



RESPOND

Training Proposal for:

Fowler Packing Company, Inc.

Agreement Number: ET16-0210

Panel Meeting of: September 25, 2015

ETP Regional Office: Sacramento

Analyst: W.Sabah

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA RESPOND (Core Funds)	Industry Sector(s):	Agriculture Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Fresno	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 400	U.S.:401	Worldwide: 401
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	17%		

FUNDING DETAIL

All funding is from the "core" Employment Training Fund as authorized for the RESPOND program.

Program Costs	-	(Substantial Contribution)	-	(High Earner Reduction)	=	Total ETP Funding
\$348,750		\$0		\$0		\$348,750

In-Kind Contribution:	100% of Total ETP Funding Required	\$352,125
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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 HUA	Computer Skills, Continuous Impr, Mfg Skills	155	8-200	0	\$2,250	\$11.30*
				Weighted Avg: 125			

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

Minimum Wage by County: \$11.30 per hour for Job Number 1 in Fresno 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
 Up to \$1.61 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		60
Sales Staff		7
Accountant		12
Shipping Staff		20
Production Lead		10
Maintenance Staff		14
Quality Control Staff		5
Supervisor		27

RESPOND/Drought

The Rapid Employment Strategies Pilot on Natural Disasters (RESPOND) pilot program was adopted by the Panel in early 2014 to fund training in designated drought areas. The drought is impacting several key industry sectors (e.g. agriculture) and could lead to loss of jobs. Hardest hit are the San Joaquin Valley and Central Coast areas, although a total of 24 counties have been identified by the Governor’s Office. The RESPOND pilot is intended to support displaced workers; avert layoffs; and help employers transition to more sustainable operations and practices.

INTRODUCTION

Founded in 1950 and headquartered in Fresno, Fowler Packing Company, Inc. (Fowler Packing) (www.fowlerpacking.com) is a three-generation, family-owned grower, packer and shipper of fresh produce. The Company processes 15 million boxes of citrus and 7 million boxes

of stone fruit and table grapes per year, of which two-thirds are grown by the Company. Their customer base includes large and small retailers such as Costco and Wal-Mart.

Fowler Packing has been faced with unprecedented challenges to many agricultural services in Northern California. In addition, the fresh produce industry (a volatile market with fluctuating prices) is highly competitive as buyers demand the highest quality and lowest pricing.

PROJECT DETAILS

Fowler Packing plans to remain competitive in the industry by providing staff with the knowledge to properly utilize new technology. Many of the Company's employees have never been educated on computers or trained on the key components of new machines. This training plan will address this challenge in an effort to help the Company reach its goals of decreasing water usage and increasing efficiencies.

Fowler Packing upgraded its Enterprise Resource Planning (ERP) software to improve efficiencies and increase productivity. Most departments were not utilizing the former ERP software and used manual processes to accomplish day-to-day tasks. Training will enable the Company to automate its processes and improve business functions such as harvest and production planning, budgeting, inventory management, accounting, purchasing, sales, and more.

Additionally, Fowler Packing will expand its original 24 lane fruit processing line to a 48 lane processing line. Training on the larger grading, sorting and sizing processing lines will allow employees to save more fruit and increase quality of fruit boxes being shipped. The Company will also install efficient nozzles in these processing lines to monitor water usage and ultimately conserve water.

Lastly, the Company recently purchased an automated irrigation system for the table grapes and mandarin fields. The wireless pump controllers will allow the Company to monitor soil moisture and optimize irrigation across 15,000 acres with a simple computer application. Staff will be able to control the startup and shutdown of the pump remotely. They will also receive consistent feedback from the sensors to monitor soil moisture so that they can water only when needed. This will allow the Company to water only when necessary.

Training Plan

Computer Skills (50%): Training will be offered to all occupations to improve internal processes and increase employee's proficiency in the use of various business software solutions. Training on the newly updated Enterprise Resource Planning (ERP) software will allow trainees to plan, schedule and adjust business processes in a single system.

Continuous Improvement (10%): Training will be offered to Production Leads, Maintenance Staff, Quality Control Staff and Supervisors. Training will enable staff to enact continual changes during the main harvest season rather than during a period when changes have minimal impact.

Manufacturing Skills (40%): Training will be offered to Shipping Staff, Production Leads, Maintenance Staff, Quality Control Staff and Supervisors. Staff will receive training on the new grading, sorting and sizing equipment and Automated Irrigation System to increase the quality of fruit. It will also allow trainees to safely handle new equipment.

Commitment to Training

Fowler Packing currently has an annual training budget of \$174,000, which includes state mandated compliance and food safety training. Fowler Packing 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

Fowler Packing has identified three employees that will administer the ETP project. The employees will coordinate with managers of each project to schedule training as new equipment and software are introduced. Trainers will be in-house specialists who are experts in their fields.

High Unemployment Area

The 155 trainees in Job Number 1 work in Fresno County, a High Unemployment Area (HUA) with unemployment exceeding the state average by 25%. The Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Fowler Packing is requesting a wage modification to \$11.30 per hour, inclusive of health benefits, for Maintenance Staff and Quality Control Staff and \$12.47 per hour for Supervisors.

Impact/Outcome

Training is expected to improve water usage efficiencies and increase staff knowledge in Computer and Manufacturing Skills. Employees will receive certifications on different types of equipment after they have been deemed competent. After the completion of training, the Company will use less water for farming and improve internal processes with the addition of new technology.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

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

8–200 Trainees may receive any of the following:

COMPUTER SKILLS

- Computerized Scheduling
- Sales Forecasting
- Material Resource Planning
- Supply Chain Management
- Inventory Control
- Purchase Order Tracking
- Cost Accounting
- Payroll
- General Accounting
- Enterprise Resource Planning (ERP)
- Warehouse Management
- Farm Costing
- Resource Planning
- Microsoft Dynamics NAV
- Microsoft Office Suite (Intermediate/Advanced)

CONTINUOUS IMPROVEMENT

- Analyzing and Reporting Data
- Analyzing Improvement Opportunities
- Effective Meetings
- Eliminating Waste
- Just-in-Time Processes
- Production Scheduling

MANUFACTURING SKILLS

- Automated Packaging Equipment
- Automated Irrigation System
- Box Forming Equipment
- Control Systems
- Conveyor Systems
- Documenting Traceability
- Electronic Graders
- Electronic Systems
- Equipment Set-Up and Testing
- Food Safety*
- Forklift
- Good Manufacturing Practices
- Grading Systems for Fruit
- Inspection for Quality
- Inventory Control
- Load Accuracy
- Machine Guarding
- Machine Operation
- Mechanical Systems

- Operating Automated Palletizers
- Operating Automated Shrink Wrapping Systems
- Preventive Maintenance
- Quality Control Systems
- Receiving Process
- Refrigeration Systems
- Sanitation Procedures
- Shipping Process
- Sizing Systems for Fruit
- Sorting Systems
- Troubleshooting
- Wash System
- Safe Working Conditions*
- Safety Leadership*

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

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