



**Training Proposal for:
INTA Technologies Corporation**

Small Business

ET16-0202

Approval Date: November 3, 2015

ETP Regional Office: San Francisco Bay Area

Analyst: A. Nastari

CONTRACTOR

- Type of Industry: Manufacturing
Priority Industry: Yes No

- Number of Full-Time Employees
 - California: 21
 - Worldwide: 21
 - Number to be trained: 21Owner Yes No

- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 25%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$31,668
- In-Kind Contribution: \$45,600

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, Continuous Impr, Hazardous Mat, Literacy Skills, Mfg Skills	21	8 - 60	0	\$1,508	\$16.44
				Weighted Avg: 58			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Santa Clara
- Occupations to be Trained: Chemists, Engineers, Production Staff, Managers, Managers Level 2, Office Staff, Owner
- Union Representation: Yes
 No
- Health Benefits: \$3.50 per hour

SUBCONTRACTORS

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

OVERVIEW

INTA Technologies Corporation (INTA) (www.intatech.com), founded and located in Santa Clara, is a manufacturer of electro plating, metal to ceramic joining, and assembly for the production of components used in medical devices, defense and aerospace parts, and automobiles. The materials used to manufacture and assemble the components consist of gold, platinum, silver, nickel, copper, rhodium plating, ceramic and metal. INTA’s services include engineering prototypes to customers’ specifications, assembling laser welding, and brazing metal to metal or ceramic to metal. INTA’s customers include Thermo Fisher, Tesla Motors, Lockheed Martin, Applied Materials, Teledyne, Google, and Apple.

PROJECT DETAILS

This will be INTA’s fourth ETP Agreement, second within the past five years. Training during the most recent Agreement (ET12-0391) which ended in February 2014, focused on two top priorities: acquisition of AS9100 certification, and new manufacturing processes required for Tesla Motors’ components.

The AS9100 certification was required to maintain and acquire new aerospace customers. All workers received some or all skills needed to achieve certification status. Additionally, to support AS9100 documentation requirements, INTA had to update its inventory control and accounting processes, and implement project management standards. INTA also added a software component, JobBoss, to its internal ERP system to provide a higher degree of quality control as required by AS9100.

INTA had also acquired a contract with Tesla Motors for the manufacturing and plating of components utilized in its car. Consequently, INTA was required to train its employees on General Dimensioning and Tolerancing (GD&T), Lean Manufacturing, and Six Sigma. INTA introduced automation in plating to support high volume production for Tesla components.

The training in this Proposal does not duplicate previous ETP funded training, but builds upon the established standardized training practices resulting from ETP-funded training in past Agreements. The emphasis in this Proposal is on new and updated processes required to remain competitive and meet business expansion goals.

Training Plan

In January 2015, INTA experienced a change in management. The new management set a company-wide goal to increase business in the auto, aerospace and medical industries. To find out how to increase business, the new management conducted an internal assessment on aspects of the business that needed improvement to remain competitive. Accordingly, the Company must price its products competitively, keep up with technology, and acquire more accreditations. INTA must shorten lead time by 25% and reduce costs approximately 20% based on customers' target prices. Customers demand high quality at competitive prices and fast and efficient turnaround time. The Company must train its workers to improve processes and keep operating costs low.

INTA must also develop new metalizing and plating technologies (e.g. glass to metal seals) that can create a value-added service for its satellite and defense equipment original equipment manufacturers. INTA's engineering team is currently developing metalizing on ceramic processes for the auto industry. Additionally, INTA is researching development as a turnkey source in which the Company would produce several packaged components for clients' immediate use. This would be an added service to prevent customers from having to acquire products from several suppliers.

Lastly, in order to further expand, INTA must increase its accreditations. For this proposal, the Company will obtain accreditation from the National Aerospace and Defense Contractors Accreditation Program (NADCAP) for the aerospace industry. NADCAP establishes industry wide audit criteria for special processes and products. Without NADCAP, INTA would not be able to expand production to include products that require accreditation. (Several of INTA's Aerospace customers' products demand this accreditation.)

Business Skills – Training will be provided to Chemists, Engineers, Managers, Office Staff, and the Owner. Training will increase marketing and business development, pricing and estimation strategies, and task management. Trainees will also require skills in customer relations as they work one-on-one with clients during the design, prototype, and manufacturing stages of the products. Managers will receive skills in Leading Effective Meetings and tools for Strategic Planning.

Computer Skills – Training will be offered to Chemists, Engineers, Managers, Office Staff, and the Owner in PowerPoint (required for sales/marketing presentations), JobBoss upgrade and advanced Excel (required for data analysis).

