

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
JBE International LLC**

**Small Business**

**ET17-0138**

**Approval Date:** July 13, 2016

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**CONTRACTOR**

- Type of Industry: Technology/IT Services  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 25  
Worldwide: 25  
Number to be trained: 28  
Owner  Yes  No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 0%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$29,276
- In-Kind Contribution: \$49,421

**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	25	8 - 100	0	\$1,040	\$16.46*
				Weighted Avg: 40			
2	Retrainee Priority Rate SB <100 Job Creation Initiative	Business Skills, Computer Skills	3	8 - 100	0	\$1,092	\$13.72*
				Weighted Avg: 42			

\*It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County: San Diego
- Occupations to be Trained: Administrative Support, Content Development, Sales/Marketing, Manager/Supervisor, Technical Staff, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$3.42 per hour; Job #2: \$1.72 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted in the development of this project for a flat fee of \$2,500.
- Administrative Services: TFS will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 2003 and located in Vista, JBE International LLC (JBEI) ([www.jbei.com](http://www.jbei.com)) provides consulting and management services using its proprietary software platform. The software platform, used for software and web development services, consists of email delivery systems, an enterprise resource planning system, a customer relations management system, and process control systems. JBEI also designs, sells, and distributes sporting goods under the brand name Kick X Sports Corp. (branded Medicus Kick X), through its proprietary web marketing platform. JBEI is a subsidiary of AAFE Products Corporation, a holding parent company with no employees.

## Need for Training

JBEI competes in a market that must respond to rapid technological changes. The Company's employees lack the needed technological skills and expertise to help JBEI remain competitive. The Company must develop new, cutting-edge products and product enhancements to grow its business and deliver high quality products and services.

To realize this goal, JBEI will need to:

1. Manage the consolidation of two office locations to one location in Vista. This transition will improve communication between sales/marketing, customer service, and research/development departments to streamline overall business processes, increase productivity and resolve customer issues effectively.
2. Upgrade existing software systems (Enterprise Resource Planning and Customer Relations Management software). Each system's processes will need to be mapped to identify and eliminate issues to increase accuracy and customer satisfaction. The Company will also be adding new systems (JBE Email Delivery System).
3. Expand the Company's product offerings by designing and selling new golf training systems through its Medicus Kick X brand.

## Retrainee-Job Creation

The Panel is offering incentives to companies that commit to hiring new employees. Training will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

To keep up with the expanded product offerings, JBEI will expand existing business capacity by adding new equipment and hiring employees. The Company has committed to hiring three new employees: Administrative Support, Sales/Marketing, and Technical Staff (Job Number 2). This will allow the Company to meet customer demands and service an increasing client base.

The date-of-hire will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

ETP-funded training will allow the Company to provide formalized training. Training will be delivered via Class/Lab methodology by in-house trainers and outside vendors.

**Business Skills** – Training will be provided to all trainees. Training will help employees improve time management and budgeting and address changes. Technical Staff will learn to use Gantt charts and decision matrices. Sales/Marketing will improve their multi-tasking and organizational skills. Manager/Supervisor and Owner will learn to effectively deal with conflicts and implement resolutions within the organization. Training will also provide employees skills to better serve customers.

**Computer Skills** – Training will be provided to all trainees. Extensive skills training will be in the Company's proprietary software systems. Course topics also include Quickbooks, Computer-Aided Design, Google Docs, and Microsoft Office. Trainees will become more efficient at programming, writing HTML, building complex logic into mobile applications, creating intuitive drawings, managing desktop apps, and learning code to successfully support changing technology and increased customer demands.

**Modification to Increase Maximum Hours**

JBEI requests to increase the maximum hours from 60 to 100 hours. The increase in the maximum training hours will allow the Company to fulfill its formalized training plan and provide workers with extensive technical skills. The Company performed a needs assessment and realized that core Technical Staff, Content Development, and Sales/Marketing required 16 hours of email EDS, 16 hours of ERP, 8 hours of CRM, 16 hours of Process Control, and more than 45 hours of various complex software and other business skills training to successfully support the Company's products and services.

**RECOMMENDATION**

Staff recommends approval of this proposal.

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

8 - 100      Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Service Skills
- Leadership Skills
- Marketing Skills
- Product Knowledge
- Sales Skills
- Project Management

**COMPUTER SKILLS**

- Adobe Creative Cloud
- Base Software System
- Computer-Aided Design
- Creative Deployment System
- Enterprise Resource Planning (ERP) System
- Google Docs
- iSolved Software System
- Microsoft Office Suite
- Modus Software System
- Process Control System
- Quickbooks
- Systems Administration
- Video Production
- Web Design
- Web Programming

Note: Reimbursement for retraining is capped at 100 total hours per-trainee, regardless of method of delivery.
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