



**Training Proposal for:**

**Triumph Aerostructures, LLC - Vought Aircraft Division**

**Agreement Number: ET15-0345**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** L. Vuong

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	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: 900	U.S.: 4,000	Worldwide: 5,000
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$181,440		\$0	\$0		\$181,440

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$331,885
------------------------------	------------------------------------	-----------

**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	Computer Skills, Continuous Impr., Haz. Materials, Mfg. Skills	420	8-200	0	\$432	*\$16.04
				Weighted Avg: 24			

\*This proposal was scheduled to be heard in December. Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

**Minimum Wage by County:** \$16.04 per hour for Los Angeles 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 \$2.04 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Aircraft Structure Mechanic		214
Quality Inspector		20
Production Staff (Material Handler/Expeditor, Material Preparation)		43
Maintenance Staff		2
Tooling Staff		12
Administrative Staff		3
Engineer		65
Manager/Supervisor		40
Material Planner/Buyer		21

**INTRODUCTION**

Located in Hawthorne, Triumph Aerostructures, LLC – Vought Aircraft Division (Triumph) ([www.triumphgroup.com](http://www.triumphgroup.com)) was founded in 1939 by Jack Northrop, founder of Northrop Grumman. In 2000, the Hawthorne division was sold and re-named Vought Aircraft. In 2010, the Company was sold to The Triumph Group, which is headquartered in Pennsylvania. Triumph has six facilities in the United States, along with facilities in Canada, Mexico, and China. Triumph's two facilities in California, Hawthorne and Torrance will participate in ETP training.

Triumph manufactures and designs fuselage panels, tailpieces & flight control surfaces, thrust reversers, fans, wings and doors for commercial aircrafts. Presently, the Company builds fuselage panels for approximately 18 Boeing 747s each year. The Company also builds a section of the Boeing 767 airplane, which is expected to become the military tanker of the future. In addition to Boeing, its customer base includes other aircraft manufacturers. This will be Triumph's first ETP Agreement.

The Company has several challenges that drive the need for training: new business, increased customer demands, industry requirements, and the continued training of new employees. The Company anticipates hiring 54 new employees in the next 24 months to accommodate this new business growth and employees attrition.

## **PROJECT DETAILS**

Triumph is operating in a highly competitive and volatile industry. Maintaining the technical expertise of its workforce provides competitive advantages in contract bidding and acquiring new business. Triumph was recently awarded a seven-year contract to build aircraft fuselage panels and other parts for new customer, Embraer, a Brazilian manufacturer of commercial aircrafts. The project will begin in December of 2014 and specific training will be provided to employees involved in the assembly and machining of the new panels. Embraer has a large backlog of orders for these new, 100-passenger, commercial jets. The Hawthorne facility will build the first 14 aircraft fuselages for Embraer.

Triumph's training goal is to provide workers with the necessary technical skills required to meet industry standards, and customer specifications, including all requisite certifications. Training will assist workers to perform their jobs effectively and efficiently.

### **Training Plan**

To support its current business needs, the Company will implement ETP training to support new product knowledge; customer specifications; process improvements related to productivity and quality control; and adaptation to new technologies and systems. ETP funding will support Triumph in successfully upgrading worker skills, increase production efficiencies, and effectively manage its overall business growth. Training will begin December 22, 2014.

Classroom/Laboratory and Videoconference will be provided as follows:

**Computer Skills (2%):** Training will be offered to Engineers and will provide trainees with technical skills to be effective in their jobs.

**Continuous Improvement (20%):** Training will be offered to all occupations and will ensure trainees have the skills to identify and implement process improvement opportunities and maximize efficiency. Six Sigma, Statistical Process Control, Triumph's internally-developed, and Total Quality Assurance training will help them establish a culture of continuous improvement; and focus on working most effectively within their teams and the organization. Key staff will also receive Leadership Skills and American Production and Inventory Control Society training.

**Hazardous Materials (8%):** Training will be offered to Aircraft Structure Mechanics, Maintenance Staff, and Managers/Supervisors to ensure they are able to prevent hazards and/or address potential hazards during the production process.

