The Employment Training Panel

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Peter G. DeMauro, General Counsel

Pete Wilson, Governor
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 businesses to remain viable and compete in the global economy, while providing workers with reasonable wages and secure employment.
November 30, 1998

Keeping California's economy strong in the face of global competition requires a highly-skilled workforce able to meet the challenges of changing technology and work practices. Teaming with business and labor, the Employment Training Panel has successfully fulfilled this mission for fifteen years by providing approximately $568 million for the training and employment retention of over 290,000 California workers benefitting more than 30,000 businesses. Since its inception in 1983, the Employment Training Panel has helped to keep the California economy strong, reduce unemployment, put the unemployed back to work, and provide business with the skilled workforce necessary to compete in the expanding global market.

The Employment Training Panel is pleased to present its report of accomplishments during the 1997-98 fiscal year. The Panel proudly fulfilled its unique role as California's only training program for incumbent workers; supported the creation of new jobs and economic development; targeted industry sectors with the most significant impact on the State's economy; and supported the constant emergence of new industries and technologies.

In the past fifteen years, the Panel has pioneered its role as a vital economic tool for California. The Panel has supported the economy by responding to changing employer needs, while investing in the training of workers to provide them a substantial wage and as secure employment as possible. A proven partner in California's prosperity, the Panel looks forward to meeting the new opportunities and economic challenges of the future!

Thomas C. Ellick
Chairman

Gerald G. Geismar
Executive Director

Letter from Chairman and Executive Director
Fiscal Year Highlights
FY 1997-98 Panel Highlights

- 255 new training projects totaling $92.6 million were approved for the planned training and employment of approximately 65,000 trainees, at an average cost of $1,433 per trainee.

- Seventy percent of training funds went to businesses in manufacturing and new and emerging industries.

- Continued to emphasize service to small business, approving $19.7 million in training for businesses with fewer than 100 workers (twice the legislative requirement), while continuing to implement its Small Business Initiatives.

- Targeted emerging industry clusters, including high-tech manufacturing, telecommunications, software development, biotechnology and multimedia/entertainment.

- Continued to evaluate the program, including conducting its first annual survey of completed contracts.

- Continued to emphasize customer service by implementing a new application process which reduced the period from application to contract approval from 120 days to 30 days; and enhanced information technology capabilities by providing contractors on-line access for many contracting functions.

- During the fiscal year, 178 contracts were completed and $25.4 million was earned by contractors. Actual data in these completed contracts included:
  - 19,300 individuals were trained and employed; the average cost per trainee was $1,319, including $4,826 for new hires and $1,107 for retrainees.
  - The average hourly wage earned after training was $10.43 for new hires, and $16.15 for retrainees.
  - Primary occupations served were: production workers, clerical/office support workers, technical support personnel, sales and customer service representatives, machinists and machine operators, and management employees.
  - Of all businesses served, 78 percent were small businesses; 48 percent employed 50 or fewer employees.
  - Small businesses earned 46 percent of all training dollars last year, and employed 65 percent of all new hires and 33 percent of all retrainees.
Table of Contents
Introduction
The Employment Training Panel (ETP) is a statewide economic development program to support the overall California economy by ensuring that employers have the trained workers they need to compete in the global economy. The Panel effectively performs the role of a statewide economic development partner by collaborating with business, labor, and other public entities.

The Panel was created in 1982 with the initial mandate of addressing the large displacement of workers resulting from plant closures by moving the unemployed quickly into jobs or by saving jobs of workers threatened with displacement. In January 1994, the focus of the Panel program was significantly expanded to one that benefits the overall California economy by primarily focusing its funds on the training of unemployed workers for high-wage, high-skill jobs and on the retraining of incumbent workers of businesses challenged by out-of-state competition—a role which the Panel fulfills as California's only training program for incumbent workers.

The Special Employment Training (SET) category allows the Panel to fund training for businesses and workers not eligible under the regular program criteria. In addition, recent amendments to the Program added Welfare to Work as new funding category for the Panel. Effective January 1, 1998, the Panel is able to fund retraining for employed current or former welfare recipients in support of California's welfare reform activities.

A key feature of ETP since its inception is its 100 percent performance-based contracting requirement, which ensures that the training is tied to a real job. This means no funds are earned by a contractor until a trainee completes all of the training and a subsequent employment retention period of at least 90 days in a training-related job. Since it began in 1983, ETP has served California well by training over 290,000 workers for 30,000 businesses.

ETP is funded through the Employment Training Tax which is levied on the California employers who participate in the Unemployment Insurance System. Typically, the Panel averages $70 to $100 million in training funds annually.
In 1997-98, the Employment Training Panel (ETP) played a heightened role in assisting California employers to respond to an expanding global economy. As California continued to prosper with the emergence of industries such as high-technology manufacturing, software development, biotechnology/biomedical, multimedia/entertainment and other new sectors, employers had an increasing need for trained workers to fill the jobs required to support this new economic base. California business was challenged by an expanding fast-paced, high-tech environment, typified by the need for rapid response to customer demands and ever-changing products and services. Well-trained, high-skilled, and adaptable workers became a premium for California businesses.

With businesses competing in an economic climate characterized by instantaneous global communications and products which can be outdated and in need of upgrading within months, workers need to have the skills and knowledge to react and adapt. As a result, California business, particularly small employers, have had an increasing need for publicly-funded training dollars to help workers gain necessary skills to attain and retain good jobs while increasing employers’ productivity and competitiveness. This is the niche ETP fills, since it supports training that strengthens the California economy by preventing unemployment, putting people back to work who are already unemployed, and providing businesses with the skilled workforce it needs to increase productivity and respond to global competition.

The Panel proudly met this challenge last year, providing funds to support job creation and retraining of workers for employers facing out-of-state competition, with particular support to businesses adopting new technologies and implementing new production techniques. Responding to priorities identified by the Legislature and many program stakeholders, including the Advisory Research Council (ARC), the Panel re-emphasized its support for manufacturing, new and emerging industries, and small business, while becoming a player in California’s Welfare to Work arena. Last year’s funding commitments emphasized industries considered to have the most impact on the State’s export base — industries typified by high-wage, high-skill jobs. Last year, approximately 70 percent of all approved training funds went to businesses in manufacturing and new and emerging industries.

Again prioritizing small business, the Panel for the second consecutive year exceeded the legislative mandate of a $10 million dollar commitment of training funds for businesses with fewer than 100 employees. This requirement was exceeded by nearly double, with $19.7 million approved for training for these size businesses. These efforts were supported by the continuing Small Business Initiatives which seek to make it easier for small businesses to contract directly with the Panel, and by the success of the new entrepreneurial training program for small business owners. The support for very small businesses was evident in the fact that 26 percent of all businesses served in completed contracts in 1997-98 had 20 or fewer workers, while almost one-half had 50 or fewer employees.

The emphasis on a skilled, high-wage workforce was evident in last year’s completed contracts which served hundreds of California employers by training and retaining
Some Key Dates

July 1997, Adopted New Policy Limiting Initial Retraining Contracts To 200 Hours.


January 1, 1998, Implemented Welfare To Work Funding Category.

January 1998, Welcomed New Panel Member, Ruben Zuniga, Financial Secretary/Business Representative of Carpenters Local 630 in Long Beach, Appointed by Outgoing Speaker of the Assembly, Cruz Bustamante.

February 1998, Provided Contractors Online Capabilities To ETP Documents Via The Internet.

March 1998, Held Special Panel Meeting, Focusing on Program Priorities and Targeting of Funds, attended by Senator Patrick Johnston.

19,300 workers at an average wage of $10.43 for new hires and $16.15 for retrainees.

Support was also continued for efforts spearheaded by the State Job Training Coordinating Council (SJTCC) to develop an integrated workforce preparation system in California. The Panel continued its funding support for and participation in the first phase of a legislatively-mandated statewide “report card” system to develop standardized performance measures in workforce preparation programs, with first-year reports anticipated by December 1998.

The Panel recognized that in order to meet the needs of businesses, it had to prioritize the timely and accurate response to employer training needs. Thus, 1997-98 was a year of increased emphasis on customer service in which customer service training was provided to all staff, as well as continued streamlining of processes and paperwork for contractors, and further development and refinement of information technology (IT) capabilities for better and faster service to customers. The “home page” on the World Wide Web, was enhanced greatly improving its marketing capabilities, while providing contractors online access for many contracting functions.

The Panel is pleased to present this Annual Report of activities during the 1997-98 fiscal year. The Report highlights accomplishments in successfully addressing many of the goals and objectives of last year’s Strategic Plan. Also included is a description of last year’s funding commitments, targeted marketing, interaction with customers and stakeholders, emphasis on customer service and organizational improvements, performance of completed contracts, and service to small business.

The Report also provides a summary of terminated contracts, and a summary of projects approved prior to last year and still active as of July 1, 1998. Also included are profiles of several projects which completed during the fiscal year, with a focus on service to manufacturers, small business and new and emerging industries.
Year in Review
Targeting Resources

Revenues and Expenditures

Targeting its resources to support a prospering California economy, the Panel last year worked to ensure the State’s employers had access to trained and highly-skilled workers. In 1997-98, the Panel committed $103.4 million of the $117.7 million available for the fiscal year. Uncommitted funds consisted of $14.3 million of the $20 million available only as of January 1, 1998 under the new Welfare to Work category. If reappropriated, these unexpended funds will be available for Welfare to Work projects in 1998-99. (A detailed description of revenues and expenditures is provided in Appendix A, “Revenue and Expenditure Report”.)

The Panel’s annual expenditures fall into two general categories: Non-Training funds and Training funds.

Non-Training Funds

Last year, $9 million was utilized for administrative expenditures; and approximately $2 million for marketing and independent research activities. (These expenditures are also listed in Appendix A.) The Panel continued to target its administrative, marketing and research funds with an emphasis on customer service and continuous process improvement.

Training Fund Commitments

The Panel targeted training funds to industry sectors with the most economic impact on the State, and where new technologies and products called for a highly-trained and technologically proficient workforce. A total of $92.6 million was approved for 255 contracts to train and retain in employment 64,611 workers at an average cost of $1,433 per trainee. This targeted retraining is for 61,661 incumbent workers and training for 2,950 unemployed workers. The following table summarizes the year’s funding commitments. (Note: Contracts funded in previous years but which completed in 1997-98 are described under “Completed Contract Performance” on page 16.)

Areas with the greatest training need were addressed through three major training budget categories: Economic Development, Special Employment Training (SET), and Welfare to Work. Under the Economic Development category, 223 projects were approved, primarily for retraining workers of businesses facing out-of-state competition. Under this category, the impact of funds was optimized by supporting the State’s export base and overall economy. Emphasis on training employees of small businesses was also confirmed by approving $19.7 million for projects serving businesses with fewer than 100 employees.
The SET category allows the funding of training for businesses and workers who do not meet the program's standard eligibility requirements. Last year, 35 SET projects were approved, primarily to train frontline workers in high-wage jobs and for entrepreneurial training agreements to meet the needs of small business owners with nine or fewer workers, striving to make their businesses viable in a competitive market.

Under the new Welfare to Work funding category, California's Welfare to Work initiatives are supported by funding training to ensure current and former welfare recipients are able to remain employed in secure, long-term jobs. Amendments to the ETP legislation, effective January 1, 1998, allow the Panel to allocate up to 20 percent of available training funds to support this effort. In fiscal year 1997-98, $5.7 million was approved for four Welfare to Work projects to provide training for 1,805 workers.

<table>
<thead>
<tr>
<th>1997-98 Funding Commitments</th>
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<tbody>
<tr>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>Approved Training Projects</td>
</tr>
<tr>
<td>Funds Approved for Training Projects (in Millions)</td>
</tr>
<tr>
<td>Persons Targeted for Training and Employment Retention</td>
</tr>
<tr>
<td>Average Cost Per Trainee</td>
</tr>
</tbody>
</table>

**Targeted Marketing**

The Panel focused its direct marketing efforts on high-tech manufacturing and businesses in new and emerging industries, including biotech/biomed, telecommunications, multimedia, and entertainment — industries identified as having significant impact on the growth of the California economy. Small businesses with fewer than 100 employees were also a priority. With the implementation of the new Welfare to Work category last year, the program was also marketed to businesses who have hired or plan to hire former Welfare recipients.

The marketing effort was carried out in collaboration with other entities in the State's economic development and workforce preparation arenas including Team California; the California Manufacturing and Technology Center; the Corporation for Manufacturing Excellence (MANEX); Private Industry Councils; California Association for Local Economic Development (CALED); professional societies; partners in the workforce preparation system; training agencies; and public and private universities. To aid California's business attraction and retention efforts, the Panel, in conjunction with the Trade and Commerce Agency (TCA), continued its participation on Red Teams. The California Federation of Labor continued to work with the Panel to target union affiliated companies.
**The Advisory Research Council**

Last year, the Advisory Research Council (ARC) continued assisting the Panel in carrying out its mission by recommending a number of program and process improvements. Established in 1995 by the Panel Chairman, the ARC is comprised of representatives of a broad cross-section of large and small employers, labor representatives, and other stakeholders who advise the Panel on the program and its processes.

The ARC played a significant part in helping prepare for the role in Welfare to Work, working closely with the Panel for the passage of State legislation which authorized this funding category and assisting in the development of emergency Welfare to Work regulations. The regulations provide relief from regular program requirements in areas such as wages and employment retention.

In light of some criticism from the Legislature regarding funding priorities, the ARC supported the Panel by meeting with legislators to inform them of the valuable impact ETP's funds have on California workers and employers. The ARC also provided significant input and advice which led to improvements in the contracting process and changes in policy relating to required matching funds for repeat contractors and the phased implementation of training projects.

With the ARC's input, the Panel also initiated on-going customer service training for all staff. In response to another ARC recommendation, a promotional video was developed to promote and publicize the program. As demonstrated by its many accomplishments, the ARC continues to play an essential role in helping the Panel meet its commitment to California employers.

**Focusing on Customer Service**

Responding to suggestions from the ARC and other program stakeholders, several key steps were taken to improve service to customers. These included streamlining the Agreement process; updating policies and regulations; enhancing information technology capabilities; obtaining customer feedback from surveys; and emphasizing Total Quality Management (TQM) and staff training.

**Enhancing the Agreement Process**

The Panel streamlined and enhanced its Agreement process by:

- Continuing implementation of a new application process where all potential contractors attend an orientation session and have their eligibility determined prior to submitting an application for training funds;
- Data indicates the new application process has significantly improved contract processing time, reducing the time period from application to contract approval from 120 days to 30 days;
• Simplifying and updating the Agreement document by eliminating unnecessary or duplicative items;

• Revising cost reimbursements based on the Fixed-Fee Rate Table, according to findings in last year’s fixed-fee study by researchers at California State University, Northridge (CSUN) (see page 15); and

• Streamlining subagreement guidelines.

New Policies/Updated Regulations

A new policy limiting initial retraining contracts to 200 hours was adopted to help ensure their success, based on research data indicating contracts exceeding this limit tend to have lower earning rates.

Several new regulations were also initiated and others were modified, including relaxing matching requirements for employers who previously received funding, enabling the Panel to contract with established economic development corporations, expediting training proposals critical to the California economy, and allowing for limited safety training in conjunction with skills training on new equipment and processes.

Information Technology

Through its Information Technology Unit (ITU), last year the Panel continued enhancing and refining its information technology capabilities. As a priority, significant strides were made toward establishing a paperless environment by providing contractors online access for trainee enrollments and contractor payments via the Internet. Development of forms accessible through the Internet was continued to help contractors better manage projects. In an effort to improve communication with its external customers, the “home page” was enhanced to include orientation material for potential contractors. Other features include current program information; meeting dates; contract processing information; profiles of completed projects; and consumer information on subcontractors and consultants.

The Panel also worked with Department of Information Technology to continue implementation of its Information Management Strategy Plan. Continuous assessments of the Management Information System and user needs assured that updated hardware, software, and technical support were provided to all staff. Connections to other state systems and databases were also developed and maintained to ensure rapid and accurate service for customers.
**Customer Surveys**

Direct customer feedback was again sought as a means to improve responsiveness to customer needs by conducting surveys of terminated/withdrawn contracts and completed contracts at closeout.

- Terminated Contracts — All contractors who discontinued their funding requests during the fiscal year were again surveyed. This included six potential contractors who withdrew funding requests and 43 contractors who terminated their contracts after funds had been encumbered. Overall, 57 percent responded to the surveys. The primary reason given for withdrawing or terminating a contract was internal or economic factors such as, changes in business priorities, management changes, or increases in production. Ninety percent of the respondents rated the responsiveness and technical assistance of staff as either good or excellent. There were many suggestions made for improving processes. Examples include increased use of electronic media, simplification of procedures to verify training attendance, streamlining of application and enrollment documents, and allowing flexibility in the use of trainers.

- Completed Contracts — Last year, the Panel began conducting a close-out survey which is given to all direct employer contractors who have completed their contracts. The first survey results, which focused on all direct employer contracts that completed in fiscal year 1997-98, resulted in a 72 percent response rate. Respondents indicated general satisfaction with their training project experience, e.g., nearly half had only positive comments regarding their experience with ETP, in spite of any problems they may have encountered.

Respondents indicated that high-level management was involved in implementing projects 95 percent of the time. Many of the problems identified by respondents were keeping to the training schedule, amending the contract, and record keeping. Respondents offered a number of suggestions for improving the contracting process, including suggestions for more up-front information, streamlining of processes, reduced paperwork and increased automation of the program.

