



**Retrainee - Job Creation
Training Proposal for:**

Little John's Body Works dba Fix Auto Downey

Small Business ≤ \$50,000

ET15-0390

Approval Date: March 4, 2015

ETP Regional Office: North Hollywood

Analyst: M. Paccereilli

CONTRACTOR

- Type of Industry: Services
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 23
 - Worldwide: 23
 - Number to be trained: 15
 - Owner Yes No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 6%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$18,634
- In-Kind Contribution: \$12,115

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		
01	Retrainee SB <100 SET	Business Skills, Comm'l Skills, Computer Skills, Cont. Improvement, Hazardous Mat., PL Comm'l Skills	11	8-60	0	\$1,254	\$27.40
				Weighted Avg: 57			
2	Retrainee SB<100 Job Creation SET	Business Skills, Comm'l Skills, Computer Skills, Cont. Improvement, Hazardous Mat., PL Comm'l Skills	4	8-60	0	\$1,210	\$13.31
				Weighted Avg: 55			

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administrative Support Staff; Repair Planner; Technician; Frontline Manager; Owner
- Union Representation: Yes
 No
- Health Benefits: Job #'s 1 & 2: \$2.89 per hour

SUBCONTRACTORS

- Development Services: Synergy Management Consultants, LLC (SMC) in Grass Valley provided development for a flat fee of \$1,200.
- Administrative Services: SMC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Little John's Body Works dba Fix Auto Downey (Little John's) (www.fixauto.downey.com) is an automotive collision repair company located in the City of Downey. The Company offers collision repair services and auto repair parts and accessories sales.

Due to automobile industry changes in process and handling of materials used to manufacture new vehicles, Little John's must retrain its workers. These changes are being implemented to ensure that vehicles meet Corporate Average Fuel Economy standards. Technicians will also need a comprehensive, industry-specific training. Some course will lead to credentials issued by: Inter-Industry Conference on Auto Collision Repair (ICAR), Automotive Service Excellence and Original Equipment Manufacturer. These credentials are required by most insurers and vehicle manufacturers.

In addition, Little John's has invested \$35K over the last year in new equipment such as inverter type resistance spot welders, aluminum welders and aluminum body repair equipment. The purchase price of this new equipment does not include training. Technicians and Repair Planners need to be trained on this equipment for repair of newer aluminum-frame vehicles, and those that utilize metals such as boron and ultra-high strength steel composites.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

In this proposal, Little John's has committed to hiring four new employees (Job Number 2). 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 also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Little John's has undertaken an aggressive strategy to grow its business by 20% over the next 24 months. In addition, the Company will open an additional location this year, which will add another 30% sales volume. The new employees will assist in increased business capacity, but they will require training to develop the requisite skills for the Company's planned expansion.

Training Plan

The proposed ETP-funded training will allow Little John's to provide formal structured training to upgrade the skills of its incumbent and newly-hired workers, and promote the professional development of its team members.

Business Skills - Training will be provided to all occupations and will focus on customer relationship building, conflict resolution, negotiation skills and communication skills.

Commercial Skills - Training will be provided to Repair Planners, Technicians and select Frontline Managers. Training will include vehicle repair and finishing skills; estimating skills and alternative fuel; hybrid vehicle repair diagnostics; and I-CAR collision repair skills.

Computer Skills - Training will be provided to all occupations enabling them to navigate the Company's software systems used to track costs, plan production and schedule service.

Continuous Improvement - Training will be provided to all occupations to improve quality, cycle time and cost efficiency by implementing Lean concepts and Kaizen event strategies.

Hazardous Materials - This training will be provided to Technicians, Repair Planners and Frontline Managers on safe handling, disposal and regulatory documentation of hazardous materials.

Productive Lab - Commercial Skills - Under the Panel's Productive Lab (PL) guidelines, trainees may produce goods or perform services for profit as part of the training. PL training is necessary because many employees enter the automotive collision repair industry lacking the hands-on technical skills to perform tasks at an optimal level. Therefore, certain elements of training must take place in a PL setting to ensure that workers reach the required level of proficiency.

