



**Training Proposal for:  
Total Transportation & Distribution, Inc.  
ET15-0233**

**Panel Meeting of:** July 25, 2014

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

**CONTRACTOR**

- Type of Industry: Transportation/Logistics
  
- Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 70
  - Worldwide: 70
  - Number to be trained: 95
  - Owner  Yes  No
  - Mgr/Supr 10
  - Frontline 85
  
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training:  Yes  No
- High Unemployment Area:  Yes  No
- Turnover Rate: 15%
- Repeat Contractor:  Yes  No
- Substantial Contribution:  Yes  No

**FUNDING**

- Requested Amount: \$99,580
- In-Kind Contribution: \$97,920

**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	Business Skills; Commercial Skills; Computer Skills; Continuous Improvement	70	8 - 60	0	\$1,144	\$14.90
				Weighted Avg: 44			
2	Retrainee Job Creation Initiative Priority Rate	Business Skills; Commercial Skills; Computer Skills; Continuous Improvement	25	8 - 60	0	\$780	\$12.19
				Weighted Avg: 30			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Los Angeles and Riverside Counties
- Occupations to be Trained: Warehouse/Distribution Staff, Driver, Customer Service Staff, Administrative Staff, Supervisor/Manager, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1 only: \$1.82 per hour
- Electronic Recordkeeping: N/A

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted in the ETP application process for a flat fee of \$4,500.
- Administrative Services: TFS will provide administration services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Total Transportation & Distribution, Inc., (TTDI) is a transportation and third party logistics company headquartered in La Mirada with an additional facility in Riverside. TTDI has provided premier integrated transportation and distribution solutions in and outside of California since 1989. The Company’s services include Truck Load (TL) and Less Than Truck Load (LTL) freight services and same day and next day delivery. TTDI is eligible for standard retraining as a company that provides service in California that regularly competes with service providers located out-of-state.

TTDI is upgrading their current warehouse management system from DaVinci to WISE, a high performance system developed by WISE Distribution Systems Pty Ltd. The new system will allow a full integration of company processes. This upgrade will improve customer service in the areas of ordering, shipping, electronic data interchange (EDI), barcode hardware, and warehouse automation.

Over the last two years, TTDI has expanded its workforce by 30% as a result of its growing market share in the logistics industry. TTDI plans to add another 50 personnel in the next 24 months to respond to this influx of business.

### **Training Plan**

This proposal will be TTDI's second ETP Agreement. Training will differ with a new focus on developing and enhancing Computer Skills as needed for WISE. This proposal will also include training on Business Skills, Commercial Skills and Continuous Improvement for new employees.

TTDI will start training upon panel approval to be delivered by a combination of in-house staff and outside vendors.

**Business Skills** - Training will be offered to Administrative Staff, Customer Service Staff, and Supervisor/Manager occupations to improve teamwork, communication and client services.

**Commercial Skills** - Training will be offered to Warehouse/Distribution Staff and Supervisors/Managers to understand logistic processes.

**Computer Skills** - Training will be offered to Warehouse/Distribution Staff, Driver, Customer Service Staff, Administrative Staff, and Supervisors/Managers so that all levels of employees can operate the upgraded warehouse management system.

**Continuous Improvement** - Training will be offered to Warehouse/Distribution Staff, Administrative Staff, and Supervisor/Manager occupations to improve processes and increase efficiency.

### **Retrainee - Job Creation**

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. 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. To balance the high trainee numbers the weighted average for trainees in Job 2 have been significantly reduced.

Since 2011, TTDI has experienced a steady growth in sales and customer demand, as compared to previous years of operation. This generated an increase in staff to a total of 55 personnel in 2012, with an additional 15 employees in 2013.

For the next two years, TTDI has projections of continued increase in sales, approximately 12% for 2014, and 15% the following year. To support this expansion in its business capacity, TTDI plans to hire and train another 50 employees over the next two years, of which 25 are included in Job Number 2. This number of Job Creation trainees is in line with the Company's previous rate of business and personnel growth.

In their prior Agreement, trainees completed an average of 47 hours of training. However, TTDI has agreed to a weighted average of 30 hours for the Job Creation trainees in this proposal to buffer any fluctuations in projected growth.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **ACTIVE PROJECTS**

The following table summarizes performance by TTDI under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET13-0324	\$49,400	03/08/13 – 03/17/15	50	41	37*

\*Based on the ETP Tracking System, 41 trainees have completed training, of which 37 have also completed retention. Another four trainees will complete retention by the Panel meeting on July 25, 2014. Although some trainees did not complete training, others took additional hours. A total of 1,923 eligible hours have been tracked, equivalent to \$49,998 in projected earnings (100%).

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8–60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Communication
- Client Services
- Inventory Control
- Sales Strategy
- Problem Solving
- Time Management

**COMMERCIAL SKILLS**

- Order, Picking, Packing
- Quality Control
- Freight Shipping & Classification
- Warehousing

**COMPUTER SKILLS**

- Cheetah
- Carrier Logistics Inc (CLI) - FACTS
- WISE
- Microsoft Office
- Crystal Reports

**CONTINUOUS IMPROVEMENT**

- Business Process Improvement
- Team Dynamics

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

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