While many suggestions provided in both surveys have been addressed (e.g., through contractor orientation sessions, subcontractor training workshops and automation of enrollment and invoicing documents), all suggestions will be reviewed for possible action in the effort to ensure continuous improvement.

**Total Quality Management (TQM) and Training**

The Panel also continued striving for a continuous improvement environment, while emphasizing training for staff. Quality Improvement Teams and Workgroups addressed improvements in the application and contract development processes; simplified monitoring and auditing processes; an automated payment system; streamlined forms and procedures for small business contracts; and outreach and technical support for Welfare to Work projects.
Customer service and staff development was also emphasized by providing customer service training to all staff. Training was also provided to staff in job related areas such as computer skills; analytical skills; management skills; and the information technology network.

**Evaluating the Program**

In 1997-98, the Panel continued funding and conducting research studies to improve the program. The following are last year's research activities:

**Disencumbrance Study**

Last year, the Panel contracted with the University of California, Los Angeles (UCLA) for a study of fund disencumbrances as a follow-up to a study conducted by ETP staff in 1994. Disencumbrances occur when training funds are at one point approved and encumbered for individual training projects, but then disencumbered when they are not earned as planned. This study focused on single-employer contracts initiated in fiscal years 1993-94 and 1994-95, given that single employer contracts represent a disproportionately higher share of disencumbrances than multiple employer contracts.

Major findings of the study included the following:

- Disencumbrances fluctuate with economic conditions, but on average, 47 cents of every awarded dollar has been disencumbered.

- Economic reasons outside the firms and the Panel’s control have more influence over disencumbrance decisions.

- A project which does not show progress in the first three months is likely to be unsuccessful.

- Amendments to projects will increase performance.

- Firm and contract characteristics help identify potentially risky contracts.

Based upon these findings, the researchers recommended the Panel manage risk to reduce disencumbrance. They suggested this can be achieved by applying findings/criteria judiciously, making performance records of training vendors available to potential contractors, implementing early termination when necessary, funding training incrementally, and awarding funds based on actuarial experience. The Panel has already begun incremental funding of contracts, and will consider all other recommendations to improve performance.

1997-98 Annual Report
The researchers also provided findings from a survey of contracts in the study with high earnings rates (i.e., 80 percent or better). These findings included the following: high performers tended to be financially strong with a positive business trajectory, they sought to train their employees in response to changing external market conditions, training was an integral and essential component of their business strategy, and the two most important success factors were the CEO's/manager's commitment to the training project and the contract manager's persistence. A key to these projects' success was in management ensuring trainees attended and completed training by scheduling overtime and compensating employees as necessary to ensure completion. Fifty percent of these “high performers” stated the acquisition of technological skills was important to providing their business a competitive edge.

**Consultant/Fixed-Fee Study**

Researchers from CSUN also completed their dual study of ETP Subcontractors and Consultants and the Fixed-Fee Rate Structure. Highlights from this two-part study include the following:

**ETP Subcontractors and Consultants**

- Many employers have and will continue to rely on subcontractors and/or consultants to provide training and administrative services. Most employers surveyed were satisfied with the services provided by the subcontractor and/or consultant they hired. However, because they pay for such services with ETP funds, they often use the first subcontractor or consultant available instead of doing comparison shopping.

- The market for subcontractor and consultant services was found to be inefficient, thereby allowing prices to range significantly above the competitive level.

Among the study's recommendations were that the Panel work to provide accessible consumer information on subcontractors and consultants and provide updated program information for subcontractors and consultants. The Panel approved most of the study’s recommendations and staff began providing potential contractors with enhanced consumer information to consider before hiring subcontractors or consultants. In addition, as recommended, staff held the first information sessions for subcontractors and consultants in September and October, 1998.

**Fixed-Fee Reimbursement**

This portion of the study found ETP's fixed-fee rates (the basis of training cost reimbursement) are reasonable and below the market median when compared to the training market as a whole. Using these findings as a basis, the Panel at its December meeting approved a revised fixed-fee rate schedule, simplifying the fee and providing a higher fee for small business, training for unemployed workers, and Welfare to Work projects.
Completed Contract Performance

Performance Results

Review of contracts completing in the report year indicates the Panel again supported the California economy by funding high-quality training for large numbers of businesses and trainees at a low cost, while ensuring trainees high-wage, secure jobs. The results show 178 contracts completed, providing 1,743 employers with trained, highly-skilled workers. These completed contracts earned $25.4 million and 19,300 workers were trained and employed, including 1,097 unemployed persons (new hires) and 18,203 retrainees. (Note that contracts approved during 1997-98 are described on page 9 under “Training Fund Commitments”.)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Economic Development</th>
<th>SET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Contracts</td>
<td>178</td>
<td>161</td>
<td>17</td>
</tr>
<tr>
<td>Amount Earned</td>
<td>$25,450,443</td>
<td>$22,654,799</td>
<td>$2,795,644</td>
</tr>
<tr>
<td>Retained in Employment</td>
<td>19,300</td>
<td>17,527</td>
<td>1,773</td>
</tr>
</tbody>
</table>

The above table indicates completed contracts by funding category, according to whether they were Economic Development or SET. (1997-98 was the first fiscal year in which projects under Welfare To Work were initiated by legislation effective January 1, 1998. Therefore, none of the new Welfare To Work projects had completed as of June 30, 1998.)

Included in the year’s completed contracts were nine with literacy components for 449 participants at a cost of $212,000 for the basic skills training. These included two with Basic Math and seven with Vocational English as a Second Language (VESL) instruction. (The Panel supports literacy training, defined as writing, reading, language comprehension, math, and VESL, where such training has a demonstrated link to job skills training. Most trainees participating in literacy training are frontline workers in occupational categories such as production workers or assemblers.)

Training in completed contracts continued to focus on skills that assist employers in implementing technological innovations or becoming high-performance workplaces. Courses such as Statistical Process Control, Office Automation, Production Techniques, and Total Quality Management provided workers with the high-level skills required for long-term employment and to help California employers remain competitive in the international economy. The average cost of training for new hires was $4,826; for retrainees it was $1,107.
As in previous years, the training provided was for employment in high-wage jobs. The average post-training and retention wage for new hires was $10.43 per hour; for retrainees it was $16.15. The average new-hire wage decreased by nearly $4 an hour over the 1996-97 average, returning to a more historical ETP wage rate. (In fiscal year 1996-97, a number of contracts involving defense conversions to commercial applications in the aerospace industry caused an unusual, but temporary increase in new hire wages.) Retraine average wages surpassed the previous year, from $15.92 to $16.15 per hour. Primary occupations served were production workers, clerical/office support workers, technical support personnel, sales and customer service representatives, machinists and machine operators, and management employees. The following table displays the wage distribution for both retrainees and new hires.

**FY 1997/98 Trainee Wage Distribution**

![Chart showing wage distribution](chart.png)

**Comparison of Planned to Actual Performance**

The table on the next page indicates planned and actual enrollments and employment retention for the report year completers. The table provides information on completed contract performance by type of trainee. It compares planned enrollments with actual enrollments and the subsequent employment and retention of trainees for at least 90 days.
### Planned vs. Actual Enrollments and Retained in Employment

<table>
<thead>
<tr>
<th></th>
<th>New Hires</th>
<th>Retrainees</th>
<th>New Hires</th>
<th>Retrainees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned</td>
<td>2,571</td>
<td>38,870</td>
<td>1,531</td>
<td>32,445</td>
</tr>
<tr>
<td>Actual</td>
<td>2,103</td>
<td>23,657</td>
<td>1,097</td>
<td>18,203</td>
</tr>
<tr>
<td>% of Planned</td>
<td>82%</td>
<td>61%</td>
<td>72%</td>
<td>56%</td>
</tr>
</tbody>
</table>

Last year’s completed contracts earned 58 percent of planned dollars. The contracts achieved 62 percent of total planned enrollments (82 percent for new hires, and 61 percent for retrainees). The percentage of actual placements compared to total planned job placements was 57 percent (72 percent for new hires, and 56 percent for retrainees).

As indicated, enrollment and completion rates for these contracts were lower than planned. Several factors contributed to the lower rates. As in previous years, in some cases, large training projects served fewer trainees than originally planned due to companies’ inability to release trainees because of production schedules. In other cases, economic factors such as downsizing, business cutbacks, and changes in management and company reorganizations caused projects to be reduced in size.

In addition, last year’s performance results include six projects in which funds were encumbered but in which there were minimal enrollments and no placements (nor earnings). These projects completed without placements for reasons such as company restructuring, management reorganizations and layoffs.

Continuing efforts to reduce disencumbrances and improve contract completion rates are expected to improve planned to actual performance in the future. Limiting initial projects to 200 hours of training will reduce the initial scope of projects. Implementation of incremental (phased) encumbrances will also reduce the amount of funds which can be potentially disencumbered, and findings from the UCLA disencumbrance study are also anticipated to provide strategies for improving contract completion rates. Staff continue working with contractors to identify and eliminate risk factors in contracts which can lead to poor contract performance, as well as identifying troubled projects early on, in order to provide technical assistance or terminate them and re-encumber funds for projects with more likelihood of success.

**Industry Comparison**

Historically, ETP provides funding across all major industries in California, with the majority of contracts and funds going to the manufacturing sector.

The following table displays the percentage distribution of ETP contracts which served each industry sector in fiscal year 1997-98, the percentage breakdown of funds earned by each sector, and the California Industry Distribution (CID). The CID represents the percentage distribution of California businesses reporting taxable wages in calendar year 1997.
# Training by Industry

<table>
<thead>
<tr>
<th></th>
<th>Agriculture</th>
<th>Construction</th>
<th>Manufacturing</th>
<th>Transportation</th>
<th>Trade</th>
<th>Finance</th>
<th>Services</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETP Contracts</td>
<td>2.3%</td>
<td>1.7%</td>
<td>63.8%</td>
<td>1.7%</td>
<td>4.5%</td>
<td>1.1%</td>
<td>24.9%</td>
<td>0%</td>
</tr>
<tr>
<td>ETP Dollars</td>
<td>1.4%</td>
<td>2.3%</td>
<td>62.0%</td>
<td>1.8%</td>
<td>8.6%</td>
<td>2.7%</td>
<td>20.8%</td>
<td>0.3%</td>
</tr>
<tr>
<td>ETP Trainees</td>
<td>1.1%</td>
<td>1.3%</td>
<td>66.2%</td>
<td>1.4%</td>
<td>7.1%</td>
<td>2.1%</td>
<td>20.8%</td>
<td>0.1%</td>
</tr>
<tr>
<td>CID Employers</td>
<td>4.0%</td>
<td>7.2%</td>
<td>6.1%</td>
<td>3.2%</td>
<td>24.5%</td>
<td>7.9%</td>
<td>45.8%</td>
<td>1.3%</td>
</tr>
<tr>
<td>CID Employees</td>
<td>4.7%</td>
<td>4.8%</td>
<td>17.4%</td>
<td>6.0%</td>
<td>28.1%</td>
<td>6.9%</td>
<td>31.5%</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

*Totals may not equal one hundred percent, due to rounding.

## Trainee Characteristics

In completed contracts during fiscal year 1997-98, the average retrainee was a white male, 25 to 44 years old, married, with some college education. The average new hire was a white male, 25 to 44 years old, single, with some college education. Generally, the ETP trainees were slightly older and better educated than the State labor force as a whole. Various ethnic groups were served relatively proportionate to their composition in the labor force. However, Hispanic retrainees exceeded their percentage composition on the labor force, as did African-American new hires. A summary of demographic data is on the next page which compares characteristics of Panel trainees to the California labor force.
Characteristics of Panel Trainees Compared to California Labor Force

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Employment Training Panel</th>
<th>California Labor Force</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>New Hire</td>
<td>Retrainee</td>
</tr>
<tr>
<td>Percent</td>
<td>Percent</td>
<td>1997</td>
</tr>
<tr>
<td><strong>SEX:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>36.2</td>
<td>36.1</td>
</tr>
<tr>
<td>Male</td>
<td>63.8</td>
<td>63.9</td>
</tr>
<tr>
<td><strong>AGE:</strong> a/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;25</td>
<td>12.9</td>
<td>6.7</td>
</tr>
<tr>
<td>25-34</td>
<td>31.8</td>
<td>34.3</td>
</tr>
<tr>
<td>35-44</td>
<td>29.1</td>
<td>32.7</td>
</tr>
<tr>
<td>45-54</td>
<td>19.8</td>
<td>19.1</td>
</tr>
<tr>
<td>55-64</td>
<td>5.9</td>
<td>6.6</td>
</tr>
<tr>
<td>65+</td>
<td>0.2</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>EDUCATION:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than H.S. grad.</td>
<td>9.3</td>
<td>14.7</td>
</tr>
<tr>
<td>H.S. graduate</td>
<td>28.7</td>
<td>25.1</td>
</tr>
<tr>
<td>Some College</td>
<td>42.3</td>
<td>31.2</td>
</tr>
<tr>
<td>College graduate</td>
<td>16.9</td>
<td>23.4</td>
</tr>
<tr>
<td>Post graduate</td>
<td>2.8</td>
<td>5.6</td>
</tr>
<tr>
<td><strong>MARITAL STATUS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>46.7</td>
<td>64.1</td>
</tr>
<tr>
<td>Single</td>
<td>53.3</td>
<td>35.9</td>
</tr>
<tr>
<td><strong>ETHNICITY:</strong> a/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>48.0</td>
<td>45.1</td>
</tr>
<tr>
<td>African-American</td>
<td>11.6</td>
<td>4.4</td>
</tr>
<tr>
<td>Hispanic</td>
<td>28.9</td>
<td>33.0</td>
</tr>
<tr>
<td>Asian</td>
<td>8.0</td>
<td>11.9</td>
</tr>
<tr>
<td>Native American</td>
<td>1.5</td>
<td>0.8</td>
</tr>
<tr>
<td>Other</td>
<td>1.7</td>
<td>4.6</td>
</tr>
<tr>
<td><strong>VETERAN:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>12.0</td>
<td>9.8</td>
</tr>
<tr>
<td>No</td>
<td>88.0</td>
<td>90.2</td>
</tr>
</tbody>
</table>

a/ Figures do not total 100 percent due to rounding.
b/ Percentages are for total population 25 years and older. Data is not separated by individual category of employed or unemployed.
c/ Combines the categories of College Graduate and Post Graduate.
d/ Figures do not total 100 percent due to the elimination of individuals who are divorced, widowed, separated, or are married but the spouse is absent.
e/ Combines the categories of Native American and Other.

Unemployment and Civilian Labor Force data are based on the 1997 annual averages provided by the Bureau of Labor Statistics in the Current Population Survey conducted by the Bureau of the Census.
Assisting Small Employers

In 1997-98, the Panel again served as an essential resource to many small employers who have no other means to train workers, as it continued serving small businesses through both direct and multiple employer contracts. The Panel's priority in serving small business was evidenced through exceeding the legislative budget requirement for serving small employers, the Small Business Initiatives, support for entrepreneurial training, and success in serving small employers in last year's completed contracts.

Legislative Budget Requirement

The Panel again succeeded in reaching out to small businesses with fewer than 100 employees, virtually doubling the budget requirement that it commit at least $10 million for these employers, by approving $19.7 million in 1997-98 for that purpose.

Small Business Initiatives

The Small Business Initiatives continued to be promoted which were initiated in 1996-97 to simplify contracting requirements and facilitate the ability of small businesses to contract directly with ETP. These included waiving certain matching requirements for repeat contracts, allowing flexibility in certain contract documentation requirements, and relaxing other requirements pertaining to trainee retention and contract amendments.

In addition, a Small Business Specialist has been designated in each field office development unit, under the direction of the Assistant Director of Program Operations who oversees the Small Business Initiatives. The Small Business Specialists serve as liaisons and direct points of contact for small businesses and work to facilitate the contracting process for them.

In conjunction with the Marketing Unit, the Small Business Specialists provide information regarding ETP and Small Business Initiatives to all of the Small Business Development Centers in California. Also, four marketing representatives with the Trade and Commerce Agency increased their outreach efforts to small businesses and rural areas to educate them about the benefits ETP can provide.

Entrepreneurial Training

Initiated by legislation in 1996, the entrepreneurial training category has provided the opportunity to expand service to small employers by reaching the very smallest businesses (i.e., those with fewer than 10 employees). This is important, because businesses with fewer than 10 employees comprise three-quarters of the State's businesses. SET entrepreneurial training allows the needs of these small businesses to be addressed to ensure their success, as measured by employee retention and business expansion.

Preliminary data indicates that within 90 days after completing training, small business owners who had completed ETP entrepreneurial training achieved a 36 percent increase in jobs within their businesses. (This early indication of program success and high return
on the investment of Panel funds will be followed by a full analysis of the training next year, when an evaluation will be undertaken on the effectiveness of the entrepreneurial training category.

Data on size of businesses served also indicates that through entrepreneurial training, the Panel will be able to enhance its ability to serve small employers, by increasing the number of small businesses it serves by approximately 30 percent. Entrepreneurial training is also one of the most effective ways to assist small businesses in the rural areas of the state, which is another Program priority.

Service to Small Business in Completed Contracts

Small employers continued to be a major priority, representing 78 percent of all businesses served in contracts completing last year. Funds benefitted a total of 1,743 businesses, of which 1,350 met the Panel definition of a small business (i.e., had 250 or fewer employees). Completed contract data indicates the successful targeting of the State’s smallest employers, i.e., those with 20 or fewer employees. These employers represent 26 percent of all businesses served in last year’s completed contracts, which was virtually equivalent to their 1997 rate of contributions to the ETF of 23 percent. Further, 48 percent of all businesses served had 50 or fewer workers; and 63 percent had 100 or fewer workers. Overall, small businesses earned 46 percent of all training dollars expended last year and employed 65 percent of all new hires and 33 percent of all retrainees. The following table summarizes small business performance results.

