



**Retrainee – Job Creation
Training Proposal for:
Genmark Automation
ET15-0249**

Panel Meeting of: July 25, 2014

ETP Regional Office: San Francisco Bay Area

Analyst: A. Nastari

CONTRACTOR

- Type of Industry: Manufacturing

- Number of Full-Time Employees
 - California: 126
 - Worldwide: 150
 - Number to be trained: 125
 - Owner Yes No
 - Mgr/Supr 10
 - Frontline 116

- Priority Industry: Yes No

- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training: Yes No
- High Unemployment Area: Yes No
- Turnover Rate: 17%
- Repeat Contractor: Yes No
- Substantial Contribution: Yes No

FUNDING

- Requested Amount: \$99,048
- In-Kind Contribution: \$161,735

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	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, PL-Mfg Skills	119	8 - 200	0	\$792	\$16.25
				Weighted Avg: 44			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, PL-Mfg Skills	6	8 - 200	0	\$800	\$13.55
				Weighted Avg: 40			

- Reimbursement Rate: Job #1: \$18 Priority Retraining
 Job #2: \$20 Job Creation/Retrainee
- County(ies): Santa Clara
- Occupations to be Trained: Administrative Staff, Engineers, Managers, Production Staff, Supervisors, Technician/Service Staff
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$2.75 per hour, Job #2: \$0.15 per hour
- Electronic Recordkeeping: N/A

SUBCONTRACTORS

- Development Services: Training Funding Source in Seal Beach developed the project for a flat fee of \$4,500.
- Administrative Services: Training Funding Source will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

OVERVIEW

Genmark Automation (Genmark) www.genmark.com headquartered in Milpitas, designs, develops, and manufactures high precision robotics, and integrated tool automation solutions for the semiconductor, data storage and flat panel display industries. Genmark also supplies the equipment required in the manufacturing of semiconductor wafer handling systems and integration software. Genmark is eligible for standard retraining as a NAICS identified manufacturer.

Genmark's R&D department recently released two new vacuum products that provide ultra-clean, high-vacuum processing environments. Genmark needs to train its Engineering, Manufacturing, and Purchasing Staff in various aspects of the products including design, production process, material purchasing, and product knowledge.

Genmark must update its ERP software with a new user interface to streamline and integrate processes, expand data communication between departments, and increase efficiencies company-wide. The new user interface will provide a host of modules to systematically track and implement changes to Engineering Bills of Material and IT. It will also have Barcode Reading to allow accurate costing; Customer Resource Management to track sales, inquiries, requests, and forecasts; and an analytical module to analyze data trends used in adjusting cost saving practices. Training in the new user interface must be delivered to all workers before launching the system.

Lastly, in order for Genmark to maintain its ISO 9001 Certification, pass annual audits, and acquire recertification it must improve processes and update procedures. Training is required throughout its departments.

Retrainee – Job Creation

Genmark is releasing new products and expanding its product catalog. The Company is also relocating from Milpitas to a larger size building in Fremont and is scheduled to hire six workers in the occupations of Administrative Staff, Engineers, Production, and Technician/Service Staff to support its various functions. The Company normally does not have the budget to fully train new staff. The proposed training plan will allow newly hired trainees to learn in a closed environment without the pressures of having to learn while working in order to accelerate their development.

Training Plan

Training will be delivered in class/lab format by subject-matter experts (internal trainers) and vendors. Some trainees will also receive training delivered in Productive Lab methodology. This is a repeat Proposal that contains some of the same curriculum courses from the previous ETP Agreement. This is because the Company used up all the allotted funding before they could train the targeted trainees. Only trainees who did not receive the topics from the previous curriculum will be able to enroll. No trainee will receive duplicate training.

Business Skills (25%) – Training will be delivered to all occupations. Trainees will receive communication, conflict resolution, time management and customer service. The skills will strengthen their ability to interact with customers, vendors, and employees. Engineers and Production staff will receive product planning, production practices and communication skills for effective communication with customers and vendors pertaining to product design and development. Technician/Service Staff will receive courses in decision-making required to empower the frontline workers in reaching a solution that results in exceptional service. Training in time managements is essential for managing several aspects of customers' production timeframes. Managers and Supervisors will receive conflict resolution and empowering and motivation required to strategically lead their teams.

Computer Skills (10%) – Training will be delivered to all occupations in the Company's new ERP system. Trainees will learn the various platforms in which they will access and enter data, review reports, and analyze information on the status of parts, productions, and delivery times. Engineers will also receive updated skills in AutoCad, Solid Works 3D Design, and Visio for diagramming and graphic designing. Administrative Staff will be updated on the Company's

payroll software and Peachtree Financial Accounting software. Managers, Production Staff, Supervisors and Technician/Service Staff will receive training in Real Trac, a program that is used to track and release production orders. Managers and Supervisors will also receive training in Microsoft Outlook and PowerPoint used to deliver presentations.

