



**Training Proposal for:  
Replacement Parts Industries, Inc.**

<b>Small Business</b>
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**ET16-0252**

**Approval Date:** October 26, 2015

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

**CONTRACTOR**

- Type of Industry: Manufacturing
  
- Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 31
  - Worldwide: 31
  - Number to be trained: 31
  - Owner  Yes  No
  
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 14%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$42,718
- In-Kind Contribution: \$37,778

**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 HUA Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	31	8-60	0	\$1,378	\$11.98*
				Weighted Avg: 53			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table

- Reimbursement Rate: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administration Staff, Customer Service Representatives, Drafting Staff, Engineers, Manufacturing/Production/Warehouse Staff, Managers, Owner
- Union Representation:  Yes  
 No
- Health Benefits: \$1.98 per hour

**SUBCONTRACTORS**

- Development Services: California Manufacturing Technology Consulting (CTMC) located in the City of Torrance provided development services at no cost.
- Administrative Services: CTMC will provide administrative services for a fee not to exceed 13% of the total Agreement amount earned.
- Training Vendors: Syspro Impact Software, Inc. of Costa Mesa has been hired to deliver training on the Company's new Enterprise Resource Planning System (Computer Skills). The fee will be determined at a later date.

**OVERVIEW**

Established in 1972, Replacement Parts Industries, Inc. (RPI) ([www.rpiparts.com](http://www.rpiparts.com)) is located in Chatsworth. RPI is an alternate source for healthcare businesses to obtain quality replacement parts for new and/or obsolete equipment (medical, hospital, dental, and laboratory). Clientele include engineering technologists, clinical engineers, independent service technicians, and personnel facilities located in occupational health services. RPI both designs and manufactures replacement parts.

## **Need for Training**

As a direct source for its customers, RPI must meet demand for parts that are not readily available. To ensure customer satisfaction, RPI will implement new production processes and computer systems to improve work flow and increase efficiency.

RPI is replacing its 20 year old Enterprise Resource Planning (ERP) system to improve data access, inventory control, production management, and communications for internal and external users. Training will ensure staff members are utilizing the ERP system properly, and are able to “interface” with clients effectively.

Additionally, the Company will provide ISO 9000 training to maintain certification and integrate updated ISO quality certification standards for 2015.

## **Training Plan**

**Business Skills** - Training will be offered to all occupations to upgrade employee skill sets and improve efficiency. Curriculum topics include New Product Development and Customer Service.

**Computer Skills** - Training will be offered to all occupations to ensure staff can navigate the company’s new ERP System. Staff will also receive training in computer software such as Microsoft Excel and Access and IT Administration.

**Manufacturing Skills** - Training will be offered to Manufacturing/Production/Warehouse Staff, Engineers, and Managers to improve work flow. Training in courses such as Good Manufacturing Practices and New Product Assembly will improve manufacturing processes and decision making.

**Continuous Improvement** - Training will be offered to all occupations to improve leadership skills and problem solving and ensure compliance with ISO standards and requirements.

## **HUA**

The Company’s facility in Chatsworth is located in a High Unemployment Area, with unemployment exceeding the state average by at least 25%. The Panel may modify the ETP Minimum Wage by up to 25% for these trainees. RPI is asking for this wage modification, from \$15.97 to \$11.98. The Company understands that post-retention wages must exceed pre-retention wages for this modification.

## **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**

- Providing Quality Customer Service
- Sales Skills
- New Product Development

**COMPUTER SKILLS**

- Enterprise Resource Planning (ERP)
- Crystal Reports
- Access
- Intermediate Excel
- Advanced Excel
- Website Administration
- IT System Administration

**CONTINUOUS IMPROVEMENT**

- ISO 9000 Quality Standard
- Quality Management Systems
- Leadership
- Problem Solving

**MANUFACTURING SKILLS**

- New Product Assembly
- Machine Operation
- Production Skills
- Good Manufacturing Practices
- Supply Chain Management

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