



**Training Proposal for:**  
**Cargo Network Services Corporation dba CNSC Corporation**  
**Agreement Number: ET15-0347**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee SB <100	Industry Sector(s):	Transportation/Logistics  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Contra Costa, Los Angeles, Marin, Orange, Santa Clara, Santa Cruz, San Diego, San Francisco, San Mateo	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

**FUNDING DETAIL:**

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$274,176		\$19,040 8%		\$293,216

In-Kind Contribution:	50% of Total ETP Funding Required	\$162,870
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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, Comm Skills, HazMat	62	8-200	0	\$693	\$18.00
				Weighted Avg: 36			
2	Retrainee Priority Rate SB<100	Business Skills, Comm Skills, HazMat	250	8-80	0	\$1,001	\$18.00
				Weighted Avg: 36			

**Minimum Wage by County:** Trainees in Job Number 1 and 2 must make the following to meet the ETP minimum wage requirement of \$16.25 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara, and Santa Cruz Counties; \$16.04 per hour for Los Angeles County, \$15.98 per hour for Orange County; and \$15.60 per hour for San Diego 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

Although participating employers provides health benefits, they are not being used to meet Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Job Numbers 1-2		
Agents		131
Coordinators		131
Supervisors		50

**INTRODUCTION**

Founded in 1985, Cargo Network Services Corporation dba CNSC Corporation (CNSC) is a membership-based trade organization that supports the air cargo industry in the United States. CNSC is a wholly owned subsidiary of the International Air Transport Association (IATA) and is headquartered in Miami, Florida. CNSC is recognized worldwide for its unique skills training in the air cargo sector. The training programs ensure workers are up to date with aviation industry standards that include air navigation services, airline management, aviation law, aviation safety and security, and ground operations.

**PROJECT DETAILS**

CNSC assessments have identified that its member employers need a more knowledgeable workforce with higher skill sets in order to sustain industry changes and mitigate risk. CNSC's training program incorporates practical training techniques that will improve performance,

enhance knowledge and increase skills. CNSC also provides participants with the latest in tools and technology to improve efficiency and provide employers with a competitive advantage.

Each of the eight course titled represent a 40-hour “stand alone” program. Upon completion of each course, trainees will earn an International Air Transport Association (IATA) certificate. Trainees will also have an option to earn a diploma in one of the following programs: Air Cargo Management, Air Cargo Operations, Dangerous Goods Regulations, and Special Cargo. Each diploma program requires completion of two pre-determined courses and two electives (elective courses are not listed in the curriculum).

## Training Plan

The Curriculum developed will teach workers to utilize IATA’s regulation manuals and understand legal requirements and responsibilities of shippers, agents, and airlines. Workers will develop a thorough understanding of aircraft unit load devices (containers, pallets, nets, etc.), learn proper handling of hazardous materials and personnel, and understand the basics of cargo rating and IATA procedures and standards. Courses are delivered by approximately 300 highly qualified instructors who also provide assistance with curriculum development.

**Business Skills (5%):** Training will be offered to all occupations in Cargo Customer Service Excellence. This course helps trainees improve customer satisfaction and establish end-goals.

**Commercial Skills (80%):** Training will be offered to all occupations to improve performance and increase skill set. Trainees will develop a thorough understanding of air cargo procedures and best practices.

**Hazardous Materials (15%):** Training will be offered to all occupations to teach workers processes to follow when handling hazardous materials. Trainees will learn to identify dangerous goods and recognize the hazard/handling labels and documentation requirements for product transportation.

## Commitment to Training

Participating employers will continue to provide training, alongside ETP training, that includes safety, new hire orientation, and other on-the-job training.

CNSC represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

CNSC will use IATA accredited instructors to deliver all training under this Agreement. Training will be scheduled on a monthly basis and will include open enrollment for participating employers. Training will be located at CNSC’s Los Angeles location (near LAX Airport) and at participating employer locations.

CNSC has identified staff members that will handle all administration duties. Most staff members have prior experience administering a similar state-funded program in Florida. Staff will schedule training sessions, meet with participating employers, and train local instructors/personnel staff on ETP requirements.

## **Training Hours Limitation**

Training hours for small businesses are capped at 60 hours per-trainee. However, each CNSC training course is a minimum of 40 hours. Small businesses in the cargo industry have employees who may need more than one training session to learn new skill sets that will improve job performance. Therefore, to capitalize on training hours, CNSC requests to increase the maximum training hours for small businesses (Job Number 2) to 80 hours. This will allow each employer to train workers in up to two certified programs.

## **Learning Management System**

CNSC has requested to utilize their Learning Management System for ETP Recordkeeping. Staff has verified that it meets all ETP requirements and has been approved.

## **Marketing and Support Costs**

CNSC markets through various community organizations that include economic development offices, chambers of commerce, and aviation associations. Advertising tools such as print ads, websites, email campaigns, and work groups are also utilized to reach potential employers. With over 615 members located in California, CNSC has developed a communication/internet campaign to target these members for training. Meetings are scheduled two times per year with employers to determine industry needs. The CNSC curriculum is then revised (if needed) so the program can meet employer needs. Also, after each course, CNSC allows employers to assess the effectiveness of training. Two employees have been designated to market and recruit employers under this Agreement; four additional workers will provide assistance as needed.

