



**Training Proposal for:
California Quality Plastics, Inc.**

Small Business

ET16-0328

Approval Date: December 23, 2015

ETP Regional Office: North Hollywood **Analyst:** E. Fuzesi

CONTRACTOR

- Type of Industry: Manufacturing
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 69
 - Worldwide: 69
 - Number to be trained: 20
 - Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 3%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$39,520
- In-Kind Contribution: \$36,400

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	Cont. Imp.	20	8-100	0	\$1,976	\$15.07
				Weighted Avg: 76			

- Reimbursement Rate: \$26 SB Priority
- County(ies): San Bernardino
- Occupations to be Trained: Customer Service Staff, Sales Staff, Shipping & Receiving Staff, Frontline Supervisor, Manager, Executive Staff
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$1.07 per hour

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

OVERVIEW

California Quality Plastics, Inc. (CQP), located in Ontario, is an original equipment manufacturer and distributor of custom plastic products with its own proprietary lines, for a wide range of industries worldwide. CQP's manufacturing focuses on custom acrylic tanks, carrying cases, acrylic and polycarbonate lighting components, standard and custom displays and dispensers for retail and food service, and custom acrylic domes and hemispheres.

This will be CQP's second ETP Agreement. While the previous project's focus was 5S Concepts, process improvements, leadership and communication development, this project will focus on lean manufacturing principles and inventory control.

Over the past two years, most businesses in the industry have implemented Lean manufacturing techniques and better inventory control. This results in faster turn-around times to satisfy customer demands. To remain competitive, CQP needs to implement such process improvements, and apply Lean manufacturing principles to fulfill customer demands in a timely manner. As such, CQP has invested in new Material Requirements Planning (MRP) software to enhance inventory control, eliminate purchasing and scheduling problems, and to simplify and speed up the purchasing and production processes. To meet customers' expectations of competitive pricing and short lead-times, continuous and formal training is required to enhance CQP's overall business operations.

Training Plan

Up to 100 class/lab hours per trainee may be delivered in the following:

Continuous Improvement (100%): Training will be offered to all occupations to increase effectiveness in Inventory Control, pricing, and order tracking. The new implementation of the MRP system will transform the Company's processes, and allow to track orders in real time, produce reports, create SKU for parts, prepare bill of labor, bill of material, work orders, and use JIT purchasing based on inventory stock levels and open purchase orders. Additionally, training will focus on Project Management to ensure proper execution of plans and completion of tasks.

Modifications

Contract Term Limitation

CQP is requesting an additional 12 months (24 months total) to the Agreement term. The additional 12 months will enable the Company to adequately handle potential workload fluctuations, due to production delays and customer priorities. During peak production times, CQP does not have the capacity to stop production for training. This increased flexibility will support planning and scheduling, assist the Company in managing any production impacts due to increased production demands.

Training Hours Limitation

Given the scope of the project, 8-10 key Shipping, Customer Service and Management Staff will need up to 100 hours of training depending on their roles and responsibilities. The additional hours will also help trainees grasp new manufacturing concepts needed to increase their skillsets. The remaining trainees will receive an average of 76 hours of training across all training topics.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0372	Ontario	5/23/13-5/22/15	\$36,400	\$36,400 (100%)

Exhibit B: Menu Curriculum

Class/Lab Hours

8-100

Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- Decision Making for Frontline Supervisors
- Materials Resource Planning/Inventory Control
- Project Management
- Total Quality Management

Note: Reimbursement for retraining is capped at 100 total hours per-trainee, regardless of method of delivery.