



**Retrainee - Job Creation  
Training Proposal for:  
Tucker Autobody & Towing, Inc.**

<b>Small Business</b>
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**ET16-0313**

**Approval Date:** December 23, 2015

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

**CONTRACTOR**

- Type of Industry: Services
  
- Priority Industry:  Yes  No
  
- Number of Full-Time Employees
  - California: 21
  - Worldwide: 21
  - Number to be trained: 25
  - Owner  Yes  No
  
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 6%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$28,600
- In-Kind Contribution: \$29,404

**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 SB <100 HUA	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat., PL-Comm. Skills	20	8-60	0	\$1,100	*\$11.30
				Weighted Avg: 50			
2	Retrainee Job Creation SB<100 HUA	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat., PL-Comm. Skills	5	8-60	0	\$1,320	*\$10.10
				Weighted Avg: 60			

\*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the state or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Imperial
- Occupations to be Trained: Administrative Staff, Estimator, Technician, Parts/Production, Manager, Sales Staff, Owner
- Union Representation:  Yes  
 No
- Health Benefits: Job #1: \$0.30 per hour

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants, LLC in Grass Valley assisted with development services for a flat fee of \$2,288.
- Administrative Services: Synergy Management Consultants, LLC will also assist with administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1988 and located in Imperial, Tucker Autobody & Towing, Inc. (Tucker AB) services greater Imperial County and parts of Western Arizona. The Company provides auto and truck body repair, windshield and glass repair, finishing, painting, and other auto body repair and towing services.

Tucker AB has undertaken an aggressive growth strategy to build existing market share to include new Auto Insurer Direct Repair Programs and increase business with USAA customers (military personnel). Further, Tucker AB plans to expand its repair capabilities to include vehicles such as Ford Aluminum, Toyota, Honda and Cadillac. There is a currently need for a collision repair facility that can accommodate these vehicles in the greater Imperial area.

With the introduction of large conglomerate consolidators (Headquartered out-of-state) into the local market, smaller businesses such as Tucker AB must grow to have the geographic footprint to service auto insurance companies. The Company must also grow to be able to take advantage of cost savings based on volume parts purchasing and other components (economies of scale) in the repair process.

Furthermore, changes within the automotive collision repair industry, including the processes and materials used to meet Corporate Average Fuel Economy (CAFÉ) standards, have created the need to re-tool and retrain employees to handle the repairs needed on these new vehicles. The use of both aluminum and ultra high-strength steels in the automotive manufacturing process requires different welding machines and techniques, which require training. Additionally, electric and hybrid vehicles, also manufactured to meet CAFÉ standards require special repair methods that most employees currently lack.

While Tucker AB has always been committed to training, additional training will be necessary to provide skills in new techniques and equipment for newer automobiles. In addition, Tucker AB can improve quality and efficiency by implementing Lean Quality and Production Improvement systems. New continuous improvement processes will give trainees the ability to identify production flow issues and root causes, then develop strategies and solutions to improve cost-effectiveness, quality, reduce waste and errors across the company (thus increasing customer satisfaction).

## **Training Plan**

Training will take place at the Company facility in Imperial by experienced in-house trainers and outside vendors in the skills below:

**Business Skills:** Training will be offered to Administrative Staff, Estimator and Managers on intermediate and advanced business skills topics. This training will be customized and job-specific skills to improve trainees' ability to perform their jobs.

**Commercial Skills:** Training will be offered to Production/Parts, Estimators, Technicians, Sales Staff and Managers in skills related to autobody/collision repair, maintenance-service, new vehicle technologies, aluminum, electric and hybrid repair, and extended Inter-Industry Conference on Auto Collision Repair credential training for collision center. Training also encompasses specific Original Equipment Manufacturer certified coursework. Sales Staff will also need to receive limited hours associated with these services to enhance both sales penetration and customer service.

**Computer Skills:** Training will be offered to all occupations in software applicable to their department and job function. This training will enable the Company to use IT systems to track costs, plan production and service flow while communicating with customers and employees. The collision industry has seen wide sweeping changes in how insurers and other partners exchange data. Training in these industry-specific software will improve efficiency in working with different customers.