1997-98 Small Business Results

<table>
<thead>
<tr>
<th>Business Size</th>
<th>No. of Businesses</th>
<th>%</th>
<th>Retrainees</th>
<th>%</th>
<th>New Hires</th>
<th>%</th>
<th>$ Earned (in millions)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-20</td>
<td>445</td>
<td>26%</td>
<td>389</td>
<td>2%</td>
<td>246</td>
<td>22%</td>
<td>$1.9</td>
<td>8%</td>
</tr>
<tr>
<td>21-50</td>
<td>378</td>
<td>22%</td>
<td>891</td>
<td>5%</td>
<td>171</td>
<td>16%</td>
<td>$2.1</td>
<td>8%</td>
</tr>
<tr>
<td>51-100</td>
<td>267</td>
<td>15%</td>
<td>1,198</td>
<td>7%</td>
<td>137</td>
<td>13%</td>
<td>$2.4</td>
<td>9%</td>
</tr>
<tr>
<td>101-250</td>
<td>260</td>
<td>15%</td>
<td>3,394</td>
<td>19%</td>
<td>179</td>
<td>16%</td>
<td>$5.3</td>
<td>21%</td>
</tr>
<tr>
<td>250+</td>
<td>393</td>
<td>22%</td>
<td>12,331</td>
<td>67%</td>
<td>364</td>
<td>33%</td>
<td>$13.7</td>
<td>54%</td>
</tr>
<tr>
<td>TOTALS</td>
<td>1,743</td>
<td>100%</td>
<td>18,203</td>
<td>100%</td>
<td>1,097</td>
<td>100%</td>
<td>$25.4</td>
<td>100%</td>
</tr>
</tbody>
</table>

As indicated, the majority of businesses served are small businesses. In last year’s completed contracts, the Panel contracted directly with 63 small businesses, funding training for 2,951 trainees. There were also 35 training agency and consortia contracts, which assisted 1,287 small businesses by training 3,654 workers. This data clearly shows the Panel’s priority and success in serving small business.
Project Profiles
A Model in Teamwork

“Our workforce has been trained in the basics, and now the leadership has moved production from Chicago to California.”

Mike Jackson, General Manager
Tuthill Pump Company of California

The Tuthill Pump Company of California (TutCal) recently benefitted from Panel funding by training its workers and instituting teamwork as a key to regaining its competitive edge in an increasingly global market. TutCal, a subsidiary of Tuthill Corporation of Illinois, was established in 1968 to design and manufacture magnetic driven gear pumps. Tuthill Corporation has approximately 1,400 full-time employees, of which 53 are with TutCal located in Concord (Contra Costa County). Their products are used in water purification equipment, kidney dialysis machines, general medical equipment, automotive service equipment, ink jet printers, and process equipment.

TutCal was faced with increased competition from out-of-state and out-of-country manufacturers where production and labor costs are less. The company needed to make a change in its work culture and production process to become a high-performance workplace and maintain its competitiveness. To accomplish this, TutCal approached the Panel for assistance in providing a comprehensive training program. This training would include learning technical skills and how to identify problems and find solutions to continuously improve operating processes.

According to Mike Jackson, General Manager of TutCal, the training, which was provided to 36 workers, was a success. It has helped to establish a base of employees trained in statistical process control and team problem-solving skills. They have already seen improvements in customer service and anticipate even more improvements as they continue using their newly acquired skills.

Mike Jackson adds, “the success of the project was a result of the fact that employees were willing and eager to learn and management was looking for change.” With the success of the training, the Tuthill Corporation moved its production of parts from Chicago at a related Tuthill company to TutCal in Concord. This required a major capital investment for precision machinery and the statistical process control training for employees to be able to effectively use this equipment.

Workers are excited about the training, especially the team approach to problem solving. They indicated this allows for more accountability and responsibility instead of blaming others when problems arise. The use of teams has also given them the opportunity to make process improvements to provide a better quality product and better customer service.
Small Rural Manufacturer Remains Competitive

"The completion of the training project moves WEA one giant step closer to our goal of having the workforce for the 21st century."

Jerry Turner, General Manager
Willits Electronics & Assembly, Inc.

In response to customer requirements for high-quality and technologically-advanced products, Willits Electronics Assembly (WEA) came to ETP to train its workforce in order to remain profitable in a highly-competitive industry. WEA located in the small, rural town of Willits (Mendocino County), manufactures sophisticated process control devices, scientific test instruments, high-voltage cable assemblies and other devices for the transportation industry, communications industry, and scientific test suppliers.

President and General Manager Jerry Turner states, "WEA emphasizes a total team effort, recognizing that people are our most valuable assets, with the company’s success based on individual attention in a professional, family-oriented atmosphere." In recent years, WEA has hired new employees who were former timber industry workers, needing to be trained on the job to learn a whole new skill set. In addition, WEA also moved from a rented building to its own 10,000 square foot facility containing a world-class cleanroom, which required extensive training on its use. Thus, training became a crucial issue, and WEA obtained Panel funding to train 11 workers in the necessary skills.

According to Turner, the timing was right to start up a training program at WEA, and the Panel made it possible to hire outside trainers to certify the employees in International Standardization Organization (ISO) 9000. "One of our manufacturing processes previously cost $75,000 to $100,000 to complete. Using the steps learned in ISO training, we were able to cut this in half. Other training included basic clean room contamination control, demand pull technology (form of lean manufacturing), problem-solving and decision-making skills. Employees have learned to respond to the immediate need, rather than producing items to put in the queue. This kind of customer responsiveness and rapid changes requires minds, not hands," he says. He further states that 30 percent of the business is with new customers since January 1998 which requires ongoing flexibility in responding to customer needs. "WEA has achieved a rating of being in the 90th percentile for efficiency compared to the rest of the industry," Turner proudly states.

Mike Driscoll, who assembles various products and is the unofficial ISO Manager, states that productivity and morale improved as a result of the training. "I benefitted the most from learning to break down a job into elements, using a stop watch to time the steps."

Jerry Turner adds "using the tools and techniques of Demand-Flow Technology, our employees are competent problem solvers, who can react in minutes to problems which would require days or weeks in more traditional organizations."
The quest for world-class manufacturing status brought the City of Industry’s (Los Angeles County) Tomadur Engine Company to the Panel. A wholly-owned subsidiary of the Alma Piston Company of Michigan, Tomadur Engine remanufactures automotive parts for the Ford Motor Company and sells them to Ford and Lincoln Mercury dealerships. Ford’s mandatory quality levels for suppliers initiated Tomadur’s transition to a high-performance workplace. Though Tomadur was committed to continuous improvement and had already introduced its workforce to some quality concepts prior to coming to the Panel, workers possessed only minimal knowledge of Statistical Process Control. With Panel assistance, therefore, Tomadur provided training to 97 workers in a variety of quality areas.

Improving communication was a critical goal for Tomadur. Prior to training, workers relied primarily on management to solve problems. But as workers gained new skills, they became more efficient in their jobs. As they became more proficient, morale increased and trainees felt more confident. They were able and willing to communicate problems to each other, and to management. Workers gained the skills they needed to work together and brainstorm solutions to common problems. They were now talking to each other, getting familiar with their co-workers’ job processes, sharing common problems, and brainstorming solutions. According to Daniel Lightfoot, a machinist, “Training improved communication and brought everyone together.”

Shea Baldrick, Marketing Manager, cites a high level of commitment from management as key to the project’s success. Baldrick explains, “Everyone was committed, from the top down.” Training required that workers be away from their jobs for significant periods of time. Though production would be affected, management never wavered in its commitment to training. Patti Schiappa, Human Resource Manager, agrees. According to Schiappa, some workers had difficulty passing the math classes, particularly geometric tolerancing. So, at their own expense, Tomadur sent these workers back through the training twice - and sometimes three times - until they were proficient.

Schiappa explains, “The training was very important to the company. We care about our workers. Some of them have been here for 20 years or more. We are a team. And everyone needed to be trained.” As a result, workers and management now approach old problems and new challenges as opportunities to work together using their knowledge and total quality tools. With ETP’s assistance, Tomadur transformed its work environment.
"Prior to training, people never made decisions without involving management. But now, workers can make their own decisions and solve problems. Training really increased workers motivation and enthusiasm. The end result for the company has been reduced errors, rework, and scrap."

Bill Burnside, Quality Assurance Manager
Magnesium Alloy Products Company

Magnesium Alloy Products Company of Compton (Los Angeles County), a small business founded in 1954, found Panel funding to be an essential tool in transitioning to a high-performance workplace and meeting industry demands for quality. Magnesium Alloy manufactures high-quality aerospace castings primarily used for aerospace and commercial applications.

In recent years, Magnesium Alloy's customer demands for higher quality products and lower prices required it to focus on workforce training. In order to obtain preferred supplier status with their major customers like Boeing, the company needed to implement Statistical Process Control (SPC). Panel funds helped train 15 workers in Total Quality Management, Advanced Quality Systems, and Blueprint Reading. The focus of training was to empower workers to problem solve and increase operational efficiency.

Training was truly a company commitment. Plant production ceased one day a week, to allow workers to participate in training. By providing training to their workers, the company was able to invest in its most valuable asset - the employees. And workers felt valued. The more skills they acquired, the more confident they became. Management worked hard to break down communication barriers, and trainees learned to do their jobs better. Plant Manager, Roy Sellars, explains, "Prior to training, employees were not encouraged to participate in the decision-making process. . . . It was the old style of management. But we have turned it around. After breaking down the fear barriers, everything changed. You can just see the workers' self confidence!"

The ETP project has also been a catalyst for continued company training. Workers now participate in refresher courses and on-going SPC training. Employees who participated in the ETP training use their new skills everyday - charting and analyzing their work processes, sharing information with each other, and problem solving. For one trainee, Jose Carrillo, training skills were the key to career advancement. An inspector at the onset of ETP training, Jose is now a lab technician who attributes his promotion to ETP training, newly-acquired job skills, and a desire to learn. He states, "Training taught me a lot about quality and process control. I learned to recognize critical errors, and get answers on my own. We all learned to work together and problem solve. Communication is much better now. We work together as a team. . . . I'll take these skills with me wherever I go."

Since the ETP training project, Magnesium Alloy Products has achieved substantially higher levels of quality and became a more viable producer of castings in an extremely competitive market. Both management and workers at Magnesium Alloy agree with Grace Devos, SPC instructor, who proclaims, "Training works!"
Responding to Global Competition

"I use the training all the time, because I deal with lots of people. I think the trust between management and staff has improved since the training... I’ve benefitted from being able to more clearly identify customers and serve them."

David Jenkins, Operations Manager
Ione Minerals & Refractories

Ione Minerals & Refractories, a mineral mining and processing facility, located in the small, rural town of Ione (Amador County), sought Panel funding to respond to global competition as it began gearing up for International Organization of Standards (ISO) certification.

Ione Minerals & Refractories mines sandy clay and the finished product is shipped to many parts of the world for use in cogenerator systems, foundries, mold making, and many other industrial purposes. Some of the end products which use the Ione clay material are bricks, aggregate, pavement, asphalt, porcelain, and even rubber car mats. The demand for these products had grown in the Pacific Rim and European markets, and Ione Minerals & Refractories was facing worldwide competition.

In addition to responding to global competitors, the company also wanted to implement the Gain-Share Program, involving team concepts, all of which requires a new mindset to accomplish. According to Dianne Threet, Administration Programs, the company initiated the training because management wanted the employees to become more involved in the company, providing input from the bottom up. They wanted employees to know and have an interest in the company's product line.

Ione Minerals & Refractories trained 57 workers which resulted in numerous benefits for the company. Technical skills of the employees and management were increased. The Problem Prioritization and Statistical Process Control classes prepared staff to embrace the ISO concept in the workplace.

Richard Delaney, a Master Mechanic in charge of maintenance equipment where kaolin clay is processed, said the training was valuable to him as he learned how to do jobs in less time, without taking shortcuts, through planning and looking at methods in new ways. David Jenkins, an Operations Manager, indicated the training he received gave him a different view of management and operations. He also has benefitted from being able to more clearly identify and serve his customers. Through ETP's assistance, he said he has realized the true value of training.
A Paradigm Shift

"Old habits are hard to change. But we did it. . . . Communication is better. Everyone works together as a team."

Tony Gasso, Quality Assurance Manager
BEI Sensors and Systems Company

Changing its workplace environment to high performance was a shift towards manufacturing excellence for BEI Sensors and Systems Company (BEI) of Sylmar (Los Angeles County). Founded in 1973, BEI serves military and automotive markets with specially packaged absolute and incremental encoders and motion sensing devices. Robotics, medical equipment, automation systems, motor feedback, and process control equipment are just some of the many applications for the devices manufactured by BEI. With customers such as the United States Air Force, Lockheed Martin, McDonnell Douglas, and the Santa Barbara Research Center, achieving world-class manufacturing status was crucial for the company. Increasing customer demands for excellence and contracting requirements for certified quality management systems brought BEI to the Panel with expectations of transforming their corporate culture.

With ETP’s assistance, BEI provided training in quality improvement to 101 workers from two divisions within the company where prior to training, the distinction between the two divisions was evident. However, training provided the company with a new vision: the BEI team. According to Janice Smith who routinely interfaces with both Divisions, training changed the way people work, “I see better communication between the departments, more team players. . . And not near as many people pointing the finger. . . We are working together to make a better BEI.”

Producing a quality product and providing exceptional customer service were high priorities for BEI. Training helped BEI realize these goals. Corrine Weaver, Customer Service Representative, explains that training changed the way workers relate to each other, “We learned to treat each other like customers, with respect.” According to Weaver, workers learned to actively listen, effectively communicate, and meet the needs of internal and external customers. As a result, Weaver is more confident in her job, and enthusiastic about her role on the BEI team. Workers are better able to resolve customer complaints and problem solve in a team environment. Pedro Santiago who troubleshoots in the Repair Department agrees, “Before training, people were afraid to talk about problems. But communication is improving. Co-workers are getting along. Now we work as a team to solve problems. And problems are being solved.”

As a result of training, workers are much more productive, efficient and enthusiastic. According to Gasso, the most significant change is the new awareness of quality tools. Workers know they can improve their work processes. And they have the tools to do it. Prior to training, workers relied on management to solve problems. They were in the habit of taking orders. Now they take the initiative to solve problems without involving management.
Appendices
APPENDIX A

REVENUE AND EXPENDITURE REPORT
Fiscal Year 1997-98

Employment Training Fund (ETF) Appropriation $85,154,000

ETF Transfers:
- EDD State/Local Labor Market Information ($2,735,000)
- Department of Industrial Relations ($2,802,000)
- EDD Tax Collections Branch ($3,652,000)
- Total ($9,189,000)

ETP Revenue:
- Appropriation From ETF $75,965,000
- Funds Reinvested $41,721,783
- Total $117,686,783

Expenditures
- Program Administration ($9,000,000)
- Marketing and Research ($1,800,000)
- Training ($92,553,838)
- Total ($103,353,838)

*Welfare to Work Balance Available
(Available for use in FY 1998-99 Budget) $14,332,945
## APPENDIX B
### COMPLETED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>COUNTY/INDUSTRY</th>
<th>BUS SIZE*</th>
<th>PRODUCT/SERVICE</th>
<th>TYPE OF TRAINING</th>
<th>REASON FOR TRAINING</th>
<th>NEW HIRES</th>
<th>RETRAINEES</th>
<th>AMOUNT</th>
<th>PERCENT EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>3M HEALTHCARE CDI</td>
<td>Orange/Manufacturing</td>
<td>4</td>
<td>Medical Equipment</td>
<td>VESL, PT, Culture, Communication</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition. 34 employees were given Vocational English as a Second Language Instruction with skills training.</td>
<td>86</td>
<td>$77,336</td>
<td>62.4%</td>
<td></td>
</tr>
<tr>
<td>ABBOTT LABORATORIES</td>
<td>Santa Clara/Manufacturing</td>
<td>4</td>
<td>Intravenous Infusion Devices &amp; Critical Care Monitoring Equipment</td>
<td>Mgmt Skills, Team Bldg, CS, PT, SPC</td>
<td>To become functional and more productive in high performing manufacturing environment.</td>
<td>0</td>
<td>$0</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>A C LABEL COMPANY</td>
<td>Alameda/Manufacturing</td>
<td>2</td>
<td>Printed Labels</td>
<td>CS, OA, Communication, Team Concepts, Sales, PT, ISO 9000 Mgmt Skills</td>
<td>To better address customer demand and achieve world class manufacturing industry status.</td>
<td>41</td>
<td>$56,975</td>
<td>68.9%</td>
<td></td>
</tr>
<tr>
<td>ACTEL CORPORATION</td>
<td>Santa Clara/Manufacturing</td>
<td>2</td>
<td>Electronic chips, software &amp; hardware</td>
<td>MS, Team Concepts, OA, PT, Sales &amp; Communication Skills</td>
<td>To strengthen employee productivity and effectiveness.</td>
<td>3</td>
<td>$1,920</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>ADULT CONTINUING EDUCATION/NORTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT (NOCCCD)</td>
<td>Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>Computer Network Engineering</td>
<td>To give workers greater career potential in new and growing technology.</td>
<td>13</td>
<td>$97,786</td>
<td>27.5%</td>
<td></td>
</tr>
<tr>
<td>ADULT CONTINUING EDUCATION/NOCCCD</td>
<td>Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>Master Cert Network Engineering, CAD, Unigraphics II, Boeing D1-9000, UnixWare System Administrator</td>
<td>To provide computer tech training to keep manufacturing firms competitive.</td>
<td>68</td>
<td>84</td>
<td>$636,169</td>
<td>69.6%</td>
</tr>
<tr>
<td>ADULT CONTINUING EDUCATION/NOCCCD **</td>
<td>Statewide/Services</td>
<td>6</td>
<td>Multimedia Design</td>
<td>Interactive Multimedia Design</td>
<td>New hire training for employers who relocated or expanded in California.</td>
<td>12</td>
<td>$114,684</td>
<td>26.0%</td>
<td></td>
</tr>
<tr>
<td>ADVANCED CAREER TECHNOLOGIES INSTITUTE (ACTECH INSTITUTE)</td>
<td>Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>OA</td>
<td>To provide unemployed workers with training to enable them to compete for positions.</td>
<td>46</td>
<td>$295,900</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>ADVANCED PHOTONIX INC.</td>
<td>Ventura/Manufacturing</td>
<td>2</td>
<td>Silicon Photodetectors</td>
<td>TQM, OA, Advanced Quality System</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>46</td>
<td>$55,087</td>
<td>66.4%</td>
<td></td>
</tr>
<tr>
<td>ADVANCED STERILIZATION PRODUCTS</td>
<td>Orange/Manufacturing</td>
<td>4</td>
<td>Medical Supplies</td>
<td>Problem Solving, Team Developmnt, Project Mgmt, Marketing, MS</td>
<td>To create a high-performance workplace.</td>
<td>85</td>
<td>$39,722</td>
<td>62.5%</td>
<td></td>
</tr>
</tbody>
</table>