Continuous Improvement (20%) – Training will be delivered to all occupations in problem solving, process improvement, and productivity analysis to avoid costly errors. Managers and Supervisors will receive teambuilding techniques to build effective teams. Production Staff, Engineers, Managers, Supervisors, and Technicians/Service Staff will receive updated skills in ISO 9100 required to ensure customers that Genmark and its products meet compliance requirements.

HazMat (4%) – Training will be delivered to Production Staff, Engineers, Managers, Supervisors, and Technicians/Service Staff in the handling of new materials used in the manufacturing of new products.

Manufacturing Skills (20%) – Training will be delivered to Production Staff, Engineers, Managers, Supervisors, and Technician/Service Staff in new production and assembly processes, best practices, good manufacturing practices, and quality assurance. Training is required to ensure products are manufactured based on customers' specifications.

Productive Lab

Genmark will deliver a maximum of 24 hours of Productive Lab (PL) training per trainee in Manufacturing Skills to Production and Technician/Service Staff at a ratio of 1:1, but not to exceed 1:3. PL training will supplement the skills acquired in Class/Lab training, such as CNC Machining and tools (measuring and soldering tools and wrenches). During PL trainers will perform tasks, provide specific instructions, and observe trainees as they perform the tasks. Production workers will be required to set up and maintain manufacturing equipment, assemble and solder harnesses for use in products, and assemble robots using specific screws and tools following engineering specifications. Technicians will apply proper calibration and testing techniques before products are shipped to customers. They will also repair returned robots and replace arms or other robotic parts.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0579	Milpitas	5/21/2013 – 5/20/2014	\$99,360	\$99,360 (100%)

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

8 – 200

Trainees may receive any of the following:

BUSINESS SKILLS

- ✚ Accounting Principles
- ✚ Communication
- ✚ Conflict Resolution
- ✚ Customer Service
- ✚ Decision Making
- ✚ Effective Meetings
- ✚ Empowering and Motivation
- ✚ Frontline Leadership
- ✚ Inventory Control
- ✚ Order Processing
- ✚ Planning - Forecasting for Sales and Service
- ✚ Product Planning
- ✚ Production Practices & Procedures
- ✚ Project Management
- ✚ Purchasing
- ✚ Sales & Marketing
- ✚ Shipping and Receiving
- ✚ Time Management

COMPUTER SKILLS

- ✚ AutoCad
- ✚ Enterprise Resource Planning
- ✚ Human Resource/ Benefit
- ✚ Information Security
- ✚ Research Using Internet/Intranet
- ✚ MS Office – Intermediate or Advanced
- ✚ Network Management
- ✚ Payroll System
- ✚ Peachtree Financial Accounting System.
- ✚ Real Trac Software System
- ✚ Remote Access System
- ✚ Solid Works 3d Design Software.
- ✚ System Administration
- ✚ Visio

CONTINUOUS IMPROVEMENT

- ✚ ISO-9100 (International Organization for Standardization)
- ✚ Just-In-Time (JIT)
- ✚ Manufacturing Efficiencies
- ✚ Problem Solving/Root Cause Analysis
- ✚ Process Improvement
- ✚ Productivity Analysis
- ✚ Quality Improvement
- ✚ Quality Management System
- ✚ Statistical Process Control (SPC)
- ✚ Teambuilding

HAZARDOUS MATERIALS

- ✚ How to Handle Hazardous Materials

MANUFACTURING SKILLS

- ✚ Best Practices
- ✚ Computer Numerical Control Machining
- ✚ Electrical Assembly
- ✚ Electro Static Discharge
- ✚ Equipment Operation and Maintenance
- ✚ Good Manufacturing Practices (GMP)
- ✚ Inventory Control
- ✚ Laser Technician
- ✚ Lean Manufacturing
- ✚ Manufacturing Process
- ✚ Material Requirements Planning
- ✚ Preventive Maintenance
- ✚ Quality Assurance
- ✚ Soldering
- ✚ Supply Chain Management
- ✚ Trouble Shooting
- ✚ Wire Harness Assembly

Safety Training is limited to 10% of total training hours per trainee

PL Hours

0-24

MANUFACTURING SKILLS (ratio 1:3)

- ✚ Equipment Operations (CNC Machines, Soldering Tools, Measuring Tools, Wrenches)

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