



**Retrainee – Job Creation
Training Proposal for:
Selane Products, Inc. dba Space Maintainers Laboratory**

Small Business \leq \$50,000

ET15-0146

Panel Meeting of: June 27, 2014

ETP Regional Office: North Hollywood **Analyst:** J. Romero

CONTRACTOR

- Type of Industry: Manufacturing

- Number of Full-Time Employees
 - California: 78
 - Worldwide: 78
 - Number to be trained: 45

- Priority Industry: Yes No

- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 13%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$43,030
- In-Kind Contribution: \$33,427

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, Continuous Improvement, Manufacturing Skills, Management Skills	40	8-60	0	\$910	\$16.04
				Weighted Avg: 35			
2	Retrainee Job Creation Initiative Priority Rate SB <100	Business Skills, Continuous Improvement, Manufacturing Skills, Management Skills	5	8-60	0	\$1,326	\$13.37
				Weighted Avg: 51			

- Reimbursement Rate: Job #'s 1 & 2 : \$26 SB Priority
- County(ies): Los Angeles County
- Occupations to be Trained: Administration, Designer, Technician, Manager/Supervisor
- Union Representation: Yes
 No
- Health Benefits: Job #'s 1 & 2: \$3.84 per hour

SUBCONTRACTORS

- Development Services: California Manufacturing Technology Consulting (CMTC) in Torrance assisted in the ETP application process at no charge.
- Administrative Services: CMTC will provide administration services for an amount not to exceed 13% of payment earned.
- Training Vendors: To be determined.

OVERVIEW

Founded in 1957, Selane Products, Inc. dba Space Maintainers Laboratory, (SML) (www.SMLglobal.com), is a manufacturer of orthodontic and orthopedic products sold to orthodontists and dentists across the country. SML provides consultation, treatment planning,

appliance design and construction, and adjustment techniques to their customers. Operating from its manufacturing facility in Chatsworth, SML's products include removable appliances, retainers, fixed appliances, bruxism and temporomandibular joint (TMJ) splints, functional appliances, mouth guards, snoring and obstructive sleep apnea appliances, treatment partials as well as study models or prototypes.

As a result of a change in ownership, the SML has begun a campaign to reorganize. This campaign is designed to meet the demands of the changing marketplace including the threat of low cost imports from countries such as China. With the Company's new vision, individuals in key positions will be cross-trained in other processes in order to perform broader tasks. They will learn to make a variety of appliances using upgraded skills and processes. With a fully crossed-trained workforce, market demand can be properly managed. The ETP funded training will assist in achieving these goals and address areas of technical knowledge and skill, inventory management and control, accurate and timely billing and maintaining digitized records. This will be SML's first agreement with ETP.

Training Plan

SML will start training upon Panel approval of this project. Training will be delivered by a combination of in-house staff and trainers provided by outside vendors.

Business Skills (25%) - This training will be offered to Administrative and Design staff. Training will include enhanced product knowledge as well as technical knowledge that will allow them to effectively communicate with Orthodontists and their staff and understand their needs. Training topics include accounting and managing inventory; enhanced sales and customer techniques; managing technical inquiries from customers; and reading x-rays & digital-transfer information from x-rays & plaster models in order to respond to customer inquiries. Providing workers with these skills will result in improved customer service, a more confident and knowledgeable staff that will solidify customer relationships.

Management Skills (10%) - this training will be offered to managers and supervisors. Training will provide Managers and Supervisor better skills on how to effectively manage their team; and learn techniques on how to positively influence their team in implementing the company's strategic vision. The future of the Company depends on its senior managers' ability to identify changing market trends, and must have the skills to create and produce new ideas for products and services that will sustain and the growth of the Company.

Manufacturing Skills (40%) - this training will be offered to lab technicians and designers. Training will focus on developing a variety of technical skills necessary to build dental appliances that meet customer requirements and quality specifications. Dental Appliance Manufacturing training will be provided in several key areas including wiring, plastic mold making, plaster casting, reading x-rays, soldering, measuring against customer specifications; finishing and polishing; and appliance diagnostics and design. The Quality Control of dental appliances that is required by industry and the FDA demands a high level of technical knowledge. This training will remove a significant bottleneck due to limited staff with the QC technical expertise to ensure products meet FDA and customer specification. Currently, this highly technical knowledge resides with several long-term employees. Having a limited number of technical experts limits SML's growth potential and also puts the Company at-risk, given that many of these experts are part of the aging workforce that is, in some cases, approaching retirement. Cross training skills will remove these barriers, as well as enhance employees' value to the Company.

Continuous Improvement (25%) - this training will be offered to Administrative, Design Technician and Management staff. The training will focus on supply chain management and analysis. Key staff will receive training in leadership skills. Strategic thinking training will allow workers to consider how each of them can, within their specific job function, influence and successfully help the Company fulfill its strategic vision and growth plans.

Retrainee - Job Creation

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage. SML is expanding its existing business capacity and projects to add an additional 5 employees which include Administration, Technician and Designer as shown in Job Number 2.

To be eligible for reimbursement under this Job Number, the trainees must be hired within the three-month period prior to Panel approval or during the term of contract.

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:

- Sales Techniques
- Technical Customer Service Skills
- Managing Customer Relationships
- Dental Appliance Product Knowledge
- Accounting – Accounts Payable and Receivable

Continuous Improvement:

- Leadership Skills
- Strategic Thinking
- Supply Chain Management

Manufacturing Skills:

- Dental Appliance Manufacturing Training
- Quality Control
- Diagnostics and Design
- Shipping and Receiving
- Inventory Management
- Purchasing
- Creating Digital Client Records

Management Skills: (Managers and Supervisors only)

- Strategic Planning

Safety Training cannot exceed 10% of total training hours per-trainee)

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