



**Retrainee – Job Creation
Training Proposal for:
Barton Brands of California, Inc.**

Fast Track ≤ \$100,000

ET15-0177

Panel Meeting of: June 27, 2014

ETP Regional Office: North Hollywood

Analyst: M. Paccerelli

CONTRACTOR

- Type of Industry: Manufacturing
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 53
 - Worldwide: 700
 - Number to be trained: 50
 - Owner Yes No
 - Mgr/Supr 7
 - Frontline 43
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training: Yes No
- High Unemployment Area: Yes No
- Turnover Rate: 1%
- Repeat Contractor: Yes No
- Substantial Contribution: Yes No

FUNDING

- Requested Amount: \$94,900
- In-Kind Contribution: \$98,325

Barton's products are in high demand. Its sales in Fiscal Year (FY) 2013 surpassed FY 2012 by 200,000 cases and this year, is well on its way to surpassing FY 2013 by 400,000 cases. To support this growth and expansion, Barton added new bottling lines and started a new initiative to improve and maintain the highest possible product quality, strengthen the Company's position in the industry and compete with the big manufacturers. This proposal will also cross-train incumbent workers in different equipment and production processes with emphasis on Barton's new initiative.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, 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 addition of new bottling lines, Barton has committed to hiring seven new employees (Job Number 2). To be eligible for reimbursement, trainees must be hired within the three-month period prior to Panel approval or during the term of contract.

Training Plan

In their previous ETP contracts, Barton focused its training on obtaining ISO 9001:2008 certification to meet industry requirements. In this proposal, however, training will focus on the company's new bottling lines to support current market demand.

Manufacturing Skills - Training will be offered to Production Staff on the new bottling line. They will also be cross-training in production processes.

Computer Skills - Training will be offered to all trainees in the new computer systems (System 21 and Manufacturing Resource Planning).

Business Skills - Training will be provided to all trainees to improve their skills in business performance, communication skills, sales, and customer service.

Continuous Improvement - Training will be offered to all trainees to focus on the Company's new initiatives and Total Quality Management.

Productive Laboratory

PL in Manufacturing Skills will be offered to 15 Production Staff in addition to Class/Lab. This training will be in production processes and equipment that are too costly to replicate in a simulated setting. Trainees will receive a combination of class/lab and PL manufacturing skills training in 8 processing functions and 19 bottling and maintenance functions. The trainers are in-house subject matter experts who are exclusively dedicated to instruction.

The trainer-to-trainee ratio will be 1:1 with incumbent trainee receiving up to 16 PL hours during cross-training and newly hired trainees receiving up to 40 PL hours (particularly those who have not previously worked in the alcoholic beverage industry).

High Unemployment Area

All trainees in Job Number work in Compton, a High Unemployment Area with unemployment exceeding the state average by at least 25%. For these trainees, the Panel may modify the ETP

Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. However, Barton is not asking for a wage modification.

Temporary to Permanent Hiring

Three trainees in Job Number 2 will be under Panel guidelines for “temporary to permanent” employment. Barton has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training.

As a hiring practice, Barton recruits workers through temporary agencies as a probationary step and train them to become familiar with specific skill sets. Once Barton determines that they meet the requirements, the temporary workers are hired into full-time, permanent positions.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by Barton. Until then, Barton will not receive progress payments.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0272	Compton	01/10/12 – 01/09/14	\$77,220	\$75,248 (97%)
ET10-0115	Compton	08/21/09 – 08/20/11	\$72,450	\$69,543 (96%)

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200 Trainees may receive any of the following:

MANUFACTURING SKILLS

- Equipment Operation
- Production Process
- Quality Control

COMPUTER SKILLS

- SYSTEM 21
- Software Applications
- Manufacturing Resource Planning

CONTINUOUS IMPROVEMENT

- Total Quality Management
- Team Building
- Quality Concepts
- Problem Solving

BUSINESS SKILLS

- Communication Skills
- Business Performance
- Customer Service

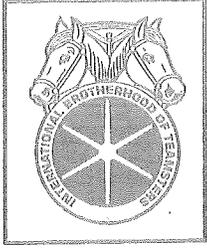
Productive Lab

0-40

PL-MANUFACTURING SKILLS

- Equipment Operation
- Production Process

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



Food, Industrial and Beverage Warehouse, Drivers
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April 29, 2014

To Whom This Letter May Concern:

This is to acknowledge that this office of the Teamsters Union Local 630 is aware of and supports the Training Program provided by Barton Brands of California, Inc. to the Union Member working at their facility physically located at 2202 Del Amo Boulevard, Carson, CA 90749.

The Union is also aware that Barton Brands of California is seeking partial funding from the State of California Employment Training Panel to fund the training.

The Union fully supports this effort because it benefits the Union Members in terms of acquiring additional training, knowledge and skills that are either related to their current function or to future functions.

Thank you,

Felix Chavez
Divisional Representative
Teamster Local 630