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ANNUAL REPORT



ETP  
EMPLOYMENT  
TRAINING  
PANEL



## THE EMPLOYMENT TRAINING PANEL

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# EMPLOYMENT TRAINING PANEL

## *Vision Statement*

*The Panel will be recognized as a national model for industry specific training which provides excellent service to California businesses.*

## *Mission Statement*

*The Employment Training Panel (ETP) is a significant economic development tool for business attraction and business retention. ETP will work in partnership with business, labor, and government, to provide funds for training California's workforce in the skills necessary for business to remain viable and compete in the global economy, while providing workers with reasonable wages and secure employment.*



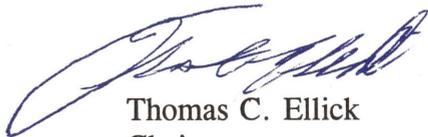
**November 30, 1995**

The Employment Training Panel (ETP) is pleased to share a copy of its Fiscal Year (FY) 1994-95 Annual Report as it observes 12 years of successfully meeting California business's need for a skilled workforce to compete in a global economy. Since its inception through June 30, 1995, more than 23,000 employers have benefitted from \$455 million to train and employ 220,000 workers.

The Report year marks the first full year in which the Panel implemented major legislative changes that increased its role as an economic development tool by focusing its funding on assisting companies challenged by out-of-state competition, and by the commitment of all available training funds for the third consecutive year. The Panel successfully linked with other agencies to conceive a statewide coordinated workforce preparation system and to develop a comprehensive defense conversion plan for California. The Panel funded several high profile economic development projects to assist companies expanding or locating in California, and provided matching funds to support federal initiatives for research and technology development projects. Other project commitments reflect the Panel's key role as an economic development tool targeting companies transitioning to high-performance workplaces to better compete in the global economy.

The Panel continued to emphasize excellence in customer service as it targeted marketing efforts to reach firms vital to California's economy. The Panel also worked closely with program stakeholders to obtain direct feedback and improve program operations. It is noteworthy that a three-year study evaluating the program's effect on workers and the economy found ETP-funded training generated an annual return of up to more than five times the original investment.

Following the 1994-95 fiscal year's numerous accomplishments, recently signed legislation has extended ETP's sunset date to January 1, 2002 thereby allowing the Panel to face the future with long-range planning capability. We look forward to meeting the challenges in the years ahead by building and maintaining partnerships with business, labor, and other government entities to sustain and improve California's economy.



Thomas C. Ellick  
Chairman



Gerald G. Geismar  
Executive Director



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# INTRODUCTION

*“Training was instrumental in changing the culture of our company...it gave us a great amount of flexibility to be creative...we changed our culture and restructured the factory floor...and doubled sales. What more could you want?”*

*Dr. Paula Stern, Training Manager  
JBL, Incorporated*

1994-95 was a pivotal year for the Employment Training Panel (ETP) as it successfully implemented the legislative changes of 1994 which gave the Panel a heightened role in the State's economic development arena. In its first full year following the new legislation, the Panel responded by collaborating with other government and private agencies in support of the State's economy, committing all of its available training funds for the third consecutive year, and successfully implementing the new program requirements.

The Panel worked in cooperation with other organizations to facilitate economic development and program coordination, leverage funds, and ensure the maximum use of its training funds. The Panel focused on the California economy as a whole, rather than individual companies, funding projects to train workers for new jobs and to retrain front-line workers in companies faced with out-of-state competition. Emphasis was placed on training in secure, high-wage jobs for companies that are export oriented, adapting to high-performance workplaces, or diversifying their products and services.

The Panel approved a number of unique and innovative projects under its new Special Employment Training (SET) category, which permits funding projects outside the scope of its regular criteria, thereby testing new training models.

These accomplishments were largely the result of strategies set out in the Panel's Three-Year Strategic Plan, which emphasizes collaboration with other entities, facilitated by a targeted marketing effort of the Panel's programs and services to industries and businesses vital to the California economy. In implementing its Strategic Plan, the Panel made further improvements in program administration, customer service, and in evaluating its program to ensure continuous improvement.

During the year, one change occurred in Panel membership, because Margie Handley resigned to become Special Assistant for Forestry and Rural Economic Development for the State Resources Agency. Governor Pete Wilson appointed David Lattanzio of Palm Desert, a financial consultant in the food processing industry as her replacement. In addition, Panel member Pat

Williams, who has been a Panel member since 1983, was reappointed for another term by the Speaker of the Assembly.

In January, the Panel moved its Sacramento offices, including the Panel's main administrative office and its Sacramento field office, to new upgraded quarters in Sacramento. The offices were relocated to consolidate work units and to provide staff with much needed space and the advanced technologies made possible by the new site's infrastructure.

In conjunction with the office moves, the Panel made several administrative improvements which will have a definite impact on improved customer service. Panel staff undertook direct responsibility for ETP contract processing and project audits, duties previously assumed by the Employment Development Department (EDD) under contract with the Panel. This will significantly expedite the processing of contracts and the completion of program audits. Other improvements, facilitated by the Panel's continued emphasis on staff training and quality improvement teams, assisted in the transition to the new program requirements.

Having concluded a memorable and highly successful 1994-95 fiscal year, the Panel looks forward to its future, as SB 644, authored by Senator Patrick Johnston and signed by Governor Pete Wilson in October 1995, extended ETP's sunset date to January 1, 2002. This new sunset date will enable the Panel to approach its new economic development role with assured long-term planning. SB 644, which becomes effective on January 1, 1996, adds small business entrepreneurial training as an allowable training activity under the SET category, enabling the Panel to provide a new level of service to small business.

This report describes the Panel's activities and achievements during the 1994-95 fiscal year in detail. Since contracts can cover a span of up to 24 months, the report covers last fiscal year's Panel activities and funding commitments, and contracts which completed during the fiscal year. The report includes 10 case studies, representing a cross-section of projects which completed during the fiscal year.

In addition, a third category of contracts to be noted is active contracts -- i.e., contracts approved prior to last year and still active as of July 1, 1995. As of that date, there were 85 of these active training contracts for a total of \$45.1 million to train 23,620 individuals. Twenty-five of these contracts are targeted primarily to small business. Thirty of the contracts include literacy training.

A listing of contracts terminated during the report year is included as an appendix item. These are contracts in which funds were encumbered, but which were subsequently terminated before July 1, 1995.

The Panel is proud of its accomplishments in the past year, as it takes its place at the forefront in economic development and employment preparation in California. The Panel's success as a model training program was validated by the results of a recent evaluation of the program's effectiveness. This three-year study indicated that ETP-funded training returned up to more than five times the original training investment, and resulted in increased earnings and employment security for trainees, even three years after the completion of training. At the same time, the Panel is prepared for many new challenges ahead in ensuring that the State's employers have the skilled workers necessary to compete in the global economy. The Panel will continue its commitment to ongoing quality improvement, working with its program partners and stakeholders to continually improve its program in support of the California economy.

# YEAR IN REVIEW: IMPLEMENTING A NEW FOCUS

Legislation effective in January 1994 brought significant changes to the ETP program, expanding the Panel's role as an economic development tool for strengthening the California economy. This new legislation, while still emphasizing job creation, placed new emphasis on job retention through the retraining of currently employed workers in companies challenged by out-of-state competition. The Panel's new focus is on funding projects that benefit the California economy as a whole.

Fiscal Year 1994-95 was the Panel's first full year in implementing this new program focus, which saw the Panel work with other entities in the state to coordinate activities and maximize the use of its training funds. During the past year, the Panel succeeded in committing all of its available training funds, while positioning itself as a key player in the State's economic development arena. This success was supported by the Panel's ongoing commitment to customer service and administrative improvements.

## Revenues and Expenditures

Fiscal Year 1994-95 saw the Panel commit all of its available training funds -- the third consecutive year in which the Panel has achieved full funding commitments. (See Appendix A, "Rev-

enue and Expenditure Report," for details.)

The Panel approved 199 projects, totaling \$75.7 million. In so doing, the Panel reaffirmed its commitment to assisting California businesses and targeting training for thousands of workers at a low cost per trainee. The table below summarizes these fiscal year commitments.

1994-95 Project Commitments	
Approved Training Projects	199
Millions Approved for Training	\$75.7
Persons Targeted for Training	44,653
Average Cost Per Trainee	\$1,695

It should be noted that, given an increased need by many employers for funding, the Panel made all of these funding commitments by March 1995. In the remaining three months of the fiscal year, the Panel committed almost \$20 million in training funds available for 1995-96 (about 30 percent of the available training funds for the fiscal year). In addition, more than 100 applications for funding were in development at the close of FY 1994-95. This led the Panel to develop special funding guidelines for the subsequent year's retraining projects to maximize the distribution of available funds,

by requiring a matching contribution from contractors.

## Panel's Role In Economic Development

ETP's Strategic Plan provides that "the Panel will work in collaboration with other entities to develop and implement comprehensive economic development efforts to increase the competitiveness of California companies." The Panel's record during the past year points to its success in carrying out this objective through its increased role in economic development and employment preparation throughout the State. The Panel was increasingly active in statewide planning efforts; provided key matching funds for several state/federal initiatives; and supported a number of economic development initiatives to retain California businesses, bring new businesses into the State, and improve the overall California economy.

### Cooperative Planning

The Panel participated in several planning initiatives aimed at coordinating and integrating economic development and employment preparation efforts in California, including:

- **The California Economic Strategy Panel**, established by

1993 legislation to determine whether a single economic strategy can be developed for the State or its significant regions. The Panel coordinated its activities to complement the goals and objectives of the **California Economic Development Strategy Plan**, especially with respect to the training needs for emerging industries and occupations.

■ **The California Council on Defense Industry Conversion and Technology Assessment.** Established by the Governor and Legislature, the Council provides a statewide, integrated approach to defense conversion in California. The Panel has joined private industry, EDD, Regional Technology Alliances, the State Trade and Commerce Agency (TCA), and others to develop and implement a comprehensive defense conversion plan for the State.

■ **The Intergovernmental Workgroup (IWG)**, consisting of representatives of the State's workforce preparation programs. The Panel continues to participate actively on the IWG which is working in concert with the State Job Training Coordination Council (SJTCC) to develop an integrated and coordinated workforce preparation system for the State, including common performance-based accountability measures for all programs.

### ***Support for Federal Initiatives***

The Panel provided matching funds for federal grant programs such as the Technology Reinvestment Program (TRP), Advanced

Technology Program (ATP), and other grants funded by agencies such as NIST (National Institute of Standards and Technology) and NSF (National Science Foundation). In coordination with TCA, ETP is one of the major sources of matching funds for California companies applying to the Federal Government for technology development projects.

Last year the Panel also committed over \$1 million for projects such as an Engineering Research Center in Multimedia at the University of Southern California, a Northern California Manufacturing Extension Center in the San Francisco Bay Area, and the San Diego High Technology Resource Center. These commitments are for job training programs contingent upon the applicants winning federal grants for their programs.

### ***Economic Development Projects***

The Panel allocates funds for economic development projects that are intended specifically to keep companies from leaving the state, to strengthen businesses that are expanding or reconfiguring in, or relocating to California. Working in conjunction with TCA and other government organizations on Red Teams and Team California, the Panel funded a number of training contracts, totaling about \$20 million. Among these were the following high-profile projects:

■ \$10.1 million for **Genentech**, a South San Francisco biotechnology firm, to retrain 2,633

employees, contingent upon the company's opening a new process laboratory in Vacaville, rather than outside of California, in the near future.

■ \$2 million in training funds to help bring **Packard Bell** to the Sacramento area. The company plans to institute a high-performance workplace at its new site and will hire and train 3,500 workers, including Greater Avenues to Independence (GAIN) participants and workers who have been displaced due to base closures such as Mather Air Force Base and the Army Depot.

■ \$5.5 million for **Douglas Aircraft**, a Long Beach manufacturer of commercial aircraft, to retrain 4,952 current employees and to train and employ 1,044 unemployed workers. Funding served as an incentive to keep a significant portion of MD-11 aircraft production in California.

### ***Other Key Initiatives***

The Panel continued its support for several key economic development initiatives intended to boost the California economy, including:

■ **The California Manufacturing and Technology Center (CMTC)**, a technology transfer organization, which assists small and medium-size manufacturers in converting from the defense to the commercial sector. During the past year, ETP funds enabled eight CMTC engineer technologists to assess small and medium-sized businesses develop various plans for their conversion from defense

to commercial applications/customers, and to identify new market and sales activities.

■ **Project California**, a public/private collaborative effort to enable the State to compete globally in the high-technology transportation and telecommunications industries. This project has identified several technologies that offer the best potential for creating quality jobs for Californians, as well as nine action agendas for strengthening California's competitive position in these technologies. Among these action agendas is the development of an Advanced Transportation Job Training Program (ATJTP) Alliance to support anticipated new jobs in the emerging technology fields. The Panel has played a central role in the ATJTP Alliance, which is working to identify and address the training needs of firms in the advanced transportation industry.

