



Training Proposal for:
Applied Technologies Associates, Inc.

Agreement Number: ET16-0279

Panel Meeting of: December 4, 2015

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Luis Obispo	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 389	U.S.: 1,144	Worldwide: 1,700
<u>Turnover Rate:</u>	13%		
<u>Managers/Supervisors:</u> (% of total trainees)	12%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$296,298		\$0	\$0		\$296,298

In-Kind Contribution:	100% of Total ETP Funding Required	\$353,000
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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	279	8-200	0	\$1,062	\$15.07
				Weighted Avg: 59			

Minimum Wage by County: \$15.07 per hour for San Luis Obispo 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
 Up to \$3.57 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Accounting Staff		3
Administrative Staff		6
Courier		2
Designer		6
Clerk		2
Quality Staff		8
Drafter/Planner		2
Engineering Staff		80
Technician		32
Information Technology Staff		7
Inspector		4
Assembler		64
Specialist		2
Machinist		6
Maintenance Staff		8
Production Staff		13
Manager		34

INTRODUCTION

Applied Technologies Associates, Inc. (ATA) designs and manufactures oil industry technology products. The Company was founded in 1986 and is located in Paso Robles. The Company's products primarily include borehole surveying instruments (both gyroscopic and magnetic), MWD (measurement while drilling) systems, and production logging systems.

PROJECT DETAILS

ATA is implementing process improvements and system upgrades throughout the plant at a combined investment of more than \$3 million. These upgrades include the recently completed construction of a new clean room at the facility as well as the addition of a new Enterprise Resource Planning (ERP) system. Now the Company must increase workforce skills in equipment operation; inventory control; planning, project and resource management; and problem solving. ATA will also train its workforce to improve manufacturing and reliability processes, introduce new technology, and implement process improvements

Training Plan

The Company's management team is committed to this project and has assessed the Company's production schedules to support the training outlined in the Curriculum.

Business Skills (15%) – Training will be offered to Administrative and Accounting Staff, Managers, Technicians, Machinists, and Engineers. Training will teach employees how to establish short and long range objectives, implement new processes, and maintain effective customer relations and environmental controls. Emphasis will be placed on project management, operational planning, and maintaining a safe work environment.

Computer Skills (15%) – Training will be offered to all occupations. Training will help all workers become proficient in the use of specialized software solutions to improve information management and operational efficiency. Training on the new ERP system will help the Company integrate all aspects of the business into a data sharing network that can manage financials, purchasing, inventory, scheduling, and production. Maintenance staff will also learn how to manage equipment and machine maintenance more effectively.

Continuous Improvement (30%) – Training will be offered to all occupations. Workers will learn problem solving and process improvement methodologies (Lean, Six Sigma, Kaizen) that promote effective leadership and team building. Lean training will help the Company optimize its capacity, efficiency, and quality. These modules are designed to equip all employees with the requisite skills to adapt and implement changes that are responsive to industry and customer demands.

Manufacturing Skills (40%) – Training will be offered to the majority of occupations, including Production Staff, Engineers, Maintenance Staff, Machinist, Quality Staff, Designers, Inspectors, Drafters/Planners, and Assemblers. Trainees will gain the skills and knowledge to operate and maintain equipment, ensure product quality, and implement best practices in the areas of product manufacturing, equipment operation, inventory control, preventive maintenance, and warehousing.

Commitment to Training

ATA represents that ETP funds will not displace the existing financial commitment to training. The Company currently provides new employee orientation, basic computer skills training, management skills, health and environmental training, and on-the-job training related to specific

job functions. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

An internal project coordinator will oversee class scheduling and training documentation. In addition, the Company has retained an outside administrative consultant to ensure that all training records adhere to ETP requirements.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

ATA retained Training Grants Intelligence, Inc. (TGII) in Suwanee, GA to assist with development of this proposal at no charge.

ADMINISTRATIVE SERVICES

ATA also retained TGII to perform administrative services 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

- Project Management
- Run Right Processes
- Safety Stand Downs
- Business/Operations Performance
- Business Plans AOP (Annual Operating Plan)/Budgeting

COMPUTER SKILLS

- Computerized Maintenance Management System (CMMS)
- ERP Software
- Barcode Scanning System
- Inventory Control Using JD Edwards
- Oracle

CONTINUOUS IMPROVEMENT

- Problem Solving
- Six Sigma Tools
- Lean Six Sigma (LSS)/Kaizen Initiatives/Event
- 5S
- Team Development
- Coaching
- Leadership
- Conflict Resolution
- Kaizen, Green Belt, Black Belt, LSS
- Talent Management Training

MANUFACTURING SKILLS

- Production Operations
- Equipment Operations
- Reliability Processes: Work Orders Management, Parts Management, Reporting, Preventive Maintenance, Predictive Maintenance, Running Preventive Maintenance
- Assembly Procedures: Shipper Assembly
- Inventory Control: Work Order Management and Inventory Control
- Warehousing, Forklift Operations
- GMP's (Manufacturing Practices)
- Quality Systems Assurance: Testing, Inspection, Lab Equipment
- Cross-Training in Production Skills
- Environmental Sustainability/Energy Conservation
- Safety – Target 10. (Awareness Safety, Equipment Use Safety)
- New Automation Implementation
- Basic Operator Training, Packaging and Processing
- Electrical/Control Systems

- Soldering and Soldering Certification
- APICS Certification
- Lean Manufacturing

Safety Training will be limited to 10% of a trainee's total training hours

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