



**Training Proposal for:
Anritsu Company**

Agreement Number: ET16-0268

Panel Meeting of: December 4, 2015

ETP Regional Office: San Francisco Bay Area

Analyst: L. Lai

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Santa Clara, San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 534	U.S.: 695	Worldwide: 3,500
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$204,750		\$30,875 15%	\$0		\$173,875

In-Kind Contribution:	100% of Total ETP Funding Required	\$313,279
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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, Continuous Impr, Mfg. Skills	325	8-200	0-30	\$535*	\$16.44
				Weighted Avg: 35			

*Reflects Substantial Contribution

Minimum Wage by County: \$16.44 for Santa Clara County and \$15.93 for San Diego 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

\$2.29 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Admin Staff, Business Staff, Finance Staff		25
Production, Assembler		160
Technician, Lead, Machinist		40
Support, Marketing, Sales		15
IT, Engineer, Product Manager		45
Technical Director		10
Supervisor		15
Manager		15

INTRODUCTION

Anritsu Company (Anritsu) is the American subsidiary of Anritsu Corporation, a global provider of communications testing and measurement solutions, established 110 years ago. The Company provides products and services for the development, manufacture, and maintenance of a range of communication systems used in mobile phones and the Internet. Anritsu technologies are also incorporated into products in other fields, such as Internet Protocol (IP), inspection of food and pharmaceutical products, and precision measuring instruments.

Anritsu customers include Qualcomm, Sprint, T-Mobile, and many other telecommunications providers. Government entities, including the U.S. Army, also purchase from Anritsu. The Company's headquarters and manufacturing facility is located in Morgan Hill. The Company also has a small sales office in San Diego. The proposal will include both locations.

PROJECT DETAILS

Anritsu is in the process of changing its approach to product development by combining engineering with other global groups to leverage talent, boost product platforms and increase product offerings. The Company's Research & Development and Marketing groups have been restructured to be more customer-focused. The Manufacturing groups have also been restructured using a Supply Chain Organization approach to provide better visibility of end-to-end processes, from order to delivery and support.

To keep its competitive edge, employees must remain knowledgeable in their fields of expertise while mastering new concepts for product innovation and design. Additionally, Anritsu must keep operating costs low through cross-training and managing overhead versus cycles in product demand. Anritsu will continue to improve efficiency by implementing Lean (Kaizen) manufacturing.

Training Plan

This is Anritsu's second proposal within the last five years. Although the training topics may appear similar to the previous curriculum, the technologies and skills have changed, such that trainees will not receive the same coursework as before. Training for this proposal will be delivered via Classroom/Laboratory and Computer-Based Training (CBT):

Business Skills (10%): Training will be offered to Marketing, Sales, and Engineers to improve accounting expertise, develop marketing strategies, make professional presentations, and provide superior customer service. Training will help expand sales and allow trainees to manage projects efficiently.

Computer Skills (15%): Training will be offered to Engineers, Managers, Supervisors, IT, Marketing, Sales and Support. Topics include Data Processing Software, Cloud Computing, ERP, MRP, Scrum, and Software Programming. Training will enable the trainees to implement and support new systems; utilize various tools and techniques to keep pace with production demands; and, increase output and accuracy of daily tasks.

Manufacturing Skills (55%): Training will be offered to Production Staff, Technicians, and Leads. Training will include new manufacturing techniques, procedures and processes to improve workers' technical knowledge, new job functions via cross-training, and taking on lower level engineering duties which will improve the manufacturing process and lower costs. Manufacturing Equipment Certification will be provided to all newly-hired employees plus all production workers who are being cross-trained on new tools or machines. Manufacturing Supervisors and Managers who are supervising the manufacturing floor will also need to know all new product and process in order to ensure quality. Engineers will be trained on new design processes in order to identify new product design and create new manufacturing processes to reduce waste and cost.

Continuous Improvement (20%): Training will be offered to all trainees to learn best manufacturing practices and teambuilding, identify ways to improve product quality, identify and resolve production issues, and eliminate waste. Lean Manufacturing and its related components (such as KanBan) will lead to reduced costs, improved efficiency, and increased productivity. Leadership and coaching skills will help Managers and Supervisors take staff in the right direction to improve work flow and collaboration. These skills will create a more agile and effective workforce, allowing trainees to work individually or as a member on a high performance work team.

Commitment to Training

Anritsu budgets about \$150,000 per year for training in California. Training dollars are primarily allocated for ongoing training such as new hire orientation, temporary worker training, compliance training, health & safety, basic computer skills and special training requests. In addition, Anritsu currently funds all training in mandated safety regulations, sexual harassment prevention, and executive development programs.

Anritsu represents that ETP funds will not displace the 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

The HR Team, partnering with Managers, will be responsible for developing and deploying training. The HR Administrator with the assistance of an administrative subcontractor will be responsible for internal administration.

Substantial Contribution

Anritsu is a repeat contractor with payment earned in excess of \$250,000 at the Morgan Hill facility within the past five years. For ease of project administration, the Company has agreed to a 15% across-the-board substantial contribution at both locations, in the current proposal. This will allow all trainees to be enrolled in one Job Number. As such, reimbursement for trainees in Job Number 1 will be reduced by 15% to reflect the Company's \$30,875 Substantial Contribution to the cost of training.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Anritsu under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0218	Morgan Hill, San Diego	12/31/11 – 12/30/13	\$323,920	\$322,031 (99%)

DEVELOPMENT SERVICES

Anritsu retained California Training Administration (CTA) in Rocklin to assist with development of this proposal for a flat fee of \$5,500.