■ **Manufacturing Competitiveness Network Study (MCNS)**. The Panel continued to fund and participate as a planning partner in this study, administered by TCA, to establish an information network allowing the State to develop an early warning system for responding to potential business relocations to other states or countries. Expected to be completed in the latter part of 1995, the MCNS is assessing the costs and feasibility of establishing a manufacturing information network and data base.

## **A New Era of Customer Service**

The Panel continued its emphasis on customer service, especially to facilitate in the transition to the new program requirements. Highlights included new policies and regulations, targeted marketing, working with stakeholders, program evaluations, and making administrative improvements.

### ***Transitioning to the New Requirements***

The Panel helped its customers adapt to the new program requirements through updated regulations and policies, including:

■ Several new regulations pertaining to the new 1994 legislative changes became effective April 14, 1995. These regulations include Workforce Training, Wage Criteria, Health Benefits, Retrainee Certification, Job Creation, Literacy Training, and Secure Job.

■ The Panel updated its criteria for training agencies which includes the requirements training agencies must meet to contract with the Panel, and expanded its list of industries which qualify for retraining funds under its Out-of-State Competition Training Policy.

■ The Panel also approved formal criteria for the funding of SET projects as well as a process for soliciting proposals from targeted industries. SET, as provided by the new legislation, provides that up to 20 percent of annual train-

ing funds may be used for projects which do not qualify under the Panel's regular program requirements. The SET criteria include minimum requirements for all such projects, as well as specific criteria for each of the five categories.

### ***Targeted Marketing***

The Panel's marketing efforts became increasingly important to ensure that the program was targeted to reach firms vital to the California economy. The Panel collaborated with other state agencies, employers, employer associations, labor (including a marketing initiative through the American Federation of Labor/Congress of Industrial Organizations [AFL/CIO]), educational institutions, and organizations such as the California Manufacturers Association (CMA) and Chambers of Commerce to market the program to essential industries and businesses.

The Panel coordinated its marketing closely with TCA in several areas: promoting the TRP to bring federal funds into California to support defense conversion activities; renewing a contract with TCA for the collaborative marketing of ETP; and participating in Team California and in conjunction with Red Teams to retain existing businesses or attract new companies to California.

### ***Working With Stakeholders***

Last year the Panel increased its efforts to work with and obtain

direct feedback from program stakeholders. Key efforts included:

**SET Solicitation Process** -- After approving formal criteria for the funding of SET projects, the Panel initiated a proposal solicitation process to market the new program, seeking unique and innovative projects. A SET Proposal Review Committee, comprised of representatives from TCA, the SJTCC, and Project California assisted the Panel in recommending a number of proposals for funding.

Eight of these are now active projects, including Computer Aided Design/Drafting (CADD) training for Russian refugees, training for persons laid off due to base closures, and training in new and emerging technologies such as Geographic Information Systems, high technology document printing, environmental technology, and advanced transportation.

**Structured On-Site Training (SOST)** -- The Panel involved employers, training agencies, and consultants in reviewing and commenting on proposed improvements to administering SOST. The workgroup addressed a proposed method to simplify the tracking of SOST training. As a result, Panel staff and selected contractors undertook a pilot project to expand and clarify what the trainer's functions can be and to simplify the paperwork involved in tracking the time spent in SOST. It is expected that by summer 1996, the pilot will have yielded sufficient information so that new SOST regulations can be

implemented for use in all contracts involving SOST.

**Consortia Workgroup** -- The Panel successfully collaborated with a workgroup of consortia contractor representatives in removing contractual impediments while still meeting the intent of the Panel legislation. This resulted in streamlined and more effective service to consortia contractors and their clientele -- primarily small businesses.

**Advisory Research Council** -- Indicative of its commitment to work closely with stakeholders, the Panel Chairman established an Advisory Research Council (ARC) comprised of representatives from a broad cross-section of both large and small employers, consortia contractors, and program consultants. The ARC is to advise the Panel in areas such as program operations, customer service, and regulatory and statutory requirements.

### **Evaluating the Program**

The Panel continued to conduct and fund research to ensure the program can respond to the current and future needs of California businesses and workers in the midst of continually changing technologies, business needs, and global competition. During the past year, several studies and research-related activities were completed.

**Long-Term Study** -- Researchers at California State University, Northridge, presented their third-year findings of a long-term study on the impact of ETP-funded train-

ing on trainee employment security and the California economy. The study enabled the researchers for the first time to use unemployment insurance records to track the earnings of ETP trainees and build a control group of 130,000 workers who were similar to Panel trainees.

Significant follow-up findings for fiscal year 1991-92 trainees, the most recent group studied, included:

- The training generated an annual return of up to more than five times the original investment. The training also resulted in increased worker productivity and earnings while unemployment insurance costs were reduced. The study revealed that the Panel training also provided a significant savings associated with lost earnings and production.

- 94 percent of workers trained through ETP funding remained in the State's workforce a year after training compared to only 80 percent of comparable workers.

- The average earnings of ETP-trained workers who remained in the workforce rose (in inflation adjusted dollars) while comparable workers saw their earnings decline.

- ETP-trained workers also were unemployed less than comparable workers in the year after training.

The study also looked at the long-term effects for workers trained with ETP funding in Fiscal Years 1989-90 and 1990-91. The report findings support that Panel-trained workers

who finished training were six to twelve percent more likely to stay working in California than were workers in the randomly selected control group from similar industries. This is significant, given the period studied was one of recession and industry restructuring. The overall findings of this three-year study demonstrate the Panel's continuing success in serving California businesses and workers, and its role as a vital economic development tool for the State.

***Contract Completion Rate Study*** – Panel staff completed a study indicating that increased involvement by contractors in the management of their projects helps improve completion rates. It also showed that steps should be taken to identify and eliminate or reduce “risk” factors which appear to lead to higher disencumbrances.

The study indicated the importance of identifying projects in which no activity has occurred after six months and providing them with immediate technical assistance. It recommended that if such a project shows no progress after three additional months, the project should be terminated and its funds disencumbered.

The Panel anticipates that many of the study's findings and recommendations will lead to policies and procedures to facilitate higher completion and retention rates in future contracts.

***Customer Surveys*** -- The Panel obtained direct input from con-

tractors regarding its services through surveys of both active and terminated contracts.

■ ***Active Contracts***: For the first time, the Panel surveyed contractors with contracts which were active during the fiscal year; data was received from about 60 percent of the survey population. Responses indicated that contractors viewed Panel staff assistance favorably, nonetheless expressing a need for better up-front information on processes and requirements, including many suggestions for the development of a contractor's guide.

■ ***Terminated Contracts***: The Panel continued surveying contractors who withdraw or terminate training requests. Responses indicated that the major reason for withdrawing or terminating funding requests had to do with economic factors, followed by excessive ETP paperwork.

Based on this type of customer feedback, the Panel is continually working to simplify and improve its contracting process. A Panel staff quality improvement team has already initiated the development of a contractor's guide, and many paperwork and other requirements have been or are being eliminated or streamlined.

### ***Administrative Improvements***

Based upon its ongoing commitment to continuous quality improvement, the Panel made a number of administrative changes to enhance the overall contracting process, using suggestions from

evaluations, studies, and customer surveys. These coincided with the Panel's Sacramento office move, its increased use of advanced computer technologies, and the assumption of contracting and audit functions -- all resulting in better and faster service to its customers. Administrative improvements during the past year included:

■ ***Enhancements to Information Technology***: The Panel continued to enhance its Information Technology (IT) capabilities by ensuring user-friendly, efficient, and accurate automated systems to support the program and staff. In conjunction with its office moves, the Panel's central office established connections with the State Health and Welfare Data Center (HWDC) and EDD, for greater access to and linkages with other data sources and programs.

The Panel's office moves also facilitated linking all of its offices together in a “Windows” E-mail network, supporting inter-office communications and increasing its customer service capabilities. Other major activities included upgrading hardware and software, and initiating the development of an information strategic plan.

■ ***Total Quality Management (TQM)***: The Panel continued its emphasis on TQM and the use of Quality Improvement Teams (QIT). During the past year, Panel QITs have been instrumental in continued improvements to the fiscal and invoicing process, improving the monitoring process, simplifying the contract review and amendment processes, and in

the development of a contractor's guide.

■ **Fixed-Fee Cost Guide:** The Panel adopted new fixed-fee rates which set one hourly rate for all types of training. The Cost Guide provides contractors with fixed hourly training rates as the basis for computing training costs. The new rate system streamlines and improves ETP's cost reimbursement system, by providing contractors with one rate for all training categories and eliminating the need to negotiate different rates for different types of training in contracts. The Fixed-Fee Cost Guide rates were used in 90 percent of the contracts approved during the past fiscal year.

■ **Expedited Contract Approval:** In the past, the Executive Director could approve training contracts up to \$50,000. A change in legislation authorizes the Panel to delegate to the Executive Director the authority to approve training contracts that do not exceed \$100,000. In 1994-95, the Executive Director approved 58 contracts for approximately \$3.7 million in training funds, expediting the contract approval process for a significant number of contracts, especially benefitting small business.

The Panel also allows the Executive Director to approve final contracts of up to \$500,000 which have not significantly changed since they were approved in the proposal stage by the Panel. The Executive Director approved more than \$28 million for these types of contracts.

■ **Orientation Sessions:** Panel marketing staff initiated an ongoing series of orientations for potential contractors throughout the State to help ensure that contractors are prepared for the contracting and project management process.

■ **Contracting and Audits:** Panel staff undertook responsibility for ETP contract processing and project audits, duties previously assumed by EDD under contract with the Panel. This action will significantly expedite the processing of contracts and the completion of program audits.

■ **Contractual Document Tracking:** Panel staff instituted more rigorous tracking of contractual documents to ensure that every contract is processed efficiently and timely.

# COMPLETED CONTRACT PERFORMANCE

This section of the report provides a review and summary of the performance of contracts that completed during the report period. A review of this performance indicates the Panel continued to serve large numbers of employers, particularly small businesses. The manufacturing and services industries together accounted for 74 percent of all contracts.

## Performance Results

During the report year, 223 contracts were completed, providing 3,321 California employers with

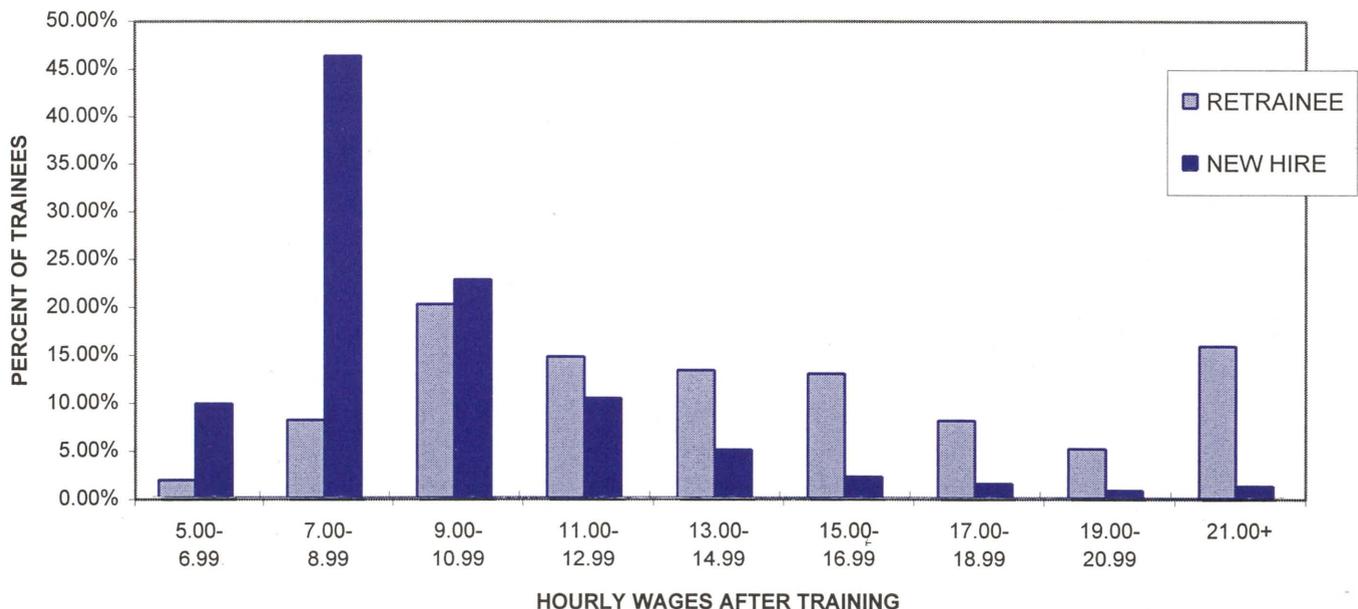
highly-skilled new or retrained workers. Training emphasized process improvements through courses such as Office Automation, Management Skills, Statistical Process Control, Total Quality Management, Customer Service, and Production Techniques.

Under these completed contracts, \$47.3 million was earned and 28,101 persons were trained and employed. This included 955 new hires and 27,146 retrainees. Completed contract results indicated that the Panel was successful in training workers for high-pay,

high-skill jobs, at a low cost per trainee: The average cost for all trainees was \$1,683. The cost per new hire was \$5,556.

