



Training Proposal for:
ConAgra Foods Packaged Foods Company, Inc.
Agreement Number: ET15-0291

Panel Meeting of: August 22, 2014

ETP Regional Office: Sacramento

Analyst: W. Atkinson

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Stanislaus	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamsters Local 948		
Number of Employees in:	CA: 2,736	U.S.:33,555	Worldwide: 36,555
<u>Turnover Rate:</u>	2%		
<u>Managers/Supervisors:</u> (% of total trainees)	2%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$499,680		\$74,952 15%	\$0		\$424,728

In-Kind Contribution:	100% of Total ETP Funding Required	\$551,036
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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	Continuous Improvement, Manufacturing Skills	347	8-200	0	*\$1,224	\$15.00
				Weighted Avg: 80			

*Relects Substantial Contribution

Minimum Wage by County: \$14.90 Stanislaus 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**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Supervisor		9
Frontline Supervisor		43
Crew Leader		10
Machine Operator/Quality Technician/Line Worker		124
Warehouse Driver/Lift Truck		68
CPS Pillar Lead		6
Maintenance Staff		87

INTRODUCTION

Headquartered in Omaha, Nebraska, ConAgra Foods Packaged Foods Company, Inc. (ConAgra) has locations worldwide, including seven manufacturing facilities in California.

Originally incorporated in 1919, ConAgra is a large manufacturing corporation engaged in preparing, marketing, and distributing packaged foods throughout North America. There are two basic product groups:

1. Products in the Consumer Foods Group span a variety of categories (meals, entrees, condiments, sides, snacks, and desserts). They are packaged in frozen, refrigerated, and shelf-stable temperature classes. Major brands include Chef Boyardee®, Healthy Choice®, Marie Callender's®, Orville Redenbacher's®, and others.
2. The Food and Ingredients Group produces commercially branded foods and ingredients, such as specialty potato products, milled grain ingredients, dehydrated vegetables and seasonings, and related items which are then sold to food processors under such brands as ConAgra Mills®, Lamb Weston®, Gilroy Foods®, and others.

The Teamsters Local 948 represents employees at the Oakdale facility and ETP has received letter of support.

This is the third ETP-funded agreement with ConAgra. The previous project targeted implementation of Systems, Application and Products and Total Productive Maintenance.

PROJECT DETAILS

This project will focus on achieving zero losses through the new ConAgra Performance System (CPS). CPS will focus on implementing new processes, improving products and/or services, increasing efficiency, and developing employee's ownership of their operation. This project also intends to implement a leadership program to provide employees the skills, knowledge, and tools to effectively lead individuals and teams, increase performance, and drive production. In addition, ConAgra has purchased new equipment (Kister 1 and K Searmer) for approximately \$3.2 million that requires training. These two machines will replace old equipment and bring new technology to the Oakdale facility.

Training Plan

Training will be provided using a classroom/laboratory delivery method and trainees will receive the following types of training.

Manufacturing Skills (2%): Training will be offered to Machine Operators, Quality Technicians, Maintenance Staff, and Supervisors. Training topics will include Autonomous Manufacturing Development training, Materials/Resources training, and new equipment training. Employees require this training to operate new equipment, update skills, and adapt to new technology

Continuous Improvement (98%): Training will be offered to all trainees and will include topics such as implementing ConAgra Performance System, Continuous Skills Development, Focused Improvement, and Leadership skills. This training will focus on integrating continuous improvement processes and methodologies intended to help the plant achieve zero losses by eliminating waste and non-value added activities. In addition, leadership training will target developing individual and team capabilities, creating an environment that impacts performance positively, and increasing line effectiveness by working through conflict and building collaboration.

Commitment to Training

The training budget for the Oakdale facility for 2014 is \$315,363 and training provided in the past included computer based training for safety, food safety, quality training, and selective leadership skills.

ConAgra 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

To prepare for this project, ConAgra has a full-time CPS manager, Finance Manager, and dedicated CPS team (6 members) to assist with training, scheduling, enrolling, and tracking training hours.

High Unemployment Area

The trainees in Job Number 1 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's locations in San Joaquin County qualifies for HUA status under these standards. However, ConAgra is not asking for a wage modification.

Substantial Contribution

ConAgra is a repeat contractor with payment earned in excess of \$250,000 at the Oakdale facility within the past five years. (See Prior Project Table.) Accordingly, reimbursement for trainees at the Oakdale facility in Job Number 1 will be reduced by 15% to reflect the Company's \$74,952 Substantial Contribution to the cost of training.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET09-0254	Oakdale, Gilroy, Modesto, Oakland, Helm, Colton, Compton, Fresno, Hanford	10/20/08 – 10/19/10	\$1,183,608	\$887,952 (75%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8 - 200 Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- Communication, Problem Solving and Teamwork
- Managing Change
- Implementing ConAgra Performance System (CPS)
- CPS 2.0 – Reliability Technology tool box training for all employees
- Focused Improvement (FI) Problem Solving Training for all employees
- Continuous Skills Development (CSD) – Functional work Skills training and validation for ops
- Recipe for Growth
- Leadership
 - Leading with Intention
 - The Power of Engagement
 - Situational Leadership
 - Working with Conflict
 - Building high performance teams and gaining Alignment
 - Foods Safety and Tools for Driving Results
 - Leadership Communications

MANUFACTURING SKILLS

- New Technology Training - Autonomous Manufacturing Development (AMD) Training
- New Training Materials/Resources
- New Equipment Training
 - Kister 1
 - K Seamer

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

TEAMSTERS LOCAL UNION NO. 948

TEAMSTERS, CANNERY WORKERS, FOOD PROCESSORS & HELPERS UNION
GENERAL JURISDICTION IN TULARE AND KING COUNTIES AND CANNERY AND FOOD
PROCESSING JURISDICTION IN FRESNO, MERCED AND STANISLAUS COUNTIES, CALIFORNIA

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May 21, 2014

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Sacramento Regional Office
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Dear Rosa,

Teamsters Local 948 supports ConAgra Foods in their application for funding from the Employment Training Panel for their Oakdale Facility.

If you require additional information please call me.

Yours truly,

Larry Lund
Business Agent