



**Retrainee – Job Creation  
Training Proposal for:  
Marmax Partners, Inc. dba Valley Motor Center**

**Small Business  $\leq$  \$50,000**

**ET15-0273**

**Panel Meeting of:** August 22, 2014

**ETP Regional Office:** North Hollywood      **Analyst:** M. Reeves

**CONTRACTOR**

- Type of Industry: Services  
Priority Industry:  Yes  No
- Number of Full-Time Employees  
California: 57  
Worldwide: 57  
Number to be trained: 39  
Owner  Yes  No
- Out-of-State Competition: No OSC
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 12%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$47,740
- In-Kind Contribution: \$41,220

**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 SET	Business Skills, Commercial Skills, Computer Skills, Continuous Imp., HazMat, PL-Comm Skills	32	8-60	0-4	\$1,232	\$27.09
				Weighted Avg: 56			
2	Retrainee SB <100 SET Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Continuous Imp., HazMat, PL-Comm Skills	7	8-60	0-4	\$1,188	\$13.37
				Weighted Avg: 54			

- Reimbursement Rate: Job #'s 1 and 2: \$22 SB Non-Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administrative Staff, Estimator, Production/Parts Staff, Technician, Frontline Manager
- Union Representation:  Yes  
 No
- Health Benefits: Job #'s 1 and 2: \$3.02 per hour

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants, LLC (SMC) in Grass Valley assisted with development for a flat fee of \$3,775.
- Administrative Services: SMC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Marmax Partners, Inc. dba Valley Motor Center (VMC) has been providing expert collision repair since 1944 and has been family owned and operated since 1992. Located in Van Nuys, the Company specializes in automotive collision repair, including the sale of parts and accessories associated with such repairs.

VMC is strategically aligned with Ford Motor Company and has been recognized by local dealerships for having quality and customer service standards consistent with Ford. VMC also has close partnerships with several insurance companies including State Farm, Mercury, Geico, Allstate, Hartford, Fireman's Fund, California Casualty, Zurich, and Personable.

VMC intends to train workers in response to ongoing automobile industry changes for the manufacture of new vehicles. Those changes, in particular, pertain to Corporate Average Fuel Economy requirement standards. Key areas of training will include repair of automobiles that utilize metals such as Boron and ultra-high strength steels and composites as well as damage assessment for newer technology vehicles.

VMC must also provide its technicians comprehensive training to meet standards established by Inter-Industry Conference on Auto Collision Repair (I-CAR), Automotive Service Excellence, and Original Equipment Manufacturer credentials required by most insurers and vehicle manufacturers.

### **Retrainee - Job Creation**

VMC has undertaken an aggressive growth strategy and is planning to add another location within the next 12 months. The Company estimates that a second location could increase sales volume by 35%. As a result, VMC has committed to hiring 7 new employees (Job Number 2). These new workers will require ample training in order to develop the requisite skills to facilitate this anticipated growth.

As an incentive for companies that commit to hiring, training for newly hired employees will be reimbursed at a higher rate, and trainees may be subject to lower post-retention wages. Trainees must be hired within the three-month period prior to Panel approval or during the term of contract.

### **Training Plan**

**Business Skills** – Training will be offered to Administrative Staff, Estimators, and Frontline Managers. This training will provide workers with industry-specific sales strategies, claims processing techniques, and customer engagement and retention skills.

**Commercial Skills** – Training will be offered to Technicians, Production/Parts Staff, and Estimators. Training will cover automotive service and repair skills, new vehicle technologies, alternative fuel vehicle maintenance, and extended I-CAR credentials for collision centers. This training will also teach Estimators how to accurately estimate damage and create repair plans for Technicians.

**Computer Skills** – Training will be offered to all occupations. Trainees will learn how to utilize various software solutions to assess current conditions, set objectives, identify trends, and communicate information and data in a high flow environment. Trainees will also learn to use software systems to track costs, plan production and service, and connect regularly with customers.

**Continuous Improvement** – Training will be offered to all occupations. The purpose of this training is to improve quality, cycle time, and cost efficiency through Lean concepts and production improvement systems.

**Hazardous Materials** – Training will be offered to Technicians. This training will teach workers appropriate techniques for hazardous materials handling and disposal.

**Productive Laboratory**

VMC indicates that Productive Lab (PL) training is necessary because many employees enter the automotive collision repair industry lacking the requisite hands-on technical skills to perform tasks at an optimal level. Therefore, certain elements of the proposed training must take place in a PL setting to ensure that workers reach the required level of proficiency. Approximately 20 Technicians and Estimators (incumbent and newly hired) will each receive up to 12 hours of PL Commercial Skills with a 1:1 trainer-to-trainee ratio.

ETP staff reviewed the tasks and competencies associated with the proposed PL training, and the details support the Company's expressed business needs for training. The proposed PL training will involve the use of resistance spot welders, MIG (metal inert gas) welders, frame rack and measuring system, paint spray guns, paint spray booths, and various hand tools. Training assignments will include collision repair and painting, welding of structural parts, measuring frames and unibody structures, aluminum repair, mechanical components, unibody alignment, and advanced vehicle diagnosis and repair. Trainers will be experienced journey level technicians and/or senior level estimatics personnel who will be solely dedicated to training delivery during all hours of instruction.

**Frontline Worker**

VMC is requesting to include three Frontline Managers who supervise and work in conjunction with Estimators, Technicians and Production staff. These managers are frontline workers who spend more than 50% of their time performing frontline work. Therefore, based on the nature and scope of their job duties, these trainees meet the Panel's definition of frontline workers and qualify for SET funding.

**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
  - Suspecting, 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

- 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
  - Hail, Theft & Vandalism Damage
- Vehicle Operation, Maintenance, & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- OEM Knowledge/Skills

#### **COMPUTER SKILLS**

- Summit Software
  - Job Costing
  - Production Flow
  - Production Planning - ETA Times & Dates
  - Internal & External Customer Communication
- Michell & Michell Repair Center Software
- Nugen IT
- Audatex Software
- CCC Info Systems Software
- Alldata Software
- Microsoft Office Suite

#### **CONTINUOUS IMPROVEMENT SKILLS**

- 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 HANDLING**

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

**Productive Lab hours**

0-12

**PL - COMMERCIAL SKILLS (ratio 1:1)**

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

**CBT Hours**

0-4

**COMMERCIAL SKILLS**

- I-CAR CBT Courses – All Collision Repair – Technical Training (4 hours)

Note: Reimbursement for retraining is capped at 60 total hours per trainee, regardless of method of delivery. CBT is capped at 50% of total training hours per trainee. PL is capped at 12 hours per-trainee.