**Continuous Improvement:** Training will be offered to all occupations to improve quality, cycle time, and cost efficiency by implementing Lean Quality and Production Improvement systems. These processes identify service, production and flow issues and as well as the root cause. The training will provide solutions to improve quality, reduce waste and defects across all areas of the company. Tucker AB expects to increase efficiency by 15% with continuous improvement training.

### **Certified Safety Training**

Hazardous Materials (HAZMAT). This training is also a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title. Certified training is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT.

In this proposal, Technicians will receive up to 3 hours of training. Field training may be required, although not funded by ETP. Completion of the training does not result in a certificate. This coursework is not under Cal-OSHA, nor is it administered under the Department of Transportation and CalTRANS.

### **Productive Laboratory**

The Panel has adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods or services for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

**PL-Commercial Skills:** Training will be offered to 13 Estimators and Technicians in skills such as Aluminium Spot Welding, Estimating, Structural Resistance Spot Welding, Body Filler Techniques, Color Tinting, Paint Spraying/Blending Techniques, Alignment and other Body/Collision repair skills. Training will be delivered 1:1 with qualified trainers for approximately 7-9 hours per trainee, depending on prior experience with the specific auto body repair techniques. However, some trainees may need as many as 24 hours of PL training, depending on need. Equipment used in training includes spot welders, mig (metal inert gas) welders, frame rack and measuring system, spray guns, spray booths, various hand tools, All-data IT, estimatics and ADP system for estimators including Mitchell, CCC and ADP estimating systems and CCC One Software.

Trainees will be given specific assignments from a trainer who will specify the scope of work, explain the process and needed equipment, verify that the employee understands standards and specifications, watch the employee perform the task, provide feedback on best practices and better ways of performing the task, help the employee with re-work if necessary. Then the trainer will ensure completion of the final stage, that the task has been performed correctly, that the employee understands the process and is proficient in the given body repair technique.

### **High Unemployment Area**

Trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Company's location in Imperial qualifies for HUA status under these standards. Tucker AB is requesting a wage modification to \$11.30 per hour for Job Number 1 and \$10.10 per hour for Job Number 2.

### **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**

- Customer Care Skills
- Advanced Sales & Marketing Skills
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

**COMMERCIAL SKILLS**

- I-CAR Collision Repair Certification Skills
- Refinishing Skills
- Structural Repair
- Non-Structural Vehicle Repair Skills
- Estimating Skills
- Vehicle Operation, Maintenance & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- Original Equipment Manufacturer Knowledge/Skills

**COMPUTER SKILLS**

- CCC One Software (auto collision repair software)
- Mitchell & Mitchell Repair Center Software
- Nugen IT
- Audatex Software
- Alldata Software
- Microsoft Office Suite
- Quickbooks

**CONTINUOUS IMPROVEMENT**

- Leadership Skills
- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control
- Standard Operating Procedures

**HAZARDOUS MATERIALS**

- Completing Material Safety Data Sheets
- Volatile Organic Compound Tracking
- Emergency Clean-Up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

**PL Hours**

0-24

**COMMERCIAL SKILLS (Ratio 1:1)**

- **Body Filler Methods:** Task assigned-repair small to medium-sized dent in a typical steel panel.
- **Structural Resistance Spot Welding:** Task assigned-weld 15 welds per manufacturer guidelines.
- **Mig Brazing Techniques:** Task assigned-Mig braze a 6 inch section.
- **Color Tinting:** Tasks assigned-match 1, solid color, 1, two-stage color and 1 metallic color.
- **Spraying/Blending Techniques:** Tasks assigned-Refinish 1 panel, perform blend on adjacent panel.
- **Measuring Vehicle Structures:** Tasks assigned-set up vehicle on frame rack along with measuring system, create initial measurements.
- **Alignment Process for Unitized Vehicles:** Task assigned-Complete frame alignment for a unitized vehicle with a front sway or sag condition.
- **Alignment Process for Full Frame Vehicles:** Task assigned-Complete frame alignment for a full-frame vehicle with a front sway or sag condition.
- **Aluminum Repair:** Task assigned-repair as small dent in an aluminum panel

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 24 hours per-trainee.