



**Training Proposal for:
PacMin Incorporated dba Pacific Miniatures**

Small Business

ET16-0270

Approval Date: November 3, 2015

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Manufacturing

- Number of Full-Time Employees
 - California: 68
 - Worldwide: 170
 - Number to be trained: 50
- 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: \$49,400
- In-Kind Contribution: \$63,180

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, Mfg Skills	50	8 - 60	0	\$988	\$16.02
				Weighted Avg: 38			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Accounting, Customer Relations, Sale Associate, Graphic Engineer, Operator, Production, Warehouse, Supervisor/Manager, and Owner
- Union Representation: Yes
 No
- Health Benefits: \$1.02 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted in the development of this application for a flat fee of \$3,400.
- Administrative Services: TFS will also provide administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1946, PacMin Incorporated dba Pacific Miniatures (PacMin) (www.pacmin.com) provides visually-dynamic marketing solutions for its customers in the aviation and aerospace industries. Located in Fullerton, the Company manufactures miniature aircraft scale models, mock-ups, cutaways, and prototypes for corporate awards, product launches, special events marketing, and education exhibits. PacMin’s product line recently expanded to include other promotional items including larger scale cutaway models, fine art paintings, and globes.

Need for Training

This will be the second Agreement between PacMin and ETP within the last five years. In its first ETP project (ET13-0404), the Company successfully provided training to 34 trainees who received an average of 55 hours of training. The majority of training focused on enhancing manufacturing and business processes as well as improving quality of existing products in order to support PacMin’s business growth. Additionally, ETP funds allowed PacMin to provide significant cross-training for new silkscreen machines and other equipment, as well as a Lean Manufacturing initiative which focused on eliminating rework and reducing scrap.

In keeping with its plan for continuous growth, in February 2015, the Company launched a new special projects division, *PacMin Studio*, specializing in interactive exhibits, displays, models, and other visually dynamic communication tools. The new division will allow PacMin to diversify its products and services to maintain existing clients, as well as expand into new industries beyond aviation and aerospace. Of note, *PacMin Studio* recently built a nine-foot tall interactive mannequin to highlight the effects of gout at the American College of Rheumatology convention for a new customer in the medical industry. Other new products include an “orb” marketing display for an international customer and a large diorama display for a major electronic systems company. These new products require PacMin to do a complete overhaul of its manufacturing and business processes.

Due to ongoing customer demand for high quality products at low prices, the Company has improved production and handling methods by changing materials used for existing products:

- Change production methods to use a new Tanaka Ink. These inks have lower volatile organic compounds, anticipated to eliminate issues in decal bubbling, stretching, or ripping during or after production. This is expected to increase production capacity by 500 units a month. The Company is currently in the testing phase and the new method is planned to rollout by Q4 of 2015;
- Purchase a new photo spectrometer called Konica spectrophotometer. This new machine will allow the Company to keep a color matching database for its new inks. The machine was purchased in July 2014; however, the software needed to fully operate the machine was not purchased until April 2015. The database is expected to be completed by 2017; and
- Purchase a new software system called Fusion 360. This system will allow Engineers to create Computer-Aided Design files and operate Computer Numerical Control machine, expediting production of new PacMin Studio products.

ETP funding will allow PacMin to provide its workforce with an extensive training program to meet the business needs mentioned above.

Training Plan

Business Skills – Training will be provided to all job occupations. Sales Associates and Customer Relations Staff will receive training in selling techniques, product marketing, cost estimating, quoting, customer targeting, and market research in order to better understand the costs associated with the product as well as mark-ups needed to make a sustainable profit. New generation leaders in various departments are expected to receive training topics in New Leader Training, Setting and Attaining Goals, and Resolving Conflict to allow trainees to become effective leaders.

Computer Skills – Training will be offered to all job occupations in the new Fusion 360 and Konica Color Database. Course topics also include Tool Development, Master Cam, Color Formulas, Tinker CAD, and Raspberry Pi.

Manufacturing Skills – Training will be offered to Production, Warehouse, and Supervisor/Manager to develop their skills in new areas of production, processes, and procedures. Majority of the training will focus on mixing, layering, and applying Tanaka Inks. Application of Tanaka decals is also entirely different from the existing application process. As such, training in Pre-Masking, Peel-Away Process, Drying Methods, and Material and Application use will allow trainees to master techniques in using new materials to prevent rework and improve production times.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0404	Fullerton	6/24/2013– 6/23/2015	\$49,348	\$46,831 (95%)

ET13-0404: The final invoice closeout has been submitted and is currently being processed. \$39,929 has been approved with \$6,902 still being processed.

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

8 - 60

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Segmentation and Targeting
- Selling Techniques
- Product Marketing
- Quoting
- Cost Estimating
- New Product Development
- Market Research
- Service Management
- Positive Communication
- Listening Skills
- Executive Development
- New leader Training
- Resolving Conflict
- Setting and Attaining goals
- Train-the-Trainer Skills
- Critical Thinking
- Strategy Execution
- Managing Change
- Managing Talent
- Motivation Skills

COMPUTER SKILLS

- Tool Development
- Konika Color Database
- Master Cam
- Fusion 360
- Color Formulas
- Tinker CAD
- Raspberry Pi

MANUFACTURING SKILLS

- Pre-Masking
- Peel-Away Process
- Ink Layering
- Mixing Solids, Gradients, and Metallic
- Mixing Tanaka Inks
- Applying Tanaka Inks
- Drying Methods
- Konika Photo Spectrometer Operations
- Tool Cleanliness and Maintenance
- Molding Processes
- Fiberglass Training

- Layout Procedures
- Painting Processes
- Material Requirements Planning (MRP) and Scheduling
- Material Application and Use

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.