



Training Proposal for:

Ventura Foods, LLC

Agreement Number: ET16-0135

Panel Meeting of: August 28, 2015

ETP Regional Office: San Diego

Analyst: S. Godin

PROJECT PROFILE

Contract Attributes:	Priority Rate	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Bernardino, Orange	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamsters Local Union #630		
Number of Employees in:	CA: 675	U.S.: 2,771	Worldwide: 2,776
<u>Turnover Rate:</u>	7%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$324,000		\$0	\$0		\$324,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$359,820
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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 Improvement, HazMat, Manufacturing Skills, OSHA 10/30	450	8-200	0	\$720	\$14.30
				Weighted Avg: 40			

Minimum Wage by County: San Bernardino County: \$15.07 (Collective Bargaining Agreement wages of \$14.30 per hour are deemed to meet ETP post-retention wage requirements.)

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

Although employer provides health benefits, they are not being used to meet Post-Retention Wages.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Production Personnel (Line Operator, Mixer/Blender, Packer/Stacker, Spicer)		190
Maintenance Mechanic		21
Forklift Operator, Warehouse/Distribution Staff		90
Quality Technician		21
Sanitarian Staff		28
Administrative Support Staff		20
Foreman		40
Manager/Supervisor		40

INTRODUCTION

Ventura Foods, LLC (VFL) (www.venturafoods.com) was formed in 1996 as a joint venture between CHS, Inc. and Mitsui & Company, LTD. Headquartered in Brea, the Company manufactures food condiments such as margarine, mayonnaise, salad dressings, sauces, shortenings, soup bases, and cooking oils at 11 manufacturing facilities. VFL's products are sold to food service distributors, retail, and private-label and industrial channels, both in the United States and internationally. Twenty percent of VFL's products are manufactured and shipped from its Ontario facility; the sole location of the proposed ETP funded training. VFL meets out-of-state competition standards as an industrially classified manufacturer and is eligible for priority industry reimbursement.

All occupations in this proposal, with the exception of Administrative Support Staff, are represented by the United Brotherhood of Teamsters, Local Union No. 630. A union letter of support for the proposed training has been provided.

PROJECT DETAILS

This is VFL's second ETP Agreement, the previous being over five years ago. The emphasis in this training proposal is on the companywide implementation of two software programs: the JD Enterprise One, Version 9.1 (ERP) and a Human Capital Management (HCM) software system. Both systems replace older in-house legacy systems.

The new ERP system will improve the Company's overall productivity, link operations across all departments, and provide real-time lot tracking and inventory control. The HCM system provides management with tools to track employee health benefit and beneficiary information; employee training and development tracking; and historical wage compensation information.

Training on both software systems is scheduled to commence in September. The JD Enterprise One system has an implementation (go-live) date of January 2016. The HCM system will go live during the second quarter of 2016.

VFL has also identified the need to increase operating efficiencies and its manufacturing capacity by building high performance work teams, which will provide faster resolutions for its customers. Additional foodservice and retail packaging lines are being added to support newly purchased mayonnaise and margarine processing equipment. Production Personnel and Warehouse/Distribution Staff will need to streamline operations in order to increase production output, shorten delivery times, and reduce errors. Implementation of standard operating procedures will insure compliance to strict sanitization processes and regulations.

Training Plan

The majority of the training will be delivered by in-house staff, with a smaller portion conducted by outside training vendors yet to be determined.

Computer Skills (25%): Training on the JD Edwards Enterprise One Version 9.1 system will be provided to all occupations as it relates to individual job functions. The ERP training will provide trainees with the skills to navigate the software; thus reducing errors and rework, and improve inventory and production management to meet increased customer demands. Managers and select Administrative Support Staff will be trained on the new HCM system, which will enhance management and operational efficiency through easier access to actionable information.

Continuous Improvement (25%): Trainees in all occupations will receive training in team building, leadership, and quality concepts. Training in Six Sigma and process improvement will help workers standardize processes, control quality, and improve efficiencies. Team building and problem solving will lead to improved operations and promote enhanced interactions with both internal and external customers.

Production Staff and selected Managers/Supervisors will also receive training in Safe Quality Food 2000 (SQF 2000) and Hazardous Analysis and Critical Control Points (HACCP). SQF 2000 is an internationally recognized system that provides verifiable assurance that the Company's products have been produced in accordance with all SQF standards. HACCP is a food safety management system that achieves its function through the analysis and control of biological, chemical, and physical hazards from raw material production, procurement and handling to manufacturing and distribution of the finished product.