*(1) 1 - 50; (2) 51 - 100; (3) 101 - 250; (4) 251 - 500; (5) Over 500; (6) Multiple Employers

** Special Employment Training (SET) category
## APPENDIX B
### COMPLETED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR NAME</th>
<th>COUNTY/INDUSTRY</th>
<th>BUS SIZE</th>
<th>PRODUCT/SERVICE</th>
<th>TYPE OF TRAINING</th>
<th>REASON FOR TRAINING</th>
<th>NEW HIRES</th>
<th>RETRAINEES</th>
<th>EARNED AMOUNT</th>
<th>PERCENT EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>AEROSPACE RIVET MANUFACTURERS CORP.</td>
<td>Los Angeles/Manufacturing</td>
<td>2</td>
<td>Tools</td>
<td>SPC, Material Resource Planning</td>
<td>To meet challenge from out-of-state competition.</td>
<td>50</td>
<td></td>
<td>$57,076</td>
<td>66.5%</td>
</tr>
<tr>
<td>AGRICULTURAL &amp; PRIORITY POLLUTANTS LAB</td>
<td>Fresno/Services</td>
<td>1</td>
<td>Chemical Analysis</td>
<td>Lab Automation, PT, Quality Control &amp; Assurance, Lab Resource Planning, Team Bldg, CS</td>
<td>To strengthen competitive position &amp; create production environment which maintains standing as nation-wide leader.</td>
<td>15</td>
<td></td>
<td>$23,793</td>
<td>55.9%</td>
</tr>
<tr>
<td>AIRTRONICS METAL PRODUCTS, INC.</td>
<td>Santa Clara/Manufacturing</td>
<td>2</td>
<td>Metal Cabinets</td>
<td>PT, MS, Computer Skills, Problem Solving, Process Improvement, Project Management</td>
<td>To retain workers subject to displacement due to out-of-state competition.</td>
<td>22</td>
<td></td>
<td>$21,750</td>
<td>20.4%</td>
</tr>
<tr>
<td>AJAX FORGE COMPANY</td>
<td>Los Angeles/Manufacturing</td>
<td>4</td>
<td>Fabricated Metal Products</td>
<td>SPC</td>
<td>To assist in becoming a high-performance workplace.</td>
<td>16</td>
<td></td>
<td>$20,160</td>
<td>80.0%</td>
</tr>
<tr>
<td>ALAMEDA CONTRA COSTA SAN FRANCISCO &amp; TAR</td>
<td>Statewide/Services</td>
<td>1</td>
<td>Automotive repair</td>
<td>Automotive repair</td>
<td>To train workers who have been displaced, received notification of impending layoff, or are subject to displacement.</td>
<td>16</td>
<td></td>
<td>$20,160</td>
<td>80.0%</td>
</tr>
<tr>
<td>ALLIANCE PHARMACEUTICAL CORPORATION</td>
<td>San Diego/Manufacturing</td>
<td>3</td>
<td>Pharmaceutical Research &amp; Dev</td>
<td>Interpersonal Skills, High Performance Workplace Skills, OA, Custom Training</td>
<td>To transform into high-performance workplace.</td>
<td>130</td>
<td></td>
<td>$455,000</td>
<td>92.9%</td>
</tr>
<tr>
<td>AMERICAN PROTECTIVE SERVICES, INC.</td>
<td>Alameda/Services</td>
<td>6</td>
<td>Security</td>
<td>OA, MS, CS, Selecting Employees, Leading Effective Meetings, Sales Skills</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>65</td>
<td></td>
<td>$82,581</td>
<td>60.5%</td>
</tr>
<tr>
<td>AMERICAN RACING EQUIPMENT, INC.</td>
<td>Los Angeles/Manufacturing</td>
<td>4</td>
<td>Automobile and Truck Wheels</td>
<td>SPC, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>6</td>
<td></td>
<td>$1,950</td>
<td>1.4%</td>
</tr>
<tr>
<td>AMERON CONCRETE &amp; STEEL PIPE SYSTEMS</td>
<td>Statewide/Manufacturing</td>
<td>4</td>
<td>Concrete and Steel Pipe Systems</td>
<td>OA</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>149</td>
<td></td>
<td>$87,165</td>
<td>24.8%</td>
</tr>
<tr>
<td>AMPERSAND LABEL INC.</td>
<td>Orange/Manufacturing</td>
<td>2</td>
<td>Printed Labels</td>
<td>SPC, CS, PT, MS, OA</td>
<td>To transition to a high-performance workplace with a more dynamic and • empowered workforce.</td>
<td>88</td>
<td></td>
<td>$97,817</td>
<td>100.0%</td>
</tr>
<tr>
<td>ANA HOTEL SAN FRANCISCO</td>
<td>San Francisco/Services</td>
<td>2</td>
<td>Hotel and Convention Center</td>
<td>MS, CS, PT, OA, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>25</td>
<td></td>
<td>$36,132</td>
<td>55.6%</td>
</tr>
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<tr>
<th>CONTRACTOR COUNTY/INDUSTRY</th>
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<th>PRODUCT/SERVICE</th>
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<th>RETRAINees</th>
<th>EARNED AMOUNT</th>
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</tr>
</thead>
<tbody>
<tr>
<td>ARGOSYSTEMS, INC., A SUBSIDIARY OF THE BOEING COMPANY Santa Clara/Manufacturing</td>
<td>4</td>
<td>Electronic Reconnaissance Systems</td>
<td>Computer Skills</td>
<td>To retrain workers threatened by out-of-state competition due to diversifying goods or services.</td>
<td></td>
<td>91</td>
<td>$60,501</td>
<td>30.3%</td>
</tr>
<tr>
<td>ARRIBA JUNTOS ** Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>Cert Nurse Asst, Home Health Aide</td>
<td>To prepare unemployed workers with barriers to employment.</td>
<td></td>
<td>7</td>
<td>$27,780</td>
<td>20.6%</td>
</tr>
<tr>
<td>ASSOCIATED GENERAL CONTRACTOR OF AMERICA San Diego/Construction</td>
<td>4</td>
<td>Trade Association</td>
<td>Blueprint Reading, Strength Building, Construction Safety, Physical Conditioning</td>
<td>New hire training for employers locating or expanding in California. To train workers who have been displaced.</td>
<td></td>
<td>15</td>
<td>$93,834</td>
<td>40.0%</td>
</tr>
<tr>
<td>BASIC VEGETABLE PRODUCTS, L.P. ** Statewide/Agriculture</td>
<td>4</td>
<td>Food &amp; Products</td>
<td>PT, Team Bldg, SPC</td>
<td>To assist agricultural workers with barriers to full-time employment.</td>
<td></td>
<td>87</td>
<td>$209,328</td>
<td>79.4%</td>
</tr>
<tr>
<td>BAY CITIES CONTAINER CORPORATION Los Angeles/Manufacturing</td>
<td>3</td>
<td>Paper Products</td>
<td>MS, VESL, CS, OA, PT, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition. 67 employees were given Vocational English as a Second Language instruction with skills training.</td>
<td></td>
<td>140</td>
<td>$192,853</td>
<td>76.9%</td>
</tr>
<tr>
<td>BECTON DICKINSON &amp; COMPANY, IMMUNOCYTOMETRY Santa Clara/Manufacturing</td>
<td>4</td>
<td>Cell-analysis systems</td>
<td>Team Effectiveness, Problem Solving, Process Improvement</td>
<td>To continue move to a high-performance workplace.</td>
<td></td>
<td>133</td>
<td>$150,654</td>
<td>66.9%</td>
</tr>
<tr>
<td>BEI SENSORS &amp; SYSTEMS, COMPANY Los Angeles/Manufacturing</td>
<td>4</td>
<td>Encoders &amp; Motion Sensing Devices</td>
<td>TQM, CS, Advanced Quality Sys, SPC</td>
<td>To shift paradigms from &quot;traditional&quot; manufacturer to high-performance workplace.</td>
<td></td>
<td>101</td>
<td>$169,820</td>
<td>100.0%</td>
</tr>
<tr>
<td>BERGEN BRUNSWIG DRUG COMPANY Orange/Services</td>
<td>4</td>
<td>Pharmaceuticals, Health Care products, Advertising, Marketing &amp; Info Svs</td>
<td>MS, Sales, OA, Inventory, Team Bldg/Problem Solving, CS, Communication, Info Resources, Office Skills</td>
<td>To maintain position as leading supplier of pharmaceuticals and health care products, and to maintain levels of employment, company must transition to a high-performance workplace.</td>
<td></td>
<td>206</td>
<td>$236,292</td>
<td>26.0%</td>
</tr>
<tr>
<td>BEST LABEL COMPANY, INC. Los Angeles/Manufacturing</td>
<td>3</td>
<td>Labels, silk-screening and hot foil stamping</td>
<td>SPC, MS, OA, CS, PT</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td></td>
<td>67</td>
<td>$73,268</td>
<td>64.2%</td>
</tr>
</tbody>
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</thead>
<tbody>
<tr>
<td>BEVERLY HEALTH AND REHABILITATION SERVICES</td>
<td>4</td>
<td>Health care</td>
<td>Certified Nursing Assistant</td>
<td>New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.</td>
<td>7</td>
<td></td>
<td>$8,379</td>
<td>1.7%</td>
</tr>
<tr>
<td>BIANCHI INTERNATIONAL</td>
<td>3</td>
<td>Leather accessories</td>
<td>OA</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>18</td>
<td></td>
<td>$16,452</td>
<td>18.9%</td>
</tr>
<tr>
<td>BINDCO CORPORATION</td>
<td>3</td>
<td>Software</td>
<td>MS, SPC, Team Concepts, OA</td>
<td>New integrated system and move to high performance workplace requires training.</td>
<td>43</td>
<td></td>
<td>$63,179</td>
<td>28.1%</td>
</tr>
<tr>
<td>BLOMMER CHOCOLATE COMPANY</td>
<td>3</td>
<td>Candy</td>
<td>SPC, TQM, PT, Math</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition. 6 employees were given Basic Math Skills instruction with skills training.</td>
<td>32</td>
<td></td>
<td>$45,507</td>
<td>46.7%</td>
</tr>
<tr>
<td>BURKE INDUSTRIES, SILICONE PROD. GRP.</td>
<td>4</td>
<td>Rubber and Silicone Products</td>
<td>SPC, OA</td>
<td>To retrain workers subject to displacement or adapting to a high-performance workplace due to out-of-state competition.</td>
<td>51</td>
<td></td>
<td>$51,660</td>
<td>38.6%</td>
</tr>
<tr>
<td>CALIFORNIA AMFORGE CORPORATION</td>
<td>2</td>
<td>Forged Steel Products</td>
<td>TQM, PT, OA, SPC, CNC, Non-Destructive Testing</td>
<td>To meet ever increasing demands and expectations of customers.</td>
<td>42</td>
<td></td>
<td>$28,886</td>
<td>35.7%</td>
</tr>
<tr>
<td>CALIFORNIA CIRCUITS ASSOCIATION</td>
<td>6</td>
<td>Printed Circuit Boards</td>
<td>ISO 9000, SPC, MS, OA, CS, PT</td>
<td>To enable participating CCA member companies meet demand for quality, reduce costs and shorten cycle times.</td>
<td>11</td>
<td></td>
<td>$14,872</td>
<td>5.2%</td>
</tr>
<tr>
<td>CALIFORNIA INSTITUTE OF CUSTOMER ENG.</td>
<td>6</td>
<td>Office Machine Repair Training</td>
<td>Office Machine Repair</td>
<td>New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.</td>
<td>33</td>
<td></td>
<td>$210,639</td>
<td>83.3%</td>
</tr>
<tr>
<td>CALIFORNIA MANUFACTURERS ASSOCIATION/MULTI-FINELINE ELECTRONIX, INC.</td>
<td>4</td>
<td>Circuit boards</td>
<td>MS, SPC, Team building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>98</td>
<td></td>
<td>$173,340</td>
<td>51.3%</td>
</tr>
</tbody>
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<tbody>
<tr>
<td>CALIFORNIA MANUFACTURERS ASSOCIATION/OWENS-ILLINOIS</td>
<td>4</td>
<td>Packaging products</td>
<td>PT</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>38</td>
<td>69</td>
<td>$132,496</td>
<td>79.2%</td>
</tr>
<tr>
<td>CALIFORNIA MANUFACTURERS ASSOCIATION/RAYPAK, INC.</td>
<td>4</td>
<td>Pool heating equipment</td>
<td>MS, SPC, PT, OA, CS, MRP, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>83</td>
<td>138</td>
<td>$146,606</td>
<td>35.2%</td>
</tr>
<tr>
<td>CALIFORNIA MANUFACTURERS ASSOCIATION/SIMONS AND SUSSLIN MFG, INC.</td>
<td>3</td>
<td>Machined Parts</td>
<td>SPC</td>
<td>Changing to high-performance workplace.</td>
<td>39</td>
<td>65</td>
<td>$50,700</td>
<td>48.6%</td>
</tr>
<tr>
<td>CALIFORNIA MANUFACTURERS ASSOCIATION/THIMEDYNE, INC.</td>
<td>3</td>
<td>Medical Equipment</td>
<td>MRP, OA</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>32</td>
<td>55</td>
<td>$84,120</td>
<td>34.9%</td>
</tr>
<tr>
<td>CALIFORNIA PARAMEDICAL AND TECHNICAL COLLEGE [A]</td>
<td>6</td>
<td>Training</td>
<td>Cert Nursing Asst, Cert Home Health Aide</td>
<td>To provide training in growing occupation for unemployed individuals.</td>
<td>63</td>
<td>108</td>
<td>$281,547</td>
<td>76.6%</td>
</tr>
<tr>
<td>CALIFORNIA STEEL INDUSTRIES, INC.</td>
<td>5</td>
<td>Steel Products</td>
<td>Basic &amp; Advanced Operator Training</td>
<td>To retrain workers subject to displacement.</td>
<td>16</td>
<td>28</td>
<td>$13,440</td>
<td>33.4%</td>
</tr>
<tr>
<td>CALSONIC MIURA GRAPHICS, INC.</td>
<td>3</td>
<td>Commercial Printing</td>
<td>PT, MS, Sales Skills, Problem Solving, Process Improvement</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>12</td>
<td>24</td>
<td>$13,091</td>
<td>8.0%</td>
</tr>
<tr>
<td>CANTISANO FOODS, INC.</td>
<td>3</td>
<td>Food Products</td>
<td>SPC, OA, PT, Maintenance skills</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>25</td>
<td>49</td>
<td>$32,262</td>
<td>62.1%</td>
</tr>
<tr>
<td>CASE-SWAYNE CO., INC.</td>
<td>3</td>
<td>Specialty food products</td>
<td>PT, SPC, MS, Project management, Problem solving</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>118</td>
<td>221</td>
<td>$192,099</td>
<td>95.7%</td>
</tr>
<tr>
<td>CHEAP TICKETS, INC.</td>
<td>3</td>
<td>Discount Airline Ticketing</td>
<td>CS, OA, PT</td>
<td>To utilize new software.</td>
<td>41</td>
<td>82</td>
<td>$78,720</td>
<td>24.8%</td>
</tr>
<tr>
<td>CHORUS LINE CORPORATION</td>
<td>4</td>
<td>Women's apparel</td>
<td>CS, MS, TQM, Computer skills, Problem solving</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>80</td>
<td>160</td>
<td>$34,468</td>
<td>12.2%</td>
</tr>
<tr>
<td>CIRTECH, INC.</td>
<td>2</td>
<td>Electronics &amp; Components</td>
<td>CS, TQM, MS, Hazardous Material, Advanced Quality System</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>40</td>
<td>80</td>
<td>$59,952</td>
<td>75.5%</td>
</tr>
</tbody>
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<tr>
<td>CITY OF INGLEWOOD/SOUTH BAY PIC Los Angeles/Services</td>
<td>6</td>
<td>Training</td>
<td>Microsoft Computer Applications, CAD</td>
<td>To teach employees contemporary, high-performance work skills.</td>
<td>0</td>
<td>0</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>CMS WELDING &amp; MACHINING, INC. Alameda/Manufacturing</td>
<td>3</td>
<td>Machine Components</td>
<td>SPC</td>
<td>Implementation of SPC program; also to increase quality.</td>
<td>8</td>
<td>0</td>
<td>$10,084</td>
<td>5.7%</td>
</tr>
<tr>
<td>COAST GRAIN COMPANY San Bernardino/Agriculture</td>
<td>3</td>
<td>Livestock Feed</td>
<td>SPC, MS</td>
<td>To assist in remaining competitive and adapting to high-performance workplace.</td>
<td>56</td>
<td>0</td>
<td>$48,072</td>
<td>85.0%</td>
</tr>
<tr>
<td>COMPREHENSIVE TRAINING SYSTEMS San Diego/Services</td>
<td>6</td>
<td>Training</td>
<td>Maintenance Technical Skills</td>
<td>New hire training for employers locating or expanding in California. To train workers who have been displaced.</td>
<td>31</td>
<td>0</td>
<td>$198,090</td>
<td>62.0%</td>
</tr>
<tr>
<td>COMPREHENSIVE TRAINING SYSTEMS San Diego/Services</td>
<td>6</td>
<td>Training</td>
<td>Medical Office Skills</td>
<td>New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.</td>
<td>16</td>
<td>0</td>
<td>$102,784</td>
<td>35.6%</td>
</tr>
<tr>
<td>COMPUTER EDUCATION INSTITUTE Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>OA, MS, Network Administration</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>459</td>
<td>0</td>
<td>$460,864</td>
<td>100.0%</td>
</tr>
<tr>
<td>CONTINENTAL TRAINING CENTER Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>CAD</td>
<td>New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers. Training to assist in the retention and the expansion of the manufacturing work force.</td>
<td>50</td>
<td>181</td>
<td>$270,688</td>
<td>97.7%</td>
</tr>
<tr>
<td>COONER WIRE Los Angeles/Manufacturing</td>
<td>2</td>
<td>Specialty Wire</td>
<td>SPC, CS</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>15</td>
<td>0</td>
<td>$12,862</td>
<td>63.1%</td>
</tr>
<tr>
<td>COPPER CONNECTION, INC. Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>MS, CAD, Computer Skills</td>
<td>To retrain workers subject to displacement or adapting to a high-performance workplace due to out-of-state competition.</td>
<td>267</td>
<td>0</td>
<td>$757,685</td>
<td>84.8%</td>
</tr>
</tbody>
</table>

