



Training Proposal for:
House of Blues Los Angeles Restaurant Corp.
Agreement Number: ET15-0175

Panel Meeting of: June 27, 2014

ETP Regional Office: North Hollywood

Analyst: E. Wadzinski

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Los Angeles, Orange and San Diego	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: 339	U.S.:1,260	Worldwide: 1,260
<u>Turnover Rate:</u>	18%		
<u>Managers/Supervisors:</u> (% of total trainees)	17%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$294,650		\$0	\$0		\$294,650

In-Kind Contribution:	100% of Total ETP Funding Required	\$409,594
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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	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, PL-Commercial Skills	318	8-200	0-6	\$675	\$15.60
				Weighted Avg: 45			
2	Retrainee Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, PL-Commercial Skills	80	8-200	0-6	\$1,000	\$15.60
				Weighted Avg: 50			

Minimum Wage by County: \$16.04 per hour for Los Angeles County, \$15.98 per hour for Orange County and \$15.60 per hour for San Diego 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

\$3.68 per hour may be used to meet the Post-Retention Wage.

Job Number 1 Retrainee - Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Accounting/Finance I		20
Accounting/Finance II		25
Artists Relations		3
Administrative/Clerical		29
Creative/Design		5
Music Hall (Bartender, Barback, Cocktail)		24
Restaurant (Busser, Server, Host)		27
Kitchen (Prep, Line, Dishwasher, Runner)		41
Chef, Sous Chef		8
Facilities/Maintenance		6
Box Office		8
Talent Buyer		8
Sr. Talent Buyer		8
Production		11
Director, General Manager		28
Supervisor		10
Manager		22

Sales/Business Development		15
Marketing		8
Security		6
Human Resources		6

Job Number 2 Job Creation - Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Accounting/Finance I		2
Accounting/Finance II		2
Artists Relations		1
Administrative/Clerical		4
Creative/Design		2
Music Hall (Bartender, Barback, Cocktail)		8
Restaurant (Busser, Server, Host)		7
Kitchen (Prep, Line, Dishwasher, Runner)		8
Chef, Sous Chef		4
Facilities/Maintenance		2
Box Office		4
Talent Buyer		1
Production		4
Director, General Manager		2
Supervisor		2
Manager		7
Sales/Business Development		6
Marketing		2
Security		8
Human Resources		4

INTRODUCTION

House of Blues Los Angeles Restaurant Corp. (House of Blues LA) (www.houseofblues.com) is a live entertainment and restaurant company founded in 1992. The House of Blues grew out of founder Isaac Tigrett's love for the unique American art form known as "the Blues." House of Blues is home to live music, original folk art, and delta-inspired cuisine.

House of Blues LA venues are at three locations in California with an additional 12 locations nationwide. House of Blues LA functions as the Company headquarters, and will hold the contract for training its employees and those of its closely-held affiliates: House of Blues Anaheim Restaurant Corp. and House of Blues San Diego Restaurant Corp. More than 25% of gross annual revenue for the three locations in California is derived from out-of-state customers.

House of Blues combines restaurant, nightclub and private-event services at each location (venue). The Company's goal is to expand its presence in California by extending its scope of services and hours of operation. As such, each of the existing venues would remain open on a daily basis, offering programs beyond a traditional restaurant and nightclub business. This

would include award shows, corporate events, marketing for Super Bowl and other whole-house productions referred to as “tent pole” events.

Expansion will take place over the next two years. This will be House of Blues’ first Agreement with ETP.

Retrainee - Job Creation

To support expansion, House of Blues LA plans to hire an additional 80 employees at its headquarters office and all three restaurant/event venues in California. These trainees must be hired within the three-month period prior to Panel approval or during the term of contract. In support of job creation, training is reimbursed at a higher rate and trainees are subject to a lower post-retention wage, consistent with New Hire training.