**Manufacturing Skills (70%):** Training will be offered to Aircraft Structure Mechanics, Quality Inspectors, Production Staff, Maintenance Staff, Tooling staff, Material Planners/Buyers, and Managers/Supervisors. Workers will receive in-depth training in skills applicable to their job function to secure certification, ensure competence, enhance skills, gain new skills, as well as provide cross-training opportunities. Training will enable staff to understand manufacturing requirements, eliminate errors, and perform more effectively in the manufacturing environment.

### **Commitment to Training**

Triumph has an annual training budget of approximately \$130,000. Triumph provides extensive and ongoing training to newly hired employees, as well as the existing workforce to maintain and upgrade employee skills. Training includes: new employee orientation, anti-harassment/diversity, introductory computer skills, ethics, supervisory skill training for managers, and basic safety skills. Training is job specific and specific at Hawthorne location. Most training is delivery via class/lab, on-the-job training and computer based.

ETP funds will support Triumph's ongoing financial commitment in training. After the completion of the ETP program, Triumph will continue to focus on developing employee talent, upgrading employee skills and ensuring that employees possess the skills needed to be successful. Triumph is dedicated to maintaining and enhancing its customer relationships and will continue to seek out new business opportunities. Triumph will continue to provide ongoing training during the term of the proposed ETP Agreement and beyond at its own expense.

Triumph 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 requirements under state and federal law.

### **Training Infrastructure**

Training will take place at its two California facilities with in-house trainers. The Company has enlisted California Manufacturing Technology Consulting (CMTC) to support its administrative efforts. Triumph's Human Resources Staff and training staff will coordinate with CMTC team to schedule training, secure rosters, provide trainee enrollment data, verify training and retention completion, participate in ETP monitoring activities, and ensure compliance with all ETP requirements.

### **High Unemployment Area**

All 420 trainees work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. The Company's location in Los Angeles County qualifies for HUA status under these standards. However, Triumph is not asking for a wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

California Manufacturing Technology Consulting (CMTC) in Torrance assisted with development of this proposal at no cost.

## **ADMINISTRATIVE SERVICES**

CMCT will also perform administrative services for a fee a fee not to exceed 13% of payment earned.

## **TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**COMPUTER SKILLS**

- Computer-Aided Three-Dimensional Interactive Application

**CONTINUOUS IMPROVEMENT**

- Statistical Process Control Proof
- Total Quality Assurance
- Comprehensive Improvement Assistance Program
- Six Sigma Yellow
- Six Sigma Green
- Six Sigma Black
- Continuous Process Improvement
- Basic Quality Systems
- Leadership Skills
- American Production and Inventory Control Society

**HAZARDOUS MATERIALS**

- Storm Water Pollution Prevention
- Hazardous Materials - Communication
- Hazardous Waste Generator

**MANUFACTURING SKILLS**

- Solid Rivet Installation
- Auto Rivet
- High Locks
- Lock Bolt and Stump
- Seals
- Torque Requirements
- Paint Mixing
- Organic Finishing Mixing
- Alodine
- Auto Clave Operations
- Propane
- Cold Work
- Wire Prep and Assembly
- Adhesives
- Hardness
- Laser Train
- Laser Track
- Tool Design
- Romer Laser Tracking
- Conductivity
- Electrical Bonding
- Electrical Bond Grounding
- Nonconforming Material Control
- Metal Bonding Adhesive Primer

- Adhesive Bond Parts Fabrication
- Skin Quality Material
- Skin Quality Acceptance & Critical Repair
- Anodic Coating
- Boric Acid-Sulfuric Acid Anodizing
- Foreign Objects Debris
- Hole Check
- Visual Requirements
- First Article Inspection
- Blue Print Reading
- Shop Math
- Instrument Reading
- Material Handling
- Visual Checklist
- Lockout and Tagout
- Respirator
- Mobile Cranes
- Tractor Operation
- Cart Operation
- Forklift Operation
- Order Picker
- Platform Lift
- Aerial Lift
- Scissor Lift
- Overhead Cranes
- Rigging Equipment
- Stretch Upper Deck Door Rigging
- Vac-U-Lifts
- Track Mobile
- Stamp Issuance
- Monorail Operation
- Mylar Grid Check
- Auto String Drill
- Torres Stringer Drilling Machine Operation
- Automated Linear Extrapolation, Transformation & Analysis System (ALEXAS) – Set-Up
- ALEXAS – Operation
- Corrosive Inhibiting Adhesive Primer
- Rotary Flap Peening

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

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