*(1) 1 - 50; (2) 51 - 100; (3) 101 - 250; (4) 251 - 500; (5) Over 500; (6) Multiple Employers  
** Special Employment Training (SET) category
**APPENDIX B**

## COMPLETED CONTRACTS

<table>
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<tr>
<th>CONTRACTOR</th>
<th>COUNTY/INDUSTRY</th>
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<th>EARNED AMOUNT</th>
<th>PERCENT EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>COURTAULDS AEROSPACE, INC.</td>
<td>Statewide/Manufacturing</td>
<td>5</td>
<td>Polymer-based products</td>
<td>MRP, JIT, MS, PT, Business Writing, Project Management</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>299</td>
<td></td>
<td>$245,664</td>
<td>62.6%</td>
</tr>
<tr>
<td>DELTA LITHOGRAPH DBA</td>
<td>Statewide/Manufacturing</td>
<td>4</td>
<td>Trade books, directories</td>
<td>Team Bidg, OA, CS, Pre-press, Sheet Fsd, WEB, Bindery, ISO 9000, Call Ctr</td>
<td>Company converting to &quot;One Stop Service&quot;, requiring new employees to be hired and</td>
<td></td>
<td>44</td>
<td>$48,552</td>
<td>27.9%</td>
</tr>
<tr>
<td>BERTELSMANN INDUSTRY SERVICES</td>
<td>Statewide/Manufacturing</td>
<td></td>
<td></td>
<td></td>
<td>trained in highly-skilled services.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E.M. THARP, INC. **</td>
<td>Statewide/Retail</td>
<td>3</td>
<td>Trucks and Trailers</td>
<td>CS, OA, PT, TQM, Sales Techniques</td>
<td>Special Employment Training for frontline workers in occupations which pay 95 percent of the state average hourly wage.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-FAB, INC. **</td>
<td>Santa Clara/Manufacturing</td>
<td>1</td>
<td>Electroplating</td>
<td>JIT, SPC, TQM</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>54</td>
<td></td>
<td>$82,998</td>
<td>44.4%</td>
</tr>
<tr>
<td>FAIRFIELD SUISUN ADULT SCHOOL</td>
<td>Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>OA</td>
<td>New hire training for employers who relocated or expanded in California, and to invest in the training of frontline workers.</td>
<td></td>
<td>8</td>
<td>$14,248</td>
<td>61.5%</td>
</tr>
<tr>
<td>FARMERS INSURANCE EXCHANGE **</td>
<td>Statewide/Finance and Insurance</td>
<td>4</td>
<td>Insurance</td>
<td>Various types of insurance claims</td>
<td>To train workers who have been displaced, received notification of impending layoff, or are subject to displacement.</td>
<td></td>
<td>40</td>
<td>$167,269</td>
<td>91.1%</td>
</tr>
<tr>
<td>FASSON ROLL DIV., AN AVERY DENNISON CO.</td>
<td>Statewide/Manufacturing</td>
<td>4</td>
<td>Paper products</td>
<td>High performance teams, Total productive maintenance</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>232</td>
<td></td>
<td>$294,329</td>
<td>78.3%</td>
</tr>
<tr>
<td>FIGI GRAPHICS, INC. **</td>
<td>San Diego/Manufacturing</td>
<td>3</td>
<td>Giftware &amp; Decorative Products</td>
<td>MS, Supv Skills, Leadership Skills, Credit Collection, CS, OA, Organization Skills, Product Orientation/Sales, Administrative Skills</td>
<td>To develop a well-trained workforce that understands quality and competitiveness and responds to customer needs.</td>
<td></td>
<td>86</td>
<td>$75,060</td>
<td>32.5%</td>
</tr>
<tr>
<td>FLEETWOOD ENTERPRISES INC. **</td>
<td>Riverside/Manufacturing</td>
<td>4</td>
<td>Mfg Housing &amp; Recreational Vehicles</td>
<td>OA</td>
<td>To retrain core group of workers in new software system.</td>
<td>67</td>
<td></td>
<td>$63,364</td>
<td>43.0%</td>
</tr>
</tbody>
</table>

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* (1) 1 - 50; (2) 51 - 100; (3) 101 - 250; (4) 251 - 500; (5) Over 500; (6) Multiple Employers

** Special Employment Training (SET) category
### APPENDIX B

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<tbody>
<tr>
<td>GDS, INSTITUTE OF AMERICAN SCIENCE Los Angeles/Services</td>
<td>6</td>
<td>Training</td>
<td>Clinical Assistant</td>
<td>To train workers who have been displaced to prepare them for new jobs.</td>
<td>5</td>
<td>16.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GEORGE G. GLENNER ALZHEIMER'S FAMILY CENTER San Diego/Services</td>
<td>6</td>
<td>Adult Day Care and School</td>
<td>Certified Nurse Assistant, Certified Home Health Aide, Dementia Care Specialist</td>
<td>To train workers who have been displaced to prepare them for new jobs.</td>
<td>61</td>
<td>100.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOLDEN GATE UNIVERSITY Monterey/Services</td>
<td>6</td>
<td>Training</td>
<td>CS, OA, Office Mgmt, TQM, SPC, Team Bldg, PT, ISO 5000 Mgmt Skills</td>
<td>To enhance job security and career potential of residents and strengthen their employers’ competitive standing.</td>
<td>70</td>
<td>33.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>OA</td>
<td>New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.</td>
<td>4</td>
<td>20.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GTE COMMUNICATIONS SYSTEMS CORP. ** San Bernardino/Transportation &amp; Communication</td>
<td>4</td>
<td>Electronic equipment repair</td>
<td>Team building, Electronics, Computer hardware maintenance</td>
<td>To retrain workers to retain and expand the manufacturing work force and to provide skills required in a high-performance workplace.</td>
<td>17</td>
<td>11.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HAYES WHEEL INTERNATIONAL - CALIFORNIA INC. Los Angeles/Manufacturing</td>
<td>4</td>
<td>Automotive Accessories</td>
<td>VESL, SPC, Problem Solving</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition. 130 employees were given English as a Second Language instruction with skills training.</td>
<td>257</td>
<td>59.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HEINZ PET PRODUCTS, DIV/STARKIST FOODS Los Angeles/Manufacturing</td>
<td>4</td>
<td>Pet &amp; Human Food Products</td>
<td>PT, Machine Operation &amp; Maintenance, Mgmt/Supv Skills, OA, Quality &amp; SPC, Trainer Training</td>
<td>With the growth of the facility, and introduction of new products, new equipment and increased volume, equipped workers with proper skills to work efficiently, and produce quality products.</td>
<td>378</td>
<td>38.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HELLER, EHRLMAN, WHITE &amp; MCAULIFFE ** Statewide/Services</td>
<td>4</td>
<td>Legal</td>
<td>OA</td>
<td>To train workers to provide skills required in a high-performance workplace.</td>
<td>123</td>
<td>27.9%</td>
<td></td>
<td></td>
</tr>
</tbody>
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** Special Employment Training (SET) category
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<th>PERCENT EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>HILTON HOTELS CORPORATION San Francisco/Services</td>
<td>4</td>
<td>Hotel and Convention Center</td>
<td>MS, CS, PT, Team Building, Maintenance Mechanics</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>324</td>
<td></td>
<td>$239,301</td>
<td>72.2%</td>
</tr>
<tr>
<td>HOLIDAY INN WORLDWIDE San Francisco/Services</td>
<td>4</td>
<td>Hotel and Convention Center</td>
<td>OA, MS, CS, PT, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>97</td>
<td></td>
<td>$71,274</td>
<td>56.7%</td>
</tr>
<tr>
<td>HOLIDAY INN, INC. AS MANAGER AND AUTHORIZED AGENT FOR THE OWNER - NEW CIVIC CO.:LTD San Francisco/Services</td>
<td>3</td>
<td>Hotel and Convention Center</td>
<td>PT, CS, OA, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>32</td>
<td></td>
<td>$23,529</td>
<td>81.1%</td>
</tr>
<tr>
<td>IMPERIAL HOLLY CORPORATION Fresno/Manufacturing</td>
<td>4</td>
<td>Sugar</td>
<td>PT, MS, OA, Communication, Project Mgmt</td>
<td>To continue transformation to high performance, reduce costs and remain competitive, and address company’s technology upgrade.</td>
<td>43</td>
<td></td>
<td>$45,902</td>
<td>38.2%</td>
</tr>
<tr>
<td>INLAND CONTAINER CORPORATION Statewide/Manufacturing</td>
<td>4</td>
<td>Corrugated Boxes and Containers</td>
<td>SPC</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>383</td>
<td></td>
<td>$330,486</td>
<td>93.9%</td>
</tr>
<tr>
<td>INTEGRATED MEDICAL MANAGEMENT, INC. Los Angeles/Services</td>
<td>3</td>
<td>Medical Practice Mgmt</td>
<td>OA</td>
<td>To prevent displacement caused by competition.</td>
<td>9</td>
<td></td>
<td>$4,572</td>
<td>3.8%</td>
</tr>
<tr>
<td>INTERNATIONAL MEDICATION SYSTEMS, LTD. Los Angeles/Manufacturing</td>
<td>4</td>
<td>Medical Products</td>
<td>MS, CS</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>44</td>
<td></td>
<td>$50,600</td>
<td>14.2%</td>
</tr>
<tr>
<td>IONE MINERALS &amp; REFRactories Amador/Manufacturing</td>
<td>2</td>
<td>Mineral Mining</td>
<td>CS, MS, OA, SPC, PT, Team building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>57</td>
<td></td>
<td>$92,586</td>
<td>88.1%</td>
</tr>
<tr>
<td>IRWIN INDUSTRIES Los Angeles/Construction</td>
<td>4</td>
<td>New construction, repair &amp; maintenance of major refineries &amp; power generation companies</td>
<td>TQM</td>
<td>To provide ability to direct workers in a manner consistent with standard practices and to develop analytical and leadership qualities.</td>
<td>47</td>
<td></td>
<td>$56,033</td>
<td>45.7%</td>
</tr>
<tr>
<td>ITT AEROSPACE CONTROLS Los Angeles/Manufacturing</td>
<td>5</td>
<td>Products, Systems &amp; Services for the Movement, Measurement, &amp; Control of Fluids</td>
<td>Materials Resource Planning, OA, Cycle Time Reduction, Supv Train, PT</td>
<td>To implement changes in culture and systems to improve competitive edge and profits.</td>
<td>127</td>
<td></td>
<td>$76,226</td>
<td>32.3%</td>
</tr>
</tbody>
</table>