The average hourly wage paid to new hires after training was \$9.44; for retrainees it was \$15.38.

Training for high wage jobs was evident in that 70 percent of the retrainees earned \$11.00 or more an hour after training; 69 percent of new hires earned between \$7.00 and \$10.99 an hour. The chart below displays the trainee wage distribution.



The following table indicates planned and actual enrollments and placements for the fiscal year. The table provides information on

completed contract performance by type of trainee. It compares planned enrollment with actual enrollment and the subsequent

employment and retention of trainees for at least 90 days.

*Comparison of Planned to Actual Performance*

ENROLLMENTS			RETAINED IN EMPLOYMENT	
	New Hires	Retrainees	New Hires	Retrainees
Planned	2,952	53,010	1,612	44,338
Actual	2,128	34,449	955	27,146
% of Planned	72%	65%	59%	61%

As indicated, enrollment and completion rates for the fiscal year contracts were lower than planned. Several factors contributed to the lower rates. In some cases, large training projects did not serve as many trainees as originally planned due to the company's inability to release trainees because of production schedules. In other cases, downsizing, financial problems, and changes in management and company reorganizations caused projects to be cut back.

Additionally, these performance figures include 21 projects in which funds were encumbered but in which there were minimal enrollments and no placements. These projects completed without placements for a number of reasons, including increased production demands; insufficient business; equipment not installed

timely; and company reorganizations.

At the same time it should be noted that, while the actual enrollment and retention rates for retrainees was lower last year than in Fiscal Year 1993-94, those same rates for new hires increased from 1993-94. In fact, the percentage of new hires retained in employment increased by 15 percent (from 44 to 59 percent). With overall numbers down for new hires in the past fiscal year, this could be an indication that contractors are serving fewer new hires -- but with more likelihood of placement in jobs.

**Service to Small Business**

Completed contracts results for 1994-95 demonstrate that the Panel continues to emphasize ser-

vice to small business. Defining a small business as an employer with 250 or fewer workers, the Panel funded training for a total of 3,321 businesses, of which 2,787 or 83.9 percent, were small. A total of 1,880 small businesses (57 percent of all businesses) served had 50 or less full-time workers.

The Panel served small business through both direct contracts with individual employers and consortia contracts for groups of employers, primarily small businesses. Last year, the Panel contracted directly with 85 small businesses, funding training for 3,766 trainees. The Panel also had 47 consortia contracts, which assisted 2,702 small businesses by training 6,521 workers.

## Trainees Employed By Small Business

A total of 28,101 trainees received training through Panel funding. Seventy-four percent of the new hires (702) and 35 percent of the

retrainees (9,585) were employed by small business. In addition, small business earned 46 percent of total training dollars. These

results are summarized in the table below.

BUSINESS SIZE	NUMBER OF BUSINESSES	RETRAINEES	NEW HIRES	\$ EARNED (In millions)
1 - 50	1,880	2,940	404	10.9
51 - 100	514	2,454	174	4.3
101 - 250	393	4,191	124	6.2
<b>TOTALS</b>	<b>2,787</b>	<b>9,585</b>	<b>702</b>	<b>\$21.4</b>

## Literacy Training

The Panel continued to fund training projects with ancillary literacy skills training that had a demonstrated linkage to jobs skills training. Defining literacy training as including but not limited to basic

math, reading/language comprehension, writing, and Vocational English as a Second Language (VESL), last year the Panel funded **34 contracts** with a literacy component. Further, **2,026**

**trainees** were trained in job-linked literacy skills, compared to 1,723 in 1993-94, an 18 percent increase. Over **\$1.3 million** was earned for literacy training.



# **CASE STUDIES**

## **RETRAINING TO BOOST COMPETITIVENESS -**

3M Dental Products

## **TRANSITIONING TO A HIGH-PERFORMANCE WORKPLACE -**

Advanced Controls Inc.

## **TEAMWORK TO IMPROVE PRODUCTIVITY -**

Indy Electronics

## **BUILDING A WORLD-CLASS WORKFORCE -**

JBL, Inc.

## **BUSINESS/PUBLIC PARTNERSHIP -**

San Diego Consortium & Private Industry Council

## **SKILLS FOR THE AMERICAN WORKPLACE -**

Jewish Vocational and Career Counseling Service

## **HELPING SMALL BUSINESS BECOME MORE COMPETITIVE -**

San Dieguito Publishers

## **INVESTING IN WORKFORCE TRAINING -**

Stratus Computer, Inc.

## **TRAINING TO MEET CUSTOMER DEMANDS -**

Tylan General

## **BUSINESS MANAGEMENT SKILLS FOR ENTREPRENEURS -**

Ventura County Entrepreneur Academy



## **RETRAINING TO BOOST COMPETITIVENESS**

*“The training helped us all work together.”*

*Maria Lourdes Lujan,  
Crowns Section Leadperson  
3M Dental Products*

Winner of the Senate Productivity Award last year, 3M Dental Products exemplifies how a company can boost its competitiveness through worker retraining. Following last year's ETP-funded retraining project, the company made such strides through improved processes and teamwork that it was honored with the award, which is administered by the California Council for Quality & Service and is sponsored by California's U.S. Senators to advance quality and productivity among the State's manufacturers.

A Division of 3M Corporation, 3M Dental Products began operations in 1964 and now manufactures and markets more than 600 products used by dentists and dental laboratories. With its manufacturing plant located in Irvine, 3M Dental is a leading manufacturer of dental crowns, abrasives, composite and silicone impression materials, adhesives and masks.

In recent years, however, the firm was faced with low industry growth, accompanied by more stringent manufacturing processes and regulations, and increasing competition from Germany, Japan, and other states. Therefore, the company invested in advanced automation to move from basic equipment such as mills and lathes to precision equipment, laser systems, and programmable logic controls. 3M Dental also began making changes in its office automation system, converting from dumb terminals to a site-wide information network system in early 1993. These technological changes affected all employees in the plant.

Through Panel funding, 3M Dental provided retraining for 126 employees in production techniques, Statistical Process Control, and office automation. According to Plant Manager Ajay Myer, management support and up-front planning were keys to the project's success. “We spent a lot of time up-front designing the curriculum based upon our specific needs.” Mr. Myer adds that the training enhanced workers' ability to trouble shoot, solve problems and communicate. “If there's a problem, we now focus on the situation, not the person.”

As a result of the training, the company has established continuous improvement teams. In 1995, there were 17 such teams covering every area of production. Team topics included safety, productivity, schedule attainment, and inventory accuracy. Customer surveys indicate the success of these teams in ensuring quality and customer satisfaction, indicating that 3M Dental has improved in nearly every area measured and has improved much faster than its competitors.

Employees who participated remain enthusiastic. Will Donovan, Manager of Silicon Pressure Materials, states, “The key thing about the training is that everyone is now using the same principles...this keeps things focused on issues...”

## **TRANSITIONING TO A HIGH-PERFORMANCE WORKPLACE**

*“The training created an atmosphere that encouraged self-assessment for trainees. This open atmosphere enabled us to go beyond symptoms and discover and eliminate the root cause of problems.”*

*Arch W. Conway,  
Vice President of Operations  
Advanced Controls, Inc.*

Advanced Controls, Inc. provides clear evidence of how worker retraining can help a small business regain its competitive edge in the midst of competitive challenges. This 50-employee firm, located in Irvine, designs and manufactures computer controlled circuit board drilling and measuring machines. Advanced Controls' primary product is a computer controlled machine utilized in printed circuit board assemblies. The firm ships 60 percent of its production to customers outside of California.

In recent years, Advanced Controls was forced to reduce its workforce substantially, due to a loss in market share from increasing out-of-state and foreign competition, along with the declining economy. Customers were demanding faster service delivery, with a higher quality product. Some were taking their business to closer out-of-state manufacturers. Advanced Controls responded by contracting with the Panel to retrain its workers in quality improvement as it began transitioning to a high-performance workplace.

The training emphasized work teams, with specific applications to the company's products and processes. Front-line workers quickly became more involved in decision-making as members of self-directed teams, and these teams have subsequently made great strides in documenting work procedures and establishing processes for continuous improvement. A key element is the use of visual technology to indicate the status of internal processes — management can quickly determine from production charts or inventory logs the status of a work unit's production schedule.

Employees have found ways to eliminate waste and are now more efficient in processing engineering change orders. Several noteworthy statistics bear this out. In 1994, Advanced Controls shipped 300 percent more new products to market than in the previous year; for the first four months of 1995, the company had already shipped 80 percent of its 1994 output.

As a result of its success, Advanced Controls was named the “Small Manufacturing Exporter of the Year” by the World Trade Center Association of Orange County, an organization which provides assistance and resources to small companies attempting to enter markets in foreign countries.

Arch Conway, Vice President of Operations, states that “Employees are more positive because they have more pride in their ability to influence the success of the company by providing higher quality, more cost-effective products and services...The company is more competitive in price, service and technology. Therefore, there is more job security at Advanced Controls.”

Andrew Ruiz, Stockroom Leadperson, concurs, stating that the “training improved my skills in implementing ideas and procedures in interdepartment functions, and increased my communications with management.”

## **TEAMWORK TO IMPROVE PRODUCTIVITY**

*“We were able to eliminate a number of places in our operations where bottlenecks had typically developed.”*

*Christi Golden,  
Human Resources Manager  
Indy Electronics*

Indy Electronics is the largest assembler and packager of integrated circuits in the United States and one of the largest subcontract assembly operations worldwide. Indy's integrated circuits (ICs) are used in a wide array of electronic products ranging from computers and telecommunications equipment to automotive electrical systems. The company, located in Manteca and a subsidiary of the Thailand-based Alphatec Group, employs more than 880 people in California and has annual earnings of \$27.7 million.

In 1992, company officials recognized the need to expand productivity in order to increase revenues. They faced stiff competition from the Pacific Rim companies, who can assemble the ICs at a much lower cost. For Indy Electronics to compete, company management determined it was necessary to reduce cycle time, while improving yield and quality.

Subsequently, the company restructured its operation to be more productive. In the past, many staff worked with few problem-solving and decision-making responsibilities in an assembly line type of environment. The new structure calls for more teamwork and better problem-solving skills.

This restructure was supported by training to enable employees to adapt to and succeed in the new system. Using ETP funds, Indy provided training in office automation, customer service, production techniques, total quality management, and manufacturing resource planning. The company successfully retrained 272 employees in the new processes.

Training in teamwork and problem solving helped the workers become more productive, and to produce higher quality products. According to Christi Golden, Human Resources Manager, “the contract with ETP really helped keep the training focused and on track.”

## **BUILDING A WORLD-CLASS WORKFORCE**

*“After the training, company staff was able to work successfully with our 79 leading suppliers to bring them on board with much success,”*

*Karen Fisher,  
Materials Planner  
JBL, Incorporated*

Faced with increasing offshore competition, sister firms JBL Inc. and Harman Electronics proved that a retrained workforce can pay rich dividends. Using Panel funds to train their workers in quality improvement, last year the companies provided their workers with the tools to compete in a global market, while doubling the firms' profits.

“We needed to embrace quality tools like SPC and MRP...” explains JBL's Training Manager, Dr. Paula Stern. “We also needed training in process education and problem solving — that's the basis of a world-class company.”

JBL Inc. and Harman Electronics are subsidiaries of Harman International Industries, Inc., located in Northridge. JBL Inc., with over 1,000 California workers, has manufactured loudspeakers, loudspeaker systems and associated electronics in the San Fernando Valley since 1946. Harman Electronics, with approximately 300 employees, was incorporated in 1987 to produce automotive original equipment amplifiers for Ford Motor Company and for the Chrysler Corporation.

JBL and Harman Electronics had become the largest domestic manufacturers in these markets; however, foreign-owned electronic companies began developing reliable and lower cost products in shorter time frames, cutting into profits. A key technological change in the industry also occurred — digital signal processing, which represented a significant change from analog signal processing, the basis of much of JBL and Harman Electronics' product lines.

As these factors began reducing product prices, JBL/Harman Electronics decided to pursue two strategies: 1) improve their traditional products; and 2) develop new products based in digital signal processing technologies. A retrained workforce was key to this effort, and JBL/Harman Electronics, in conjunction with the California Manufacturers Association, contracted with the Panel to retrain over 600 workers in Statistical Process Control and Manufacturing Resource Planning.

Dr. Stern states that the training resulted in the production of better products in a shorter period of time, significantly increasing sales. “I can't think of one process measure that didn't improve since the training,” she states. Stern emphasizes the importance of upper management's support for the project. “Management was committed to getting us to world-class status, using these tools,” she adds. “ETP gave us the ability to do that.”

Employee motivation throughout the training was also key. Trainees viewed the training as an added “perk” to their job which provided them with the skills to perform in a world-class manufacturing environment. According to Sharon Ruiz, a Material Planner, “It gave us more self confidence and helped us understand where we stand in relation to other companies.”