PROJECT DETAILS

Training Plan

Training will be provided at the headquarters offices, and on-site at each of the three restaurant/event venues. The focus will be on guest service, food handling, and safety. Employees at each venue will receive training specific to their occupation, as well as general training in the Company’s business operations.

Business Skills (30%) - Training will be provided to Accounting/Finance, Artists Relations, Administrative/Clerical, Creative/Design, Music Hall (Bartender, Barback, Cocktail), Restaurant (Server, Busser, Host), Kitchen (Prep, Line, Dishwasher, Runner), Chef/Sous Chef, Facilities/Maintenance, Box Office, Talent Buyer, Production, Sales/Business Development, Marketing, Security, Human Resources, Supervisor, Managers and Directors. This training will help improve efficiency and effectiveness in their specific roles, and will help to improve communication, interpersonal skills, and product knowledge, and help maintain positive relationships among staff and our guests.

Commercial Skills (10%) - Training will be provided to Accounting/Finance, Artists Relations, Administrative/Clerical, Creative/Design, Music Hall (Bartender, Barback, Cocktail), Restaurant (Server, Busser, Host), Kitchen (Prep, Line, Dishwasher, Runner), Chef/Sous Chef, Facilities/Maintenance, Box Office, Talent Buyer, Production, Sales/Business Development, Marketing, Security, Human Resources, Supervisor, Managers and Directors. This training will provide knowledge and guidance to help trainees understand the proper use of equipment, and systems to conduct their jobs effectively and efficiently.

Computer Skills (20%) – Training will be provided to all occupations. The various trainings are geared to help trainees become more proficient and effective in their jobs as a form of technology is utilized in all roles. Trainees will receive software training to track work activities, ring up sales, track inventory, track and manage costs, communicate with staff and customers and book reservations for guests.

Continuous Improvement (25%) - Training will be provided to Accounting/Finance, Artists Relations, Administrative/Clerical, Creative/Design, Music Hall (Bartender, Barback, Cocktail), Restaurant (Server, Busser, Host), Kitchen (Prep, Line, Dishwasher, Runner), Chef/Sous Chef, Facilities/Maintenance, Box Office, Talent Buyer, Production, Sales/Business Development, Marketing, Security, Human Resources, Supervisor, Managers and Directors. Training will address technology, policies, pricing, and industry changes as business requirements, processes and systems are frequently revised to address issues or problems while continuing to provide uninterrupted quality service.

Productive Lab (PL) (10%) – Training in Commercial Skills will be provided to an estimated 105 trainees in the occupations of Creative/Design staff, Music Hall (Bartender, Barback, Cocktail), Restaurant (Server, Busser, Host), Kitchen (Prep, Line, Dishwasher, Runner), Chef/Sous Chef, Facilities/Maintenance, Production and Security personnel. The majority of training under this Agreement will be class/lab. PL hours will be capped at 24 per-trainee, and provided in conjunction with their class/lab training. PL delivery will allow trainees to experience the proper use of equipment or systems prior to working directly with the public. Equipment includes dishwasher, oven, grill, and other miscellaneous kitchen equipment; as well as audio/visual and security equipment; and special equipment used by creative designers.

The PL instructors will generally be current senior employees with five or more years of experience in the occupation being trained. These trainers will be present and dedicated to delivering PL training at all times during each PL session.

PL trainees will be trained with a trainer-to-trainee ratio between 1:1 and 1:3, but the bulk of the PL training will be conducted at a 1:2 trainer-to-trainee ratio and capped at 24 hours.

Computer Based Training (CBT) (5%) – Training will be provided to Accounting/Finance, Artists Relations, Administrative/Clerical, Creative/Design, Music Hall (Bartender, Barback, Cocktail), Restaurant (Server, Busser, Host), Kitchen (Prep, Line, Dishwasher, Runner), Chef/Sous Chef, Facilities/Maintenance, Box Office, Talent Buyer, Production, Sales/Business Development, Marketing, Security, Human Resources, Supervisor, Managers and Directors. Some trainees may receive up to a total of six (6) hours of intermediate and/or advanced 2 hour online training in Word, PowerPoint or Excel via CBT. This training will help update trainees on upgraded versions of these programs as well as provide them with the knowledge and skills on how to utilize tools and functions previously unknown to them for creating reports, lists, presentations and become more organized and efficient in their duties.