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<tbody>
<tr>
<td>ITT POMONA ELECTRONICS Los Angeles/Manufacturing</td>
<td>3</td>
<td>Electronic equipment</td>
<td>TQM</td>
<td>To make cultural change to meet productivity goals and competitive needs.</td>
<td>60</td>
<td></td>
<td>$42,120</td>
<td>100.0%</td>
</tr>
<tr>
<td>K &amp; K OFFICE FURNITURE, INC. Los Angeles/Manufacturing</td>
<td>3</td>
<td>Office Furniture</td>
<td>TLC, Continuous Quality Improvement &amp; Problem Solving</td>
<td>To assist in becoming a high-performance workplace.</td>
<td>13</td>
<td></td>
<td>$13,376</td>
<td>92.5%</td>
</tr>
<tr>
<td>KINETIC PARTS MANUFACTURING, INC. Los Angeles/Manufacturing</td>
<td>3</td>
<td>Brake Rotors</td>
<td>PT, CNC, TQM, MS, SPC, MRP</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>76</td>
<td></td>
<td>$143,763</td>
<td>67.8%</td>
</tr>
<tr>
<td>LALOO INTERNATIONAL, INC. San Bernardino/Retail</td>
<td>3</td>
<td>Plumbing Supplies &amp; Hardware</td>
<td>OA, Product Knowledge, Inventory Quality Control, PT, Telephone Communications, CAD/CAM, Digital Photography, CS, Sales</td>
<td>To operate new equipment in efficient manner and gain increases in productivity.</td>
<td>0</td>
<td></td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>LITTON SOLID STATE DIVISION Santa Clara/Manufacturing</td>
<td>2</td>
<td>Electronics &amp; Components Team Train, SPC, Problem Solving, PT, Time Mgmt, Demand Flow Tech, Meeting Skills, OA, Supv Skill</td>
<td>To initiate steps toward high performance.</td>
<td>21</td>
<td></td>
<td>$15,194</td>
<td>9.2%</td>
<td></td>
</tr>
<tr>
<td>LOS ANGELES CHAPTER NATIONAL TOOLING &amp; MACHINING ASSOCIATION TRAINING CENTER (NTMA) Statewide/Manufacturing</td>
<td>4</td>
<td>Training for Manufacturers</td>
<td>CNC</td>
<td>To prevent displacement of employees.</td>
<td>352</td>
<td></td>
<td>$663,904</td>
<td>100.0%</td>
</tr>
<tr>
<td>LOS ANGELES CHAPTER NTMA Statewide/Manufacturing</td>
<td>6</td>
<td>Training for Manufacturers</td>
<td>CNC</td>
<td>To meet demand for employees skilled in machine technology.</td>
<td>242</td>
<td></td>
<td>$1,529,059</td>
<td>100.0%</td>
</tr>
<tr>
<td>LOS ANGELES DEALERS SUPPLY, INC. Orange/Manufacturing</td>
<td>3</td>
<td>Rebuild Electronic Systems</td>
<td>SPC, Team Development, Business Processes, Business Finance</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>92</td>
<td></td>
<td>$59,916</td>
<td>56.1%</td>
</tr>
<tr>
<td>LOS ANGELES SMOKING AND CURING COMPANY Los Angeles/Manufacturing</td>
<td>3</td>
<td>Fish Processing</td>
<td>PT, CS, QA, Sales Techniques, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>86</td>
<td></td>
<td>$182,593</td>
<td>90.2%</td>
</tr>
<tr>
<td>LUCAS WESTERN INC. DBA LUCAS AEROSPACE Orange/Manufacturing</td>
<td>5</td>
<td>Aerospace</td>
<td>OA, PT, High Performance Workplace, Project Management</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>96</td>
<td></td>
<td>$84,524</td>
<td>64.4%</td>
</tr>
</tbody>
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<tbody>
<tr>
<td>LUCENT TECHNOLOGIES, INC. ** Los Angeles/Transportation &amp; Communication</td>
<td>4</td>
<td>Telecommunication equipment</td>
<td>OA, CS, PT</td>
<td>Special Employment Training for frontline workers in occupations which pay 95 percent of the state average hourly wage.</td>
<td>161</td>
<td>$146,873</td>
<td>83.4%</td>
<td></td>
</tr>
<tr>
<td>M. ARTHUR GENSLER JR. &amp; ASSOCIATES, INC. Statewide/Services</td>
<td>4</td>
<td>Architecture</td>
<td>OA, Computerized Drafting and Design</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>100</td>
<td>$54,234</td>
<td>33.6%</td>
<td></td>
</tr>
<tr>
<td>MACK TRUCK SALES OF NORTHERN CALIF, INC. Alameda/Retail</td>
<td>4</td>
<td>Truck engine and parts repair and sales</td>
<td>CS, OA, MS, PT, Sales</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>27</td>
<td>$57,124</td>
<td>66.8%</td>
<td></td>
</tr>
<tr>
<td>MAGNESIUM ALLOY PRODUCTS COMPANY Los Angeles/Manufacturing</td>
<td>2</td>
<td>Non-ferrous Products</td>
<td>TQM, Advanced Quality Systems, Blueprint Reading</td>
<td>To meet challenge from out of state companies.</td>
<td>15</td>
<td>$30,568</td>
<td>94.6%</td>
<td></td>
</tr>
<tr>
<td>MANCHESTER RESORTS LP A CALIFORNIA LIMITED PARTNERSHIP DBA HYATT REGENCY SAN DIEGO San Diego/Services</td>
<td>4</td>
<td>Resort Hotel</td>
<td>PT, CS, OA, MS, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>296</td>
<td>$273,900</td>
<td>71.6%</td>
<td></td>
</tr>
<tr>
<td>MARTINEZ TECHNOLOGY EDUCATION CENTER ** Statewide/Services</td>
<td>4</td>
<td>Training</td>
<td>Computer Networking</td>
<td>Special Employment Training for frontline workers affected by defense industry cutbacks and military base closures.</td>
<td>14</td>
<td>$77,406</td>
<td>41.6%</td>
<td></td>
</tr>
<tr>
<td>MDL INFORMATION SYSTEMS, INC. Alameda/Manufacturing</td>
<td>6</td>
<td>Computer Software</td>
<td>PT, CS, Business Efficiency</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>43</td>
<td>$26,301</td>
<td>30.5%</td>
<td></td>
</tr>
<tr>
<td>MEDWAY PLASTICS CORPORATION Los Angeles/Manufacturing</td>
<td>4</td>
<td>Plastic products</td>
<td>SPC, OA, CAD, CAM</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>8</td>
<td>$8,377</td>
<td>18.5%</td>
<td></td>
</tr>
<tr>
<td>MEPCO LABEL SYSTEMS San Joaquin/Manufacturing</td>
<td>3</td>
<td>Printed Labels</td>
<td>MS, Team Concepts, OA, SPC, Sales, CS, CAD, Graphics, PT,</td>
<td>To remain a viable competitor.</td>
<td>19</td>
<td>$32,465</td>
<td>38.9%</td>
<td></td>
</tr>
<tr>
<td>MISSION PRODUCE, INC. Ventura/Agriculture</td>
<td>2</td>
<td>Agriculture</td>
<td>TQM</td>
<td>To give workers an understanding of operations to increase efficiency.</td>
<td>0</td>
<td>$0</td>
<td>0.0%</td>
<td></td>
</tr>
</tbody>
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<tr>
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<th>TYPE OF TRAINING</th>
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<th>RETRANNEES</th>
<th>EARNED AMOUNT</th>
<th>PERCENT EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOLDING CORPORATION OF AMERICA Los Angeles/Manufacturing</td>
<td>3</td>
<td>Thermoplastic Parts</td>
<td>Leadership &amp; Mgmt, Team Problem Solving, PT, CS, ISO, Bus Writing, VESL</td>
<td>To make cultural change to high-performance workplace, meeting productivity goals and competitive needs. 43 employees were given Vocational English as a Second Language instruction with skills training.</td>
<td>74</td>
<td>$140,936</td>
<td>84.6%</td>
<td></td>
</tr>
<tr>
<td>MOUNTAIN VIEW CHILD CARE ** San Bernardino/Services</td>
<td>2</td>
<td>Provided health care to children in a non-hospital setting</td>
<td>OA, Leadership and Decision Making, Pediatric Sub-Acute Care</td>
<td>To retrain frontline workers in unique skills needed to care for developmentally disabled children.</td>
<td>7</td>
<td>$9,108</td>
<td>7.1%</td>
<td></td>
</tr>
<tr>
<td>MS CARITA, INC. Santa Clara/Manufacturing</td>
<td>2</td>
<td>Publishing &amp; Printing</td>
<td>TQM, SPC, Teamwork, Leadership, Communication</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>32</td>
<td>$28,873</td>
<td>91.4%</td>
<td></td>
</tr>
<tr>
<td>MULLER PRINTING COMPANY Santa Clara/Manufacturing</td>
<td>2</td>
<td>Printing</td>
<td>MS, PT, SPC, TQM, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>37</td>
<td>$46,364</td>
<td>62.2%</td>
<td></td>
</tr>
<tr>
<td>NATIONAL ALLIANCE OF BUSINESS Statewide/Services</td>
<td>2</td>
<td>Training</td>
<td>MS, TQM, SPC, PT, OA, VESL, Sales</td>
<td>To retrain workers subject to displacement or adapting to a high-performance workplace due to out-of-state competition. 60 employees were given Vocational English as a Second Language instruction with skills training.</td>
<td>1207</td>
<td>$660,488</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>NESTLE ICE CREAM COMPANY Kern/Manufacturing</td>
<td>6</td>
<td>Ice Cream Products</td>
<td>SPC, TQM, MS, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>181</td>
<td>$296,750</td>
<td>43.1%</td>
<td></td>
</tr>
<tr>
<td>NETWORK EQUIPMENT TECHNOLOGIES, INC. San Mateo/Manufacturing</td>
<td>4</td>
<td>Communication Systems</td>
<td>MS, TQM, CS, Team building, Team empowerment</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>311</td>
<td>$149,337</td>
<td>25.1%</td>
<td></td>
</tr>
<tr>
<td>NEWPORT BEACH MARRIOTT HOTEL AND TENNIS CLUB Orange/Services</td>
<td>4</td>
<td>Hotel Services</td>
<td>MS, Effective Writing, Delivering Superior Service, Implementing Quality Service</td>
<td>To better attract, secure, &amp; properly serve clients.</td>
<td>106</td>
<td>$110,360</td>
<td>74.4%</td>
<td></td>
</tr>
</tbody>
</table>

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** Special Employment Training (SET) category
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<tr>
<td>NORDSTROM BUSINESS INSTITUTE ** San Diego/Services</td>
<td>6</td>
<td>Training</td>
<td>Business Skills, Operations Mgmt, Sales &amp; Service</td>
<td>To assist Small Business owners.</td>
<td>3</td>
<td>$3,336</td>
<td>3.4%</td>
<td></td>
</tr>
<tr>
<td>ODETICS INC. Orange/Manufacturing</td>
<td>4</td>
<td>Electronic equipment</td>
<td>MS, MRP, SPC, Communication, Problem solving</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>70</td>
<td>$70,572</td>
<td>14.2%</td>
<td></td>
</tr>
<tr>
<td>ORA CORPORATION, DBA DELIMEX San Diego/Manufacturing</td>
<td>4</td>
<td>Frozen foods</td>
<td>TQM, MS, CS, Project management, Leadership and decision making</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>82</td>
<td>$51,560</td>
<td>70.4%</td>
<td></td>
</tr>
<tr>
<td>PACKAGING INNOVATORS CORPORATION Alameda/Manufacturing</td>
<td>2</td>
<td>Shipping containers and corrugated packaging materials</td>
<td>SPC, PT, TQM, MRP</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>22</td>
<td>$29,866</td>
<td>43.0%</td>
<td></td>
</tr>
<tr>
<td>PACKARD BELL Sacramento/Manufacturing</td>
<td>4</td>
<td>Personal computers</td>
<td>PT, VESL, MS, OA, CS</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition. 47 employees were given Vocational English as a Second Language instruction with skills training.</td>
<td>974</td>
<td>$1,074,185</td>
<td>54.2%</td>
<td></td>
</tr>
<tr>
<td>PEBBLE BEACH COMPANY Monterey/Services</td>
<td>4</td>
<td>Resort Hotel</td>
<td>Leadership, Special needs for high performance</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>442</td>
<td>$304,527</td>
<td>56.5%</td>
<td></td>
</tr>
<tr>
<td>PERKIN ELMER/APPLIED BIOSYSTEMS DIVISION San Mateo/Manufacturing</td>
<td>4</td>
<td>Biotechnology Instrument Systems</td>
<td>Teamwork, Communicating for High Performance, Becoming a Global Company, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>157</td>
<td>$94,926</td>
<td>20.6%</td>
<td></td>
</tr>
<tr>
<td>POOL CALIFORNIA ENERGY SERVICES, INC. Statewide/Manufacturing</td>
<td>4</td>
<td>Gas &amp; Oil</td>
<td>OA, Team Bldg, PT</td>
<td>To give employees new skills to work more efficiently, saving customers’ time and money</td>
<td>302</td>
<td>$237,564</td>
<td>19.7%</td>
<td></td>
</tr>
<tr>
<td>PRECISION ENGINE CONTROLS CORPORATION San Diego/Manufacturing</td>
<td>1</td>
<td>Microprocessor-based controls for engines</td>
<td>SPC, CS, OA, PT, Team building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>27</td>
<td>$12,110</td>
<td>77.2%</td>
<td></td>
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<tr>
<td>PRIVATE INDUSTRY COUNCIL OF SOUTHEAST LOS ANGELES COUNTY, INC.</td>
<td>statewide/services</td>
<td>Economic development, business retention and expansion</td>
<td>TQM, SPC, OA</td>
<td>To retrain workers subject to displacement or adapting to a high-performance workplace due to out-of-state competition.</td>
<td>336</td>
<td></td>
<td>$263,624</td>
<td>100.0%</td>
</tr>
<tr>
<td>PRO-LOG CORPORATION Monterey/Manufacturing</td>
<td>6</td>
<td>Circuit boards and industrial computer systems</td>
<td>TQM, SPC, MS, PT, CS, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>70</td>
<td></td>
<td>$145,194</td>
<td>50.5%</td>
</tr>
<tr>
<td>RAMCAR BATTERIES, INC. Los Angeles/Manufacturing</td>
<td>3</td>
<td>Automotive, Marine and Commercial Batteries</td>
<td>SPC, OA, PT, CS, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>91</td>
<td></td>
<td>$120,951</td>
<td>79.2%</td>
</tr>
<tr>
<td>RANCHO BERNARDO INN San Diego/Services</td>
<td>4</td>
<td>Hotel and Convention Center</td>
<td>MS, CS</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>96</td>
<td></td>
<td>$106,380</td>
<td>81.9%</td>
</tr>
<tr>
<td>RANDS SYSTEMS, INC. Statewide/Manufacturing</td>
<td></td>
<td>Training</td>
<td>CNC</td>
<td>To retrain workers subject to displacement due to out-of-state competition. Also to train new hires for employers who relocated or expanded in California.</td>
<td>53</td>
<td>247</td>
<td>$719,615</td>
<td>100.0%</td>
</tr>
<tr>
<td>RICHTER MANUFACTURING Statewide/Manufacturing</td>
<td>6</td>
<td>Paper and plastic packaging products</td>
<td>MS, OA, CS, Work processes, Problem solving, Team building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RIVERSIDE COUNTY PUBLISHING CO. Riverside/Manufacturing</td>
<td>3</td>
<td>Publishing &amp; Printing</td>
<td>CAD, OA, MS, CS, SPC, Maintenance Techniques, Leadership &amp; Decision Making, Time Mgmt, Goal Setting, Quality Assurance, Conventional Pre-Press</td>
<td>To transform into a high-performance workplace.</td>
<td>145</td>
<td></td>
<td>$156,247</td>
<td>80.3%</td>
</tr>
<tr>
<td>ROAD RUNNER SPORTS, INCORPORATED San Diego/Retail</td>
<td>4</td>
<td>Sports Footwear &amp; Apparel</td>
<td>MS, Problem Solving</td>
<td>To enhance company's ability to remain competitive and to grow, ensuring continuing relationship with customers.</td>
<td>139</td>
<td></td>
<td>$160,146</td>
<td>63.7%</td>
</tr>
<tr>
<td>ROHR, INC. Statewide/Manufacturing</td>
<td>5</td>
<td>Aerospace Equipment</td>
<td>Continuous Process Improvement, Team Training, OA, Cost Reduction, Cycle Time Reduction, MS</td>
<td>To remain a Boeing supplier, the company must achieve mandated cost reductions by assisting suppliers to adapt to a high performance workplace.</td>
<td>165</td>
<td></td>
<td>$199,650</td>
<td>41.0%</td>
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<tr>
<td>RUBIN POSTAER AND ASSOCIATES Los Angeles/Services</td>
<td>4</td>
<td>Advertising</td>
<td>Computer Skills, Communication, Teamwork, Leadership, Advertising, Media/Marketing, Interpersonal</td>
<td>To adapt to a high performance workplace in response to out-of-state competition.</td>
<td>88</td>
<td>$42,861</td>
<td>56.4%</td>
<td></td>
</tr>
<tr>
<td>SAN DIEGO MARRIOTT HOTEL &amp; MARINA San Diego/Services</td>
<td>4</td>
<td>Hotel and Convention Center</td>
<td>MS, OA, CS</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>245</td>
<td>$184,050</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>SAN MATEO CO. COMMUNITY COLLEGE DISTRICT ** Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>OA, High-performance workplace</td>
<td>To train workers to provide skills required in a high-performance workplace. To train workers who have been displaced, received notification of impending layoff, or are subject to displacement.</td>
<td>129</td>
<td>$57,123</td>
<td>34.2%</td>
<td></td>
</tr>
<tr>
<td>SANTA BARBARA INFRARED, INC. Santa Barbara/Manufacturing</td>
<td>1</td>
<td>Testing Equipment</td>
<td>PC Skills, Procurement, Effective Negotiating, Quality Systems, ISO 9000, Visual Mfg, Interactive Case Study</td>
<td>Technological training needed for company to remain viable in California.</td>
<td>0</td>
<td>$0</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>SANTA CLARITA COMMUNITY COLLEGE DISTRICT Los Angeles/Services</td>
<td>6</td>
<td>Training</td>
<td>MS, OA, Cycle Time Reduction, MRP, CNC Machining, CAD, PT</td>
<td>To ensure long-term viability of local employers.</td>
<td>189</td>
<td>$165,426</td>
<td>85.2%</td>
<td></td>
</tr>
<tr>
<td>SANYO NORTH AMERICA CORPORATION Statewide/Manufacturing</td>
<td>4</td>
<td>Appliances &amp; Electronic Consumer Products</td>
<td>SPC, CAD/CAM, CS, Database Mgmt, Personal Mgmt, Problem Solving, OA, TLC, TQM</td>
<td>To remain competitive, the company must improve skills of workforce and create an environment for a high-performance workplace.</td>
<td>204</td>
<td>$106,550</td>
<td>64.3%</td>
<td></td>
</tr>
<tr>
<td>SASCO DATA SYSTEMS ** Statewide/Construction</td>
<td>4</td>
<td>Communication Systems Installation &amp; Repair</td>
<td>LAN Technologies, Fiber Optic Technology</td>
<td>Cutting-edge technologies will maintain firms' competitiveness.</td>
<td>74</td>
<td>$235,520</td>
<td>69.7%</td>
<td></td>
</tr>
<tr>
<td>SEFCO COMPUTER PRODUCTS San Mateo/Manufacturing</td>
<td>4</td>
<td>Personal computers</td>
<td>PT, SPC, OA</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>4</td>
<td>$6,552</td>
<td>56.4%</td>
<td></td>
</tr>
<tr>
<td>SHASTA COUNTY PRIVATE INDUSTRY COUNCIL Shasta/Services</td>
<td>6</td>
<td>Training</td>
<td>OA</td>
<td>To provide clerical employees which are competitive.</td>
<td>17</td>
<td>$109,446</td>
<td>56.7%</td>
<td></td>
</tr>
<tr>
<td>SHERATON PALACE HOTEL San Francisco/Services</td>
<td>4</td>
<td>Hotel and Convention Center</td>
<td>MS, CS, PT, Team Building, Maintenance Mechanics</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>156</td>
<td>$120,695</td>
<td>82.7%</td>
<td></td>
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<tr>
<td>SIEMENS SOLAR INDUSTRIES L.P. Ventura/Manufacturing</td>
<td>4</td>
<td>Solar Energy</td>
<td>Math, Information Technology, Reading Blueprints, SPC, Problem Solving</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>133</td>
<td>$114,320</td>
<td>32.1%</td>
<td></td>
</tr>
<tr>
<td>SKC AMERICA, INC. Santa Clara/Manufacturing</td>
<td>3</td>
<td>Microfilm</td>
<td>OA, Business Skills, CAD, PT</td>
<td>To move to a high-performance workplace.</td>
<td>117</td>
<td>$241,212</td>
<td>88.1%</td>
<td></td>
</tr>
<tr>
<td>S-MOS SYSTEMS Santa Clara/Manufacturing</td>
<td>4</td>
<td>Integrated Circuits &amp; Board-level products</td>
<td>MS, Team Skills, OA, CS, Technical Dev</td>
<td>To meet customer demands with on-time delivery and high quality.</td>
<td>57</td>
<td>$49,494</td>
<td>17.8%</td>
<td></td>
</tr>
<tr>
<td>SOUTHERN WINE &amp; SPIRITS OF NO CA ** Alameda/Retail</td>
<td>4</td>
<td>Liquor &amp; Beverages</td>
<td>Team Bldg, CS, Product Knowledge, OA, Sales, PT</td>
<td>To become more productive and profitable, so as to remain competitive, and provide better customer service.</td>
<td>367</td>
<td>$396,020</td>
<td>84.0%</td>
<td></td>
</tr>
<tr>
<td>SOUTHWEST MARINE, INC. San Diego/Manufacturing</td>
<td>4</td>
<td>Ship repair and renovation</td>
<td>Various technical skills</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>226</td>
<td>$228,126</td>
<td>49.7%</td>
<td></td>
</tr>
<tr>
<td>SPECTROL ELECTRONICS CORPORATION San Bernardino/Manufacturing</td>
<td>4</td>
<td>Sensing Devices</td>
<td>ISO, PT, SPC</td>
<td>To transition to a high-performance workplace.</td>
<td>80</td>
<td>$77,732</td>
<td>79.8%</td>
<td></td>
</tr>
<tr>
<td>STREAMLINE ELEC MFG, INC. DBA CURRENT Contra Costa/Manufacturing</td>
<td>4</td>
<td>Electronic circuit boards</td>
<td>SPC, MRP, PT, CS, OA, Team building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>16</td>
<td>$37,412</td>
<td>76.3%</td>
<td></td>
</tr>
<tr>
<td>SUMMIT TRAINING CENTER, INC., D.B.A.: SUMMIT COLLEGE Statewide/Services</td>
<td>1</td>
<td>Training</td>
<td>OA</td>
<td>To train workers who have been displaced to prepare them for new jobs.</td>
<td>71</td>
<td>$264,404</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>SUNCLIPSE, INC. Statewide/Manufacturing</td>
<td>6</td>
<td>Packaging Supplies</td>
<td>CS</td>
<td>To retrain workers to adapt to a high-performance workplace to meet out-of-state competition.</td>
<td>323</td>
<td>$129,200</td>
<td>48.1%</td>
<td></td>
</tr>
<tr>
<td>TDK ELECTRONICS CORPORATION Orange/Manufacturing</td>
<td>4</td>
<td>Cassette Tapes &amp; Floppy Discs</td>
<td>CS, Teaming for Results, PT, Worker Dev &amp; Integration, Managing for Excellence, Team Leadership, Personal Leadership Developing Others</td>
<td>To remain viable, company must convert to a high-performance workplace.</td>
<td>356</td>
<td>$466,586</td>
<td>66.6%</td>
<td></td>
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<tr>
<td>THE CALIFORNIA HYATT CORPORATION, AS AGENT OF ISLANDIA ASSOCIATION, LTD., D-B-A-HYATT ISLANDIA San Diego/Services</td>
<td>4</td>
<td>Resort Hotel</td>
<td>PT, CS, OA, MS, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>151</td>
<td>67.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>THE COPY HOUSE Sacramento/Manufacturing</td>
<td>3</td>
<td>Commercial Printing</td>
<td>Team Bldg, OA, PT</td>
<td>To remain competitive, the company needs to become more dynamic and empowered.</td>
<td>23</td>
<td>74.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>THE FAIRMONT HOTEL San Francisco/Services</td>
<td>4</td>
<td>Hotel and Convention Center</td>
<td>MS, CS, PT, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>146</td>
<td>66.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>THE HANDLERY HOTELS, INC. San Francisco/Services</td>
<td>4</td>
<td>Hotel and Convention Center</td>
<td>CS, OA, PT, MS, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>56</td>
<td>53.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>THE MONTAGUE COMPANY Alameda/Manufacturing</td>
<td>3</td>
<td>Commercial Cooking Equipment</td>
<td>MS, Team Concepts, SPC, CS, OA, Communication, PT</td>
<td>To move to a high-performance workplace.</td>
<td>59</td>
<td>56.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>THE TORO COMPANY, INC., IRRIGATION DIVISION Statewide/Manufacturing</td>
<td>4</td>
<td>Irrigation Products</td>
<td>MS, CS, Problem Solving, Time Management, Computer Skills, Product Development, Inventory Control</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>14</td>
<td>6.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>THE VENDO COMPANY Fresno/Manufacturing</td>
<td>4</td>
<td>Vending Machines</td>
<td>PT, SPC, CAD, MS, OA, Team Building, Communication</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>0</td>
<td>0.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOMADUR ENGINE COMPANY Statewide/Manufacturing</td>
<td>3</td>
<td>Auto parts &amp; engines</td>
<td>SPC, Basic Linear Instruments, Statistical Techniques, MS, Sales/CS</td>
<td>Becoming a high-performance workplace.</td>
<td>97</td>
<td>73.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TUTHILL PUMP COMPANY OF CALIFORNIA Contra Costa/Manufacturing</td>
<td>4</td>
<td>Magnetic driven gear pumps</td>
<td>SPC, OA</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>36</td>
<td>80.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAW LABOR EMPLOYMENT &amp; TRAINING CORP. Statewide/Services</td>
<td>6</td>
<td>Training</td>
<td>CNC</td>
<td>To retrain workers subject to displacement or adapting to a high-performance workplace due to out-of-state competition.</td>
<td>59</td>
<td>72.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNIPHASE CORPORATION Statewide/Manufacturing</td>
<td>3</td>
<td>Laser products</td>
<td>PT, OA, SPC, Team building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>77</td>
<td>33.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*(1) 1 - 50; (2) 51 - 100; (3) 101 - 250; (4) 251 - 500; (5) Over 500; (6) Multiple Employers ** Special Employment Training (SET) category
## APPENDIX B
### COMPLETED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR COUNTY/INDUSTRY</th>
<th>BUS SIZE*</th>
<th>PRODUCT/SERVICE</th>
<th>TYPE OF TRAINING</th>
<th>REASON FOR TRAINING</th>
<th>NEW HIRES</th>
<th>RETRAINEES</th>
<th>EARNED AMOUNT</th>
<th>PERCENT EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>VALLEY INDUSTRIES, INC.</td>
<td>4</td>
<td>Automobile parts</td>
<td>MRP, MS, OA, PT, Problem solving/Decision making</td>
<td>To retrain workers subject to displacement due to out-of-state competition.</td>
<td>60</td>
<td>$31,530</td>
<td>12.4%</td>
<td></td>
</tr>
<tr>
<td>VANS, INC.</td>
<td></td>
<td>Footwear</td>
<td>PT, CS, Distribution Techniques, Training for Trainers</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>20</td>
<td>$10,650</td>
<td>6.5%</td>
<td></td>
</tr>
<tr>
<td>VENTURA REGIONAL SANITATION DIST. (VRSD) **</td>
<td>3</td>
<td>Integrated waste recovery, treatment and disposal services</td>
<td>MS, TQM, OA, CS, PT</td>
<td>To train workers who have been displaced, received notice of impending layoff, or are subject to displacement.</td>
<td>39</td>
<td>$65,217</td>
<td>34.0%</td>
<td></td>
</tr>
<tr>
<td>VISTA PAINT CORPORATION</td>
<td>4</td>
<td>Paint &amp; Paint Products</td>
<td>MS, OA, CS, Sales, Communication, PT, Team Bldg, Inventory Mgmt, Product Knowledge</td>
<td>To teach continuous improvement tools and techniques resulting in improved customer service.</td>
<td>170</td>
<td>$122,210</td>
<td>40.5%</td>
<td></td>
</tr>
<tr>
<td>WALKER CORPORATION</td>
<td>3</td>
<td>Metal Products</td>
<td>OA, SPC, CS, VESL, Team Building</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>25</td>
<td>$25,004</td>
<td>39.7%</td>
<td></td>
</tr>
<tr>
<td>WATTERSON COLLEGE</td>
<td>3</td>
<td>Training</td>
<td>Computer Information Skills</td>
<td>To train workers who have been displaced to prepare them for new jobs.</td>
<td>63</td>
<td>$90,444</td>
<td>51.3%</td>
<td></td>
</tr>
<tr>
<td>WESTERN CAREER COLLEGE **</td>
<td>6</td>
<td>Health Field Occupational Training</td>
<td>Nursing Skills</td>
<td>To place unemployed Californians with multiple barriers to employment.</td>
<td>43</td>
<td>$179,353</td>
<td>71.7%</td>
<td></td>
</tr>
<tr>
<td>WESTIN ST. FRANCIS</td>
<td>4</td>
<td>Hotel and Convention Center</td>
<td>MS, CS, PT, Team Building, Maintenance Mechanics</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>101</td>
<td>$77,740</td>
<td>74.8%</td>
<td></td>
</tr>
</tbody>
</table>