## **BUSINESS/PUBLIC PARTNERSHIP**

*“With our new computers, the training couldn’t have come at a better time. Since the ETP training, employees have more confidence and are hungry for work.”*

*Marty Palecki,  
Human Resources Manager  
Linear*

In 1993, the San Diego Consortium (SDC) and Private Industry Council (PIC) determined from a survey of area employers that there was a large demand for office automation skills within the manufacturing, retail, medical and financial services industries. The survey indicated a critical need by many employers to automate their business operations and their need to either retrain their workforce or hire new workers with advanced automation skills.

The SDC and PIC is a partnership between businesses and community leaders and the City and County of San Diego. To meet the demand for this type of training, the SDC and PIC contracted with the Panel to support computer/office automation training for 154 employed workers and 31 unemployed persons for a consortium of small and medium-sized employers in northern San Diego County.

Employers participating in the project expressed satisfaction with the training, which provided them with the needed skilled employees. The training provided these employers with workers essential to remaining viable and competitive.

One participating employer, McGregor Plant Sales, is a small business with 6 employees engaged in the competitive world of selling and transporting young exotic plants. Often originating in other countries, these perishable items are usually neither seen nor touched by the companies brokering their sales. “We move the paper that moves the plants,” says Cathy Fresquez, McGregor’s Office Manager, pointing out that such paperwork represents the products’ movement and shipment throughout the United States and international markets. “It is vital to profits that McGregor learn when the plants arrive safely and on time.”

Another area employer benefitting from the training was Linear, a small company with 110 employees. Linear manufactures wireless electronic security systems for home, commercial and industrial use. To keep up with advancing technologies, the company recently installed new stand-alone personal computers throughout its departments. In need of trained employees capable of using the new system, Linear retrained many of its employees through the project.

Marty Palecki, Linear’s Human Resources Manager, states that the training was successful because it was realistic and well-designed for non-users of computers, while conquering their fears. There was an immediate application of lessons learned to the workplace, even in instances when trainees had to wait for installation of computers at their own desk. Ms. Palecki feels that work processes consequently have “improved 100 percent,” that far less of the work is done manually, and that profits have subsequently increased.

## **SKILLS FOR THE AMERICAN WORKPLACE**

*“With the large number of Russian-trained engineers coming into the Bay Area, we’ve set up our own training to give them the technological skills they need to get and keep a job suited to their engineering background...”*

*Abby Snay,  
Executive Director  
Jewish Vocational and Career  
Counseling Service*

Established in 1973, Jewish Vocational and Career Counseling Service (JVS) is a non-profit non-sectarian agency which offers a full range of services including career counseling, job search assistance, and skills training to over 5,000 Bay Area residents each year. Approximately 50 percent of JVS’s clientele are immigrants from the former Soviet Union; 25 percent are displaced American workers; and another 25 percent are adults and youth with special needs.

With approximately 30,000 Russian immigrants now residing in the San Francisco Bay Area, JVS estimates that this population includes over 2,500 Russian-trained engineers. In the former Soviet Union, engineers and architects do all their drafting by hand and are usually not familiar with the use of computers. However, in California and the entire United States, computer skills are quickly replacing manual drafting methods in the architectural and engineering sectors. This population also has language barriers and is unfamiliar with the American workplace and the skills necessary to compete for a job in this country.

Therefore, JVS established a Computer Assisted Drafting and Design (CADD) program for this population in 1990. Since then, the agency has trained over 200 Russian emigres in CADD. Last year, as a Demonstration Project, Panel funding enabled JVS to train and place in employment a group of 16 Russian-trained engineers in CADD, supplemented with instruction in Vocational English as a Second Language (VESL). The training emphasized logic and file and project planning, and provided trainees with a classroom reproduction of the work environment. JVS CADD Instructor Scott Lowe states that “the training emphasized communication and working in teams to help trainees transition to the American workplace.”

Assisted by a CADD Advisory Group of Bay Area employers in the engineering and architectural fields, JVS has the support and advice of a strong network of local employers in preparing these workers for available jobs. Through this Advisory Group and its own marketing efforts, JVS has been able to bring together Bay Area businesses, principally smaller employers, and its CADD graduates to support the local economy.

JVS CADD Program Coordinator Cynthia Cravens describes the enthusiasm of employers for the JVS graduates, stating that the trainees “bring to an employer solid backgrounds in a wide range of engineering and drafting disciplines, including architecture, PCB design, and civil engineering.”

Terri Nii, Office Manager for Projects International an architectural firm in Palo Alto, agrees, pointing to JVS graduate Aleksandr Zhuk as valuable new employee. She states that, “We are very happy with the training Alexander received from JVS....he has become a very valuable addition to our company.”

## **HELPING SMALL BUSINESS BECOME MORE COMPETITIVE**

*“In a small business like ours, production needs tend to make it difficult to set aside the time necessary to train employees, even when it’s critically needed. ETP’s structure and scheduling requirements were what we needed in order to fully commit to our training project.”*

*Richard Lapham,  
Vice President  
San Dieguito Publishers*

Family owned since 1939, the San Dieguito Publishers is a small business which prints high-quality catalogs, books, directories, periodicals and newspapers. The firm employs 55 full-time workers. Over the years, more publishing businesses have been established in northern San Diego County. Consequently, competition for customers has increased, technology has advanced, production techniques have changed, and higher quality standards have been established by customers.

In recent years, one of San Dieguito’s largest customers considered terminating its account and finding another printer to do the work, with fewer errors, rework and higher quality in initial print jobs. The customer specified what was unsatisfactory about San Dieguito’s performance and products. Also, in reviewing company accounts, Richard Lapham, Vice President, estimated more than \$100,000 in lost revenue, over three years, due to credits and reprints resulting from inaccurate printing and customer rejects. To make improvements, Mr. Lapham enrolled in TQM classes and began charting the statistics for company performance.

He also set a direction for what the company should achieve, both to satisfy this essential customer and to compete for new business. Knowing what had to change in the company, he worked to sell the concept to management. One complication was that two work shifts did not communicate with each other nor share one set of operating procedures. Some supervisors did not base job assignments on skills and abilities. Employees were not working towards the same goal - the company’s improvement and survival. Training thus had to focus these employees on a common company mission. To take advantage of improved production techniques newly available in the industry, the company invested in presses, bindery equipment, and splicers. Employees had to be trained for the new techniques and equipment.

Mr. Lapham persevered and the timing was opportune. A training project was developed which had at its core the standardization of critical printing processes, which evolved over the years but with little documentation or formal employee training. Eight full-time employees, over six months, were trained in a variety of production techniques and Vocational English as a Second Language.

Not long after training began, there were measurable improvements to company operations. San Dieguito Publishers signed a new, three-year contract with their largest customer; and there were lowered defects in five process areas. In fact, the defect rate declined about 90 percent. Now, with every print job, employees at San Dieguito want to know what the customers’ expectations are, and then strive to exceed them.

The training sparked an employee interest in knowing more, not only about current production processes, but also about supplies, such as papers and inks, and better customer interaction. And now the two shifts smoothly pass jobs between them and are critiquing each completed job, not each other.

## **INVESTING IN WORKFORCE TRAINING**

*“ETP funding helped us go it alone to accomplish our training goals. We were very pleased with how smoothly the process worked and with the quality of the partnership we were able to build with ETP.”*

*Laynette Evans,  
Human Resources Manager  
Stratus Computer, Inc.*

Headquartered in Marlboro, Massachusetts, Stratus Computer, Inc. founded the Stratus Western Development Center (SWDC) in the Silicon Valley in 1987 to develop a fault tolerant version of the industry standard operating system (UNIX) for the complete line of Stratus computer systems. Stratus employs 139 full-time California-based persons to accomplish the company mission. SWDC's primary product is the development, documentation, and testing of FTX, a fully compliant, fault tolerant version of UNIX System V for the full range of hardware platforms. Products developed at SWDC are finding considerable application in the telecommunications (phone systems) and other mission critical applications with both domestic and international customers. These applications require considerably higher availability than traditional UNIX systems.

Stratus knew it must develop the skills of its staff to meet these customer demands or lose its market advantage and see employees displaced and receiving unemployment insurance benefits. “We knew there were a couple of things that we had to do,” said Vice President Ray Irvine. “We must have our people think and act like a team. We had to create an environment that fostered teamwork, and we needed a systematic approach to solving problems. We were very interested when we learned that ETP could help us with this kind of training.”

With assistance from ETP, Stratus successfully trained 88 employees in various aspects of Management Skills, Statistical Process Control and Total Quality Management. As a result of the training, the company successfully met customer demands for higher system availability. Their publications team significantly reduced production cycle times. The company also saw a dramatic increase in usage of their software by their employees, going from less than one percent before training to over 50 percent post-training. In using the software, Stratus staff identify improvements which benefit their customers.

The training also resulted in improved working relationships among company employees and fundamentally changed the way business is done. This was confirmed by training participant Joe Muench, who said, “One side benefit of training was working with other employees in unaccustomed ways. We are now less isolated and make much more use of cross-functional teams. We pay much more attention to accountability and to documenting what we have done.”

## **TRAINING TO MEET CUSTOMER DEMANDS**

*“Since our ETP training, our on time delivery to our largest customer is now approaching 100%.”*

*Marcia Manidis,  
Human Resource Manager,  
Vacuum Products Division,  
Tylan General*

Tylan General manufactures mass flow controllers, pressure measurement and control instrumentation, and ultra clean gas panels for industry, research and semiconductor fabrication. Established in 1959 with corporate offices located in San Diego, Tylan General products were used on early Apollo flights.

In recent years, Tylan General's profits began to lag, and its customers required shorter delivery times, higher quality standards, decreased scrap rates and reduced rework volume. In response, Tylan General underwent a major reorganization and its two California divisions sought optimum use of advanced technology to produce the most reliable, accurate and repeatable products. Tylan General also needed to explore requirements for meeting international manufacturing standards and to build a plan for attaining them.

Tylan General became a company with clear goals and plans for the future. With the motto, “Building the best every single time,” Tylan sought ETP assistance to train 125 full-time employees in production techniques, TQM, SPC, office automation, customer service and management skills. To best use staff resources and time, and ensure having an available pool of trainers for the future, Tylan decided to train the trainers first, then have them train the remaining staff.

The project's well-planned curriculum and scheduling led to courses relevant to how employees could improve their current job assignments as well as prepare for rotation to others. Key management support lent credibility to the project and employees responded by adjusting work schedules to fit in classes and make-up time.

The training rededicated workers' commitment to Tylan General. Taking to heart the lessons learned, employees developed many measures of productivity and quality improvement, lining the hallways with charts and graphs. Tylan became a publicly traded company and one division in California was ISO certified (a standard of quality management) and the other is in the process of doing so. Change has become a familiar part of the work environment at Tylan General. Soon the company will move to larger quarters, a sign of its increasing profitability.

Employees who participated in the training vouch for its effectiveness. States Dee Damron, Technician, “ETP is really good. It opens doors to those of us without a formal education.”

## **BUSINESS MANAGEMENT SKILLS FOR ENTREPRENEURS**

*“After the training was completed, the entrepreneurs were able to change their paradigms... they were able to look at their businesses differently...this brought optimism and led to success...”*

*Ron Komers,  
Personnel Director  
County of Ventura*

Small business is the economic fabric of Ventura County. Economic data indicates that 99.5 percent of the county's employers are small businesses with fewer than 250 employees, and that the fastest growing segment of employers in the county are firms with less than 50 employees. In 1993, Ventura County's jobless rate had reached 10.4 percent, the highest rate in more than ten years. Given the importance of small business to the county's economy, local representatives determined that any response to this downturn would require support for small business.

The County of Ventura, in cooperation with six local Chambers of Commerce, conducted a Training Needs Assessment to determine how to best support the needs of local business in improving the county's economy. Conducted in 1992, this assessment indicated considerable interest from many small employers in obtaining small business management training. As a result, supported by ETP funding, the County developed the Ventura County Entrepreneur Academy.

A Panel Demonstration Project, the training was strictly for business owners with 2 to 50 employees, providing them with the skills necessary to effectively manage a small business. A curriculum was developed, and a 13 week training course in small business management skills was provided to 237 entrepreneurs throughout Ventura County's ten cities. Training topics included strategic planning, finance, marketing, organization, management, operations, and personnel issues.

The Entrepreneur Academy was successful in generating 284 new jobs and in reinforcing the enthusiasm of participants. It provided them with knowledge of expansion techniques and other strategies which provided immediate results. In a post-Academy survey, most respondents indicated they experienced job or sales growth within 90 days after the training. Their monthly gross revenues also increased by an average of 16 percent. Many also reported successes such as profit margin increases, the addition of new equipment, the opening of new stores and the implementation of new systems. Examples of this success include:

■ Roy Torrance, owner of C&T Auto Supply, explained that since graduating from the Academy program, his business has expanded, with sales increasing by 30 percent. He credits the business plan required for Academy graduation as helping him secure financing for further growth.

■ John Sylvia's Gold Coast Transportation was able to add an additional 30 employees and increase profit by 32 percent. His advice is to "Get a business plan and follow it."