ADMINISTRATIVE SERVICES

Anritsu also retained CTA to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Effective Communications
- Effective Meetings
- Finance for Non-Financial
- Anritsu Product Knowledge
- Managing Projects, Products, Customers
- Presentation Skills (Technical/Non-Technical)
- Sales and Negotiations
- Marketing Techniques
- Strategic Planning
- Technical Training Delivery Skills (Train-the-Trainer)

COMPUTER SKILLS

- 5G Technology
- Automatic Data Processing Software ADP
- Cloud Computing
- ConCur System
- Database Tools (QAD, SolidWorks)
- Embedded Linux
- ERP Enterprise Resource Tools (SAP/Agile)
- Internet Tools
- Lync 2013 Tools
- Kinaxis
- Manufacturing Information System
- Manufacturing Resource Planning
- Microsoft Access, Project Tools, Dynamics
- Microsoft Tools Excel & Word (Intermediate/Advanced)
- Scrum
- Sharepoint/WorkDay System
- Software Programming
- UtlPro
- Windows 13 Operating Systems

CONTINUOUS IMPROVEMENT

- 5S: Sort, Set, Shine, Standardize, Sustain
- ACE Customer Service (Anritsu Customer Excellence)
- Handling Difficult Situations--Conflict Management
- HPWT – High Performance Work Teams
- ISO 14001/ISO 9001
- Leadership/Coaching Skills
- Lean Processes
- Problem Solving
- Product/Process Improvement
- Quality Improvements
- Root Cause Analysis

- Statistical Process Control (SPC)
- Team Updates for Process Improvement

MANUFACTURING SKILLS

- Assembly Procedures
- Change Order Notification
- Document Control
- Drawings for Assembly
- Equipment Maintenance
- ESD (Electric Static Discharge)
- Gap Welding
- Kaizen Principles
- KanBan Principles
- LWI - Local Work Instructions
- Material Handling
- Operating Production Equipment
- PCB (Printed Circuit Board) Techniques
- Product Design/Engineering Tools
- Product Quality Control
- Product Repair/Inspection
- Station, Product, Process Updates
- Synthesizer Techniques
- Troubleshooting/Testing/Reliability
- Vector Network Analyzer
- Warehouse/Inventory Procedures
- Wedge Bonding
- Workflow/Scheduling

CBT Hours

0 - 30

MANUFACTURING SKILLS (1 hour each)

- LWI 001 – Control of Procedures for Test
- LWI 005 – Identifying Work in Process
- LWI 008 – Released Documentation Location
- LWI 010 – Work Stop Business Interruption
- LWI 015 – Production Checklists
- LWI 017 – Environmental Chamber Thermal Screening
- LWI 018 – Check for YIG Module Assembly
- LWI 020 – HI POT Test MIG Synthesizer
- LWI 022 – MG3700X Chamber Procedure
- LWI 024 – Repair Log
- LWI 025 – Amp Bias Adjustment
- LWI 026 – Synthesizer Power Level
- LWI 031 – Customer Service Circuit Boards
- LWI 033 – Demo Stock
- LWI 036 – Parts Issued
- LWI 037 – Specials Directory
- LWI 039 – Testing Instructions
- LWI 041 – Repair History
- LWI 043 – Screw Assembly Process
- LWI 045 – Temperature Chart Maintenance

- LWI 047 – Crystal Filter Test Procedure
- LWI 048 – Crystal Filter Assembly Procedure
- LWI 001/E – Demo Sale Prep Procedure
- LWI 002/J – Document Control
- LWI 004/L – Control of Test Equipment
- LWI 011/M – Process Control
- LWI 012/D – Service Returns
- LWI 013/C – Repair Standards
- LWI 014/E – Calibration Procedures
- LWI 019/D – Static Precautions
- LWI 020/C – Workstation Orderliness
- LWI 021/D – Workmanship Inspection
- LWI 025/A – Allocating Stock
- LWI 026/C – Out of Tolerance Procedure
- LWI 027/D – Connector Care
- LWI 028/G – On Site Calibrations
- LWI 029/A – Inter-Laboratory Comparison
- LWI 030/F – Work Instruction
- LWI 031/C – Part Order instruction
- LWI 033/A – Demo Recall
- LWI 034/B – Service Order Process
- LWI 035/A – Service Agreement Procedure
- WI 14213-002/C – Processing Reports
- WI 14213-010/M – Corrective Action Data Entry
- WI 14213-014/E – Source Inspection
- WI 14213-017/D – Master List Quality Records
- WI 14213-1002/C – Recording Status Changes
- WI 14213-1003/A – Part Revision Procedure
- WI 14213-1005/B – Electronic Document System
- WI 14213-1006/B – Control of Drawings
- WI 14213-1008/D – Change Orders Process
- WI 14213-1009/B – File Naming for Product Document
- WI 14213-1011/B – Document Imaging Process
- WI 14213-1012/E – Master List Quality Records
- WI 14213-1013/A – Access to Product Data File
- WI 14213-1014/A – Storage of Product Documents
- WI 14213-1016/B – Artwork Checkout Procedure
- WI 14720-027/C – OSHA Log
- WI 14720-028/A – HR Database
- WI 14720-034/B – Cycle Count Testing
- WI 14720-035/A – ESD (Electrical Static Discharge)

CONTINUOUS IMPROVEMENT (1 hour each)

- LWI 005/C – Customer Service Procurement
- LWI 006/D – Customer Service Policies
- LWI 008/C – Stock Room

<p>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.</p>
