



**Training Proposal for:
Caseworx, Inc.**

Small Business ≤ \$50,000

ET15-0452

Approval Date: May 9, 2015

ETP Regional Office: North Hollywood **Analyst:** M. Reeves

CONTRACTOR

- Type of Industry: Manufacturing

- Priority Industry: Yes No

- Number of Full-Time Employees
 - California: 40
 - Worldwide: 40
 - 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: 8%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$23,400
- In-Kind Contribution: \$29,084

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 SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Imp., Mfg Skills	20	8-60	0	\$1,170	\$15.07
				Weighted Avg: 45			

- Reimbursement Rate: \$26 SB Priority
- County(ies): San Bernardino
- Occupations to be Trained: Production Staff, Administrative Staff, Owner, Supervisor/Manager
- Union Representation: Yes
 No
- Health Benefits: \$1.60 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$1,500.
- Administrative Services: TFS will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Caseworx, Inc. (Caseworx) is an original equipment and contract manufacturer founded in 1992 and located in the City of Redlands. The Company manufactures custom cabinetry for use in hospitals, schools, laboratory/research facilities, health clubs, and other markets.

Prior Performance

The Company’s first ETP project was primarily designed to introduce workers with various Lean Manufacturing principles. However, the economic downturn in 2008-2010 forced the Company to halt production temporarily and reduce staff. Consequently, the Company was not able to fully execute its training plan. (See Prior Projects table for more detail.)

The proposed Curriculum introduces new Business, Computer and Manufacturing Skills topics that were not included in the previous Agreement. In addition, the proposed project will allow the Company to deliver enhanced training modules to employees who did not receive ETP-funded training in the past, including those rehired after production ramped-up to previous levels in response to the current market recovery. The Company is seeking ETP training funds to prepare for future growth in today’s economic climate.

Training Plan

Caseworx plans to grow its business by 25% over the next two years. The Company plans to attract customers and gain access to new markets by obtaining quality assurance certifications from the Architectural Woodwork Institute (AWI) and the Forest Stewardship Council (FSC). These certifications will allow Caseworx to reach environmentally and socially-conscious consumers, as well as bid on contracts with the most demanding commercial cabinetry clients. Several of Caseworx's existing customers have also begun requiring these certifications.

Caseworx also intends to improve its efficiencies through Lean Manufacturing techniques and significant cross-training. The Company's business model includes New Product Introduction (NPI) work for its customers. The constant influx of NPI work requires the Company's workforce to keep pace with new product demand. Lean Manufacturing will help standardize processes, while cross-training will allow staff to learn new skills. The Company's goal is to develop a flexible workforce that is responsive to changes in customer demand.

Business Skills – Training will be offered to all occupations. Training will focus on product knowledge, communication, and project management. This training will help employees improve their customer relations skills and equip them with the technical expertise to identify and resolve problems more effectively.

Computer Skills – Training will be offered to all occupations. Training will include instruction on various software solution products designed to provide workers with the business application tools to perform their respective job duties more efficiently.

Continuous Improvement – Training will be offered to all occupations. These modules will help employees acquire a better understanding of AWI and FSC certification requirements, as well as teach them how to implement the process and productivity improvements needed to maintain ideal quality standards.

Manufacturing Skills – Training will be offered primarily to Production Staff, Managers, and Administrative Staff. Training for Production Staff will focus on the operation, maintenance and troubleshooting of new and existing machinery and inspection techniques. Managers will receive training to enhance their knowledge of manufacturing processes and to help them identify issues with efficiency and/or quality. Administrative Staff trainees may receive training in select topics to improve their familiarity with production-related documents.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
*ET09-0237	Redlands	10/17/2008– 10/16/2010	\$43,264	\$20,193 (47%)

*The Company lost a significant book of business in 2008 due to the effect of the economic downturn on construction. Several customers cancelled their contracts and new construction came to a near standstill. In order to survive, the Company had to shut down its plant for six weeks. With periods of zero production, the Company suffered a significant drop in revenue and loss of incumbent workers. The original ETP training plan was for 52 employees; however, the Company was only able to capture earnings for 12.

Since then, Caseworx has successfully regained its footing. Due to steady growth in recent years, the number of full-time permanent employees has rebounded to 40. With projected revenue growth of 10% in 2015 and another 15% in 2016, the Company is confident in its ability to utilize the requested funding. In addition, the proposed Agreement has been rightsized to a level that is in alignment with prior earnings.

Exhibit B: Menu Curriculum

Class/Lab Hours

8 – 60

Trainees may receive any of the following:

BUSINESS SKILLS

- ✚ Coaching
- ✚ Communication
- ✚ Conflict Resolution
- ✚ Customer Relations
- ✚ Finance
- ✚ Goal Setting
- ✚ Inventory Control
- ✚ Leadership
- ✚ Marketing & Business Development
- ✚ Product Knowledge
- ✚ Project Management
- ✚ Team Cohesiveness

COMPUTER SKILLS

- ✚ Accounting
- ✚ Aletha Job Management & Scheduling
- ✚ Club Resource Group Gazinta
- ✚ Crystal Reports
- ✚ Intuit Quick Books Enterprise
- ✚ Keytrix Fabrication
- ✚ Microvellum Fabrication
- ✚ Manufacturing
- ✚ Microsoft Office
- ✚ Purchasing
- ✚ Warehouse

CONTINUOUS IMPROVEMENT

- ✚ 5S
- ✚ Buy American Processes
- ✚ Forest Sustainability Council Certification
- ✚ Lean Manufacturing
- ✚ Process Improvement
- ✚ Productivity Improvement
- ✚ Quality Control Program
- ✚ Quality Improvement
- ✚ Woodwork Institute Certification

MANUFACTURING SKILLS

- ✚ Altendorf Saw Operation
- ✚ Belfab Dust Extraction Program
- ✚ Blueprint Reading
- ✚ Brandt Airtech Laser Edgeband
- ✚ Equipment Operation, Maintenance & Troubleshooting
- ✚ Forest Sustainability Council Tracking
- ✚ Good Manufacturing Processes
- ✚ Hand Fabrication to Woodwork Institute Certification Standard
- ✚ Hofer Clamp Operations
- ✚ Inspection Techniques
- ✚ Komatsu/Clark Pick and Place Machine
- ✚ Lean Manufacturing
- ✚ Material Requirements Planning
- ✚ Preventative Maintenance
- ✚ Programmable Conformat Doweling Machine
- ✚ Statistical Process Control
- ✚ Woodwork Institute Inspection and Programming
- ✚ Zebra Label Printer

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