■ The project was one of 14 semifinalists in California nominated for the Innovations in American Government Awards, sponsored by the Ford Foundation and the John F. Kennedy School of Government at Harvard University.

# **APPENDICES**

**A. REVENUE AND EXPENDITURE REPORT**

**B. COMPLETED CONTRACTS**

**C. TERMINATED CONTRACTS**



**APPENDIX A**  
**REVENUE AND EXPENDITURE REPORT**  
**Fiscal Year 1994-95**

**REVENUE**

Yearly Appropriation	\$70,324,000
Revenue Adjustment	(\$0)
Prior Year Disencumbrances	<u>\$45,171,114</u>
<b>Total Revenue:</b>	<b>\$115,495,114</b>

**EXPENDITURES**

**Transfers:**

Dept. of Social Services (GAIN)	(\$20,000,000)
EDD State/Local Labor Market Information	(\$2,379,811)
EDD Tax Collections Branch	(\$3,397,759)
Department of Industrial Relations	<u>(\$2,800,000)</u>
<b>Total Transfers:</b>	<b>(\$28,577,570)</b>

**Panel Expenditures:**

Administrative	(\$9,050,717)
Marketing and Research	(\$2,151,202)
Training Funds Committed	<u>(\$75,715,625)</u>
	<b>(\$86,917,544)</b>

**Total Expenditures:** **\$115,495,114**



**APPENDIX B COMPLETED CONTRACTS**

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
3-M DENTAL PRODUCTS	Orange Manufacturing	Dental crowns, abrasives, adhesives	OA, PT, SPC	Out-of-state competition	0	126	\$260,882
ACRA AEROSPACE, INC.	San Diego Manufacturing	High precision parts	SPC	Adapting to a high performance workplace	0	14	\$21,700
ADRY-MART, INC.	Statewide Retail	Consumer goods	OA, MS, CS, Sales	To remain competitive	0	158	\$198,987
ADVANCED CONTROLS, INC.	Orange Manufacturing	Computer controlled circuit board drilling, routing and measuring machines	TQM, SPC, PT	Adapting to a high performance workplace	0	39	\$76,362
AIR DRY CORPORATION OF AMERICA, INC.	Ventura Manufacturing	Air and gas purification systems and dehydration systems	SPC, OA, PT, TQM, MRP	Training for small business to remain competitive by better focusing on both military and commercial customers	0	46	\$67,776
ALAMEDA-CONTRA COSTA-SAN FRANCISCO CO. AUTOMOTIVE REPAIR JOINT APPRENTICESHIP TRAINING COUNCIL	Statewide Trans./Commun.	Job training	Automotive mechanical and body repair	Technological innovation	0	366	\$1,283,000
AMERICAN INSTITUTE OF BANKING	San Francisco Finance	Continuing education in banking	MS, CS, Sales	Training for small businesses	0	1,062	\$1,142,274
AMERICAN NATIONAL CAN CO.	Alameda Manufacturing	Beverage lids	PT, TQM, SPC, OA	New technology	0	55	\$82,240
AMERICAN RACING EQUIPMENT, INC.	Los Angeles Manufacturing	Auto and truck wheels	MS, CS, OA. 65 employees in VESL	Out-of-state competition	0	233	\$408,975
AMERIGON	Los Angeles Manufacturing	Electric vehicles	TQM, SPC	Business expansion	0	28	\$112,072
ANCHOR GLASS CONTAINER CORP	Statewide Manufacturing	Glass containers	TQM, SPC	Out-of-state competition. Training discontinued by new managers.	0	0	\$0
AUSTRALIA-NEW ZEALAND DIRECT LINE	Los Angeles Trans./Commun.	Container transportation	SPC, MS, CS	Remain competitive. Training precluded because automated equipment not fully installed.	0	0	\$0
BANK OF AGRICULTURE & COMMERCE	San Joaquin Finance	Banking	OA, MS, Sales	Improve service levels and service quality	0	41	\$39,102
BANK OF THE WEST	Contra Costa Finance	Banking	MS	Upgrading operational systems and products	0	83	\$37,599
BANK OF THE WEST	Contra Costa Finance	Banking	MS, OA, CS	Remain competitive	0	135	\$333,868
BASKIN-ROBBINS, INC.	Los Angeles Manufacturing	Confectionery items	MS, SPC, CS, MRP, PT	Out-of-state competition	0	203	\$352,212

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
BAY AREA COUNCIL/MERVYN'S	San Francisco Retail	Economic development	OA, MS, CS, Sales	Restructuring to remain competitive	0	59	\$104,725
BEL AIR MART	Sacramento Retail	Grocery	MS, MRP, Sales	Increase productivity	0	403	\$766,103
BRADSHAW INCORPORATED - SOUTH	Los Angeles Miscellaneous	Food brokerage	MS, OA, Sales	Out-of-state competition	0	118	\$164,064
BUSINESS REAL ESTATE INFORMATION CORP.	San Diego Services	Real estate information services	MS, CS, OA, Sales	Out-of-state competition. Training discontinued due to heavy workload.	0	0	\$0
CA STATEWIDE JATC ELECTRICAL INDUSTRY	Los Angeles Construction	Job training	Electrician	Training for small businesses	0	196	\$225,500
CA. SERVICE STATION AUTOMOTIVE REPAIR ASSOC.	Statewide Services	Auto service station dealers' association	Smog Check Technician	New computerized automotive systems and diagnostic equipment	22	632	\$1,295,536
CADE COMPOSITES, INC.	San Diego Manufacturing	Aerospace parts	TQM, SPC	Implement process improvements to operate more efficiently	0	21	\$26,222
CALIFORNIA BUSINESS MACHINES	Fresno Retail	Office equipment sales and service	TQM, SPC, OA	Training in order for small business to remain competitive	0	10	\$13,610
CALIFORNIA HUMAN DEVELOPMENT CORP.	Sonoma Miscellaneous	Vocational education	Electronic assembly, building maintenance, nurse aid, welding, OA	Critical skills shortage	20	0	\$128,376
CALIFORNIA MANUFACTURERS ASS/JDT SENSOR.	Los Angeles Manufacturing	Silicon photodiodes and optical sub-assemblies	SPC	To meet customer quality standards	0	89	\$113,409
CBR CEMENT CORPORATION	San Mateo Manufacturing	Cement and concrete	MS, TQM	Out-of-state competition	0	120	\$170,391
CENTER FOR EMPLOYMENT TRAINING	Statewide Services	Job training and placement	Auto Repair, Welding/Pipefitting, OA, CAD/CAM	Training hard to serve individuals to place in permanent positions	84	0	\$647,399
CENTER FOR EMPLOYMENT TRAINING/GAIN	Santa Clara Services	Job training and placement	OA, CAD, Clerical, Child Care, Food Service, Data Entry, Printing, Shipping & Receiving	Training hard to serve individuals to place in permanent positions	58	0	\$702,087
CHINATOWN AMERICAN COOKS SCHOOL, INC.	San Francisco Services	Vocational training	Cooking	New hire training for unemployment insurance recipients or exhaustees	6	0	\$49,998
CIGNA INC.	Los Angeles Services	Group life and health insurance	OA, SPC. 54 employees in VESL	Improve service and cut costs	0	500	\$525,790
CKE METAL TECHNOLOGIES DBA MGF INDUSTRIES	Los Angeles Manufacturing	Aerospace alloy steel wire	TQM. 24 employees in VESL and math	Improve efficiency to remain competitive	0	43	\$95,154
CLOVIS COMMUNITY BANK	Fresno Finance	Commercial and personal banking products and services	OA, Sales	New marketing strategy requires new skills to avoid displacement of workers	0	25	\$25,837
CMA - CONTINENTAL BAKING CO.	Statewide Food process.	Snack cake, bread and buns	OA	Automating to maintain competitive position	0	567	\$552,807

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
CMA - JBL INC. & HARMAN ELECTRONICS	Los Angeles Manufacturing	Audio/visual equipment	SPC,MRP	New Technology	0	603	\$1,213,306
CMA / 3M DATA STORAGE	Ventura Manufacturing	Manufacture data cartridges, computer tapes, and related products	TQM, SPC, OA, PT, MGMT	Out-of-state competition	0	157	\$179,592
CMA PROCTOR & GAMBLE	Stanislaus Manufacturing	Manufacture disposable diapers	PT	Out-of-state competition	0	82	\$70,162
CMA SPACE SYSTEMS / LORAL	San Mateo Manufacturing	Communication, weather and multi-mission satellites	OA, CAD/CAM	Training in response to competitive pressure and stringent customer requirements	0	94	\$90,102
COLLEGE OF THE DESERT	Riverside Services	Community college	Compressed Natural Gas Technology	Demand occupation	0	25	\$246,125
COLLEGE OF THE SISKIYOU	Siskiyou Services	Education	PT, CAD/CAM, CNA. 7 new hires in Basic Math	Training dislocated timber workers	6	0	\$66,060
COMPREHENSIVE TRAINING SYSTEMS	San Diego Services	Training agency	Medical office skills. 3 new hires in VESL	New hire training in demand occupations	13	0	\$104,600
COMPTRONIX CORPORATION	Santa Clara Manufacturing	Printed circuit boards	TQM, SPC, OA	Improve efficiency and product quality. Training not completed due to insufficient business.	0	0	\$0
CONCEPTUAL DESIGN INDUSTRIES	Orange Manufacturing	Custom packaging	MS, TQM	Training in response to customer demands for quality improvement	0	19	\$21,241
CONTINENTAL GRAPHICS CORPORATION	Los Angeles Manufacturing	Specialty printing and graphics	Parts Lister Operator	Critical skills shortage	20	0	\$78,300
CONTINENTAL TRAINING CENTER	Contra Costa Services	Vocational training	CAD	Training for small businesses	15	79	\$89,977
CONTRA COSTA COUNTY ROP	Contra Costa Services	Employment and training	OA	New hire training in occupations with critical skills shortage	43	0	\$103,200
CORLUND ELECTRONICS COMPANY	Ventura Services	Printed circuit board assembly	SPC. 9 employees in VESL	Must implement new techniques to prevent further market erosion	0	28	\$59,281
COUNTY OF VENTURA	Ventura Services	Local government	MS	Entrepreneurial training for small businesses	0	231	\$223,839
COX CABLE	San Diego Services	Cable television service	MS, CS, PT	Retraining to increase productivity. Company restructuring prevented training completion within term of agreement.	0	0	\$0
CREST FINANCIAL CORP.	Los Angeles Finance	Transportation insurance	MS, OA, SPC, Sales	Out-of-state competition	0	75	\$130,069
D B PRODUCTS, INC.	Los Angeles Manufacturing	Electronic components	SPC	Out-of-state competition and customer demands for higher quality	0	10	\$10,170

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
DATALOGIC, INC.	Santa Cruz Manufacturing	Auto-identification products, bar code scanners, controllers and photoelectric sensors	SPC, TQM	Out-of-state competition	0	31	\$31,124
DAVILA INTERNATIONAL CIRCUITS, INC.	Santa Clara Manufacturing	Printed circuit boards	TQM	Improve product quality to remain competitive	0	16	\$14,704
DELOITTE & TOUCHE	Orange Finance	Accounting	CS, MS, OA, Sales	Increase productivity	0	560	\$775,363
DEUTSCH METAL COMPONENTS	Los Angeles Manufacturing	Hydraulic fittings, hoses and swivel assemblies	TQM	Improve overall quality and remain competitive	0	56	\$52,137
DICKENSON-WARREN BUSINESS COLLEGE	Contra Costa Services	Vocational college	Mobile Electronics Techn.	Demand occupation	13	0	\$96,330
DIVERSIFIED PERSONNEL SERVICES, INC.	Alameda Services	Testing, job training and placement	OA	Retraining and new hire training for small business automating procedures	10	11	\$21,564
DOLE FRESH VEGETABLES COMPANY	Monterey Food Process.	Pre-packaged vegetables	PT, OA, CS, MS, Sales. 72 employees in VESL.	Operation of new equipment	0	156	\$190,261
EMBASSY SUITES, INC.	Los Angeles Services	Hotel management	MS, CS, Sales. 31 employees received VESL.	Improve efficiency to remain competitive	0	51	\$84,422
EXPRESSLY PORTRAITS	Statewide Retail	Portraits	PT, MS	Retraining to increase productivity	0	45	\$56,130
FAIRFIELD SUISUN ADULT SCHOOL	Solano Services	Vocational education	OA	Critical skills shortage	48	0	\$115,200
FIDELITY FEDERAL BANK	Los Angeles Finance	Banking services	MS, CS, OA, TQM, Sales	Remain competitive	0	31	\$124,899
FIRST DIVERSIFIED FINANCIAL SERVICES	Orange Finance	Holding company for financial services	MS, CS, OA, Sales	To remain competitive. Contractor relocated; no forwarding.	0	0	\$0
FIVE BROS., INC.	Los Angeles Services	Commercial tire sales, service and retreading	PT, SPC	Improve efficiency to remain competitive	0	64	\$105,072
FORNACA FAMILY BAKERY	San Diego Manufacturing	Bakery	MS, OA	Maximize productivity and more effectively manage staff	0	40	\$69,710
FOUNDATION FOR EDUCATIONAL ACHIEVEMENT	San Diego Services	Training agency	Multimedia	Introduction of new technology in order for small businesses to remain competitive	0	151	\$411,626
FOUNDATION FOR EDUCATIONAL ACHIEVEMENT	Statewide Services	Training	OA	Training for small businesses	93	766	\$1,099,320
FRAME-N-LENS OPTICAL, INC.	Los Angeles Retail	Eyeglasses	OA, CS, MS, Sales	Increase productivity	0	316	\$392,552
FRANK HOWARD ALLEN REALTORS	Marin Finance	Real estate broker	MS, CS	Adopt a new culture to remain competitive	0	32	\$41,619
FULLERTON COLLEGE	Orange Services	Community College	TQM. 25 employees in VESL.	Increase productivity in small business	0	69	\$124,198

