



**Training Proposal for:
Four Star Meat Co., Inc.**

Small Business

ET16-0354

Approval Date: Januaury 28, 2016

ETP Regional Office: North Hollywood

Analyst: E. Wadzinski

CONTRACTOR

- Type of Industry: Manufacturing
- Number of Full-Time Employees
 - California: 28
 - Worldwide: 28
 - Number to be trained: 28
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 13%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$43,680
- In-Kind Contribution: \$53,900

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 Skill, Continuous Impr, Mfg Skills	24	8-120	0	\$1,560	\$15.97
				Weighted Avg: 60			
2	Retrainee Priority Rate SB<100 HUA	Business Skills, Computer Skill, Continuous Impr, Mfg Skills	4	8-120	0	\$1,560	\$11.98*
				Weighted Avg: 60			

*It will be made a condition of contract that the trainees in Job Number 2 will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table.

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Accounting, Administration, Finance, Owner, Distribution/Warehouse, Processor/Cutter, Sales, Processing, Supervisor/Manager
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$2.66 per hour; Job #2: \$0.67 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source in Seal Beach developed the proposal for a flat fee of \$2,800.
- Administrative Services: Training Funding Source also assisted with administration for an amount not to exceed 13% of the funds earned.
- Training Vendors: To Be Determined

OVERVIEW

Four Star Meat Co., Inc. (Four Star Meat) (fourstarmeats.com), is a family-owned and operated business founded in 1969. The Company provides Meat Processing and Wholesale Food Distribution services to predominantly Fast Food, Coffee Shop and Restaurant establishments. Four Star Meat started its business in Wilmington and moved to a newer, more modernized production and warehouse facility in Long Beach in 1991. The Company is best known for producing 100% pure ground beef patties, steaks, ground pork burgers & other cuts of meat. They also distribute additional food products which include poultry, cheese, turkey, ham and bacon, pork, gyros, seafood, weiners, pastrami, roast beef, fries and hashbrowns.

Need for Training

To remain competitive, Four Star Meat needs to implement new quality standards and improve efficiencies. To do so, employees will need to be trained on Entrée, the Company's recently implemented software program. Employees will need to be able to utilize the full suite of resources and capabilities available within the software system. This is especially true for Administrative Staff who will need to access, input and update inventory and order information to better serve its customers. Additionally, the Company will need to cross-train its employees. Cross-training will allow the Company to develop and maintain a flexible workforce to cover for absences and re-shuffle resources to areas of need.

Training Plan

Business Skills (20%): This training will be offered to Accounting, Finance, Sales, Supervisor/Manager, and Owner. Training topics provided will ensure staff is able to problem solve, develop strategies independently, and improve communication and leadership skills.

Computer Skills (5%): Training will be offered to Administration, Supervisor/Manager, Sales, Distribution/Warehouse and Owner. Trainees need computer skills to ensure staff members are able to navigate computer programs used by the Company to complete job functions efficiently.

Continuous Improvement (30%): Training will be offered to Distribution/Warehouse, Processor/Cutter, Accounting, Finance, Supervisor/Manager and Owner. Training will increase efficiency and improve facility operations. Trainees will participate in training topics such as Lean Manufacturing, Root Cause Analysis, and Process Improvement.

Manufacturing Skills (45%): Training will be offered to Processors/Cutters, Warehouse/Distribution, Supervisor/Manager and Owner. Trainees will learn to operate machinery used at the facility to run manufacturing lines proficiently. Trainees will also receive Lean Manufacturing skills.

Modifications

➤ Training Hours Limitation

Four Star Meat is requesting to modify the maximum number of training hours allowed for a Small Business from 60 hours to 120 hours. Approximately 7 trainees in Processing and Distribution, which includes Supervisors/Managers, will need up to 120 hours. The training for these occupations is described as extensive and focuses on specialized processes for meat cutting. Development of these specialized skills in this type of industry would reasonably require up to 120 hours.

➤ 24 Month Contract Term Request

Four Star Meat is requesting that the Contract term limitation of 12 months for Small Businesses be extended to 24 months. A traditional 12 month contract term would prove too challenging and allow only 9 months to provide training. As a Small Business with limited staffing resources, filling product orders and overall management of the business remains a priority. To best manage the training plan and in consideration of potential unforeseen increases in manufacturing and production demands, an additional 12 months would allow the company to properly manage the competing priorities of the needed training, while still effectively managing the business.

High Unemployment Area

Four Star Meat is located in a High Unemployment Area (HUA) exceeding the state average by at least 25%. Located in Long Beach, the Company qualifies for HUA status under these standards. The Company is requesting a wage modification to the HUA minimum hourly wage of \$11.98 in Los Angeles County for four trainees (Job Number 2). To be eligible for reimbursement, an HUA trainee's wage must be higher than the wage at start-of-training.

RECOMMENDATION

Staff recommends approval of this proposal.

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

8-120 Trainees may receive any of the following:

BUSINESS SKILLS

- Teambuilding
- Project Management
- Coaching and Feedback
- Sales/Customer Service
- Leadership Skills
- Interpersonal Skills
- Strategy Development
- Disciplines of Execution
- Organization & Efficiency Skills
- Problem-Solving
- Best Business Practices

COMPUTER SKILLS

- Microsoft Office
- Industry Specific (Entrée)

CONTINUOUS IMPROVEMENT

- Autonomous Maintenance
- Focused Improvement
- Process Improvement Maintenance
- CIL (Clean, Inspect, Lube)
- Maintenance Planning & Scheduling
- Breakdown Elimination process
- System Performance
- System Utilization Training
- Loss Elimination process
- Visual Controls
- Organizational Effectiveness

MANUFACTURING SKILLS

- Mechanical Skills Training
- Technical Skills Overview
- Programmable Logic Controllers (PLCs)
- Equipment Components
- Sanitation Training
- CIP (Clean In Process) Training
- SIP (Steam in Process) Training
- Cleaning Requirements (Marathon Training)
- Good Manufacturing Practices
- New Product Implementation & Production
- New Production Processes
- Preventative Maintenance
- General Equipment Inspection
- General Process Inspection

- Machining/Cutting/Dicing
- Food Safety Training

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

Note: Reimbursement for retraining is capped at 120 total training hours per trainee, regardless of the method of delivery.