



## RETRAINEE - JOB CREATION

Training Proposal for:

**Golden State Foods Corp.**

**Agreement Number: ET16-0350**

Panel Meeting of: January 22, 2016

ETP Regional Office: North Hollywood

Analyst: J. Romero

### PROJECT PROFILE

Contract Attributes:	Priority Rate Job Creation Initiative Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles County	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamsters Local 63		
Number of Employees in:	CA: 1,236	U.S.: 4,010	Worldwide: 5,000
<u>Turnover Rate:</u>	18%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$481,740		\$55,388 15%	\$0		\$426,352

In-Kind Contribution:	100% of Total ETP Funding Required	\$470,842
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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	Business Skills; Computer Skills; Continuous Impr; HazMat; Manufacturing Skills	454	8-200	0-20	\$688*	\$16.48
				Weighted Avg: 45			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills; Computer Skills; Continuous Impr; HazMat; Manufacturing Skills	50	8-200	0-20	\$2,280	\$13.73
				Weighted Avg: 114			

\*Reflects Substantial Contribution

**Minimum Wage by County:** \$16.48 for Los Angeles County for Job Number 1; and \$13.73 for Los Angeles County for Job Number 2 (Job Creation).

**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 \$2.48 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.73 per hour may be used to meet the Post-Retention Wage for Job Number 2

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1:</b>		
Production Staff		263
Warehouse Staff		44
Maintenance Staff		28
Sanitation Staff		19
Janitorial Staff		13
Quality Assurance Staff		20
Product Development Staff		2
Finance/Accounting Staff		4
Administrative/Support Staff		15
Supervisor		27
Manager		19
<b>TOTAL:</b>		<b>454</b>
<b>Job Number 2:</b>		
Production Staff		20

Warehouse Staff		4
Maintenance Staff		4
Sanitation Staff		4
Janitorial Staff		3
Quality Assurance Staff		2
Product Development Staff		2
Finance/Accounting Staff		2
Administrative/Support Staff		4
Supervisor		3
Manager		2
<b>TOTAL:</b>		<b>50</b>

## **INTRODUCTION**

Golden State Foods Corp. (GSF) ([www.goldenstatefoods.com](http://www.goldenstatefoods.com)) is a manufacturer and distributor of diversified products in the food service industry.

Founded in 1947, GSF processes and distributes liquid and meat food products, baked goods, and produce to more than 20,000 quick-service eateries from 20 distribution centers across the country. It is a primary supplier to McDonald's nationwide with beef patties, buns, condiments, and toppings. GSF is also a supplier and formula holder for Heinz, Hardee's, KFC, Pizza Hut, T.G.I.F., Applebee's, Zaxby's, Arby's, Church's Chicken, Papa John's Pizza, Cinnabon, Bon Appetit, Mom'en, Sweedy Foods, Smiles' Grill, Roastery's, Euro Deli, Taco Bell, and Del Taco.

GSF has three facilities in the City of Industry: a manufacturing plant, a distribution center, and a quality custom distribution. Its corporate headquarters is located in Irvine. Internationally, GSF supplies customers in 55 countries from facilities in Cairo, Egypt; Sydney and Perth, Australia; and Auckland, New Zealand. This is GSW's third ETP Agreement. Only employees in the manufacturing plant in the City of Industry will participate in this ETP Agreement.

## **PROJECT DETAILS**

To improve its business and remain competitive, GSF continually adjusts its processes and adapts to changes in business and markets. In response to increasing demand for its products, the Company purchased new equipment which will add a fourth production line that will run 24 hours/7 days a week. Additionally, to decrease process disruptions, the Company maintains a "floaters department" which is a pool of full-time employees that the Company can pull from to fill-in at any job during absences. These employees have to be fully cross-trained and ready to be plugged-in wherever they are needed. The Company must also adapt to evolving regulatory requirements. For example, some training in this proposal will lead to ISO 14000 certification. This will cut operational costs and facilitate the Company's process in complying with applicable laws and regulations.

The will be GSF's third Agreement within the last five years. This training will differ from the previous ETP Agreements. Courses that were repeated from previous Agreements are advanced versions. Trainees will not receive duplicated courses.

