



Training Proposal for:
Clarkwestern Dietrich Building Systems LLC
ET15-0208

Panel Meeting of: July 25, 2014

ETP Regional Office: San Diego

Analyst: S. Godin

CONTRACTOR

- Type of Industry: Manufacturing

- Priority Industry: Yes No

- Number of Full-Time Employees
 - California: 122
 - Worldwide: 1,080
 - Number to be trained: 100
 - Owner Yes No
 - Mgr/Supr 4
 - Frontline 96

- Out-of-State Competition: Customers Outside CA
- Special Employment Training: Yes No
- High Unemployment Area: Yes No
- Turnover Rate: 8%
- Repeat Contractor: Yes No
- Substantial Contribution: Yes No

FUNDING

- Requested Amount: \$82,800
- In-Kind Contribution: \$183,805

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, Continuous Improvement, Manufacturing Skills	100	8-200	0	\$828	\$14.90
				Weighted Avg: 46			

- Reimbursement Rate: \$18 Priority Retraining
- County(ies): Riverside, Yolo
- Occupations to be Trained: Administrative Support, Operations Staff, Maintenance Mechanic, Technician, Sales Staff, Manager/Supervisor
- Union Representation: Yes
 No
- Health Benefits: \$1.50 per hour
- Electronic Recordkeeping: N/A

SUBCONTRACTORS

- Development Services: TGII, Swanee, GA, assisted with development at no cost.
- Administrative Services: TGII will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Clarkwestern Building Systems and Dietrich Metal Framing recently merged to form Clarkwestern Dietrich Building Systems LLC (CWD). This newly formed entity specializes in the design and manufacture of cold-formed steel and light gauge steel construction products used for interior and exterior framing and finishing; as well as floor framing systems. The Company's products are mostly used in commercial buildings such as schools, hospitals, office parks, and stadiums. The merger makes CWD the world's largest producer of light-gauge steel framing systems and components. Customers include Allied Building Products, Foundation-Drake Group, BLUELINX Corporation, and L & W Supply Corporation.

Headquartered in West Chester, Ohio, CWD has two California facilities located in Riverside and Woodland. Both California facilities will participate in the proposed Agreement. Riverside is considered the California headquarters and ETP records will be maintained at that site.

Training for the proposed Agreement is being driven by need to integrate the two company's personnel, systems, and products. Although the corporate merger was in 2011, the process of merging resources is not 100% complete. Training is needed to fully integrate the employees into one organization.

The need for training is also being driven by CWD's initiative to expand market shares through the launch of two new manufacturing lines: Trakloc and Slitter. The Company recently became the exclusive worldwide manufacturer of Trakloc products, an approved steel framing system that requires no mechanical fasteners, thus eliminating the time consuming task of measuring and cutting individual studs at the jobsite. The Company owns the intellectual property for this system and has purchased the equipment needed for its manufacture. CWD also has the equipment needed for the Slitter production line, which uses rotary knives to cut wide coils of steel into smaller cuts or coils that conform to customer measurements and industry requirements.

Training Plan

To keep pace with changing customer requirements and increased production demands, CWD must invest in its workers to ensure they have the skills and knowledge of company products, processes and systems. Continuous Improvement, Business and Manufacturing Skills training will give workers the competencies needed to work leaner and smarter to improve efficiencies. This will increase production levels as the newly blended company continues to flourish as a California manufacturer.

Business Skills - Training will be provided to all occupations as it relates to their job functions. Trainees will learn new practices and processes related to the blended CWD environment. Sales Staff, select Managers/Supervisors, and some Administrative Support will receive sales skills training to craft a consultative approach to developing long-term customer and sales relationships. Training will also include communication, goal setting, active listening skills, and critical thinking & analysis. Customer service skills will give all workers the skills to interact professionally with both external and internal customers.

Continuous Improvement - Training will be provided to all occupations. Topics such as team building, communication skills, leadership, and quality concepts will improve the Company's efficiencies and productivity. Training in Six Sigma and process improvement will help workers standardize and control quality during the manufacturing process. Team Building and problem solving will lead to improved operations and promote enhanced interactions with customers. These skills will also give trainees the acumen to manage performance and process improvements, think strategically, and set appropriate goals for themselves and the organization.

Manufacturing Skills - CWD utilizes specialized equipment and needs to ensure trainees have intimate knowledge of technical machine operation skills. Developing the skills of Operators, Maintenance Mechanics and Technicians will reduce waste, improve quality and lengthen the life of the equipment. Training will also ensure that Operators are cross-trained on all manufacturing lines and that Maintenance Mechanics and Technicians are able to trouble shoot, repair, and provide productive maintenance on each piece of machinery on the manufacturing floor. Special emphasis will be placed on training for the two new production lines.

Temporary to Permanent Workers

The Company estimates that 3-5 trainees will fall under the Panel guidelines for “temporary to permanent” employment. CWD will retain these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training. These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on the payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired.

High Unemployment Area (HUA)

Although CWD’s Woodland facility is located in a designated HUA, the Company will not need an HUA wage modification to meet ETP required wages.

RECOMMENDATION

Staff recommends approval of this proposal.

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- ✚ Communication & Active Listening Skills
- ✚ Customer Service
- ✚ Finance and Accounting Skills
- ✚ Coaching/Mentoring Skills
- ✚ Critical Thinking & Analysis Skills
- ✚ Business Performance
- ✚ Cost Management Analysis
- ✚ Facilitator Skills Training
- ✚ Goal Setting

CONTINUOUS IMPROVEMENT

- ✚ Leadership Skills
- ✚ Quality Concepts & Management
- ✚ Just-In-Time Processes
- ✚ Process Improvement
- ✚ Team Building
- ✚ Problem Solving & Decision Making
- ✚ Change Management
- ✚ Material Improvement
- ✚ Organizational Capability
- ✚ Project Management
- ✚ Key Performance Indicators
- ✚ Business Performance/Skills Enhancement
- ✚ Environmental Sustainability
- ✚ Product Knowledge
- ✚ Good Manufacturing Practices
- ✚ Introduction to Lean Six Sigma
- ✚ Lean Concepts

MANUFACTURING SKILLS

- ✚ Equipment Operation, Maintenance, Troubleshooting & Repair
- ✚ Product/Maintenance Specifications
- ✚ Pneumatic Equipment Operation
- ✚ Electrical Systems Technology
- ✚ Daily Preventive Maintenance
- ✚ Total Preventive Maintenance
- ✚ Operator Processes/Equipment
- ✚ Technician Processes
- ✚ Maintenance Processes
- ✚ Good Manufacturing Practices
- ✚ TRAKLOC Equipment Line
- ✚ Slitter Line

Safety Training will be limited to 10% of total training hours per-trainee

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