Manufacturing Skills (30%): Production Personnel, Managers and Supervisors will receive training in new equipment operations, maintenance and troubleshooting. Standard operating procedures will be developed and applied to each piece of equipment. Good Manufacturing Practices (GMP) will reduce waste, improve quality, and lengthen the life of the equipment.

Hazardous Materials (10%) Production Staff, Managers, and Supervisors who work with hazardous materials will receive skills training in hazardous waste/spill operations, emergency response protocol, and proper completion of material safety data sheets.

Certified Safety Training

OSHA 10/30 (10%): This training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of classroom training for frontline Production Personnel and 30 hours for Foremen, Supervisors, and Managers. The coursework is geared to manufacturing, and also construction. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA. This training provides a complete overview of occupational safety and health so that workers are more knowledgeable about workplace hazards.

Commitment to Training

VFL provides basic on-boarding training for all newly hired employees. Training consists of basic orientation and an overview of company policies and procedures. Informal on-the-job training is provided to Production and Warehouse Distribution Staff on an as needed basis. The training is provided by in-house staff. The annual training budget for VFL's Ontario plant is \$16,000.

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

Training Infrastructure

Training will be conducted by in-house trainers who will collect training rosters after each training session. An in-house Administrative Support Staff person will forward scanned roster copies to VFL's subcontracted project administrator (ADP) for data entry on the ETP tracking system. ADP will perform ETP administrative recordkeeping duties. All training will be delivered to Ontario employees; however, training records will be kept at VFL headquarters in Brea. Employees at the Brea location will not participate in ETP-funded training.

Impact/Outcome

Training goals include new technologies, manufacturing skills, and continuous improvement skill sets necessary to remain competitive and provide career opportunities for employees to grow within the organization as VFL moves to a high performance workplace.

PRIOR PROJECTS

VFL has not had an ETP Agreement within the last five years.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

VFL retained ADP, LLC in San Dimas to perform administrative services in connection with this proposal for 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

- JD Edwards Enterprise One Version 9.1 Software Skills
- Human Capital Management Solutions Software Skills

CONTINUOUS IMPROVEMENT

- Lean Concepts
- Six Sigma (define, measure, analyze, improve, control)
- 5-S Principles (Sort, Set in Order, Sanitize, Standardize, Sustain)
- Leadership Skills
- Problem Solving and Decision Making
- Building High Performing Teams
- Process Improvement
- Quality Concepts
- Safe Quality
 - SQF 2000
 - HACCP

HAZARDOUS MATERIALS

- Hazardous Materials Handling & MSDS Documentation
- Registration, Evaluation, Authorization and Restriction of Chemical substances
- Ammonia Training
- Emergency Response Protocol & Clean Up

MANUFACTURING SKILLS

- Equipment Operations and Maintenance
- Standard Operating Procedure Training
- Trouble Shooting Equipment and Processes
- Good Manufacturing Practices (GMP)

OSHA 10/30 (Certified OSHA Instructor)

- OSHA 10 (Requires 10 hours completion)
- OSHA 30 (Requires 30 hours completion)

Safety Training cannot exceed 10% of total training hours per-trainee
(This cap does not apply to Hazmat or OSHA 10/30)

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



Food, Industrial and Beverage Warehouse, Drivers
and Clerical Employees Union - Los Angeles and Vicinity

(213) 627-2178
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Teamsters Local Union No. 630

750 S. Stanford Avenue / Los Angeles, California 90021-1416

Ernest Lopez
Secretary Treasurer

Xavier Sandoval
President

April 21, 2015

Employment Training Panel
1100 J Street, 4th Floor
Sacramento, CA 95814

Dear Panel Members,

The Teamsters Local Union No. 630, affiliated with the International Brotherhood of Teamsters, fully supports Ventura Foods, LLC's proactive approach in pursuing ETP-Funding for training purposes. We support the training proposal being submitted to the Employment Training Panel by Ventura Foods, LLC.

Today's competitive and demanding markets for Ventura Foods, LLC products require modern technology, well trained employees, and thoughtful leadership. Ventura Foods, LLC's request for these training funds support these important needs for all of us to be successful.

Please feel free to contact me regarding the above letter of support at (213) 627-2178

Sincerely,