



**Retrainee - Job Creation
Training Proposal for:
RuffStuff, Inc.**

Small Business

ET16-0310

Approval Date: December 22, 2015

ETP Regional Office: Sacramento

Analyst: W. Sabah

CONTRACTOR

- Type of Industry: Manufacturing
Services
Priority Industry: Yes No
- Number of Full-Time Employees
California: 28
Worldwide: 28
Number to be trained: 34
Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 6%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$50,128
- In-Kind Contribution: \$29,355

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 Priority Rate	Business Skills, Comm. Skills, Mfg. Skills, Computer Skills, Cont. Imp., HazMat, PL-Comm. Skills, PL-Mfg. Skills	28	8-60	0	\$1,456	\$15.07
				Weighted Avg: 56			
1	Retrainee SB<100 Job Creation Initiative Priority	Business Skills, Comm. Skills, Mfg. Skills, Computer Skills, Cont. Imp., HazMat, PL-Comm. Skills, PL-Mfg. Skills	6	8-60	0	\$1,560	*\$12.50
				Weighted Avg: 60			

*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.

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Placer
- Occupations to be Trained: Administration Staff, Sales/Marketing Staff, Fabricator/Welder, Shipping/Logistics Staff, CAD Designer, Manager
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$0.57 per hour

SUBCONTRACTORS

- Development Services: Synergy Management Consultants, LLC in Grass Valley assisted with development services for a flat fee of \$4,010.
- Administrative Services: Synergy Management Consultants, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1980 and located in Loomis, RuffStuff, Inc. (RuffStuff) (<http://www.ruffstuffspecialties.com>) is a manufacturer of custom off-road parts for four-wheel drive vehicles. The Company originally started as a custom mountain bike frame business; however it transitioned into producing, selling and installing automotive parts specified for off-road vehicles, such as Rock Crawlers and Jeeps. RuffStuff currently produces high-end components for four-wheel drive vehicles and ships worldwide.

Need for Training

For RuffStuff to remain competitive, it must maintain a highly skilled workforce. RuffStuff's custom manufacturing process includes research, development, design, prototype, testing, manufacturing, logistics, marketing and shipping. This requires extensive training that is unavailable in typical automotive course work or vocational programs. The industry also requires extensive training as metallurgical and technological changes happen continuously. RuffStuff staff must learn the proper techniques of these specialized manufacturing components and regulations for off-road vehicles.

As customer demand increases, RuffStuff is improving customer service and sales skills to remain competitive in the industry. It is necessary for employees to stay current on product knowledge to provide customers with the proper information. In addition, the Company will implement a Lean quality program and production improvement system for staff to improve Lean processes, maximize productivity and reduce waste.

Retrainee-Job Creation

In the last few years, RuffStuff's customer demand has grown at a rapid rate due to the success of their products combined with their reputation in off-road vehicles. Due to this success and significant marketing efforts, RuffStuff is anticipating a growth of 30% over the next 24 months. The Company is expanding their manufacturing business and shipping processes to support this demand.

RuffStuff will increase the number of full time permanent employees. The Company has committed to hiring six new full time employees (Job Number 2). The new positions needed include Sales/Marketing Staff, Fabricators/Welders, Shipping/Logistics Staff and CAD Designers.

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be subject to a lower post-retention wage. The Company represents that the date-of-hire for 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.

Training Plan

Trainee will receive between 8-60 class/lab hours and up to 40 hours of productive laboratory training.

Business Skills: Training will be offered to Managers, Administration and Shipping/Logistics Staff. Training will focus on improving sales processes, customer service and communication. Training will include Customer Care Skills, Advanced Sales & Marketing Skills, Negotiation Skills, Conflict Resolution, Communication Skills and Presentation Skills.

Commercial Skills: Training will be offered to Fabricators/Welders and Sales/Marketing Staff. Training will encompass maintenance-service, warranty and off-road technologies. Fabricators will learn R&D skills, welding and plasma cutting methodologies, cutting techniques and various welding processes. Training for Sales/Marketing Staff will focus on product knowledge of materials used in 4X4 vehicles to provide customers with the proper equipment information. Training will include Production Knowledge and Original Equipment Manufacturer/Aftermarket Knowledge.

Computer Skills: Training will be offered to all occupations and focus on job specific software programs. Training will allow employees to accurately assess current conditions, set objectives, track costs, plan production and service flow, and maximize productivity. Training will include Quickbooks, Solid Works CAD, Torchmate CAD, Fishbowl Inventory and Parts Supply Chain, Microsoft Office Suite and Adobe Office Suite.