Approximately six Technicians and Repair Planners will each receive up to 14 hours of PL-Commercial Skills. The trainer-to-trainee PL ratio will be no more than 1:3 and the trainers will be in-house subject matter experts exclusively dedicated to instruction for the entire reported training time.

The tasks and competencies associated with the proposed PL training support the Company's expressed business needs for training. Training assignments will include collision repair and painting, body filler methods, structural resistance spot welding, mig brazing techniques, color tinting, spraying/blending techniques, measuring vehicle structures, alignment process for unitized and full frame vehicles, and aluminum repair. Trainees will be certified competent on the task assigned by the trainers at the conclusion of PL training.

RECOMMENDATION

Staff recommends approval of this proposal.

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

8-60 Trainees may receive any of the following:

BUSINESS SKILLS

- + Customer Care Skills:
 - Customer Retention
 - Customer Engagement
 - Customer Relationship Building
- + Advanced Sales & Marketing Skills:
 - Prospecting & Closing
 - Sales Account Management
 - Advanced Closing Techniques
 - Sales Procedures & Strategies
- + Negotiation Skills
- + Conflict Resolution
- + Communication Skills
- + Presentation Skills

COMMERCIAL SKILLS

- + I-CAR Collision Repair Certification Skills
- + Refinishing Skills:
 - Trim & Hardware
 - Surface Preparation
 - Vehicle Priming/Sealing
 - Paint Spray Guns Maintenance & Set-Up
 - Corrosion Protection Process
 - Sand, Buff & Detail
 - Color Theory & Tints
 - Blending Techniques
 - New Technologies
- + Structural Repair:
 - Unibody Alignment
 - Three Dimensional Measuring
 - Repair & Replacement of Outer Body Panels
 - High Strength Steels
 - Aluminum Repair Processes
 - MIG Welding Skills
 - Straightening Structural Damage
 - Glass Replacement
 - Pillars, Rocker Panels, Rails, Front Structures & Floor Pan Replacement
 - Heating Cooling and AC Systems
 - Steering & Suspension Systems
 - Advanced Vehicle Systems
- + Non-Structural Vehicle Repair Skills:
 - Remove & Install Trim & Hardware
 - Adhesive Bonding
 - Diagnose Wind Noise & Water Leaks

- Aluminum Cosmetic Damage
- Spot Welding
- + Estimating Skills:
 - Steering & Suspension System Damage Analysis
 - Damage on Non-Drivable Vehicles
 - Electrical/Mechanical Systems
 - Stationary Glass
 - Advanced Materials
 - Advanced Vehicle Systems
- + Vehicle Operation, Maintenance & Troubleshooting
- + Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- + Service Procedures & Scheduling
- + Product Knowledge
- + Original Equipment Manufacturer Knowledge/Skills

COMPUTER SKILLS

- + CCC One Software:
 - Job Costing
 - Production Flow
 - Production Planning - ETA Times & Dates
 - Internal & External Customer Communication
- + Michell & Michell Repair Center Software
- + CCC Info Systems Software
- + Alldata Software
- + Microsoft Office Suite

CONTINUOUS IMPROVEMENT

- + Leadership Skills
- + Teambuilding
- + Root Cause Analysis
- + Kaizen Event Strategy & Implementation
- + Lean Concepts
- + Process/Quality Improvement
- + Problem Solving/Decision Making Skills
- + Inventory Control
- + Standard Operating Procedures

HAZARDOUS MATERIALS

- + Completing Material Safety Data Sheets (MSDS)
- + Volatile Organic Compound (VOC) Tracking
- + Emergency Clean-Up
- + Registration, Evaluation, Authorization & Restriction of Chemical Substances

PL Hours

0 – 14

COMMERCIAL SKILLS (RATIO 1:3)

- Body Filler Methods
- Structural Resistance Spot Welding
- MIG Brazing Techniques
- Color Tinting
- Spraying/Blending Techniques
- Measuring Vehicle Structures
- Alignment Process for Unitized Vehicles

- Alignment Process for Full Frame vehicles
- Aluminum Repair

Safety Training will be limited to 10% of total training hours per-trainee

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