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINED	EARNED
GALARDI GROUP, INC.	Orange Services	Restaurant franchising	MS, CS, OA, TQM	To remain competitive and maintain market share	0	39	\$80,141
GENERAL MILLS, INC.	San Joaquin Food Proc.	Food products	CNC	Out-of-state competition	0	142	\$203,053
GENERAL RESEARCH CORPORATION	Santa Barbara Miscellaneous	Strategic missile defense analysis	CS, SPC, MS, OA	Out-of-state competition	0	62	\$114,976
GEOMETRICS, INC.	Santa Clara Manufacturing	Seismographs and magnetometers	MRP	To remain competitive	0	19	\$34,654
GIMBAL BROTHERS, INC	Los Angeles Manufacturing	Confections	TQM, SPC	Training for small business employees likely to be dislocated or replaced.	0	5	\$6,220
GLENDALE COMMUNITY COLLEGE	Los Angeles Services	Vocational education	TQM, SPC	Critical skills shortage	0	87	\$116,125
GLENDALE COMMUNITY COLLEGE	Los Angeles Services	Vocational education	OA	Training for small businesses	0	982	\$1,219,644
GLENDALE COMMUNITY COLLEGE	Los Angeles Services	Vocational education	TQM	Training for small businesses	0	465	\$712,167
GOLDBERG & SOLOVY FOODS, INC.	Los Angeles Food process.	Process and distribute meat, poultry and seafood	PT, OA, CS, MRP, Sales, TQM. 58 employees in math.	Out-of-state competition	0	135	\$279,755
GOLDEN GATE SHIP REPAIR ASSOCIATION, INC	San Francisco Trans./Commun.	Represents employers engaged in ship repair	PT, CS, OA, MS, MATH	Out-of-state competition and retraining for small business. Lack of work prohibited training completion.	0	0	\$0
GOODWILL INDUSTRIES OF SOUTHERN CA	Los Angeles Non-profit	Rehabilitation	Computer/clerical, Forklift Operator	Demonstration project targeting retrainees for non-traditional jobs	0	19	\$60,682
GROSSMONT BANK	San Diego Finance	Commercial banking	MS, CS	Out-of-state competition	0	170	\$260,167
GUILD MORTGAGE COMPANY	San Diego Finance	Home mortgages	MS, CS, Sales	Out-of-state competition	0	182	\$300,458
HARRIS CORPORATION, FARINON DIV.	San Mateo Manufacturing	Microwave communications equipment	CS, TQM, MS, Sales	Must become more competitive or leave the state. Contractor unable to complete training within term of contract.	0	0	\$0
HARTWELL CORPORATION	Orange Manufacturing	Aircraft fastener and latching mechanisms	PT, SPC, OA, VESL	Accelerate production to remain competitive. Workers could not be released for training due to production needs.	0	0	\$0
HENDRY TELEPHONE PRODUCTS	Santa Barbara Manufacturing	Telephone equipment	SPC, PT, MRP	Remain competitive	0	132	\$208,264
HI-TEMP FORMING COMPANY	Los Angeles Manufacturing	Metal skins for aircraft parts	TQM, JIT, TLC, SPC	Increase productivity in small business	0	18	\$23,094
HOWARD'S APPLIANCES INC.	Los Angeles Retail	Home appliances sales and service	MS, CS, OA	Redesign business methods to remain competitive	0	94	\$114,031

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
HUCK INTERNATIONAL, INC.	Los Angeles Manufacturing	Fastening systems for aerospace and industrial use	TQM, OA, MRP, SPC, MS, PT. 74 employees in math; 66 in math and VESL	Reorganization to meet increased competition	0	179	\$398,734
HUGHES SPACE & COMMUNICATIONS GROUP	Los Angeles Manufacturing	Communications devices	MRP	Respond to increased competition and reduce costs. Unable to complete training within term of contract.	0	0	\$0
HUNTER INDUSTRIES	San Diego Manufacturing	Irrigation equipment	MS, PT, OA	Rapid growth and technological innovation	0	28	\$26,582
I.A.D.E. AMERICAN SCHOOLS	Los Angeles Services	Vocational training	OA, TQM, MS, CS, Auto repair. 2 trainees in VESL and Math. 33 trainees in Math.	Training for small businesses	11	130	\$234,309
IMED CORPORATION	San Diego Manufacturing	Electro-mechanical intravenous infusion pumps	PT, SPC, MS. 60 employees in VESL; 105 in MATH	New production techniques	0	374	\$533,614
INDY ELECTRONICS, INC.	San Joaquin Manufacturing	Microchips	MRP, TQM, SPC, OA, CS	Out-of-state competition	0	278	\$509,195
INLAND FISHER GUIDE DIV.- GENERAL MOTORS	Orange Manufacturing	Truck seat covers	MS, TQM, PT, SPC	Training for displaced workers	0	98	\$367,304
INTERMAG, INC.	Sacramento Manufacturing	Magnetic media material	TQM, MRP, SPC, CAM, PT	New hire training for employer expanding in the state. Delays in equipment installation prevented training completion.	0	0	\$0
ION IMPLANT SERVICES	Santa Clara Manufacturing	Ion implantation in wafers for the semiconductor industry	PT, SPC	To meet increasingly stringent quality standards and improve manufacturing processes	0	67	\$89,490
JAY-EL PRODUCTS, INC.	Los Angeles Manufacturing	Switches and integrated panels	MRP, SPC, TQM, PT	To remain competitive	0	98	\$244,124
JEWISH VOCATIONAL SERVICE	San Francisco Services	Employment training and placement	CAD, 12 trainees received VESL	Demonstration project to train Russian immigrants in demand occupation	14	0	\$98,014
JOHNSON & HIGGINS OF CALIFORNIA	Los Angeles Finance	Insurance brokerage	Office Automation Specialist	Operation of automated equipment	0	25	\$24,575
JONES FUTUREX, INC.	Placer Services	Information security	MS, TQM, OA, PT, MRP	In response to customer demands for improved quality	0	54	\$90,083
JOSTEN'S INC.	Tulare Services	Yearbooks and commercial printing	MS, PT, CS	Automating production processes	0	78	\$104,922
K & M COMPANY	Los Angeles Manufacturing	Office products	MS, PT, TQM. 115 employees in VESL	Remain competitive	0	140	\$459,715
KERNING DATA SYSTEMS, INC.	Los Angeles Manufacturing	Magnetic Ink Character Recognition printing equipment	MRP	Introduction of manufacturing resource planning to remain competitive	0	18	\$36,784

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
KFC	Statewide Services	Ready-to-eat chicken	MS, OA	Maintain competitiveness	0	415	\$636,100
KINGS OFFICE PRODUCTS CENTERS	Statewide Retail	Office products and furniture sales	MS, CS, Sales, OA	Retraining for small business	0	18	\$42,033
KRAFT GENERAL FOODS, INC.	Tulare Food process.	Food processing	MRP, SPC, TQM, OA, PT, Maintenance	Advanced technology and streamlined operations	0	82	\$451,763
LA CHAPTER, NATIONAL TOOLING & MACHINING ASSOC.	Los Angeles Manufacturing	Education to small business in metals industry	CNC	Demand for workers skilled in operating and programming CNC machines	199	0	\$1,148,012
LA CHAPTER, NATIONAL TOOLING & MACHINING ASSOC.	Los Angeles Manufacturing	Job training for the metals industry	CNC	Advanced technology	0	261	\$653,544
LA JOLLA PHARMACEUTICAL CO.	San Diego Miscellaneous	Therapeutic drugs	PT	Training for small business to remain competitive. Contractor decided not to seek reimbursement due to paperwork requirements	0	0	\$0
LEACH CORPORATION	Statewide Manufacturing	Relay switches	TQM, SPC. 56 employees in VESL	Out-of-state and international competition	0	544	\$644,638
LIFEGUARD INC.	Santa Clara Services	Health maintenance	MS, OA, CS, Sales	Must become more competitive	0	42	\$52,164
LINCOLN BROADCASTING COMPANY	San Mateo Services	UHF television station	OA, PT, Sales, MS	In order to remain competitive	0	17	\$26,511
LITTON SYSTEMS, INC.	San Mateo Manufacturing	Electro-optic devices	TQM, MS, SPC, PT	Critical skills shortage	0	357	\$364,583
LOMA LINDA UNIVERSITY MEDICAL CNTR.	San Bernardino Services	Skills training	OA	Small businesses seeking to automate without displacing workers	0	624	\$736,320
LOS ANGELES COUNTY PRIVATE INDUSTRY COUNCIL/FOOD 4 LESS SUPERMARKETS	Orange Retail	Retail grocers	MS, CS, OA. 180 employees received math	Training for employers in industries where there are critical skills shortage	0	298	\$278,251
LOS ANGELES MISSION COLLEGE	Los Angeles Services	Community college	OA. 8 new hires in math and VESL	Economic development	16	0	\$91,760
LOWNEY ASSOCIATES	Santa Clara Services	Environmental and geotechnical engineering services	TQM	To satisfy customer demands and remain competitive. Training required more time than planned; unable to complete within term of agreement.	0	0	\$0
LUCAS NOVASENSOR	Alameda Manufacturing	Electronic components	SPC, MS, PT	Increase productivity	0	83	\$141,177
MAGELLAN SYSTEMS CORPORATION	Los Angeles Manufacturing	Global positioning receivers	SPC	Contractor and suppliers must jointly implement SPC	0	233	\$361,150
MARTEX CIRCUITS INCORPORATED	Santa Clara Manufacturing	Printed circuit boards	TQM, SPC, TLC, JIT	Out-of-state competition	0	29	\$28,652
MARTINEZ ADULT SCHOOL	Contra Costa Construction	Training and job placement	CAD/CAM	Increase productivity in small business	0	57	\$73,473

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
MATHER FEDERAL CREDIT UNION	Sacramento Finance	Banking	CS, OA	Increase efficiency and productivity	0	32	\$34,384
MCCLELLAN FEDERAL CREDIT UNION	Sacramento Finance	Banking services	CS	Improve to meet new customer service standards	0	35	\$41,961
MENDOCINO COLLEGE - MENDOCINO BREWING	Mendocino Food process.	Microbrewery	TQM, SPC	Remain competitive	0	18	\$23,886
MENICON U. S. A., INC.	Fresno Manufacturing	Contact lenses	OA, CS, PT, CNC	New equipment in order to remain competitive	0	5	\$9,162
MISSION FEDERAL CREDIT UNION	San Diego Finance	Banking	OA	Remain competitive	0	233	\$301,968
MSAS CARGO INTERNATIONAL	San Mateo Services	Air and sea freight forwarding services	TQM, MS, SPC	To better meet customer quality requirements.	0	180	\$275,810
NATIONAL DECISION SYSTEMS, DIV OF EQUIT	San Diego Services	Integrated marketing information	MS, CS, Cross Functional Project Coordination	Increased product complexity and out-of-state competition	0	104	\$113,163
NATIONAL EDUCATION CENTER	San Bernardino Services	Business college	OA	Training for small business	16	0	\$65,360
NATIONAL EDUCATION CENTER	Los Angeles Services	Vocational school	OA	New hire training. Unable to gain lender access for student loans; training not completed.	0	0	\$0
NEC BUSINESS COMMUNICATION SYSTES (WEST)	Statewide Trans./Commun.	Computer and communications systems	PT, OA, Sales, CS	Must improve overall quality, sales and increase productivity	0	50	\$63,295
ORGANIZATION FOR BUSINESS	San Francisco Services	Vocational education	CNA	Training targeted for economically disadvantaged minorities	20	0	\$48,100
OXMAN COLLEGE, INC.	San Francisco Services	Vocational education	CS, OA. 12 new hires in math.	New hire training in demand occupation	12	0	\$61,896
PACIFIC SCIENTIFIC -ELECTRO KINETICS DIV	Santa Barbara Manufacturing	Electronic supplies	SPC, TQM, MRP, OA	Quality improvement program	0	118	\$227,483
PACTEL MERIDIAN SYSTEMS	Contra Costa Trans./Commun.	Telecommunications	CS, PT	Technological change	0	360	\$492,550
PARAGON, INC	Santa Clara Manufacturing	Multi-layered printed circuit boards	SPC, MS, TQM, OA, CS, CAD. Math and VESL for 15 employees; math for 33	Must be certified to meet new quality standards	0	67	\$98,285
PARAMIT CORPORATION	Santa Clara Manufacturing	Printed circuit boards	SPC, TQM. 9 employees for Math and VESL for 9 employees	To meet customer quality demands and increase productivity	0	23	\$71,695
PEACOCK AEROSPACE, INC.	Los Angeles Manufacturing	Aerospace assemblies such as engine mounts and landing gear	OA, MRP	To remain competitive	0	21	\$42,528

