

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
Axis Energy Partners, LLC**

Small Business

ET17-0129

Approval Date: June 14, 2016

ETP Regional Office: Sacramento

Analyst: W. Sabah

CONTRACTOR

- Type of Industry: Manufacturing

 - Number of Full-Time Employees
 - California: 17
 - Worldwide: 17
 - Number to be trained: 19

 - Out-of-State Competition: NAICS Code Eligible
 - Special Employment Training (SET): Yes No
 - High Unemployment Area (HUA): Yes No
 - Turnover Rate: 0%
 - Repeat Contractor: Yes No
- Priority Industry: Yes No
- Owner Yes No

FUNDING

- Requested Amount: \$29,640
- In-Kind Contribution: \$19,768

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		
	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Cont Imprv., Literacy Skills,	14	8-60	0	\$1,560	\$16.10
				Weighted Avg: 60			
	Retrainee Job Creation Initiative SB <100 Priority Rate	Business Skills, Computer Skills, Cont Imprv., Literacy Skills,	5	8-60	0	\$1,560	*\$14.00
				Weighted Avg: 60			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Sacramento
- Occupations to be Trained: Accounting Staff, Marketing Staff, Logistics Staff, Sales Staff, Credit Representatives, Human Resources Staff
- Union Representation: Yes
 No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: None

OVERVIEW

Founded in 2011, Axis Energy Partners, LLC (AEP) (www.axisep.com), is a full service LED lighting company that manufactures and distributes various LED lighting products. The Company performs energy assessments of existing lighting and designs LED solutions that are tailored to a customer’s facility. Their LED lighting solutions create a safer lighting environment, reduce energy consumption, and decreases maintenance costs from the facilities’ annual budget. AEP’s primary customers are electrical contractors, building owners, facility service managers, architects and engineers. The Company also sells their products to Home Depot and Ace Hardware around the nation.

Need For Training

Over the years, there have been major changes in the lighting industry as it converted from incandescent lighting to LED lighting. Incandescent lighting is usually measured in terms of Kelvin and is considered 'harsh' lighting, while LED is measured in Lumens and is considered 'Soft' lighting. Customers are now demanding LED lights to save energy and AEP plans to remain competitive in the market by creating new LED product lines that will be more efficient and use less wattage. AEP's staff requires significant training on technical lighting information as LED lighting has very unique effects from its unique combination of color, hue, lumens, wattage, and other specifications.

In addition, AEP recently implemented a new Customer Relationship Management (CRM) system using Salesforce technology. Staff needs training on the new software to run customers credit, track customer purchases, and manage all forms of communication. ETP training will improve marketing techniques, sales techniques, warehousing, inventory management and logistics.

Retrainee - Job Creation

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower-post-retention wage

With the shift from incandescent to LED lighting and increasing customer demand, AEP plans to hire additional employees to support the tracking of customers through their internal software system. The Company needs to hire Credit Representatives to work directly with clients on inventory drop-ship stocking models, negotiate prices with vendors, and checking the credit of customers before approving sales transactions.

AEP has committed to hiring 5 new employees (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Trainees will receive between 8-60 hours of Classroom/Laboratory training. Training will be provided by in-house trainers.

Business Skills: Training will be offered to all occupations to improve communication skills, increase product knowledge, identify customer needs, and improve productivity. Training course topics will include Customer Service, Merchandising, Marketing, Product Knowledge, Sales, and Communication Skills.

Computer Skills: Training will be offered to all occupations to expand and enhance their skill set in their upgraded internal software system, collect and analyze expenses, and manage processes efficiently. Marketing and Sales Staff will receive training on salesforce to properly utilize the program and reach new customers. Training course topics include Headset Operation and Software applications such as Salesforce, Gmail, Windows, and Cirrus Insight.

Continuous Improvement: Training will be offered to all occupations to encourage employees to work in teams and make quick decisions. Training is designed to improve and implement new

working processes and increase product/process quality. Training course topics include Production Operations & Workflow, Process Improvement, and Project Management.

Literacy Skills: Training will be provided to all employees who must overcome language barriers in the workplace to improve employee teamwork and productivity. Training course topics will include Basic English and Basic Math.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab Hours

8 – 60

Trainees may receive any of the following:

BUSINESS SKILLS

- Marketing
- Merchandising
- Product Knowledge
- Customer Service
- Sales
- Communication Skills

COMPUTER SKILLS

- Software Applications
 - Salesforce
 - Gmail
 - Windows
 - Cirrus Insight
- Headset Operation

CONTINUOUS IMPROVEMENT

- Problem Solving
- Team Work
- Decision Making
- Team Building
- Coaching and Motivation
- Leadership
- Trainer the Trainer
- Interview Skill

Literacy Skills

- Basic English
- Basic Math
 - Markup and Margin Calculations
 - Working with Percentages
 - Energy Savings Calculations
 - Discount Calculations

Literacy Training cannot exceed 45% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.