



**Training Proposal for:
Label Impressions, Inc.**

Small Business ≤ \$50,000

ET16-0199

Approval Date: September 22, 2015

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Manufacturing
- Number of Full-Time Employees
 - California: 46
 - Worldwide: 46
 - Number to be trained: 30
- Priority Industry: Yes No
- Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 12%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$15,600
- In-Kind Contribution: \$17,333

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 SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Improvement, Mfg. Skills, OSHA 10, OSHA 30, PL - Mfg. Skills	30	8 - 60	0	\$520	\$16.02
				Weighted Avg: 20			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Customer Service, Sales, Production/Pre-Press, Supervisor/Manager, Owner
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$0.82 per hour

SUBCONTRACTORS

- Development Services: Bright Training Solutions (BTS) in San Diego will develop project for a flat fee of \$3,000.
- Administrative Services: BTS will also assist with administrative services for a fee not to exceed 10% of earned funds.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1988, Label Impressions, Inc. (Label Impressions) (www.labelimpressions.com) is a flexographic label and flexible film manufacturer. Located in Orange, the Company specializes in flexographic, foil stamped, screen-printed, tree-free, Forest Stewardship Council (FSC)-certified, and biodegradable labels, as well as hangtags, pouches, packets, and sachet printing. Designated to be the first label printer in North America to achieve Forest Stewardship Council and Carbon Neutral Certifications, Label Impressions continues to be committed in lowering eco-footprint to remain a leader in sustainability in printing and packaging. Label Impressions' products are printed with either water soluble ink or soy ink. Customers include Costco (Kirkland Brand), William Sonoma, Sephora, Reach, Trader Joe's, Colgate, and CVS.

This will be the fourth Agreement between Label Impressions and ETP, the third within the last five years. In its previous ETP projects, the Company was able to provide its workers with leadership and communication skills as well as introduce the concepts of empowerment, quality, process improvement, teambuilding, and Lean Manufacturing principles to support its long-term business goals to remain competitive in the labeling, printing, and packaging industry.

Label Impressions continues to face fierce competition. Label printers from East Coast and the Midwest pay lower wages, insurance, legal, and transportation costs, resulting in inexpensive products. The Company is also challenged by customers who expect the highest level of quality of products. In this proposal, Label Impressions must once again design and implement technological advancements and process improvements throughout the organization in order to address these challenges.

To support these goals, Label Impressions has invested \$1.5M on the following new equipment in the last 10 months: two presses outfitted with new technology and expanded software capabilities, label folding equipment, advanced technology finishing/inspection re-winders, whole plant trim removal machinery, magnetic base cutting dies, and peak energy shaving electrical equipment. The proposed training plan will include training and cross-training on the operation of newly-purchased equipment and machineries and will allow workers to be able to effectively scrutinize product quality, streamline workflow, and improve manufacturing processes to successfully support customer demands and remain at the forefront of the marketplace.

Training is also driven by the Company's growth. In the last three years, Label Impressions has increased its staff by 40%. With the Company's overall personnel changes, Label Impressions is dedicated to cultivate a culture of leadership and professionalism across all departments. With the assistance of ETP funding, this culture will be pervasive throughout the organization to help move Label Impressions from a small family-owned business to a professionally-managed company continually seeking improvement.

Training Plan

The proposed training plan may include employees who have participated in previous Agreements and some Curriculum topics are repeated; however, Label Impressions has confirmed that the subject matter has been updated and/or improved, so there will be no duplication of training in those courses. Label Impressions projects to train approximately 30 workers in the following skills:

Business Skills – Training will be provided to Customer Service and Sales Staff. Course topics in Customer Service, Sales, Business Writing, and Communication Skills will provide trainees with new and higher level skills in order to effectively communicate with new and existing customers in order to exceed customer satisfaction.

Computer Skills – Training will be offered to all occupations. Training in Pre-Press Software, CAD, ERP, IMS, and Microsoft Office will provide trainees with the ability to effectively access, generate, and share information, as well as analyze, date and generate reports in order to streamline technological processes and improve customer responsiveness across all departments.

Continuous Improvement – Training will be offered to all occupations. Training topics in Six Sigma, Lean Manufacturing, Process Improvement, and Critical Thinking Skills will improve skills necessary to develop and/or improve processes and enhance staff and customer relationships particularly during critical situations. The Company will focus on providing Leadership, Leading Change, and Managing Conflict Skills training to allow management and executive staff to become better leaders as the Company continues to grow.

Manufacturing Skills – Training will be offered to Production/Pre-Press Staff. Trainees will receive Equipment Calibration, Printing, Turret Press, Ink Dispensing, Ink Matching, and Rewind skills training in order to better understand and successfully perform operations on new and existing equipment.

OSHA 10/30

OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for frontline Production Staff and 30 hours for supervisors.

Completion of the training results in a certificate that expands employment opportunities. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course.

Productive Laboratory – Manufacturing Skills

The Panel has adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training, in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

Label Impressions requests PL training for 10 Production/Pre-Press Staff in Manufacturing Skills, specifically, course topics in Printing Skills such as Equipment Calibration, Plate Storage and Preservation, Plate Making, Turret Press, Ink Matching and Dispensing, and Cleansing Anilox Flexo. Trainees may receive all their training hours in PL-Manufacturing Skills (up to 16 hours) or a combination of class/lab including PL hours. Training will be specific to the type of equipment and/or process to ensure trainees receive a broader understanding of the entire manufacturing process.

