



Training Proposal for:
Sinclair Systems International, LLC
Agreement Number: ET15-0183

Panel Meeting of: June 27, 2014

ETP Regional Office: Sacramento

Analyst: W. Atkinson

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Fresno	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 96	U.S.:151	Worldwide: 260
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	16%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$26,460		\$0	\$0		\$26,460

In-Kind Contribution:	100% of Total ETP Funding Required	\$65,802
-----------------------	------------------------------------	----------

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	Business Skills, Computer Skills, Continuous Impr, Mgmt Skills, Mfg Skills	42	8-200	0	\$630	\$14.90
				Weighted Avg: 35			

Minimum Wage by County: \$14.90 per hour in Fresno County

Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: Yes No Maybe

Up to \$1.83 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Press Operator		10
Pre-Press		5
Packers		5
Machine Assemblers		5
Engineers		5
Administrative Staff		5
Managers		7

INTRODUCTION

Sinclair Systems International, LLC (Sinclair), headquartered in Fresno, is a subsidiary of Atlas Pacific Engineering Co. Sinclair provides labeling solutions for fresh produce packing houses worldwide. Examples include Sunkist, Paramount and Calavo. Its products are used to label individual pieces of fruit and vegetables for the purposes of branding and identification via bar coding and price look-up codes.

Increasing market presence from companies offering competitive pricing, newer technology and faster delivery times demand that Sinclair increase its focus on customer service, cost reduction and supply chain optimization. Sinclair recently hired a Global Continuous Improvement Manager to further develop the skills of its current workforce and implement recognized “Best Practices” for improvement. The Fresno facility will be the hub and pilot facility for new improvement methods and processes.

PROJECT DETAILS

Sinclair will need to involve all levels of the organization in standardizing work processes, solving problems and implementing improvements. Additionally, the company will need to improve collaboration among supply chain functions in order to achieve large-scale change. Managers, front-line employees and administrative staff will be trained in improvement methods and team processes to develop solutions that will remove waste from the supply chain. Some specialized training, particularly for Engineering and Machine Assemblers, will develop in-house capability to eliminate inefficiencies and delays caused by the need for outside vendors.

Training Plan

Business Skills (9%) - Training will be offered to Engineers, Administrative Staff, and Managers to include technical writing and time management topics. Training will focus on improving effectiveness and standardizing work. Time management is critical in enabling change.

Management Skills (6%) - Training will be offered to Managers to understand the roles and responsibilities in leading change, focus on achieving performance targets, and effectively communicate change.

Computer Skills (7%) - Training will be offered to Press Operators, Machine Assemblers, and Managers. Training will focus on implementing a Shop Floor Data Collections System. Electrical CAD will be offered to Engineers to build in-house expertise. MS Excel will be provided to frontline staff to enable use of the Shop Floor data in scorecarding and trend charting.

Manufacturing Skills (6%) - Training will be offered to Press Operators, Pre-Press, Packers, Engineers, and Managers. Lead-free soldering training will reduce machine production bottlenecks by eliminating the need for outside contractors. The Risk Assessment and ANSI Standards will build in-house capacity for risk-assessment and safety design principles. Flexographic Printing Operations is intended to increase the pool of qualified operators to increase flexibility.

Continuous Improvement (72%) - Training will be offered to Press Operator, Pre-Press, Packers, Machine Assemblers, and Managers. Training will include topics such as team problem solving, business metrics, performance leaders, Lean methodology, and six sigma. Training will focus on building business and technical capacity, engaging all levels of the organization in problem solving and improvement, fostering an environment of teamwork and collaboration, and ensuring business practices are effective and aligned with business goals.

Commitment to Training

Sinclair's annual training budget is \$50,000. Prior training has been limited primarily to on-the-job training, required safety and regulatory training, and some training for new supervisors.

Sinclair represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

High Unemployment Area

All trainees work in a High Unemployment Area, a region with unemployment exceeding the state average by at least 25%. However, Sinclair is not asking for a wage modification.

Impact/Outcome

- 1) Developing tracking methods for on-time delivery of labels and machines to customers and reducing lead times for those deliveries.
- 2) Implement Overall Equipment Efficiency (OEE) as a Key Performance Indicator and achieving 80% OEE.
- 3) Certification of in-house experts in Lead-free soldering, Technical Writing, Risk Assessment, and Electrical CAD.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Technical Writing
- Time Management

COMPUTER SKILLS

- Electrical CAD
- Shop Floor Data Collection
- Excel Skills

CONTINUOUS IMPROVEMENT

- Root Cause Analysis
- Team Problem Solving
- Team Development Skills
- Business Metrics
- Business Planning
- Performance Leader
- 5S (Sort, Set in order, Shine, Standardize, Sustain)
- Lean Methodology
- Six Sigma
- Covey 7 Habits

MANAGEMENT SKILLS (For Managers only)

- Change Management

MANUFACTURING SKILLS

- Lead-Free Soldering
- Flexographic Printing Operations
- Risk Assessment/ANSI Standards

Safety Training will be limited to 10% of total training hours per-trainee

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