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** Special Employment Training (SET) category
## APPENDIX B
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<th>RETRAINEES</th>
<th>EARNED AMOUNT</th>
<th>PERCENT EARNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>WILDEN PUMP &amp; ENGINEERING COMPANY</td>
<td>3</td>
<td>Pumps used in mining</td>
<td>OA, TQM, CS, MS, PT, Team building, Personal and Corporate Excellence</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>168</td>
<td></td>
<td>$378,496</td>
<td>91.6%</td>
</tr>
<tr>
<td>WILLITS ELECTRONICS ASSEMBLY, INC.</td>
<td>1</td>
<td>Process Control Devices</td>
<td>Basic Contamination Control, Demand Flow Technology</td>
<td>To effectively facilitate transition to the cleanroom production environment.</td>
<td>11</td>
<td></td>
<td>$32,880</td>
<td>91.7%</td>
</tr>
<tr>
<td>WORLDWIDE EDUCATION SERVICES, INC.</td>
<td>6</td>
<td>Training</td>
<td>OA, Electronics</td>
<td>New hire training for employers who relocated or expanded in California.</td>
<td>98</td>
<td></td>
<td>$502,586</td>
<td>86.5%</td>
</tr>
<tr>
<td>YOUNG'S MARKET COMPANY ** Statewide/Retail</td>
<td>4</td>
<td>Liquor and beverage distributor</td>
<td>CS, Team building, Communication, Product knowledge, Time management, Personal Computer</td>
<td>To train workers to provide skills required in a high-performance workplace.</td>
<td>291</td>
<td></td>
<td>$361,471</td>
<td>72.4%</td>
</tr>
<tr>
<td>ZENECA AGRICULTURAL PRODUCTS Contra Costa/Manufacturing</td>
<td>4</td>
<td>Chemicals</td>
<td>OA, PT, MS, Hazardous materials</td>
<td>To adapt to a high-performance workplace in response to out-of-state competition.</td>
<td>253</td>
<td></td>
<td>$363,470</td>
<td>86.6%</td>
</tr>
</tbody>
</table>

* | **|

<table>
<thead>
<tr>
<th>TYPE OF TRAINING</th>
<th>TYPE OF TRAINING</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAD</td>
<td>Basic Math Skills</td>
</tr>
<tr>
<td>CAM</td>
<td>Office Automation</td>
</tr>
<tr>
<td>CNC</td>
<td>Production Techniques</td>
</tr>
<tr>
<td>CS</td>
<td>Statistical Process Control</td>
</tr>
<tr>
<td>JIT</td>
<td>Team Leadership and Communication</td>
</tr>
<tr>
<td>MS</td>
<td>Total Quality Management</td>
</tr>
<tr>
<td>MRP</td>
<td>Vocational English as Second Language</td>
</tr>
</tbody>
</table>

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** Special Employment Training (SET) category
APPENDIX C
TERMINATED CONTRACTS

The following contracts were approved by the Employment Training Panel, but were terminated during 1997-98 prior to completion of the contract term. The table includes a brief description of each contract and the reason for termination. In some cases, some training occurred, but in others training never began. Most of the following 49 contracts were terminated due to changes in the business environment, including reorganization, increase in business, sites being shut down, and changes in priorities. Also, some contracts were terminated because the contractors felt the ETP requirements did not meet their needs or the paperwork involved was excessive.

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CONTRACT PROFILE</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbott Diagnostics Manufacturing, Inc.</td>
<td>County: Los Angeles Industry: Manufacturing Product/Service: Chemical and allied products Contract Amount: $76,897 Planned Trainees: 110 Planned Training: MS, SPC, Math, team problem solving, project management, computer skills, interpersonal skills Reason for Training: Retrain workers whose jobs are threatened by out-of-state competition.</td>
<td>The company requested termination because a majority of their training needs were met internally before ETP training began and 20 percent of the eligible trainees were transferred or had resigned.</td>
</tr>
</tbody>
</table>
## APPENDIX C
### TERMINATED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CONTRACT PROFILE</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alta Dena Certified Dairy, Inc.</td>
<td>County: Los Angeles  &lt;br&gt; Industry: Agriculture  &lt;br&gt; Product/Service: Dairy products  &lt;br&gt; Contract Amount: $259,682  &lt;br&gt; Planned Trainees: 455  &lt;br&gt; Planned Training: MS, CS, PT, VESL, Leadership, Communication, Problem solving, Computer  &lt;br&gt; Reason for Training: Retrain to adapt to a high-performance workplace.</td>
<td>The company requested termination because they were not in a financial position to absorb significant additional overtime costs.</td>
</tr>
<tr>
<td>American Film Production Services - Internet Management Group</td>
<td>County: Los Angeles  &lt;br&gt; Industry: Entertainment  &lt;br&gt; Product/Service: Development of Internet websites  &lt;br&gt; Contract Amount: $96,000  &lt;br&gt; Planned Trainees: 21  &lt;br&gt; Planned Training: Webmaster account specialist  &lt;br&gt; Reason for Training: Retrain displaced workers to provide new jobs.</td>
<td>ETP terminated this contract because the company was not considered an &quot;employer&quot; since they had not reported any employees under their employer account number.</td>
</tr>
<tr>
<td>Bell Atlantic Professional Services, Inc.</td>
<td>County: Statewide  &lt;br&gt; Industry: Telecommunication  &lt;br&gt; Product/Service: Telecommunications installation, repair and training  &lt;br&gt; Contract Amount: $224,000  &lt;br&gt; Planned Trainees: 100  &lt;br&gt; Planned Training: Telecommunications installation and repair  &lt;br&gt; Reason for Training: Train displaced workers to provide new jobs.</td>
<td>The company requested termination due to a restructuring and unavailability of the instructor.</td>
</tr>
<tr>
<td>Cadence Design Systems, Inc.</td>
<td>County: Santa Clara  &lt;br&gt; Industry: Manufacturing  &lt;br&gt; Product/Service: Computer software  &lt;br&gt; Contract Amount: $345,888  &lt;br&gt; Planned Trainees: 211  &lt;br&gt; Planned Training: Team concepts  &lt;br&gt; Reason for Training: Retrain to adapt to a high-performance workplace.</td>
<td>The company requested termination due to significant changes in the organization and an altered training plan.</td>
</tr>
</tbody>
</table>
### APPENDIX C
### TERMINATED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CONTRACT PROFILE</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Candle Corporation</td>
<td>County: Los Angeles</td>
<td>The company requested termination due to a major reorganization to cope with market needs and business changes.</td>
</tr>
<tr>
<td></td>
<td>Industry: Manufacturing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product/Service: Systems management software</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contract Amount: $371,760</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Trainees: 360</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Training: Various computer programming, development and support skills</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reason for Training: Retrain workers subject to displacement.</td>
<td></td>
</tr>
<tr>
<td>Cargill Salt Division</td>
<td>County: Statewide</td>
<td>The company requested termination because the formal paperwork was very time consuming and the ETP requirements did not conform to their needs.</td>
</tr>
<tr>
<td></td>
<td>Industry: Manufacturing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product/Service: Salt</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contract Amount: $146,927</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Trainees: 246</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Training: Continuous improvement, problem solving, Quality, Team building, Leadership</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reason for Training: Retrain to adapt to a high-performance workplace and remain competitive and grow.</td>
<td></td>
</tr>
<tr>
<td>Century Analysis, Inc.</td>
<td>County: Contra Costa</td>
<td>The company requested termination because their diverse training programs, including video, interactive multimedia, and Internet, did not fit into ETP guidelines.</td>
</tr>
<tr>
<td></td>
<td>Industry: Manufacturing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product/Service: Computer software</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contract Amount: $254,344</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Trainees: 149</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Training: OA, MS, Customer relations, Technical training, High performance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reason for Training: Retrain to adapt to a high-performance workplace.</td>
<td></td>
</tr>
<tr>
<td>CONTRACTOR</td>
<td>CONTRACT PROFILE</td>
<td>REASON FOR TERMINATION</td>
</tr>
<tr>
<td>------------</td>
<td>------------------</td>
<td>------------------------</td>
</tr>
</tbody>
</table>
| **Chocolates A La Carte, Inc.** | County: Los Angeles  
Industry: Manufacturing  
Product/Service: Candy  
Contract Amount: $61,604  
Planned Trainees: 48  
Planned Training: OA, Continuous quality improvement, Production skills  
Reason for Training: Retrain to adapt to a high-performance workplace. | The company requested termination due to increased business volume and other circumstances. |
| **Chrysler Corporation** | County: Statewide  
Industry: Service  
Product/Service: Automotive  
Contract Amount: $115,600  
Planned Trainees: 264  
Planned Training: Automotive repair and maintenance  
Reason for Training: Special Employment Training for frontline workers to remain competitive. | ETP terminated this contract because there was no evidence of any performance for more than 11 months after the start of the contract. |
| **CIREXX Corporation** | County: Santa Clara  
Industry: Manufacturing  
Product/Service: Circuit boards  
Contract Amount: $116,760  
Planned Trainees: 57  
Planned Training: MS, PT, Team building, Business  
Reason for Training: Retrain to adapt to a high-performance workplace. | The company requested termination due to an unexpected increase in business preventing the release of staff for training. |
| **California Manufacturer's Association/The Vendo Co.** | County: Fresno  
Industry: Manufacturing  
Product/Service: Vending machines  
Contract Amount: $1,131,632  
Planned Trainees: 1,102  
Planned Training: PT, MS, OA, VESL, Team building  
Reason for Training: Retrain to adapt to a high-performance workplace. | The company requested termination because they did not feel it would be beneficial to continue as curriculum hours would need to be reduced. |
## APPENDIX C