PL trainers will complete the Train-the-Trainer program in order to be qualified, skilled, subject-matter experts, and/or machine-certified to instruct and deliver the course content and material. Trainers are responsible for directing the operations and instructions as well as to provide coaching, mentoring, and critiquing trainees as work is performed.

The trainer-to-trainee ratio for PL training will be 1:1. The Company anticipates production will be 25 to 35% lower during PL to focus on quality of product, ensure that the task has been performed correctly, and trainee understands the process and becomes proficient in the specified task. This will allow trainees to acquire the skills to become competent in the operation of the equipment without the pressure of normal production requirements.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET12-0201*	Orange	11/28/11 – 11/27/12	\$15,808	\$0	(0%)
ET09-0546	Orange	4/6/09 – 4/5/11	\$16,224	\$16,224	(100%)

*ET12-0201: In this Agreement, Label Impressions was unable to earn funding due to no performance.

According to Label Impressions representatives, the primary factor behind the zero performance of this Agreement was because during the term, the Company experienced a significant change in its 26-year history. Label Impressions made an overall company restructure which resulted in personnel changes in its executive level staff, including key personnel changes that affected the implementation and management of the ETP project. In addition, as reported by ETP on 3/22/12, Company representatives reported that training had been occurring; however, trainers had not been completing ETP attendance rosters. As also reported, ETP staff encouraged company representatives to ramp up training efforts in order to maximize ETP funds within the 12-month term of the Agreement. During the training period, only 10 trainees received training between 0.5 to 7 hours, none met the minimum training hours of 8. As such, no payment was earned.

Label Impressions has since gained focus on the daily business processes. In this project, the Company has committed to include managers and executive staff, including owners, to be involved in the assessment of Label Impressions' training needs and throughout the development of this proposal. The Company has also dedicated a manager to specifically oversee and manage the ETP project. In addition, the Company has developed a strategic process to raise company-wide training awareness and to ensure all training provided is documented. To further ensure the success of this project, the Company has outlined their step-by-step administrative process as follows:

- Acquired an outside vendor to assist in the administration of this project;
- Attendance rosters and other ETP-related resources are readily accessible to all trainers and supervisors/managers;
- Trainers/Managers are held responsible in the delivery of training as well as ensure that attendance rosters are completed accurately and distributed accordingly to the administrative vendor for input; and
- Executive staff/Owner will continue to play an active role in managing ETP training and ensuring that ETP-eligible training is tied to the Company's strategic goals.

Accordingly, the project has been conservatively assessed and the proposed training plan is lower than the assessed training planned per trainee. Further, the proposed agreement amount is lower than the amount earned in the ET09-0546 Agreement, as evidence that the Company has been able to reach their planned funding in their previous project. Label Impressions is committed to delivering the training plan within the training period of the term to earn 100% of the funds under this project.

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

8 – 60

Trainees may receive any of the following:

BUSINESS SKILLS

- ✚ Business Writing Skills
- ✚ Customer Service Skills
- ✚ Sales Skills
- ✚ Accounting Skills
- ✚ Communication Skills
- ✚ Contracts Management
- ✚ Purchasing Processes and Procedures
- ✚ Estimating Skills
- ✚ Project Management Skills

COMPUTER SKILLS

- ✚ Pre-Press Software
- ✚ Computer-Aided Design (CAD)
- ✚ Enterprise Resource Planning (ERP)
- ✚ Information Management System (IMS)
- ✚ Advanced Microsoft Office Skills

CONTINUOUS IMPROVEMENT

- ✚ Six Sigma Skills
- ✚ Lean Manufacturing
- ✚ Time Observation Studies
- ✚ SMED (Quick Changeover)
- ✚ Leadership Skills
- ✚ Motivational Skills
- ✚ Team Building
- ✚ Train-The-Trainer
- ✚ Time Management
- ✚ Leading Change
- ✚ Managing Conflict
- ✚ Critical Thinking Skills
- ✚ Process Improvement

MANUFACTURING SKILLS

- ✚ Preventative Maintenance
- ✚ Equipment Calibration
- ✚ Printing Skills
- ✚ Turret Press Training
- ✚ Ink Dispensing
- ✚ Water Washing Procedures
- ✚ Ink Matching
- ✚ Rewind Skills

OSHA 10 (Certified OSHA Instructor)

- ✚ OSHA 10 (requires 10 hours completion)

OSHA 30 (Certified OSHA Instructor)

✚ OSHA 30 (requires 30 hours completion)

Safety Training will be limited to 10% of total training hours per-trainee. This cap does not apply to OSHA 10/30.

Productive Lab Hours

0 – 16

MANUFACTURING SKILLS (1:1 ratio)

- ✚ Printing Skills
 - Equipment Calibration
 - Plate Storage and Preservation
 - Plate Making
 - Turret Press
 - Ink Matching and Dispensing
 - Cleaning Anilox Flexo

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 16 hours per-trainee.