Continuous Improvement – Training will be provided to all occupations in new and updated Aerospace, AS9100 standards, NADCAP accreditation, and Standard Process Control (SPC). SPC methods are applied to monitor and control processes with a goal of reducing or eliminating waste, rework, and scrap. Training in Failure Mode and Effects Analysis (FMEA), and Design of Experiments (DOE) will be provided to Chemists, Engineers, Managers and Owner. These process improvement courses will provide the skills necessary for reviewing as many components, assemblies, and subsystems as possible to identify failure modes and the causes and develop solutions.

Hazardous Materials – Training will be offered to Production Staff and Chemists in safe material handling, disposal, and storage processes. Due to the vast range of materials required for the production of its components, workers must be properly trained to prevent injury and cross-contamination.

Literacy Skills – Training will be offered to Production Staff in vocational English required for reading client's specification documents/blueprints and completing work orders. Math will be provided for measurements and calculating materials required for production of products.

Manufacturing Skills – Training will be provided to Chemists, Engineers, Managers, Owner, and Production Staff in new product development such as glass to metal seals and metalizing techniques for the auto industry. Training will include handling and plating with materials such as copper, aluminum and glass.

Turnover Rate

ETP funds training for stable, secure jobs. Employer turnover rate should not exceed 20% annually at the facility where training will occur. But the Panel may accept a higher turnover rate if the employer provides evidence that the proposed training will significantly decrease the turnover, or if the employer experienced a singular reduction in workforce, or industry data supports a higher turnover rate. The Panel may, or may choose not to, impose a "turnover penalty" when the company turnover rate exceeds 20%. If the Panel chooses to impose a turnover penalty, failure to stay under a maximum rate will trigger forfeiture of 25% of the amount earned for each trainee. The trigger rate is typically 20%, as measured by turnover during the 12-month period preceding termination of the ETP Agreement.

In 2014, INTA experienced a 25% turnover when it laid off 9 workers after Tesla Motors did not renew its \$4 million dollar contract. (Tesla changed and redesigned its car and therefore, no longer required INTA's plating services.) Due to decreased business, INTA had to lay off workers.

INTA requests a turnover rate waiver as the high rate was a one-time anomaly. INTA representatives report that the turnover rate for 2012 and 2013 was only 10% annually and the current turnover rate (January 1, 2015 through October 31, 2015) is 0%. To avoid such a situation in the future, INTA intends to diversify into several market segments that can better support the business. The objective of this training plan will move the Company towards this goal. Staff recommends waiving the turnover rate penalty.

RECOMMENDATION

Staff recommends approval of this proposal with the turnover rate penalty waived.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0391	Santa Clara	5/11/2012– 5/10/2014	\$78,000	\$75,873 (97%)

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

8 – 60

Trainees may receive any of the following:

BUSINESS SKILLS

- ✚ Standard Operating Procedure (SOP) (updated procedures)
- ✚ Negotiation Skills
- ✚ Pricing Strategy
- ✚ Estimating Skills
- ✚ Customer Relations
- ✚ Financial Literacy
- ✚ Developing Sales Strategy
- ✚ SWOT Analysis
- ✚ Data Analysis Techniques
- ✚ Social Media Strategy
- ✚ Marketing/Business Development
- ✚ Task Management
- ✚ Strategic Planning
- ✚ Effective Meetings

COMPUTER SKILLS

- ✚ Powerpoint
- ✚ Advanced Outlook
- ✚ Advanced Excel
- ✚ Customer Portal Management
- ✚ JobBoss, Unipoint Upgrade Training

CONTINUOUS IMPROVEMENT

- ✚ Root Cause Analysis
- ✚ Scrap Reduction, Material Handling
- ✚ Team Building
- ✚ DOE Training (Design of Experiments)
- ✚ SPC (Standard Process Control) and Statistics
- ✚ FMEA Failure Mode and Effects Analysis
- ✚ Inprocess Inspection
- ✚ Interpret Drawings (Dimensions, Nomenclatures)
- ✚ Just-In-Time Production (JIT)
- ✚ Kaizen Principles
- ✚ AS9100C
- ✚ NADCAP Certification

HAZARDOUS MATERIALS

- ✚ Hazardous Material Handling
- ✚ Material Safety Data Sheet

MANUFACTURING SKILLS

- ✚ Advanced Technics for New and Existing Products
- ✚ Cleaning Copper
- ✚ Glass to Metal Seal
- ✚ Metalizing Application
- ✚ Plating Aluminum
- ✚ Equipment Safety Training

LITERACY SKILLS

-  Job Related Vocabulary and Phrases
-  Job Related Math Function
-  Completing Job Related Forms

Literacy training cannot exceed 45% of total training hours per trainee
Safety Training will be limited to 10% of total training hours per trainee

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