CNSC is requesting 8% of ETP funding in the proposed agreement for training support activities which include recruitment of participating employers and assessment of employer-specific job requirements. Staff recommends the 8% support costs.

## **Tuition Reimbursement**

CNSC represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **DEVELOPMENT SERVICES**

N/A

## **ADMINISTRATIVE SERVICES**

N/A

## **TRAINING VENDORS**

N/A

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

Job Number 1: 8-200

Job Number 2: 8-80

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Cargo Customer Service Excellence

**COMMERCIAL SKILLS**

- Cargo Documentation and Procedures
- Unit Load Device Handling
- Live Animals Regulations
- Shipping Perishables Cargo
- Temperature Sensitive Cargo Handling (Pharma)

**HAZARDOUS MATERIAL**

- Dangerous Goods Awareness with CFR 49
- Lithium Battery Aware

Note: Reimbursement for retraining is capped at 200 total hours per trainee for Job Number 1 and 80 total hours per trainee for Job Number 2, regardless of method of delivery.

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Cargo Network Services Corporation dba CNSC CCG No.: ET15-0347  
Corporation

Reference No: 14-0724

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Agility Logistics

Address: 21906 Arnold Center Road

City, State, Zip: Carson, CA 90810

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 25

Total # of full-time company employees worldwide: 400

Total # of full-time company employees in California: 100

Company: American Cargo Service Inc.

Address: 7886 Convoy Court

City, State, Zip: San Diego, CA 92111

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 10

Total # of full-time company employees in California: 10

Company: Cargo Modules LLC

Address: 28123 Ella Road

City, State, Zip: Rancho Palos Verde, CA 90275

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 25

Total # of full-time company employees in California: 5

Company: CEVA Logistics

Address: 18120 Bishop Avenue

City, State, Zip: Carson, CA 90746

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 55,000

Total # of full-time company employees in California: 650

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Cargo Network Services Corporation dba CNSC CCG No.: ET15-0347  
Corporation

Reference No: 14-0724

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Company: Consolidators International Inc.

Address: 5343 W. Imperial Highway Unit 1000

City, State, Zip: Los Angeles, CA 90045

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 150

Total # of full-time company employees in California: 20

Company: Expeditors International

Address: 5757 Century Blvd.

City, State, Zip: Los Angeles, CA 90045

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 13,900

Total # of full-time company employees in California: 150

Company: K Line Logistics (U.S.A.) Inc.

Address: 19701 S. Vermont Avenue

City, State, Zip: Torrance, CA 90502

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 32

Total # of full-time company employees worldwide: 200

Total # of full-time company employees in California: 32

Company: Ocasa Logistics Solution

Address: 8720 South La Cienega Boulevard

City, State, Zip: Inglewood, CA 90301

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 6

Total # of full-time company employees worldwide: 3,000

Total # of full-time company employees in California: 6

**Participating Employers in Retrainee  
Multiple Employer Contracts**

Contractor's Name: Cargo Network Services Corporation dba CNSC CCG No.: ET15-0347  
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Reference No: 14-0724

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Company: Ocean Knight Shipping Inc.

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Address: 19516 S. Susana Rd.

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City, State, Zip: Rancho Dominguez, CA 90221

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Collective Bargaining Agreement(s): None

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Estimated # of employees to be retrained under this Agreement: 10

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Total # of full-time company employees worldwide: 300

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Total # of full-time company employees in California: 20

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Company: OIA Global

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Address: 373 Van Ness Avenue

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City, State, Zip: Torrance, CA 90501

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Collective Bargaining Agreement(s): None

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Estimated # of employees to be retrained under this Agreement: 32

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Total # of full-time company employees worldwide: 90

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Total # of full-time company employees in California: 32

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Company: Oriental Air Transport Services

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Address: 901 S. Fremont Ave Ste 168

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City, State, Zip: Alhambra, CA 91803

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Collective Bargaining Agreement(s): None

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Estimated # of employees to be retrained under this Agreement: 8

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Total # of full-time company employees worldwide: 200

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Total # of full-time company employees in California: 8

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Company: Panalpina Inc.

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Address: 19900 South Vermont Avenue

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City, State, Zip: Torrance, CA 90502

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Collective Bargaining Agreement(s): None

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Estimated # of employees to be retrained under this Agreement: 50

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Total # of full-time company employees worldwide: 14,000

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Total # of full-time company employees in California: 150

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## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Cargo Network Services Corporation dba CNSC CCG No.: ET15-0347  
Corporation

Reference No: 14-0724

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Company: Savino Del Bene

Address: 2905 W. El Segundo Blvd. Suite #1

City, State, Zip: Hawthorne, CA 90250

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 1,200

Total # of full-time company employees in California: 56

Company: Schenker Inc.

Address: 2815 El Segundo Blvd.

City, State, Zip: Hawthorne, CA 90290

Collective Bargaining Agreement(s): None

Estimated # of employees to be retrained under this Agreement: 70

Total # of full-time company employees worldwide: 95,000

Total # of full-time company employees in California: 300