## Retrainee - Job Creation

The Panel is offering 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.

GSF has committed to hiring 50 new employees (Job Number 2) within the next two years in multiple occupations to fill-in as positions are vacated by retiring employees or as needed by the additional production line. These employees will be hired from a pool of applicants who submit directly to the Company. They will require more training than existing staff because of their limited experience.

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 represents that these trainees will be hired into "net new jobs" as a condition of contract. As a feature of this program, the Substantial Contribution requirement will be waived for Job Number 2.

## Training Plan

**Business Skills (5%):** This training will be offered to all occupations to improve efficiency and productivity by enabling new employees to understand and implement business strategies effectively to support the Company. Trainees will develop an overall knowledge and understanding of human interaction skills that are critical in a competitive environment.

**Computer Skills (2%):** This training will be offered to all occupations on how to utilize software systems in their job functions.

**Manufacturing Skills (80%):** This training will be offered to Production Staff, Warehouse Staff, Maintenance Staff, Sanitation Staff, Janitorial Staff, Quality Assurance Staff and Product Development Staff. Training will include operation, preventive maintenance and repair of specialized machinery used in the manufacturing process. Trainees will acquire better understanding of the entire manufacturing process. Trainees will also receive skills on product review from a customer's perspective.

**Continuous Improvement (10%):** This training will be offered to all occupations. Training will develop decision-making skills and enhanced understanding of each trainee's strengths and weaknesses. Trainees will also receive skills to improve teamwork.

**Hazardous Materials (3%):** This training will be offered to all occupations. These skills will ensure that hazardous materials are handled in the safest manner possible for the employee, the Company, the customer and the environment.

## Commitment to Training

GSF 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. The Company has an annual training budget of \$100,000. It will continue to provide mandatory and job-specific training at its own expense, including orientation, harassment prevention and regulatory training, during the term of the proposed Agreement.

### ➤ Training Infrastructure

The Company has qualified trainers in place to provide training. GSF has assigned two administrators from Human Resources and the Training Department to work closely in the enrollment process, training data collection and data entry into the ETP online portal.

**Substantial Contribution**

GSF is a repeat contractor with payment earned in excess of \$250,000 within the past year at the manufacturing plant in the City of Industry. (See Prior Project Table.) Accordingly, reimbursement for trainees at the facility in Job Number 1 will be reduced by 15% to reflect the Company's \$55,388 Substantial Contribution to the cost of training.

**Union Support**

The Teamsters Local 63 represents 367 employees who will be participating in this ETP Agreement at GSF – City of Industry Manufacturing Plant and has provided a letter of support for this training proposal.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET13-0310	City of Industry (Manufacturing Plant)	03/25/2013– 03/24/2015	\$243,000	\$217,589	(90%)
ET12-0138	City of Industry (Manufacturing Plant)	09/26/2011– 09/25/2013	\$195,570	\$195,570	(100%)

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Communication
- Facilitation for Meetings and Presentations
- Finance/Accounting
- Project Management
- Time Management
- Train-the-Trainer

**COMPUTER SKILLS**

- Data Management
- Database Access & Management
- Informance
- Microsoft Office
- PMC Software (PM Program)
- Supply Chain Software

**CONTINUOUS IMPROVEMENT**

- Change Management
- Conflict Management/Resolution
- Failure Mode Effects Analysis
- Goal Setting
- ISO 14000
- Leadership
- Problem Solving
- Product Evaluation
- Quality Control/Quality Assurance
- Root Cause Analysis
- Team Building
- Total Productive Manufacturing
- Troubleshooting

**HAZARDOUS MATERIALS**

- Bloodborne Pathogens
- Chemicals
- Compressed Gases
- Hazard Communication
- Hazardous Material Handling
- Spill Response
- Storm Water Pollution Prevention

**MANUFACTURING SKILLS**

- Chemicals – Industrial
- Clean in Place
- Cross Contamination
- Downtime Data Collection
- Forklift Train-the-Trainer

