



**Retrainee – Job Creation
Training Proposal for:
Excalibur Engineering, Inc.**

Small Business ≤ \$50,000

ET15-0368

Approval Date: January 12, 2015

ETP Regional Office: San Diego

Analyst: S. Godin

CONTRACTOR

- Type of Industry: Engineering
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 27
 - Worldwide: 28
 - Number to be trained: 32
 - Owner Yes No
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 0%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$35,880
- In-Kind Contribution: \$25,000

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	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat	27	8-60	0	\$1,040	\$15.98
				Weighted Avg: 40			
2	Retrainee Priority Rate SB<100 Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat	5	8-60	0	\$1,560	\$13.32
				Weighted Avg: 60			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Technical Staff, Administrative Support, Sales Rep, Distribution/Warehouse Staff, Owner, Manager/Supervisor
- Union Representation: Yes
 No
- Health Benefits: Job #1 only: \$1.00 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach will develop the project for a flat fee of \$2,500.
- Administrative Services: TFS will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

OVERVIEW

Formed in 1989 and located in Irvine, Excalibur Engineering, Inc. (Excalibur) (www.excaliburengineering.com) is a full-service, business-to-business company in the electronic test equipment industry. Its services include calibration, repair, rental and sales of a variety of new and reconditioned electronic test equipment. Examples of its products include optical test sets, spectrum and network analyzers, Bluetooth devices, test stations, signal generators, logic analyzers, accelerometers, and oscilloscopes. The products are used in telecommunication, automotive, biotechnology, microelectronics and aerospace applications.

PROJECT DETAILS

The proposed Agreement is Excalibur's third small business proposal within the past five years. Past projects included training in financial accounting software and the implementation of Vantage, an integrated software system (CRM). Vantage was used for a year before the Company moved to a proprietary system on which its employees were trained in its most recent ETP Agreement. Past training also focused on internal procedures, sales and marketing strategies to capture new customers, and customer service. Trainees will not be subjected to duplicate training.

Excalibur states that competition from larger out-of-state calibration companies has continued to increase. In order to remain competitive, the Company must become innovative, and staff must be better trained.

Excalibur recently received its ISO 17025 certification which allows the Company to calibrate electronic test equipment to higher tolerances and frequencies (up to 50GHz). This allows the Company to conform to tighter performance specifications. Certification also creates a specialized market niche for Excalibur and enables it to expand its customer base, servicing a wider variety of calibration and electronic test equipment. The Company also expanded its product offerings by adding mid-range distribution lines to its sales channels. The new lines offer lower-cost products targeted to budget minded customers and provide long-time customers with additional test equipment purchase options.

Additionally, the Company will need to train its staff on a variety of skills needed to support newly acquired distribution channels; and program, calibrate, and repair highly automated testing equipment.

Retrainee – Job Creation

Excalibur's recent ISO 17025 accreditation has added new distribution channels to its business. It will also provide an opportunity for Excalibur to expand its marketing efforts with the potential to increase its customer base and number of accounts by an additional 15%-25% over the next two years.

To support the above stated increase in distribution channels, Excalibur has committed to hiring five employees, two Technical Staff, a Sales Rep, an Administrative Support, and a Manager/Supervisor (Job Number 2). The new workers will require extensive training to develop the requisite skills needed to facilitate projected growth.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills – Training will be offered to all occupations. Sales Reps will receive advanced sales/marketing skills and product knowledge to address the Company's expanded customer base and new distribution channels with acumen. Sales Reps will also receive skill sets needed to close and up-sell a higher percentage of sales calls. All occupations will receive communication and customer/vendor relationship improvement skills training to improve interactions with both internal and external customers.

Commercial Skills – Training will be offered to Technical Staff. Technical Staff will receive technical skill sets needed to calibrate and repair electronic test equipment to customer

specifications. Technical Staff will also be trained to program automated calibration software, verify results, compare accuracies, and develop written procedures for data recording. Training will also provide skills in measurement uncertainties/accuracies used to calibrate test equipment to higher frequencies and specifications.

Computer Skills – Training will be offered to all occupations. Training will be delivered on revisions to the Company’s proprietary software system and Microsoft Office Suite, Adobe Suite, and File Maker software. Select Managers and Administrative Support will receive training in skills related to website management.

Continuous Improvement – Training will be offered to all occupations. A variety of training topics will build upon the skills acquired in the previous ETP Agreements. Training will further streamline processes and improve efficiencies throughout the organization and give workers the effective leadership and critical thinking skills needed to manage performance and process improvements, think strategically, and set appropriate goals for themselves and the organization. Training will allow both frontline workers and managers/supervisors to lead process improvement teams and manage and direct the work of subordinates.

Hazardous Materials – Training will be offered to Technical Staff, Distribution/Warehouse and Managers on the safe handling and disposal of hazardous materials.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performances by Excalibur under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET11-0330	Irvine	6/21/11-6/20/13	\$46,800	\$46,800 (100%)
ET09-0160	Irvine	7/07/08-7/06/10	\$49,816	\$46,345 (93%)

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

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Care Skills
 - Customer Retention
 - Customer Engagement
 - Customer /Vendor Relationship Building
- Advanced Sales & Marketing Skills
 - Suspecting, Prospecting & Closing
 - Sales Account Management
 - Advanced Closing Techniques
 - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills
- New Product Knowledge

COMMERCIAL SKILLS

- Equipment Calibration
- Equipment Troubleshooting & Repair
- Technical Data Procedures
- Warehouse & Distribution Operations
- Inventory Control

COMPUTER SKILLS

- Customer Relationship Management (CRM) Proprietary Software
- Website Development & Management
- Microsoft Office Suite
- Adobe Suite
- File Maker Software

CONTINUOUS IMPROVEMENT

- Quality/Process/Productivity Improvement
- Leadership Skills Training
- Lean Concepts
- 5S
- Six Sigma
- Foundations of Kaizen
- Kaizen Events
- Statistical Process Improvement
- Supply Chain Management

HAZARDOUS MATERIALS

- Hazardous Materials Handling
- Material Safety Data Sheets

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

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