



**Retrainee - Job Creation
Training Proposal for:
Four Wheel Campers, Inc.**

Small Business

ET16-0319

Approval Date: December 30, 2015

ETP Regional Office: Sacramento

Analyst: M. Mazzone

CONTRACTOR

- Type of Industry: Manufacturing
 - Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 77
 - Worldwide: 77
 - Number to be trained: 63
 - Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 19%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$63,804
- In-Kind Contribution: \$55,641

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, Computer Skills, Cont. Impv., HazMat., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL - Mfg. Skills	51	8-60	0-10	\$884	\$15.07
				Weighted Avg: 34			
2	Retrainee Job Creation Initiative Priority Rate SB<100	Business Skills, Computer Skills, Cont. Impv., HazMat., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL - Mfg. Skills	12	8-60	0-10	\$1,560	*\$12.33
				Weighted Avg: 60			

*It will be made a condition of contract that the trainees in this Job Number 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. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Yolo
- Occupations to be Trained: Production Staff, Sales Staff, Administrative Staff, Engineer, Manager, Owner
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$1.23 per hour Job #2: \$0.33 per hour

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

INTRODUCTION

Founded in 1972, Four Wheel Campers, Inc. (Four Wheel Campers) manufactures light-weight pop-up campers. Since the current owners purchased the Company in 2001 business has grown steadily. Travel campers date back to the 1920's and are designed to provide comfort to adventurers with the flexibility to go wherever trucks could go. Although campers today are more developed and defined, the Company still builds the product to meet three original basic

criteria: lightweight, high durability and simplicity in use. The Company's campers are sold worldwide.

Need for Training

This is the Company's second ETP Agreement. The previous contract (ET13-0368) focused training on Continuous Improvement in manufacturing processes. The prior training has been successful; however, Four Wheel Campers still has a need for the improvement of its manufacturing processes through Lean manufacturing. A portion of the Company's current training plans will expand on previous trainings. To meet Four Wheel Campers' goal of further improve production efficiencies and quality; staff will receive training in inventory control, process improvement, production scheduling, Kanban, total quality management and Lean manufacturing.

Training will also include front office staff and has designed a training plan to enhance marketing skills and financial strategies. Training will focus on how to reach younger customers through alternative marketing strategies. Approximately 80% of customers are baby boomers and Four Wheel Campers is looking to broaden its customer base to include younger customers.

Training goals include: cross-training of Production Staff to improve production and flexibility; training in a new Customer Relationship Management (CRM) Software program that will go live in the 2nd quarter 2016; and training on new machinery that was installed in the 3rd quarter of 2015 (Grizzly Band Saw, Drill Press, and Radial Arm Saw).

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

In this proposal, Four Wheel Campers has committed to hiring 12 new employees (Job Number 2). Four Wheel Campers represents that 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. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

On average, Four Wheel Campers sales increase roughly 25% per year and this year sales are up 21%. To support the increase in product demand, the Company will expand the production operations facility in Woodland. An additional 15,000 square foot area is being renovated and will be converted into the plumbing department. Four Wheel Campers expects the renovation of space to be completed and operational by the 4th quarter of 2016. The expansion will coincide with the onboarding of net new hires.

Training Plan

Trainees will receive between 8-60 hours of Classroom/Laboratory, Productive Lab (PL), and/or Computer-based training (CBT). CBT will lay the foundation for courses and class/lab and PL training will expand on the lessons taught in CBT.

Business Skills – Training will be delivered to Managers, Owners, Sales and Administrative Staff to find ways to better market the Company. Sales staff will receive training on company product to better serve customers. Administrative and Sales Staff will receive customer service

training to improve interactions with customers. Training topics will include Marketing Skills, Financial Strategies, Product Knowledge, Customer Service Skills and Accounting Skills.

Computer Skills – Training will be delivered to all occupations except for Production Staff. Each staff member will receive training on the new CRM system as it relates to their job duties. Engineers will receive training in CAD and Solid Works software. Administrative Staff will receive training in Intermediate and Advanced Microsoft Office.

Continuous Improvement – Training will be delivered to Engineers, Managers, Owners, Production, Sales and Administrative Staff, to further develop internal processes. Four Wheel Campers has a need to further standardize work processes in the front office by instituting a Kanban system. Training will improve efficiencies and streamline workflow processes throughout the Company. Training topics include Total Quality Management, Production Scheduling, Production Operations/Workflow, Process Improvement, Inventory Control, Kanban and Lean Manufacturing.

Literacy Skills – Training will be provided to Production Staff whose native language is other than English. To perform production duties, staff must be able to comprehend directions and understand basic math calculations. Training topics will include Fractions and Comprehension.

Management Skills – Training will be delivered to Managers and Owners to further develop managerial skills. Managers will learn to promote increased production and quality in their staff's work. Training topics will include the following courses: Decision Making, Team Building, Coaching, Motivation and Supervisory Skills.

