



**Training Proposal for:  
Onestop Internet, Inc.**

**Agreement Number: ET17-0203**

**Panel Meeting of:** August 26, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** L. Vuong

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee HUA	Industry Sector(s):	Services Technology/IT Warehousing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 237	U.S.: 245	Worldwide: 245
<u>Turnover Rate:</u>	1%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$130,410		\$0	\$0		\$130,410

In-Kind Contribution:	100% of Total ETP Funding Required	\$296,900
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**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	Adv. Technology, Business Skills, Computer Skills	127	8-200	0	\$810	\$16.62
				Weighted Avg: 45			
2	Retrainee Priority Rate HUA	Business Skills, Computer Skills	34	8-200	0	\$810	*\$14.00
				Weighted Avg: 45			

\*It will be made a condition of contract that the trainees in this Job Number 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.

**Minimum Wage by County:** \$16.48 per hour for Job Number 1 for Los Angeles County; and \$12.36 for Job Number 2 (HUA) for Los Angeles County.  
**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.  
**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe  
 Although health benefits are being provided, they are not being used to meet the Post Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Accounting Staff		8
E-Commerce Marketing Staff		19
Engineer		42
IT Staff		5
Manager/Supervisor		13
Operational Staff		40
<b>Job Number 2</b>		
Guest Services Staff		30
Manager/Supervisor		4

**INTRODUCTION**

Founded in 2004, Onestop Internet, Inc. (Onestop) ([www.onestop.com](http://www.onestop.com)) provides a full-spectrum of e-commerce development and management services for companies. The Company designs, builds, and manages e-commerce websites to help customers sell and fulfill their products online. Its services include marketing, integration, hosting, merchandising, website design, customer service, and product photography. The Company also offers warehousing and distribution services for its customers. Customers include Juicy Couture, RVCA, Paul Frank,

True Religion, Coffee Bean & Tea Leaf, and Definitive Technology. Headquartered in El Segundo, the Company has two facilities in California (El Segundo and Compton) and one facility in New York. El Segundo and Compton facilities will participate in this project.

The Company is eligible for standard ETP funding as a service provider facing out-of-state competition. The Company is also eligible for priority reimbursement as a NAICS eligible employer (Process, Physical Distribution, and Logistics Consulting Services).

## **PROJECT DETAILS**

ETP funding will allow its workforce to be part of the Company's vision to continue to lead in the e-commerce marketplace, attracting new and bigger clients, and servicing its customers with the most cutting edge products. Onestop must upgrade and continue its adaptation to a high performance workplace, support growth, and maintain its world-class customer service. The Company must expand its infrastructure, increase operations, upgrade worker job skills and adapt to new technology. The Company is currently transitioning to Magento, Deposco, Logic Brokers and RJ Metrics, new software systems for shipping, recording, and different aspects of the business that will improve and standardize processes. As the Company grows, training is imperative to the Company's success. The Company mainly promotes from within, thus training is essential to the Company's business operations. Training will enhance trainee job security, providing employees the necessary tools to be successful in their jobs and contribute to the Company's success.

### **Training Plan**

Training will take place at the Company's facilities in El Segundo and Compton. Training will be provided by in-house subject matter experts. Vendors will be identified, if needed. Courses will be delivered via Class/Lab and Videoconference as outlined below:

**Business Skills (30%):** Training will be offered to all occupations. Trainees will gain the knowledge and skills, including customer service, product knowledge, organization, and overall business functions, to improve job performance.

**Computer Skills (20%):** Training will be offered to all occupations. Trainees will receive highly technical skills to effectively use the Company's hardware and software programs as well as coding and operation systems.

### **Advanced Technology (50%)**

Advanced Technology will be offered to Engineers and IT Staff in Job Number 1. Training will provide trainees with highly technical skills to effectively use the Company's advanced hardware and software programs as well as coding and operation system. Onestop is requesting the AT reimbursement rate for this training. Training requires the use of expensive equipment, specially trained instructors, innovative computer software, and advanced and sophisticated systems such as .NET, PHP, Java, Magento, Orchard, Security devices, and the Linux System. Due to the highly technical nature of training, the trainer-to-trainee ratio will not exceed 1:10, allowing in-depth coverage and personal attention.

### **Commitment to Training**

Onestop has an annual training budget of approximately \$250,000 for El Segundo and Compton facilities and also invests approximately \$500,000 per year in new equipment and software and computer updates. The Company's current training consists of general safety, new hire orientation, extensive and basic computer skills, sexual harassment prevention and regulatory

training. In addition, the Company has created its own in-house school, Onestop University, dedicated to train its engineers.

ETP funds will not displace the existing financial commitment to training. ETP funds will support the Company's going financial commitment in training. After the completion of the ETP training, the Company will continue to provide its workforce the skillsets they need to develop and grow within the Company. Enhancing employee's skills will create additional sales, increase profits, and business growth. Safety training will continue to be provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

Training is scheduled to begin upon Panel approval of this project. Onestop has designated a team that includes the HR Manager and Department Managers to oversee ETP training and administrative responsibilities. Administrative duties include scheduling, managing, delivering, and documenting training. The Company will also utilize a third party administrator for enrollment, data tracking and invoicing. (See Administrative Services below)

#### **High Unemployment Area**

All trainees in Job Number 2 work in Los Angeles County, a High Unemployment Area (HUA) with unemployment exceeding the state average by 25%. The Company's location in Compton qualifies for HUA status under these standards.

The Panel may modify the ETP Minimum Wage for these trainees by up to 25% if post-retention wages exceed the start-of-training wages. Onestop is requesting a 15% modification to the post-retention wage for Job Number 2 (from \$16.48 per hour to \$14.00 per hour).

#### **RECOMMENDATION**

Staff recommends approval of this proposal.

#### **DEVELOPMENT SERVICES**

Onestop retained RSM US, LLP (RSM) in Los Angeles to assist with development of this proposal for a flat fee of \$5,000.

#### **ADMINISTRATIVE SERVICES**

RSM will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

#### **TRAINING VENDORS**

To Be Determined

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

8-200 Trainees may receive any of the following:

**ADVANCED TECHNOLOGY**

- Computer Networking
- Local Area Networks (LAN)
- Wide Area Network (WAN)
- Network Management
- Certified Novell Assistant (CNA)
- Certified Network Engineer (CNE)
- Lynx
- Cisco IOS (Internetwork Operating System)
- Magento
- Deposco
- Logic Brokers
- RJ Metrics
- PhpStorm
- Photoshop
- Visual Studio
- Marketing Industry Technology Tools for Search Engine Optimization (SEO)
- Pay Per Click (PPC), Display and Social
- Software Development
- Software Testing

**BUSINESS SKILLS**

- New Accounting Pronouncement
- Financial Strategies
- Product Knowledge
- Project Management
- Strategic Planning
- Evaluations
- Monitoring
- Communication Skills
- Business and Report Writing and Editing
- Negotiating
- Conflict Management
- Interpersonal Skills
- Customer Relations Skills
- Resolving Customer Complaints
- Basic & Intermediate Accounting Practices
- Marketing Analytic Tools
- Leadership
- Decision Making
- Team Building
- Coaching
- Goal Setting/Performance

**COMPUTER SKILLS**

- Report Management
- Payroll System Applications
- Microsoft Office Suite – Intermediate/Advance

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.