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
PENSKE TRUCK LEASING COMPANY	Orange Trans./Commun.	Truck leasing	MS, Truck Engine Repair	Address stricter air quality standards and improve customer service	0	235	\$575,776
PERFORMANCE PLASTICS, INC.	San Diego Manufacturing	Laminated composite parts for electronics and communications	TQM, SPC, VESL for 10 employees	To meet more stringent customer quality standards	0	30	\$45,000
PERSONAL TOUCH BUSINESS SCHOOL	Solano Services	Business school	OA	New hire training. Training discontinued; no response from contractor.	0	0	\$0
PIER 1 IMPORTS	Statewide Retail	Home furnishings	Sales, OA	New systems approach to marketing	0	72	\$77,974
PORT STOCKTON FOOD DISTRIBUTORS, INC.	San Joaquin Services	Food distribution	MS, OA, Sales	New computer technology	0	56	\$53,482
POWER SYSTEMS ASSOCIATES	Los Angeles Finance	Engines and generators	CS, Mechanics, Warehousing	Technological change and out-of-state competition	0	19	\$23,349
PRAGMATECH, INC.	Santa Clara Manufacturing	Printed circuit boards	SPC	In order to remain competitive	0	76	\$116,269
PRESTIGE STATIONS, INC.	Statewide Retail	Full service gasoline station	MS	Improve productivity	0	302	\$388,674
PRICE PFISTER, INC.	Los Angeles Manufacturing	Design, manufacture, and distribute faucets and valves	PT, SPC, OA, MGMT, 109 in VESL, 109 in Basic Math	Out of state competition	0	196	\$283,802
QUALCOMM, INC.	San Diego Manufacturing	Advanced communications equipment	PT, MS, OA, CS, CAD	Maintain market share with new technology	0	379	\$480,979
QUALIDYNE SYSTEMS, INC.	San Diego Manufacturing	AC-DC power supplies	SPC, MS	Productivity and quality improvements	0	32	\$57,967
QUALITY CARE HEALTH FOUNDATION	Statewide Services	Health care	TQM	Training for small businesses to remain competitive	0	416	\$691,392
QUIDEL CORPORATION	San Diego Manufacturing	Develop & manufacture rapid non-instrumented diagnostic medical tests.	SPC, MGMT, MRP, OA, PT	Out of state competition	0	140	\$106,771
R. R. DONNELLEY & SONS	Los Angeles Services	Magazine printing and distribution	PT	Operation of new equipment	0	86	\$99,409
REMEDYTEMP, INC.	Orange Services	Temporary job placement	OA, CS, MS	Computerizing job placement process to remain competitive	0	159	\$210,606
REPUBLIC BANK	Statewide Finance	Loans	MS, CS, Sales	Increase productivity in small business	0	37	\$62,517
RICHARD A. BRADYS, INC. DBA BRADYS	San Diego Retail	Clothing and accessories	MS, Sales	Become sales and service oriented to remain competitive	0	17	\$21,473
ROBERT F. DRIVER COMPANY, INC.	San Diego Finance	Insurance	OA	Computer system upgrades	0	68	\$78,849
ROCKWELL FEDERAL CREDIT UNION	Los Angeles Finance	Consumer banking	MS, CS	Out-of-state competition and need to improve service	0	136	\$244,328

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
ROCKWELL INTERNATIONAL CORPORATION	Los Angeles Manufacturing	Electronic, aerospace, automotive and graphic products	Aerospace Design, System and software design, configuration and management	New technology	0	69	\$134,984
SACRAMENTO AIR FORCE EMPLOYEES CREDIT UNION	Sacramento Finance	Financial services	MS, TQM	Improve productivity and level of service	0	56	\$92,269
SAN DIEGO CONSORTIUM & PIC	San Diego Services	Employment & training	OA	Training for small business	24	154	\$269,006
SAN DIEGO DATA PROCESSING CORPORATION	San Diego Services	Voice and data communications	OA, CS, SPC, MS	To satisfy customer demands and meet increased competition	0	167	\$166,869
SAN DIEGUITO PUBLISHERS	San Diego Miscellaneous	Newspaper, catalog, book printing	PT. VESL for 8 employees.	Improve production techniques	0	8	\$8,872
SAN FRANCISCO BAY AREA CHAPTER NATIONAL TOOLING & MACHINING ASSN.	Santa Clara Manufacturing	Metal products	CNC	Operation of new equipment in small businesses	69	88	\$524,199
SANDER A. KESSLER & ASSOCIATES INC.	Los Angeles Finance	Insurance broker	CS	To provide a higher level of customer service	0	44	\$60,984
SARONIX	Santa Clara Manufacturing	Hybrid crystal oscillators	TQM, SPC, CS, PT, MRP	Implement continuous quality improvement in order to remain competitive	0	45	\$117,512
SAV-U-FOODS, INC.	San Bernardino Retail	Discount grocery	MS, Sales	Increase productivity in small business	0	35	\$48,405
SCIENCE APPLICATIONS INTERNATIONAL CORP.	San Diego Miscellaneous	Fusion reactor design	CAD, OA	Foster job creation in State	0	19	\$122,715
SCITEQ ELECTRONICS, INC.	San Diego Manufacturing	Frequency Synthesizers	TQM, SPC	Response to customer demands for quality improvements.	0	15	\$15,090
SEE'S CANDIES, INC.	Statewide Retail	Candy manufacture and sales	MS, CS, OA	Improve sales and remain competitive	0	255	\$253,827
SEMICOA SEMICONDUCTORS, INC.	Orange Manufacturing	Transistors, photodiodes, optoelectronics	TQM, CAD, SPC, PT. 12 employees in VESL	Increase productivity in small business	0	35	\$102,493
SEWARD LUGGAGE	Kings Manufacturing	Luggage/foot lockers	MS, PT, OA, CNC, MATH	Retraining for small business. Contractor's financial problems precluded training completion.	0	0	\$0
SHURFLO PUMP MANUFACTURING CO.	Placer Manufacturing	Pumps	SPC, OA, MS, CS. MATH for 9 employees	Become more efficient and solve quality problems.	0	46	\$64,761
SIEMENS PACESETTER, INC.	Los Angeles Manufacturing	Pacemakers	MS, SPC	Increase productivity	0	120	\$125,787
SINCLAIR PAINT COVERING	Los Angeles Manufacturing	Paint products	SPC, PT, CS, MS. 25 employees in VESL and math; 8 in math	Out-of-state competition	0	229	\$351,626
SKILL CENTERS OF AMERICA	San Diego Services	Employment and training	OA	Training for minority and women owned businesses	0	130	\$218,140

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
SOHNEN ENTERPRISES	Los Angeles Manufacturing	Repair consumer electronic items	TQM, MRP, MS, OA, PT. 57 employees in math; 10 in math and VESL	Out-of-state competition	0	103	\$244,120
SOUTH BAY CIRCUITS, INC.	Santa Clara Manufacturing	Printed circuit boards	SPC, MS, PT, OA	Out-of-state competition. Training not completed due to production deadlines.	0	0	\$0
SOUTHERN CALIFORNIA PERMANENTE MEDICAL	Los Angeles Services	Prepaid medical care	SPC, Continuous Quality Improvement	Critical skills shortage	0	74	\$90,417
SPECIALTY BUSINESS GROUP	San Joaquin Food Proc.	Beverages	PT, TQM	Out-of-state competition. Plant closed permanently; training not completed.	0	0	\$0
SPUTTERED FILMS, INC.	Santa Barbara Manufacturing	Vacuum deposition systems	TQM, SPC, MS, PT, MRP	Critical skills shortage	0	12	\$30,084
STANFORD TELECOMMUNICATIONS, INC.	Santa Clara Manufacturing	Telecommunications products	TQM, SPC	Remain competitive. Contractor unable to complete training within contract term.	0	0	\$0
STEELCASE INC.	Orange Manufacturing	Office furniture and equipment	TQM, MS, PT. 26 employees in VESL	Remain competitive	0	191	\$246,171
STEP AHEAD INVESTMENTS, INC.	Statewide Retail	Closeout merchandise	MS, CS, OA, TQM	Remain competitive	0	97	\$144,921
STRATUS COMPUTER, INC.	Santa Clara Manufacturing	Computer systems	MS, SPC, Quality Software Design	Critical skills shortage	0	88	\$127,836
STROUDS	Statewide Retail	Specialty linens	CS, MS, OA	Changing systems to focus on service in order to remain competitive	0	177	\$183,193
SUMMIT COLLEGE	Alameda Services	Vocational education	OA	New hire training in demand occupations for employers in an enterprise zone	29	0	\$104,400
SUNBANK ELECTRONICS, INC.	Solano Manufacturing	Backshells, cable clamps, connectors	SPC, JIT, OA, Team Concepts	Critical skills shortage	0	141	\$287,524
SUNCLIPSE INC.	Los Angeles Manufacturing	Corrugated packaging	MS, CS, TQM, OA, PT. 31 employees in VESL	Improve quality of management, service and production	0	209	\$271,381
SWART INDUSTRIES CORPORATION	San Francisco Manufacturing	Customized precision plastic components	PT, TQM, MRP, OA	Retraining for small business	0	6	\$17,154
SYSTEMS TAX SERVICE, INC.	Orange Services	Payroll tax processing	OA, CS, MS	Increase productivity	0	102	\$158,902
T.D. SERVICE FINANCIAL CORPORATION	Orange Finance	Mortgage lending services	MS, CS, OA, Sales	To remain competitive	0	137	\$153,610
TANON MANUFACTURING, INC.	Santa Clara Manufacturing	Printed circuit board assembly	SPC. 38 employees in VESL and math.	To remain competitive, must retrain to meet new production standards	0	146	\$291,499
TECHNICOLOR VIDEOCASSETTE, INC.	Ventura Manufacturing	Videocassettes	VTR Operator, VCR Technician, loading, packaging	Operation of new equipment	0	82	\$162,852

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINED	EARNED
TELESENSORY CORPORATION	Santa Clara Manufacturing	Computer products for the visually impaired	CS, SPC, MS. 26 employees in VESL	Increase productivity	0	131	\$148,863
TEMPO PLASTIC COMPANY, INC.	Tulare Manufacturing	Custom molded patterns and parts	SPC, TQM	Improve product quality to remain competitive	0	15	\$20,715
TENCOR INSTRUMENTS	San Mateo Manufacturing	Tools for semiconductor industry	MGMT, SPC, OA	Retraining to prevent displacement of workers.	0	25	\$31,488
THE COPPER CONNECTION, INC.	Santa Clara Services	Training consortium	CAD	Training for small business in industry with critical skills shortage	0	347	\$789,477
THE GOOD GUYS, INC.	Statewide Retail	Consumer electronics	MS	In order to remain competitive	0	255	\$168,045
THE PRICE COMPANY	San Diego Services	Warehouse chain store	MS, TQM	Out-of-state competition	0	1,193	\$1,977,356
THE TRAINING INSTITUTE/NICKERSON GARDENS	Los Angeles Services	Skills training	Security officer, medical billing, OA	Training in demand occupations for GAIN clients	21	0	\$277,770
THE VONS CO., INC.	Los Angeles Retail	Supermarket chain	MS, CS, Sales. 241 employees in VESL	Critical skills shortage	0	492	\$1,033,120
TIERNAY METALS	Los Angeles Services	Aircraft aluminum extrusions	MS, CS, PT, SPC, Sales	Retraining for small business	0	14	\$19,434
TOPAZ INDUSTRIES	Santa Clara Manufacturing	Printed circuit board assembly	SPC, TQM. 17 employees received VESL.	To meet out-of-state competition	0	38	\$105,566
TREND CIRCUITS, INC.	Alameda Manufacturing	Prototype printed circuit boards	MS, TQM, OA, CS, Sales, PT, CAD/CAM	Remain competitive	0	102	\$119,677
TRI-CONTINENT SCIENTIFIC	Nevada Manufacturing	Liquid handling equipment	OA, SPC	In response to customer demands for improved quality. Could not afford to complete training.	0	0	\$0
TRIPLE A CONTAINERS, INC.	Orange Manufacturing	Custom corrugated packaging	Math, TQM, VESL	Increase productivity in small business. Training not completed due to production demands.	0	0	\$0
TROJAN BATTERY COMPANY	Los Angeles Manufacturing	Lead acid batteries	MS, OA, PT	Out-of-state competition	0	32	\$51,900
TV/COM INTERNATIONAL	San Diego Manufacturing	Cable and satellite products	MS, TQM	To meet out-of-state-competition	0	25	\$38,305
TYLAN GENERAL INCORPORATED	San Diego Manufacturing	Pressure measurement and control instrumentation	CS, MS, TQM, SPC, OA, PT	To satisfy customer imposed higher quality standards	0	125	\$278,541
UAW-LABOR & TRAINING CORP. (UAW-LETC)	Los Angeles Services	Employment and training consortia	OA, CS	Implement new automated billing and management systems in small medical offices	19	19	\$141,151
ULTRATECH STEPPER, INC.	Santa Clara Manufacturing	Semiconductors	MS, Hardware and software service and repair	Global competition and technological change	0	24	\$32,058