### TERMINATED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CONTRACT PROFILE</th>
<th>REASON FOR TERMINATION</th>
</tr>
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</table>
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<tr>
<th>CONTRACTOR</th>
<th>COUNTY:</th>
<th>INDUSTRY:</th>
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<th>CONTRACT AMOUNT:</th>
<th>PLANNED TRAINEES:</th>
<th>PLANNED TRAINING:</th>
<th>REASON FOR TRAINING:</th>
<th>REASON FOR TERMINATION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>ETEC Systems, Inc.</td>
<td>Alameda</td>
<td>Manufacturing</td>
<td>Tools for integrated circuit production</td>
<td>$310,803</td>
<td>416</td>
<td>MS, CS, OA, PT, Communication</td>
<td>Retrain to adapt to a high-performance workplace and retain and expand.</td>
<td>The company requested termination due to business growth and a change in priorities.</td>
</tr>
<tr>
<td>Fresno City College Training Institute</td>
<td>Statewide</td>
<td>Services</td>
<td>Training and Education</td>
<td>$136,272</td>
<td>192</td>
<td>Production line maintenance, OA</td>
<td>Retrain for high-performance workplace and diversifying of goods or services.</td>
<td>The company requested termination due to inflexibility of the schedule and unwillingness of manufacturers to release employees for training.</td>
</tr>
<tr>
<td>Golden Empire Concrete Company</td>
<td>Kern</td>
<td>Manufacturing</td>
<td>Concrete</td>
<td>$30,852</td>
<td>22</td>
<td>CS, Commercial driving, Ready mix concrete, Job safety</td>
<td>Train new employees to allow for growth.</td>
<td>The company requested termination due to a change in business priorities.</td>
</tr>
<tr>
<td>Golden Gate University</td>
<td>Statewide</td>
<td>Service</td>
<td>Education</td>
<td>$10,400</td>
<td>20</td>
<td>Entrepreneurial</td>
<td>Special Employment Training for small business owners.</td>
<td>The company requested termination due to a change in business priorities and the unavailability of an outside trainer.</td>
</tr>
<tr>
<td>------------</td>
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<td>-----------------</td>
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<td>----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>Granny Goose Foods, Inc.</td>
<td>Alameda</td>
<td>Manufacturing</td>
<td>Food products</td>
<td>$710,084</td>
<td>534</td>
<td>MS, PT, Team building, Product knowledge.</td>
<td>Time management, Computer, Sales</td>
<td>The company requested termination because the factory was shutting down permanently.</td>
</tr>
<tr>
<td>Heinz, U.S.A.</td>
<td>San Joaquin</td>
<td>Manufacturing</td>
<td>Food products</td>
<td>$92,108</td>
<td>267</td>
<td>PT, MS, Hazardous waste management</td>
<td>Retrain to adapt to a high-performance workplace.</td>
<td>The company requested termination due to the extensive amount of paperwork.</td>
</tr>
<tr>
<td>Heublein, Inc.</td>
<td>Statewide</td>
<td>Manufacturing</td>
<td>Wine</td>
<td>$181,859</td>
<td>201</td>
<td>CS, MS, OTE, VESI, Quality, Communication</td>
<td>Retrain to adapt to a high-performance workplace.</td>
<td>The company requested termination due to a reorganization and planned relocation.</td>
</tr>
<tr>
<td>IDEC Corporation</td>
<td>Santa Clara</td>
<td>Manufacturing</td>
<td>Electronic controllers</td>
<td>$37,280</td>
<td>79</td>
<td>PT, OA, Team building</td>
<td>Time management, Product knowledge</td>
<td>Retrain to adapt to a high-performance workplace.</td>
</tr>
</tbody>
</table>

**APPENDIX C**

**TERMINATED CONTRACTS**

**CONTRACT PROFILE**

- **Alameda County**
  - Industry: Manufacturing
  - Product/Service: Food products
  - Contract Amount: $710,084
  - Planned Trainees: 534
  - Reason for Training: MS, PT, Team building, Product knowledge. Time management, Computer, Sales

- **San Joaquin County**
  - Industry: Manufacturing
  - Product/Service: Food products
  - Contract Amount: $92,108
  - Planned Trainees: 267
  - Reason for Training: PT, MS, Hazardous waste management

- **Statewide**
  - Industry: Manufacturing
  - Product/Service: Wine
  - Contract Amount: $181,859
  - Planned Trainees: 201
  - Reason for Training: CS, MS, OTE, VESI, Quality, Communication

- **Santa Clara County**
  - Industry: Manufacturing
  - Product/Service: Electronic controllers
  - Contract Amount: $37,280
  - Planned Trainees: 79
  - Reason for Training: PT, OA, Team building, Time management, Product knowledge

**REASON FOR TERMINATION**

- The ETP terminated this contract because the training performance was unsatisfactory.
- The company requested termination because the factory was shutting down permanently.
- The company requested termination due to the extensive amount of paperwork.
- The company requested termination due to a reorganization and planned relocation.
## APPENDIX C
### TERMINATED CONTRACTS

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<th>PLANNED TRAINEES</th>
<th>PLANNED TRAINING</th>
<th>REASON FOR TRAINING</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial Indemnity, Inc.</td>
<td>Statewide</td>
<td>Insurance</td>
<td>Insurance</td>
<td>$115,440</td>
<td>222</td>
<td>OA</td>
<td>Special Employment Training to frontline workers to remain competitive.</td>
<td>The company requested termination because they were bought by another company.</td>
</tr>
<tr>
<td>Ingram Micro, Inc.</td>
<td>Statewide</td>
<td>Wholesale trade</td>
<td>Computer equipment</td>
<td>$434,355</td>
<td>1,162</td>
<td>CS, MS, High-performance workplace, Purchasing, Sales, Telecommunications</td>
<td>The company requested termination because ETP requirements did not conform well to their system of training.</td>
<td></td>
</tr>
<tr>
<td>Internet and Web Services Corporation</td>
<td>San Diego</td>
<td>Service</td>
<td>Internet service</td>
<td>$181,912</td>
<td>90</td>
<td>MS, Computer networking, High performance, Internet, Communication, Sales</td>
<td>The company requested termination due to a major reorganization.</td>
<td></td>
</tr>
<tr>
<td>Kemwater North America Company</td>
<td>Contra Costa</td>
<td>Manufacturing</td>
<td>Chemicals</td>
<td>$29,801</td>
<td>31</td>
<td>PT, SPC, MS, Team Concept</td>
<td>The company requested termination due to an increase in production, downsizing and management changes.</td>
<td></td>
</tr>
</tbody>
</table>
# APPENDIX C
## TERMINATED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CONTRACT PROFILE</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
</table>
| Landis and Gyr Utilities Services, Inc. | County: Santa Clara  
Industry: Services  
Product/Service: Computer network systems  
Contract Amount: $136,168  
Planned Trainees: 183  
Planned Training: CS, OA, Management development, Strategic planning, Financial management, Process reengineering, Product knowledge  
Reason for Training: Retrain to adapt to a high-performance workplace. | The company requested termination due to a change in management. |
| Los Angeles Freightliner | County: Los Angeles  
Industry: Transportation  
Product/Service: Heavy duty truck service  
Contract Amount: $162,168  
Planned Trainees: 143  
Planned Training: OA, CS, Train the trainer, Sales, Leadership, Team building  
Reason for Training: Special Employment Training for frontline workers to remain competitive. | The company requested termination due to personnel problems. |
| Marshall Engineering Corporation | County: Santa Clara  
Industry: Manufacturing  
Product/Service: Precision machine parts  
Contract Amount: $126,010  
Planned Trainees: 96  
Planned Training: PT, TQM, MRP, VESL  
Reason for Training: Retrain to adapt to a high-performance workplace. | The company requested termination because they were unable to implement the training at that time. |
| Mattson Technology Inc. | County: Alameda  
Industry: Manufacturing  
Product/Service: Semiconductor processing equipment  
Contract Amount: $399,252  
Planned Trainees: 239  
Planned Training: MS, PT, OA, CS, High performance, Team building  
Reason for Training: Retrain to adapt to a high-performance workplace. | The company requested termination due to unforeseen weakened business conditions and a reduction in workforce. |
<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>COUNTY</th>
<th>INDUSTRY</th>
<th>PRODUCT/SERVICE</th>
<th>CONTRACT AMOUNT</th>
<th>PLANNED TRAINEE</th>
<th>PLANNED TRAINING</th>
<th>REASON FOR TRAINING</th>
</tr>
</thead>
<tbody>
<tr>
<td>McDonnell Douglas Aerospace - Space and Defense Systems</td>
<td>Statewide</td>
<td>Manufacturing</td>
<td>Transportation equipment</td>
<td>$992,600</td>
<td>1,951</td>
<td>Self-directed work team, High-performance work systems, Process variable reduction, Operator verification, Assistance stamp training</td>
<td>Retrain to adapt to a high-performance workplace.</td>
</tr>
<tr>
<td>Motorola, Inc. - Semiconductor Products Sector</td>
<td>Orange</td>
<td>Manufacturing</td>
<td>Microchip semiconductor</td>
<td>$853,440</td>
<td>508</td>
<td>MS, CS, PT, Leadership</td>
<td>Retrain to adapt to a high-performance workplace.</td>
</tr>
</tbody>
</table>

**REASON FOR TERMINATION**

- The company requested termination as they moved out of state.
- ETP terminated this contract because there was no evidence of any performance within ten months after the start date.
- The company requested termination because the operation was being closed down.

**APENDIX C**

**TERMINATED CONTRACTS**

**CONTRACT PROFILE**

<table>
<thead>
<tr>
<th>County</th>
<th>Industry</th>
<th>Product/Service</th>
<th>Contract Amount</th>
<th>Planned Training</th>
<th>Reason for Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statewide</td>
<td>Manufacturing</td>
<td>Transportation equipment</td>
<td>$992,600</td>
<td>1,951</td>
<td>Self-directed work team, High-performance work systems, Process variable reduction, Operator verification, Assistance stamp training</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>Manufacturing</td>
<td>Tool accessories</td>
<td>$251,120</td>
<td>138</td>
<td>OA, PT, CS, Team problem solving</td>
</tr>
<tr>
<td>Orange</td>
<td>Manufacturing</td>
<td>Microchip semiconductor</td>
<td>$853,440</td>
<td>508</td>
<td>MS, CS, PT, Leadership</td>
</tr>
</tbody>
</table>
# APPENDIX C
## TERMINATED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>COUNTY</th>
<th>INDUSTRY</th>
<th>PRODUCT/SERVICE</th>
<th>CONTRACT AMOUNT</th>
<th>PLANNED TRAINEES</th>
<th>PLANNED TRAINING</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmacia lovision, Inc.</td>
<td>Santa Clara</td>
<td>Manufacturing</td>
<td>Industrial gases</td>
<td>$257,776</td>
<td>562</td>
<td>CS, PT, Sales techniques</td>
<td>The company requested termination because the facility was being closed within one year.</td>
</tr>
<tr>
<td></td>
<td>Alameda</td>
<td>Manufacturing</td>
<td>Food products</td>
<td>$156,928</td>
<td>154</td>
<td>MS, OA, Product knowledge, Business strategy</td>
<td>The company requested termination due to unforeseen circumstances in their business environment.</td>
</tr>
<tr>
<td></td>
<td>Orange</td>
<td>Manufacturing</td>
<td>Medical and surgical devices</td>
<td>$121,200</td>
<td>100</td>
<td>OA, High-performance workplace</td>
<td>The company requested termination due to business growth and organizational changes.</td>
</tr>
<tr>
<td></td>
<td>Alameda</td>
<td>Manufacturing</td>
<td>Medical and surgical devices</td>
<td>$148,428</td>
<td>94</td>
<td>VESL, High performance, Technical, Team building, process improvement, hazardous materials</td>
<td>ETP terminated this contract because the training performance was unsatisfactory.</td>
</tr>
</tbody>
</table>

**Reasons for Training:**
- Retrain to adapt to a high-performance workplace
- Special Employment Training for frontline workers
- Retrain workers subject to displacement due to out-of-state competition
- Retrain to adapt to a high-performance workplace
## APPENDIX C
### TERMINATED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CONTRACT PROFILE</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silicon Systems, Inc.</td>
<td>County: Orange Industry: Manufacturing Product/Service: Semiconductors Contract Amount: $239,112 Planned Trainees: 275 Planned Training: PT, Systems application, Data processing Reason for Training: Retrain to diversify goods or services.</td>
<td>The company requested termination due to changes in direction and the resulting changes in training requirements.</td>
</tr>
</tbody>
</table>
## APPENDIX C
### TERMINATED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CONTRACT PROFILE</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storage Technology Corporation</td>
<td>County: Statewide</td>
<td>The company requested termination due to infrastructural changes and changes in training requirements.</td>
</tr>
<tr>
<td></td>
<td>Industry: Manufacturing and Service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product/Service: Computer storage and retrieval</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contract Amount: $289,110</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Trainees: 299</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Training: Interpersonal skills, Performance management, Improving work processes, Technical skills</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reason for Training: Special Employment Training for frontline workers to adapt to a high-performance workplace.</td>
<td></td>
</tr>
<tr>
<td>United Grocers, Inc.</td>
<td>County: San Joaquin</td>
<td>The company requested termination due to management and business priority changes.</td>
</tr>
<tr>
<td></td>
<td>Industry: Wholesale</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product/Service: Food products</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contract Amount: $102,440</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Trainees: 299</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Training: PT</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reason for Training: Special Employment Training for frontline workers to remain competitive and grow.</td>
<td></td>
</tr>
<tr>
<td>Valtron Technologies</td>
<td>County: Los Angeles</td>
<td>ETP terminated this contract because there was no evidence of any performance within nine months after the start date.</td>
</tr>
<tr>
<td></td>
<td>Industry: Service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product/Service: Computer drive systems</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contract Amount: $132,088</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Trainees: 113</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Planned Training: CS, OA, Team building, Sales, Continuous improvement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reason for Training: Retrain to adapt to a high-performance workplace.</td>
<td></td>
</tr>
</tbody>
</table>
# APPENDIX C
## TERMINATED CONTRACTS

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>CONTRACT PROFILE</th>
<th>REASON FOR TERMINATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weyerhauser Company</td>
<td>County: Alameda</td>
<td>The company requested termination due to closure of the plant.</td>
</tr>
<tr>
<td></td>
<td>Industry:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Manufacturing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product/Service:</td>
<td>Cardboard cartons</td>
</tr>
<tr>
<td></td>
<td>Contract Amount:</td>
<td>$129,544</td>
</tr>
<tr>
<td></td>
<td>Planned Trainees:</td>
<td>131</td>
</tr>
<tr>
<td></td>
<td>Planned Training:</td>
<td>OA, CS, PT, Continuous improvement</td>
</tr>
<tr>
<td></td>
<td>Reason for Training:</td>
<td>Retrain to adapt to a high-performance workplace.</td>
</tr>
<tr>
<td>Willis Corroon Corporation of</td>
<td>County: Statewide</td>
<td>The company requested termination due to a change in business priorities.</td>
</tr>
<tr>
<td>California</td>
<td>Industry:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Insurance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product/Service:</td>
<td>Insurance</td>
</tr>
<tr>
<td></td>
<td>Contract Amount:</td>
<td>$131,155</td>
</tr>
<tr>
<td></td>
<td>Planned Trainees:</td>
<td>110</td>
</tr>
<tr>
<td></td>
<td>Planned Training:</td>
<td>OA, Continuous process improvement, Problem solving, Sales, Insurance documentation</td>
</tr>
<tr>
<td></td>
<td>Reason for Training:</td>
<td>Special Employment Training for frontline workers to remain competitive in California.</td>
</tr>
</tbody>
</table>


APPENDIX D
ACTIVE CONTRACT SUMMARY

The following contracts were approved prior to fiscal year 1997-98 and were still active as of July 1, 1998:

<table>
<thead>
<tr>
<th>Contracts Active as of July 1, 1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Training Contracts</td>
</tr>
<tr>
<td>Millions Approved for Training</td>
</tr>
<tr>
<td>Persons Targeted for Training and Employment</td>
</tr>
<tr>
<td>Contracts Targeting Small Businesses Employing 100 or Fewer Workers</td>
</tr>
</tbody>
</table>

Job-linked literacy is included in many of the active projects. Training represented is reading, math, business English, and Vocational English as Second Language (VESL). The active projects with literacy training include:

<table>
<thead>
<tr>
<th>Literacy Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts with VESL Component</td>
</tr>
<tr>
<td>Contracts with Basic Math Component</td>
</tr>
</tbody>
</table>

The Panel funds training in a wide variety of skills. The most common types are:

<table>
<thead>
<tr>
<th>Most Frequent Types of Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Automation (OA)</td>
</tr>
<tr>
<td>Statistical Process Control (SPC)</td>
</tr>
<tr>
<td>Management Skills (MS)</td>
</tr>
<tr>
<td>Total Quality Control (TQC)</td>
</tr>
<tr>
<td>Production Techniques (PT)</td>
</tr>
<tr>
<td>Customer Service (CS)</td>
</tr>
</tbody>
</table>
The Annual Report was prepared by the Planning and Research Unit staff: Ada Carrillo, Mike Rice, Terri Caudle, Ann Covington, Tish Fujimori, Jill McAloon, Don Shaffer, Elizabeth Slape, and Sophia Thompson.

Additional copies of the Annual Report may be obtained through the Employment Training Panel, 1100 J Street, 4th Floor, Sacramento, CA 95814 (916) 327-5409.

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