



**Panel Amendment #1 Proposal for:
Simpson Strong-Tie Company Inc.
Agreement Number: ET15-0330**

Amendment Effective Date: June 1, 2015

Panel Meeting of: June 26, 2015

ETP Regional Office: Sacramento

Analyst: L. Fraizer

CURRENT PROJECT PROFILE

Contract Type:	Priority/Retrainee Job Creation HUA - Retrainee	Industry Sector(s):	Manufacturing
Counties Served:	San Joaquin	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Current Contract Term:	November 17, 2014 to November 16, 2016	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CURRENT FUNDING

Current Funding
\$26,160

AMENDMENT FUNDING

Requested Funding	Total Funding
\$135,090	\$161,250

AMENDMENT TRAINING PLAN TABLE

Job No.	Job Description (By Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Continuous Impr; Mfg Skills	125	8-200	0	\$1,242	\$15.00
				Weighted Avg: 69			
2	Job Creation	Continuous Impr; Mfg Skills	5	8-200	0	\$1,200	\$14.90
				Weighted Avg: 60			

INTRODUCTION

Founded in 1956 and headquartered in Pleasanton, Simpson Strong-Tie Company Inc. (SST) (www.strongtie.com) is a subsidiary of Simpson Manufacturing Company, Inc. SST is a large supplier of structural building products, and serves customers in commercial and residential construction, furniture, and do-it-yourself markets, such as Home Depot and Lowe's. SSI has three facilities in California: Pleasanton, Stockton and Riverside. This Agreement (ET15-0330) was approved by the Panel in November 2014, for the Stockton facility.

SST has another active ETP Agreement (ET15-0326) that was approved by Delegation Order October 2014, in the amount of \$25,200, for the Riverside facility. The Company requested a separate project for Riverside in order to better manage its recordkeeping and administration. The combined requested funding of these two active Agreements is \$51,360.

AMENDMENT DETAILS

SSP is asking for a funding increase of \$135,090 based on hours of training delivered to date, consistent with its original request for funding. That request was "right-sized" due to prior poor performance. The Company earned \$51,923 from an amount approved of \$80,910 (65%) under ETP Agreement (ET12-0150), where training took place at all three locations. In the prior Agreement, \$26,160 in earnings was attributable to Stockton. On that basis, the subject Agreement was "right-sized" to \$26,160 from an original request of \$60,600.

At this point in time, SST has uploaded training hours in ETP Online Tracking sufficient to project performance of 100% for Job Number 1. The funding requested under this Amendment would enable the delivery of additional hours, in keeping with the original training plan. This includes training in Continuous Improvement and Manufacturing Skills. Three new courses will be added for training on new equipment: Strong Frame, Truss Plates, and Shear Brace Repair/Protect. This Amendment will allow SST to enroll more workers, and deliver additional hours for incumbent worker training in Job Number 1. If approved, this Amendment will have a prospective start date.

In addition, SST has uploaded training hours sufficient to earn 15% of funding allocated under Job Number 2 (Job Creation). The Company has already hired and trained four employees against its commitment of five, and expects to deliver additional hours, beyond the weighted average of 60. Retention will begin shortly, in support of the Company's projection of 100% earnings for Job Number 2.

RECOMMENDATION

Staff recommends approval of this Amendment.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by SST under this Agreement:

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET15-0330	\$26,160	11/17/2014- 11/16/2016	270	0	0

The ETP Class/Lab Tracking System indicates 1,813 hours of reimbursable training for a potential earning of \$21,120 (80% of the funding amount).

The following table summarizes performance by SST's Riverside facility:

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET15-0326	\$25,200	12/01/2014- 11/30/2016	208	0	0

The ETP Class/Lab Tracking System indicates 1,400 hours of reimbursable training for a potential earnings of \$25,200 (100% of the funding amount).

PRIOR PROJECTS

The following table summarizes performance by SST under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET12-0150	Pleasanton, Stockton, Riverside	9/16/2011– 9/15/2013	\$80,910	\$51,923	(65%)

ET12-0150 - Three facilities participated in training (Pleasanton, Stockton and Riverside) which created logistical challenges to deliver training at multiple locations with only two certified facilitators. The leadership curriculum, which comprised the majority of the recorded hours in the contract, was all instructor-led training, and the number of internal trainers in the organization was limited.

This proposal will only include the Stockton facility. Representatives at the facility are confident in delivering and implementing training. Subject matter experts at the Stockton facility (35) will deliver the training.

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

8 - 200

Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- Quality Concepts
- Process Improvement
- Just-in-Time Processes
- Teambuilding
- Problem Solving
- Quality Good Manufacturing Practices
- Focus Improvement
- Material Improvement
- Preventative Maintenance
- Organizational Capability Continuous Improvement
- Business Performance/Skills Enhancement
- Communication Skills
- Project Management
- Environmental Sustainability
- Systems, Applications and Products
- Best Practices
- Performance Management

MANUFACTURING SKILLS

- Total Productive Manufacturing
- Production Equipment Operation and Maintenance
- Autonomous Maintenance
- Operator Process/Equipment
- Lean Six Sigma
- Technician Processes
- Maintenance Processes
- Electrical & Electronic Equipment Operation, Maintenance and Repair
- Pneumatic Equipment Operation
- Electrical Systems Technology
- Warehouse Automation, Equipment and Processes
- New Presses training
- Shear Brace Production Line Training
- Automated Equipment Training
- **Strong Frame**
- **Truss Plates**
- **Shear Brace Repair and Protection**

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