Manufacturing Skills: Training will be offered to Fabricators/Welders and CAD Designers on the different manufacturing processes of custom application parts. CAD Designers require training in manufacturing processes to determine the build procedures in design process. Fabricators/Welders will receive training to accurately develop, manufacture, test and install the specialized parts on off-road vehicles. Training will include Machining Skills, Stamping, Press Brake, Slide Forming, Screw Machining, Machine Maintenance, Component Set-Up, Welding, Die Making, Cutting Operations and Bending.

Continuous Improvement: Training will be offered to Fabricators/Welders, Managers, Sales/Marketing, Administration and Shipping/Logistics Staff on new processes to identify production and flow issues, detect root causes while strategizing cost-effective solutions, improve quality and reduce waste. Training will include Root Cause Analysis, Kaizen Event Strategy & Implementation.

Hazardous Materials: Training will be offered to Fabricators/Welders, Managers, Sales/Marketing and Shipping/Logistic Staff to ensure that hazardous materials are handled and disposed of properly. Training will include Completing Material Safety Data Sheets, Emergency Clean-Up, and Registration, Evaluation, Authorization & Restriction of Chemical Substances.

Productive Lab (PL)

PL training in Manufacturing and Commercial Skills will be provided to Fabricators/Welders, CAD Designers and Shipping/Logistics Staff to supplement Class/Lab training. PL training is necessary as these trainees require the hand-on training that they do not receive in vocational schools. RuffStuff's custom nature of manufacturing and installation parts requires substantial hand-on training. Training will focus on design, build, testing, manufacture and installation of specific 4X4 vehicles. Trainees will learn to install with specific view of safety, drivability and regulatory compliance.

Trainees will use tig welders, plasma table and cutters, lathe, saws bending equipment, drill and mill presses, alignments systems, IT CAD and shipping, billing systems. Training will include Component Design, CAD Process, Torchmate Process, Machining Skills, Press Brake Skills, Stamping Skill, Machining Skills, Welding, Welding Aluminum, Plasma Cutting, Cutting Equipment Skills, Die Making, Bending Equipment, and Off Road Vehicle Dynamics.

The trainer will specify the scope of the work, explain the process, verify the employee understands standards and specification, observe the trainee perform the task and provide feedback on best practices. During training output is expected to decrease by 40%. Trainers will be journey-level fabricators, CAD designers, logisticians or subject matter experts. All PL training will take place onsite at RuffStuff. The trainer-to-trainee ratio will not exceed 1:1. All trainees will receive up to 40 hours of PL training.

Due to the custom nature of the business where concept vehicles are specifically designed, trainees require more than 40 hours of PL training to become proficient in the wide array of vehicles, drive systems, suspension systems and safety issues. However, RuffStuff is only requesting up to 40 hours.

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
 - Marketing Materials Development
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

COMMERCIAL SKILLS

- Product Knowledge
- Original Equipment Manufacturer/Aftermarket Knowledge/Skills

MANUFACTURING SKILLS

- Measurement, Materials and Safety:
 - Job Planning, Benchwork, Layout
 - Manual Milling Skills
 - Turning Operations
 - Grinding Skills
 - Drill Press Skills
 - CNC Programming Set-Up
 - CNC Operations Milling
 - CNC Operations Turning
 - Metal Forming
 - Lathe Operation
- Stamping:
 - Tooling
 - Compound Dies
 - Progressive Dies
- Press Brake:
 - Drive Press Brake Skills
 - Non-CNC Set-Up Press Brake
- Slide Forming:
 - Slide Forming Set-Up and Operations
- Screw Machining:
 - Single Spindles
 - Multiple Spindles

- Machine Maintenance
- Component Set-Up
- Welding:
 - Mig Welding
 - Tig Welding
- Die Making
- Cutting Operations:
 - Plasma Cutting
 - Plasma Table Operations
 - Band Saw Operations Horizontal
 - Band Saw Vertical
- Bending:
 - Tube Bender
 - Tube Notcher

COMPUTER SKILLS

- Quickbooks Software
- Solid Works CAD
- Torchmate CAD
- Fishbowl Inventory and Parts Supply Chain
- Microsoft Office Suite
- Adobe Office Suite

CONTINUOUS IMPROVEMENT

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

HAZARDOUS MATERIALS

- Completing Material Safety Data Sheets
- Emergency Clean-Up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

Productive Lab

0-40

MANUFACTURING SKILLS (Ratio 1:1)

- Component Design
- CAD Process
- Torchmate Process
- Machining Skills
- Press Brake Skills
- Stamping Skill
- Screw Machining Skills
- Welding

- Welding Aluminum
- Plasma Cutting
- Cutting Equipment Skills
- Die Making
- Bending Equipment

COMMERCIAL SKILLS (Ratio 1:1)

- Off Road Vehicle Dynamics

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 40 hours per-trainee.