CONTRACTOR	CNTY./IND.	PRODUCT/SERVICE	# TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEE	EARNED
UNITED CAN COMPANY	Contra Costa Food process.	Food can containers	PT, SPC, MS, TQM, MRP, OA, Machine Operator	Technological innovation	0	250	\$608,425
UNITED EDUCATION INSTITUTE (UEI)	Orange Services	Vocational education	OA, CS, MS, TQM	Increase productivity in small business	0	102	\$107,682
UNITEK MIYACHI CORPORATION	Los Angeles Manufacturing	Precision joining systems	MRP, PT	Out-of-state competition	0	40	\$55,479
UNIVERSITY OF CALIFORNIA - SAN DIEGO EXT	San Diego Miscellaneous	Continuing education	Biotechnology manufacturing	Retrain displaced defense workers	54	0	\$252,720
VACCO INDUSTRIES	Los Angeles Manufacturing	Cryogenic valves, filters and ground support equipment for aerospace	TQM, SPC, MS, CS	To remain competitive	0	157	\$352,096
VISICOM LABORATORIES, INC.	San Diego Services	Software and hardware systems	MS, PT, OA	To meet new government and private sector quality standards	0	75	\$110,640
WALKER CORPORATION	San Bernardino Manufacturing	Metal stampings and springs	SPC, PT, TQM. 22 employees in math; 18 in math and VESL	Quality improvement program	0	58	\$157,036
WESTECH COLLEGE	Los Angeles Services	Vocational school	CAD	Critical skills shortage training for small businesses	0	197	\$211,578
WESTECH COLLEGE/CONSULTING ENGINEERS & LAND SURVEYORS OF CALIFORNIA	Los Angeles Services	Vocational school	CADD	Training for small engineering firms	0	87	\$99,876
WESTIN HOTELS & RESORTS	Riverside Services	Hotel management	MS, OA, CS	Generate greater repeat business through improved service	0	194	\$205,771
WILLIAMS-SONOMA, INC.	San Francisco Retail	Kitchenwares	OA, CS, MS, Sales	To remain competitive	0	159	\$204,497
<b>Literacy Totals: 1,963 Retrainees 63 New Hires</b>				<b>Totals</b>	<b>955</b>	<b>27,146</b>	<b>\$47,295,749</b>
				<b>AVERAGE COST PER TRAINEE:</b>	<b>\$1,683</b>		

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- # TYPE OF TRAINING
- CAD Computer Assisted Design
- CAM Computer Aided Manufacturing
- CNC Computer Assisted Numerical Control
- CS Customer Service
- JIT Just In Time
- MS Management Skills
- MRP Manufacturing Resource Planning
- Math Basic Math Skills
- OA Office Automation
- PT Production Techniques

- # TYPE OF TRAINING
- SPC Statistical Process Control
- TLC Team Leadership and Communication
- TQM Total Quality Management
- VESL Vocational English as Second Language



## APPENDIX C TERMINATED CONTRACTS

The following contracts were approved by the Employment Training Panel, but were terminated during 1994-95 prior to completion of the term of the contract. The table includes a brief description of each contract and the reason for termination. In some cases, some training occurred and in other cases training never began. Most of the 37 following contracts were terminated due to changes in the economy, company reorganization, or contractor perception of excessive ETP paperwork requirements.

CONTRACTOR	CONTRACT PROFILE	REASON FOR TERMINATION
Add Interior Systems	Location: Los Angeles, L.A. County Industry: Manufacturing Product/Service: Healthcare furniture Planned Trainees: 20 current employees Planned Training: TQM Reason for Training: Out-of-state competition	Due to organizational restructuring, the company was unable to commit to a specific training completion date.
Barry's Jewelers, Inc.	Location: Monrovia, L. A. County Industry: Retail Product/Service: Jewelry Planned Trainees: 131 current employees Planned Training: CS, OA Reason for Training: Remain competitive.	The company felt there were too many reporting requirements and requested termination of the contract.
Cardkey Systems, Inc.	Location: Simi Valley, Ventura County Industry: Manufacturing Product/Service: Imaging and badging system Planned Trainees: 212 current employees Planned Training: SPC, MS, MRP, PT, Literacy Reason for Training: Out-of-state competition	Due to outsourcing of manufacturing, the company lost a significant number of employees and was no longer in a position to invest in training. Requested termination.
Concept Health Group	Location: Tustin, Orange County Industry: Services Product/Service: Medical care Planned Trainees: 143 current employees Planned Training: MS, TQM, SPC, OA Reason for Training: Remain competitive	Due to financial reasons, the contractor was unable to continue training.
Dental Plan Administrators	Location: Tustin, Orange County Industry: Services Product/Service: Prepaid dental care Planned Trainees: 138 current employees Planned Training: OA, CS, MS, Sales Reason for Training: Remain competitive with out-of-state providers	The contractor was unable to meet timelines specified in contract, due to heavier workloads and computer conversions. Requested termination.

CONTRACTOR	CONTRACT PROFILE	REASON FOR TERMINATION
Dr. Sam's Learning Center	Location: Stockton, San Joaquin County Industry: Services Product/Service: Education Planned Trainees: 50 current employees Planned Training: OA Reason for Training: Training to small businesses	ETP terminated project. The contractor submitted no enrollments, and it appeared that no training occurred.
Dresser Masoneilan	Location: Montebello, Los Angeles County Industry: Manufacturing Product/Service: Control valves for the oil, gas and aerospace industries. Planned Trainees: 59 current employees Planned Training: MRP, SPC, PT Reason for Training: To meet out-of-state competition	Company requested termination because they could not predict the number of trainees who would meet the retention requirements.
DuPont Photomasks, Inc	Location: Santa Clara County Industry: Manufacturing Product/Service: stencils used in the fabrication of computer chips Planned Trainees: 181 current employees Planned Training: SPC, PT, TQM, MRP Reason for Training: To compete with out-of-state firms	Unforecasted employee turnover required all training activity to bring new hires to minimum levels; therefore, the company was unable to continue this agreement.
Gaviota Maintenance Services Oil Well Technicians	Location: Ventura Industry: Engineering contractor Product/Service: Construction and maintenance services to the oil industry Planned Trainees: 80 current employees Planned Training: Oil well construction and maintenance Reason for Training: Small business employees	Because of work force reductions, the contractor discontinued the training program.
GenCorp Aerojet	Location: Los Angeles County Industry: Manufacturing Product/Service: Sensors and target-activated munitions Planned Trainees: 1,372 current employees Planned Training: OA, PT, CAD/CAM, MS, TQM, MRP Reason for Training: In order to remain competitive,	Contractor was unable to conduct SOST within the constraints of the contract, and requested termination . The contractor did not want to wait for an amended contract.

CONTRACTOR	CONTRACT PROFILE	REASON FOR TERMINATION
Herman Miller, Inc.	Location: Rocklin, Placer County Industry: Manufacture and sales Product/Service: Furniture systems, products and related services for offices and health care facilities. Planned Trainees: 110 current employees Planned Training: CS, OA, MS, SPC, MRP, PT Reason for Training: In order to continue competing with out-of-state firms	Due to increased production pressures, the company terminated the project. They are committed to training, and will reapply once adequate time is available.
Indy Electronics, Inc	Location: Manteca, San Joaquin County Industry: Manufacturing Product/Service: Assembles and packages microchips Planned Trainees: 630 current employees Planned Training: Math, MS, SPC, MRP, PT Reason for Training: To remain competitive	The company withdrew the contract because of management changes, growth in the industry which made it impossible to release trainees from work schedules, and the consultant's services were too expensive.
InPrint Corporation	Location: Sunnyvale, Santa Clara County Industry: Printing Product/Service: Produces and publishes instruction manuals for hi-tech products Planned Trainees: 46 current employees Planned Training: TQM, SPC, MS, MRP, CS, PT Reason for Training: Out-of-state competition	The company believed the complexity of the State's reporting requirements made the resources involved in maintaining and reporting progress of the project not cost effective. They requested termination.
ITT Barton Instruments	Location: City of Industry, Los Angeles County Industry: Manufacturing Product/Service: Instruments used to measure the pressure, flow, and density of liquids and gasses, the level of liquid in tanks, and the amount of sulphur found in various processes Planned Trainees: 148 current employees Planned Training: MS Reason for Training: To remain competitive with out-of-state businesses.	The company requested termination because new management was afraid they could not meet the terms of the agreement.
ITT Residential Capital Servicing Corp	Location: La Jolla, San Diego County Industry: Finance Product/Service: Loan counseling, collections, payoffs and customer service for investors. Planned Trainees: 40 current employees Planned Training: CS, OA, MS Reason for Training: Foreign and out-of-state competition.	Company requested termination, due to the announcement of liquidation.



CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
MagneTek Power Magnetics	Location: Industry: Product/Service:  Planned Trainees: Planned Training:  Reason for Training:	Gardena, Los Angeles County Manufacturing Audio transformers, plate power supplies, filter chokes, and other magnetic devices for the radio and communications industries 177 current employees MS, SPC, Demand Flow Technology, TQM, OA, VESL In order to remain competitive	The company was sold, and the new owners have a different focus and are in the process of evaluating their training needs. They requested termination.
Martinez Business Training Center	Location: Industry: Product/Service: Planned Trainees: Planned Training: Reason for Training:	Martinez Contra Costa County Services Adult Education 40 new hires OA Firms locating or expanding in the local labor market area.	Due to unplanned changes of experienced personnel, it was impractical to recruit and monitor students.
Mitel Telecommunications Systems Inc	Location: Industry: Product/Service:  Planned Trainees: Planned Training: Reason for Training:	Irvine, Orange County, Manufacturing Computerized systems such as Private Branch Exchange, networks and voice and data telecommunications equipment 60 current employees CS, Sales, OA, PT Out-of-state competition	The cumbersome process and the reduced estimated funding led the company to terminate the agreement.
Northrop Grumman Software	Location: Industry: Product/Service: Planned Trainees: Planned Training: Reason for Training:	Pico Rivera, Los Angeles County Manufacturing B-2 Bomber and hardware and software products for defense and commercial systems 500 current employees Software Development Out-of-state competition	Company requested termination because they were unable to fulfill the terms and conditions of the Agreement.
Nutralite Products	Location: Industry: Product/Service: Planned Trainees: Planned Training: Reason for Training:	Buena Park, Orange County Manufacturing Vitamins and food supplements 240 current employees TQM Remain competitive with out-of-state firms	The company is reprioritizing training and education needs.

CONTRACTOR	CONTRACT PROFILE	REASON FOR TERMINATION
Pepco Water Conservation Products	Location: Fresno County Industry: Manufacturing Product/Service: Low-flow irrigation products Planned Trainees: 75 current employees Planned Training: TQM, MRP, MS, PT, CAD, OA, SPC, Sales Reason for Training: In order to remain competitive	Financial difficulty made it impossible for the contractor to continue the project.
Pyramid Technology Corp.	Location: San Jose, Santa Clara County Industry: Manufacturing Product/Service: Multi-processor computer systems for data center environments Planned Trainees: 317 current employees Planned Training: OA, CS Reason for Training: Out-of-state competition.	Because business priorities changed and training was no longer a primary focus, the company requested termination.
Raylan Corporation	Location: Palo Alto, Santa Clara County Industry: Manufacturing Product/Service: Products and services used to connect local and wide area computer networks Planned Trainees: 18 current employees Planned Training: MS, TQM, SPC, PT, CS, MRP Reason for Training: To remain competitive with out-of-state and international competition	Contractor requested termination. An exceptional business year stretched resources too thin and could not continue the training project.
Revere Transducers	Location: Cerritos, Los Angeles County Industry: Manufacturing Product/Service: Force measurement products including bonded foil strain gage cells and pressure and force sensors for OEM electronic scales. Planned Trainees: 145 current employees Planned Training: PT, TQM, SPC, MRP, MS Reason for Training: In order to continue competing with out-of-state producers	The company requested termination because a recent relocation disrupted training and created a work backlog. There was also concern about the turnover rate.
Robertson Ceco	Location: San Joaquin County Industry: Manufacturing Product/Service: Prefabricated metal buildings for assembly in industries such as agriculture, education, manufacturing, trade, transportation, communication and recreation Planned Trainees: 186 current employees Planned Training: MS, TQM, SPC, PT, CS, OA, CAD Reason for Training: To meet out-of-state competition.	Company reorganization led to request for termination.