Commitment to Training

House of Blues LA represents that ETP funds will not displace the existing financial commitment to training and provides some training for all positions within its venues, as well as in its corporate offices. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Impact/Outcome

Training will enable House of Blues LA to remain competitive in an industry with changing demands and processes. As House of Blues grows and expands, employees will need to be equipped with a variety of skills to positively impact and address its' growth.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Training Funding Source in Seal Beach assisted the Contactor with the development of this proposal for a fee of \$15,000.

ADMINISTRATIVE SERVICES

Training Funding Source will also perform administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

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

8-200 Trainees may receive any of the following:

BUSINESS SKILLS

- ✦ Accounting- understanding P&L's
- ✦ AllAccess
- ✦ Budgeting and Financial Management
- ✦ Business Development
- ✦ Coaching/Counseling
- ✦ Coaching/Feedback
- ✦ Communication
- ✦ Communication Skills
- ✦ Diversity/Creating a Respectful Workplace Training
- ✦ Employee Engagement
- ✦ Empowered to Resolve
- ✦ Forecasting
- ✦ Goal Setting
- ✦ Guest Service Skills
- ✦ Human Resources
- ✦ Leadership
- ✦ Managing Conflict
- ✦ Marketing
- ✦ Motivation
- ✦ New Menu Presentation
- ✦ Operating Procedures
- ✦ Performance Management
- ✦ Planning
- ✦ Product knowledge
- ✦ Proposal Writing
- ✦ Results Through Accountability
- ✦ Sales
- ✦ Social Media Etiquette
- ✦ Team Building
- ✦ Time Management/Priority setting

COMMERCIAL SKILLS

- ✦ Advertising
- ✦ Artist Management
- ✦ Assessments
- ✦ Booking events
- ✦ Concert management
- ✦ Convention and Trade Show Organization
- ✦ Equipment Operation
- ✦ Event production
- ✦ Food Handling & Safety
- ✦ Kitchen Waste Handling and Disposal
- ✦ Live Entertainment production
- ✦ Performing Arts promotion
- ✦ Shows and Exhibitions promotion
- ✦ Sponsorship processes
- ✦ Sports promotion
- ✦ Ticketing processes

- + Venue/ Exhibition operations
- + Work Procedures

COMPUTER SKILLS

- + Adobe (PDF, InDesign, Photoshop, Illustrator, etc.)
- + Agile
- + AtTask Training
- + Caterease
- + Cendyn
- + CRUNCHTime
- + Customer Relationship Management
- + eCommerce
- + Halogen
- + Internet Technology
- + MICROS
- + Oracle
- + Point of Sale Professional
- + Reservation Systems
- + ROME
- + SharePoint
- + TMSS
- + WebEx

CONTINUOUS IMPROVEMENT

- + 5S Avoiding Waste
- + Change Management
- + Leadership Development
- + Process Improvement
- + Team Management

Productive Lab Hours

0-24

PL - COMMERCIAL SKILLS

- + Equipment Operation
 - Audio and Visual Equipment, Light and Sound Mixing Boards, Computer and Editing Components
 - Surveillance Cameras and Monitors, Metal Detectors and Security Wands
 - Industrial Kitchen Equipment, Oven, Grill, Dishwasher, Blenders and Mixers
- + Labeling
- + Receiving
- + Sanitation

CBT Hours

0-6

COMPUTER SKILLS (CBT)

- + Word- intermediate/advanced (2 hour online module)
- + PowerPoint- intermediate/advanced (2 hour online module)
- + Excel- intermediate/advanced (2 hour online module)

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.