



**Training Proposal for:
Basic VI Technology Inc.**

Small Business ≤ \$50,000

ET15-0331

Approval Date: December 4, 2014

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

CONTRACTOR

- Type of Industry: Manufacturing
 - Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 32
 - Worldwide: 32
 - Number to be trained: 21
 - Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 12%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$20,202
- In-Kind Contribution: \$16,170

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 SB<100	PL-Mfg Skills, Business Skills, Mfg Skills, Continuous Impr	21	8-60	0	\$962	\$16.25
				Weighted Avg: 37			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Santa Clara
- Occupations to be Trained: Owner, Production Staff, Shipping and Receiving, Purchasing, Administrative Staff.
- Union Representation: Yes
 No
- Health Benefits: Up to \$1.95 per hour

SUBCONTRACTORS

- Development Services: Assured Incentive Group in San Clemente developed the proposal for a flat fee of \$2,200.
- Administrative Services: Assured Incentive Group will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: ISO Ready Quality Assurance in Concord will deliver Continuous Improvement courses for a fee of \$11,000.

OVERVIEW

Basic VI Technology Inc. (Basic VI) is a small manufacturing business established in 1980 and based in San Jose. The Company provides custom high precision machined parts for medical, computer, and aerospace industries. Basic VI makes custom precision metal shafts, lead screws, threaded parts, fiber custom connectors, and adjustment rings. For example, parts for ATM's, cell phone recycling machines, inkjet re-filler machines, and optometry machines have been manufactured using its machines (laser, lathe, and Swiss screw machines). Current clients include Carl Zeiss, Miasole, Delta Design and Aurora Flight Systems.

Basic VI must train its workforce in order to compete with out-of state competitors. Its customers are demanding shorter runs and more problem solving design at no additional cost and are submitting competitive bids. The Company needs to cross-train its staff and provide quality assurance skill upgrades. These upgrades will make processes more efficient.

Additionally, because products have to meet certain industry quality standards, many medical, computer, and aerospace clients require AS9100 and ISO standards certifications.

Training Plan

Training will be delivered by in-house subject matter experts and one identified vendor (ISO Ready Quality Assurance).

Manufacturing Skills - Training will be offered to Production Staff. Trainees will cross-train in machine operations to build and maintain specialized manufacturing skills. Training will increase capabilities, throughput, cost savings through waste reduction, and cycle time reductions.

Continuous Improvement - Training will be offered to all occupations in an effort to develop efficiency. Staff will be able to make decisions and take immediate action, resulting in greater attention to detail, error reduction, revision controls, greater compliance, and a reduction in customer response time. ISO training will be provided to all occupations to ensure quality standards are met for various customer and industry requirements. The training aims to improve performance related to tracking, sourcing, pricing, and documenting materials. Topics shall include Lean 5s, Kaizen, Root Cause Analysis, ISO 9001:2008 & AS9100C.

Business Skills – Due to ISO certification requirements, Purchasing, Administrative Staff, and Owners need training to better understand and execute contract reviews, supplier management, customer service, document control and inventory control.

Productive Laboratory

Productive Lab – Manufacturing Skills training will be offered to seventeen Production Staff and will constitute no more than 50% of an individual's ETP training hours. No employee will be trained solely by the Productive Lab method. During Productive Lab, trainees will learn how to safely operate machines and inspect work products. This training is not possible in a simulated lab environment due to the nature of the work itself, which is production based using live equipment for client orders. The trainer-to-trainee ratio will be limited 1:1 and training will be capped at 24 hours per trainee.

Basic VI's Production Staff Leads will deliver the Productive Lab training. The leads have five or more years of experience and will evaluate competencies for junior staff.

RECOMMENDATION

Staff recommends approval of this proposal.

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

8-60 Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- ISO 9001:2008/ AS9100C QMS
- ISO Internal Audits
- Lean Manufacturing
- Inspection Techniques & Requirements
- Production Workflow
- Project Management
- Shipping & Receiving

MANUFACTURING SKILLS

- 3-& 4-Axis Milling
- Standard Milling Techniques
- CNC Screw Machine Set Up & Operations
- Conventional Lathes Manufacturing
- Precision Grinding & Deburring
- Materials Management
- Shipping & Receiving

BUSINESS SKILLS

- Inventory Control
- Contract Review
- Communications
- Supplier Management
- Customer Service

Productive Lab

0-24

MANUFACTURING SKILLS (Limited to 1:1 trainer-to-trainee ratio)

- 3-& 4-Axis Milling
- Standard Milling Techniques
- CNC Screw Machine Operations
- Conventional Lathes Manufacturing
- Precision Grinding

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. Productive Lab is capped at 24 hours per trainee.
