------------------------------|------------|
| • Building Employee Accountability | 1 hour |
| • Conflict Styles | 1 hour |
| • Effective Listening Skills | 1 hour |
| • Effective Questioning Skills | 1 hour |
| • Employee Development Discussion | 1 hour |
| • Motivating Employees | 1 hour |
| • Positive Feedback | 30 minutes |
| • Sending Effective Messages | 1 hour |
| • Steps and Strategies of Influencing | 1 hour |
| • The SARA model | 30 minutes |
| • What is Influence | 1 hour |

CONTINUOUS IMPROVEMENT

- | | |
|---|------------|
| • BRC and Global Food Safety Initiative | 30 minutes |
| • QA: Bottle Line PQC Refresher | 30 minutes |
| • SDCA – Certification Curriculum | 2.5 hours |
| • What is Coaching | 30 minutes |

Safety Training cannot exceed 10% of total training hours per-trainee. This cap does not apply to Hazmat, OSHA 10/30 or HAZWOPER

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee excluding HAZWOPER and HAZMAT. PL is capped at 40 hours per-trainee.



**OPERATING &
MAINTENANCE ENGINEERS**
Apprenticeship & Training Trust for Southern California

2501 West Third Street
Los Angeles, CA 90057
T: 213.385.2889
F: 213.388.0696
W: local501.org



July 8, 2016

Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the Operating & Maintenance Engineers Apprenticeship & Training Trust for Southern California. We support the proposal being submitted to the Employment Training Panel from Anheuser Busch company.

This application will assist Anheuser Busch company in meeting our goals. The proposed training will assist our union members in developing new skills to help meet operational demands.

Sincerely,

Operating & Maintenance Engineers Apprenticeship & Training Trust for Southern California



Painters & Allied Trades District Council 36

Grant Mitchell

Business Manager

DRYWALL FINISHERS, FLOORLAYERS, GLAZIERS, PAINTERS, TRADESHOW & SIGNCRAFT

May 24, 2016

Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the Painters and Allied Trades District Council 36. We support the proposal being submitted to the Employment Training Panel from Anheuser- Busch Company.

This application will assist Anheuser-Busch Company in meeting our goals. The proposed training will assist our union members in developing new skills to help meet operational demands.

Sincerely,


Ana M. Hanson, Executive Assistant

C: Margaret S. Drust, Anheuser-Busch

IBEW

LOCAL UNION 2295

International Brotherhood of Electrical Workers A.F.L. - C.I.O.



3556 Lexington Avenue, 2nd Floor

(626) 454-4393

El Monte, California 91731

June 6, 2016

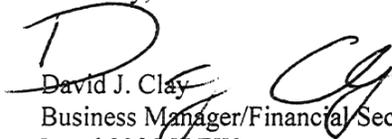
Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the International Brotherhood of Electrical Workers Local 2295. We support the proposal being submitted to the Employment Training Panel from Anheuser-Busch company.

This application will assist Anheuser-Busch company in meeting our goals. The proposed training will assist our union members in developing new skills to help meet operational demands.

Sincerely,


David J. Clay
Business Manager/Financial Secretary
Local 2295 IBEW

The I.B.E.W. is the *oldest, largest, most experienced* electrical union
in America and Canada



IAMAW DISTRICT LODGE 947

535 W. Willow St. • Long Beach, CA 90806 • (562) 427-8900 • Fax (562) 427-1122

May 25, 2016

Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the International Association of Machinists and Aerospace Workers. We support the proposal being submitted to the Employment Training Panel from Anheuser Busch.

This application will assist Anheuser Busch in meeting our goals. The proposed training will assist our Union members in developing new skills to help meet operational demands.

Sincerely,

James Perks

IAMAW District 947, Local 311

Brewery Soda and Mineral Water Bottlers of California
STATEWIDE JURISDICTION

Teamsters Local Union No. 896

Affiliated with International Brotherhood of Teamsters

Phil Cooper, Secretary-Treasurer

Brian Indelicato, Business Representative

Southern California

3303 Wilshire Blvd., Suite 300
Los Angeles CA 90010
Office: 213.388.3144
Fax: 213.388.6360

Northern California

301 Georgia Street, Suite 220
Vallejo CA 94590
Office: 707.644.8896
Fax: 707.644.8899

June 4, 2016

Mr. Stewart Knox
Executive Director
Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Mr. Knox:

I am writing on behalf of the Teamsters Local Union #896. We support the proposal being submitted to the Employment Training Panel from Anheuser-Busch Brewery, Los Angeles.

This application will assist the Anheuser-Busch Brewery, Los Angeles, in meeting our goals. This proposed training will assist our union members in developing new skills to help meet operational demands.

Sincerely,



Phil Cooper
Secretary-Treasurer
Teamsters Local Union 896