- Machine/Equipment Maintenance
- Machine/Equipment/Position Validation
- Manufacturing Process Changes and Upgrades
- Material Testing
- Product Evaluation
- Production Process
- Troubleshooting Equipment
- Warehouse Management
- Advanced Safety Skills
  - Back Safety and Ergonomics
  - Behavior Based Safety
  - Confined Spaces
  - Contractor Safety
  - Electrical Safety
  - Hand Safety and Tool Handling
  - Heat Stress Prevention
  - Hoist and Rigging
  - Hot Work
  - Machine Guarding and Machine Safety
  - Pedestrian Safety
  - Personal Protective Equipment
  - Powered Industrial Vehicle Safety
  - Respiratory Protection
  - Walking and Working Surfaces

Safety Training is capped at 10% of a trainee's total training hours

### **CBT Hours**

0-20

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Budgeting and Financials
  - Basics of Budgeting (2 hr)
  - Essentials of Budgeting for Non-Financial Professionals (1 hr)
  - Financial Statements (2 hr)
  - Principles of Financial Management (2.5 hr)
- Introduction to Green Business and Sustainability (1 hr)
- Presentations
  - Basic Presentation Skills: Delivering a Presentation (1 hr)
  - Basic Presentation Skills: Planning a Presentation (1 hr)
- Time Management
  - Taking Control of Your Time (0.5 hr)
  - Time Management: Analyzing Your Use of Time (1 hr)
  - Time Management: Avoiding Time Stealers (1 hr)
  - Time Management: Planning and Prioritizing Your Time (1 hr)
  - Time Management for Microsoft Outlook (1 hr)
  - Time Management Fundamentals (1 hr)

**CONTINUOUS IMPROVEMENT**

- Leadership
  - Addressing Problem Performance (2.5 hr)
  - Choices to Extraordinary Productivity (2 hr)
  - Coaching Performance (2 hr)
  - Communication and Leadership (4 hr)
  - Energizing and Empowering Employees (2.5 hr)
  - Facilitative Fundamentals: Tools and Techniques (4.5 hr)
  - The Facilitator Role (4 hr)
  - Interpersonal Communication: Listening Essentials (1 hr)
  - Leadership and Change (1.5 hr)
  - Leadership Essentials: Motivating Employees (1 hr)
  - Managing as Coach and Counselor (3.5 hr)
  - Managing Change: Dealing with Resistance to Change (1 hr)
  - Managing the Change Process (3 hr)
  - Mentoring as a Manager (2 hr)
  - Relationship Trust (1 hr)
  - Resolving Conflict with Communication Skills (3 hr)
  - Starting the Change Process (3 hr)
  - Using Feedback to Improve Team Performance (1 hr)
- Team Building
  - Being an Effective Team Member (1 hr)
  - Communication of a Shared Vision (5 hr)
  - Elements of a Cohesive Team (1 hr)
  - Establishing Team Goals and Responsibilities (1 hr)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.



# TEAMSTERS LOCAL UNION No. 63

RANDY CAMMACK  
SECRETARY-TREASURER

KEN HAARALA  
PRESIDENT

Freight, Parcel,  
Bakery, Dairy,  
Meat, Poultry  
and Factory  
Workers in the  
Los Angeles  
Metropolitan  
Area.

General Truck  
Drivers,  
Warehousemen,  
and Helpers in  
Los Angeles,  
San Bernardino,  
Riverside  
Counties,  
California.

Agricultural and  
Related Product  
Workers in the  
California  
Counties of San  
Diego, Imperial,  
Orange,  
Alameda,  
Los Angeles,  
San Bernardino,  
Ventura, Santa  
Barbara, Kern,  
San Luis  
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and Merced.

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January 4, 2016

Gregg Griffin  
Manager, North Hollywood Regional Office  
Employment Training Panel  
4640 Lankersheim Blvd., Suite 311  
North Hollywood, California 91602-1841

Re: Application to Employment Training Panel for Golden State Foods

Dear Mr. Griffin:

Teamsters Local 63 represents employees at Golden State Foods, City of Industry. We support the training of the work force as it improves upon the skills of the workers we represent.

Therefore, Teamsters Local 63 supports Golden State Foods' application for funding from the Employment Training Panel.

Fraternally,

Martin F. Perez  
Business Representative/Coordinator  
Teamsters Local 63

MFP/lS