Hazardous Materials – Training will be delivered to Production Staff to ensure that hazardous materials are handled and disposed of properly. Training will include Completing Material Data Safety Sheets, Hazardous Materials Handling, Hazardous Materials Waste Clean-up, and Hazardous Materials Transportation and Storage.

Manufacturing Skills – Training will be delivered to Production Staff and includes cross-training to increase production and staff flexibility. Additionally, staff will receive training on new machinery recently been purchased. Training topics will include Assembly Procedures, Fabrication, Upholstery, Blueprint Reading, Machine Maintenance, Grizzly Band Saw, Chop Saw, Welding, Portable Band Saw and Drill Press.

Productive Lab

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and the trainer-to-trainee ratio will not exceed 1:1.

Four Wheel Campers will train 50 Production Staff via PL training delivery method to supplement lessons taught in class/lab training and CBT. Trainees new to the industry or receiving cross-training will train side-by-side with a journey level production worker. In PL training, trainees will learn how to operate equipment such as saws, drills, welders and compressors. Other tasks such as plumbing, electrical and siding installation will also be taught in a PL setting. Production is expected to decrease by 30-50% during PL training as coaching and training will be taking place.

Four Wheel Campers is requesting a waiver to the maximum allowable PL training hours per trainee to 60 hours. An estimated 30 Production Staff trainees may receive up to 60 hours of PL

training. This increase is justified as many trainees will be cross-trained in plumbing, electrical, welding, and in assembly job duties. Training in any of these job duties can range between 40 – 80 hours of on-the-job training.

Four Wheel Campers has developed a detailed PL curriculum that will be followed by subject matter experts who provide training. Trainers will observe, coach and mentor the trainee on all steps of the training topic's process.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0368	Woodland	05/10/13 – 05/09/15	\$68,510	\$68,510 (100%)

Exhibit B: Menu Curriculum

Class/Lab Hours

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- Marketing Skills
- Financial Strategies
- Product Knowledge
- Customer Service Skills
- Accounting Skills

COMPUTER SKILLS

- CAD/Solid Works
- CRM Software
- Intermediate & Advanced Microsoft Office

CONTINUOUS IMPROVEMENT

- Total Quality Management
- Production Scheduling
- Production Operations/Workflow
- Process Improvement
- Inventory Control
- Kanban
- Toyota Production System – Lean Manufacturing

HAZARDOUS MATERIALS

- Hazardous Materials Handling
- Hazardous Materials Waste Cleaning
- Hazardous Materials Transportation and Storage
- Material Safety Data Sheets

LITERACY SKILLS

- Fractions
- Comprehension

MANAGEMENT SKILLS (Managers/Owners Only)

- Decision Making
- Team Building
- Coaching
- Motivation
- Supervisory Skills

MANUFACTURING SKILLS

- Production Operation
- Assembly Procedures
- Fabrication
- Upholstery
- Manufacturing Practices
- Cross-Training in Production Equipment

- Lock Out/Tag Out
- Measuring
- Blue Print Reading
- Machine Safety
- Machine Maintenance
- Machine Diagnosis Repairs
- Grizzly Band Saw
- Belt Sander
- Bench Grinder
- Chop Saw
- Drill Press
- Pneumatic Nail and Staple Gun
- Portable Band Saw
- Radial Arm Saw
- Shears
- Table Router
- Taping Table
- Welding
- Metal Mulcher
- HMT Machine
- Compressors

Literacy Training cannot exceed 45% of total training hours per-trainee
 Safety Training cannot exceed 10% of total training hours per-trainee

Productive Lab Hours

0-60

MANUFACTURING SKILLS (1:1 Ratio)

- Setting-Up Welding Jigs
- Assembly of Floor Packs
- MIG Welding
- TIG Welding
- Taping Table
- Assembling Cabinetry
- Batching for Woodshop
- Running Electrical Wires Through Frame of Camper
- Camper Wall Installation
- Insulation Installation
- Skin Installation
- Cabinet Installation
- Gas Box Installation
- Roof Liner Installation
- Roof Preparation for Insulation and Skin Installation
- Folding Panels Production
- Folding Panels Roof Installation
- Prep and Test all Camper Appliances
- Create Wire Bundle

- Cut and Prep Water Lines
- Water Line Installation
- Propane Line Installation
- Connect All Electrical Lines
- Cab Front Installation
- Trim Installation (Top and Bottom)
- Camper Roof Installation
- Liner Installation
- Seating Area Preparation
- Build Seating Area in Camper
- Create Liner
- Cut & Sew Cushions and Curtains
- Cut & Sew Thermal Pack
- Cut & Sew Rear Awnings
- Accessories Installation (Curtains, Mirrors, Tracks, etc.)
- Clean-Up of Camper Interior and Exterior after Build
- Quality Check of Build
- Appliance Test
- Measuring
- Troubleshooting – Repair List Creation

CBT Hours

0-10

COMPUTER SKILLS

- CRM for Managers and Administrative Staff (10 hours)
- CRM for Sales Staff (6 hours)

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours. PL is capped at 60 hours per-trainee.