



**Training Proposal for:
White Labs, Inc.**

Small Business

ET16-0295

Approval Date: December 11, 2015

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Manufacturing
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 91
 - Worldwide: 95
 - Number to be trained: 46
 - Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 10%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$19,136
- In-Kind Contribution: \$11,385

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 SB <100	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	46	8 - 60	0	\$416	\$15.07
				Weighted Avg: 16			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Yolo, San Diego
- Occupations to be Trained: Accounting, Customer Service, Human Resources, Packaging, Shipping, Production, Analytical Services, Quality Control, Manager
- Union Representation: Yes
 No
- Health Benefits: \$1.44 per hour

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

OVERVIEW

Founded by Dr. Chris White in 1995, White Labs, Inc. (White Labs) (www.whitelabs.com) started as a provider of yeast for home brewers. White Labs now provides yeast and analytical services to commercial craft breweries, wineries, and distilleries. The Company's growth is due in part to the opening of a tasting room in 2012 to the public to survey customer satisfaction and capture data needed to improve yeast manufacturing.

Headquartered in San Diego, White Labs has other U.S. facilities, in Davis and Boulder, CO. The Company also has international facilities, in Denmark and Hong Kong. The Company plans to open another facility in Asheville, NC in mid-2016. However, all told, the number of employees in California is less than 100 and otherwise less than 250, thereby the Company qualifies as a small business. Both California locations will participate in this training proposal.

Need for Training

White Labs' most significant growth occurred after January 2014 when it increased its staffing levels by 50% at California facilities. This was due to the explosion of the craft beer industry. Today, the craft beer industry is still expanding and demand for the Company's products is

increasing. As a result, White Labs has installed proprietary technology and purchased new equipment to revamp its overall business and manufacturing processes to keep up with industry and customer demands. Accordingly, employees will require training to deploy and support these new technologies.

1. White Labs recently received a patent for its FlexCell™ product. This high technology packaging system ensures yeast quality and purity while reducing impact on the environment. It also uses new packaging made from a recyclable, flexible film that allows increased breathability, reduces change of gas buildup, and maintains an optimal environment for the yeast.
2. White Labs just purchased a new ERP system, Netsuite, and plans to systematically implement it in 2016. The ERP system will impact all departments. The new system will improve inventory control, order tracking, invoicing, and management reporting for improved efficiency, productivity, and decision-making.

Training Plan

White Labs is poised to provide its workers with a comprehensive training program to improving overall operating efficiencies including product development, research collaboration, and business management. Training will be delivered in classroom/laboratory setting and will take place at the Company's San Diego and Davis facilities.

Business Skills – Training will be offered to Accounting, Customer Service, and Human Resources. Training will provide skills necessary to effectively interact with clients on a variety of levels with emphasis on negotiating and sales to improve the acquisition of new clients.

Computer Skills – Training will be offered to all job occupations. The majority of training will be in the Company's ERP system. Training will provide trainees with skills to improve entire production planning and inventory processes.

Continuous Improvement – Training will be offered to all job occupations. Topics in Lean Manufacturing, Process Improvement, Contamination Control, and Fermentation Science will provide trainees with skills to improve yeast production while conserving energy resources.

Manufacturing Skills – Training will be offered to Packaging, Shipping, Production, Analytical Services, and Quality Control. Course topics include Equipment Operations, Equipment Maintenance, HVAC Systems, Production Planning, Waste Elimination, and FlexCell™ Technology. Training will allow workers to ensure quality and purity of products while minimizing environmental footprint. The new eco-friendly manufacturing method will streamline production processes, increase product consistency, and improve inventory management.

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 Service
- Sales/Marketing Strategies
- Budget Creation & Planning

COMPUTER SKILLS

- Enterprise Resource Planning (ERP) System
- Customer Relationship Management (CRM) Software

CONTINUOUS IMPROVEMENT

- Team Building
- Data Analysis
- Lean Manufacturing
- Process Improvement
- Contamination Control
- Product/Services Knowledge
- Fermentation Science

MANUFACTURING SKILLS

- Equipment Operations
- Equipment Maintenance
- HVAC Systems
- Production Planning
- Waste Elimination
- FlexCell™ Technology

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

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