Employment Training Panel
Annual Report 1997-98

The Employment Training Panel

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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

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.

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Introduction

A Brief History

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.*

July 1997, *Completed Contract Survey Initiated.*

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.

1997-98 Funding Commitments

	Total	Economic Development	SET	Welfare to Work
Approved Training Projects	255	223*	35*	4
Funds Approved for Training Projects (in Millions)	$92.6	$78.8	$8.1	$5.7
Persons Targeted for Training and Employment Retention	64,611	56,401	6,405	1,805
Average Cost Per Trainee	$1,433	$1,397	$1,265	$3,158

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.

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".)

	Total	Economic Development	SET
Number of Contracts	178	161	17
Amount Earned	$25,450,443	$22,654,799	$2,795,644
Retained in Employment	19,300	17,527	1,773

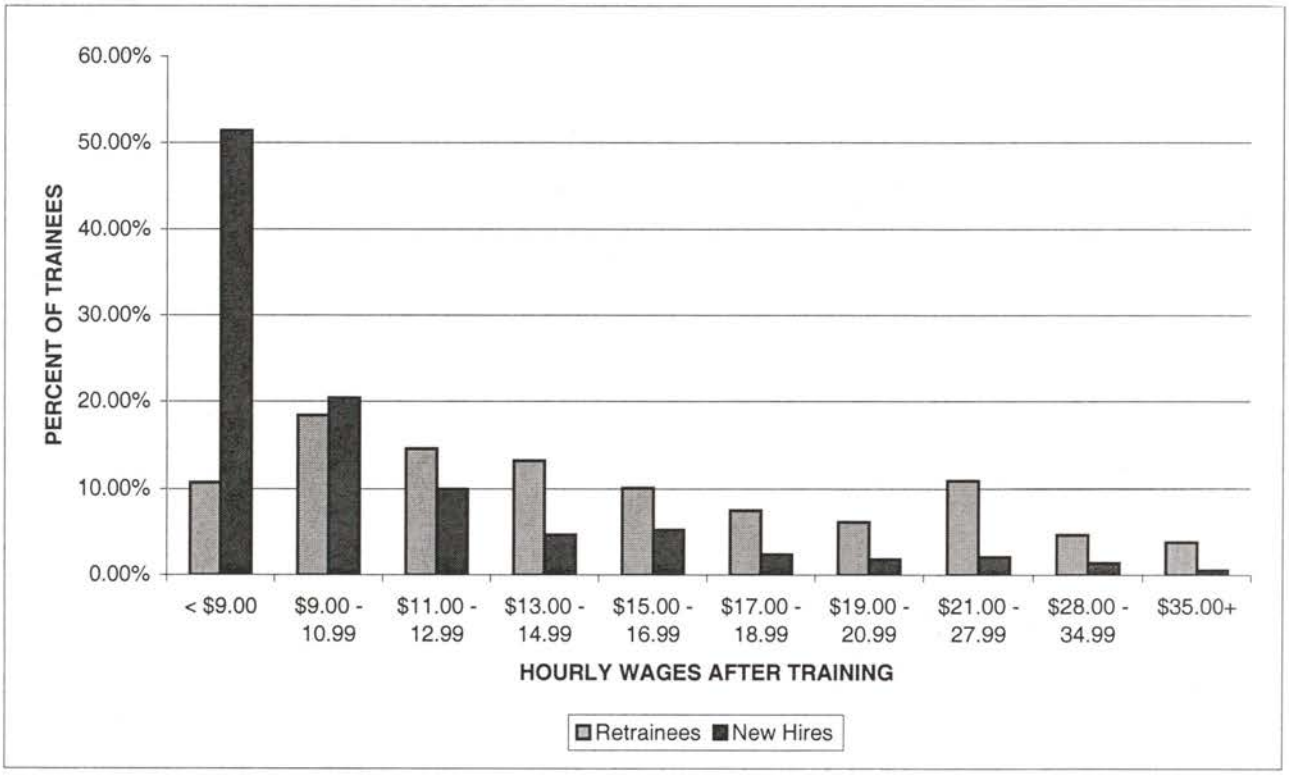
The above table indicates completed contracts by funding category, according to whether they were Economic Development or SET. (1997-98 was the first fiscal year in which projects under Welfare To Work were initiated by legislation effective January 1, 1998. Therefore, none of the new Welfare To Work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



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.

	Enrollments		Retained in Employment	
	New Hires	Retrainees	New Hires	Retrainees
Planned	2,571	38,870	1,531	32,445
Actual	2,103	23,657	1,097	18,203
% of Planned	82%	61%	72%	56%

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

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

*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.

Charactertistics of Panel Trainees Compared to California Labor Force

	Employment Training Panel		California Labor Force	
	New Hire	Retrainee	Unemployed	Employed
Characteristic	Percent	Percent	1997	1997
SEX:				
Female	36.2	36.1	40.4	42.6
Male	63.8	63.9	59.6	57.4
AGE: a/				
<25	12.9	6.7	31.5	13.9
25-34	31.8	34.3	23.3	27.7
35-44	29.1	32.7	23.2	28.4
45-54	19.8	19.1	13.5	19.0
55-64	5.9	6.6	6.2	8.7
65+	0.2	0.4	2.2	2.4
EDUCATION:				
Less than H.S. grad.	9.3	14.7	19.3 b/	19.3 b/
H.S. graduate	28.7	25.1	25.0 b/	25.0 b/
Some College	42.3	31.2	28.2 b/	28.2 b/
College graduate	16.9	23.4	27.5 b,c/	27.5 b,c/
Post graduate	2.8	5.6		
MARITAL STATUS:				
Married	46.7	64.1	40.4 d/	57.2 d/
Single	53.3	35.9	41.6 d/	27.0 d/
ETHNICITY: a/				
White	48.0	45.1	41.2	55.2
African-American	11.6	4.4	9.1	6.0
Hispanic	28.9	33.0	40.9	26.6
Asian	8.0	11.9	8.5	11.7
Native American	1.5	0.8	0.3 e/	0.5 e/
Other	1.7	4.6		
VETERAN:				
Yes	12.0	9.8	0.6	10.7
No	88.0	90.2	99.4	89.3

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

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

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."

Quest For Quality

"We achieved our training goals. We are a world-class manufacturer!"

Patti Schiappa, Human Resources Manager
Tomadur Engine Company

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.

Transitioning to a High-Performance Workplace

"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 enthusiatic. 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

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

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

** Special Employment Training (SET) category

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CONTRACTOR COUNTY/INDUSTRY	BUS SIZE*	PRODUCT/SERVICE	TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEES	EARNED AMOUNT	PERCENT EARNED
AEROSPACE RIVET MANUFACTURERS CORP. Los Angeles/Manufacturing	2	Tools	SPC, Material Resource Planning	To meet challenge from out-of-state competition.		50	$57,076	96.5%
AGRICULTURAL & PRIORITY POLLLUTANTS LAB Fresno/Services	1	Chemical Analysis	Lab Automation, PT, Quality Control & Assurance, Lab Resource Planning, Team Bldg, CS	To strengthen competitive position & create production environment which maintains standing as nation-wide leader.		15	$23,793	55.9%
AIRTRONICS METAL PRODUCTS, INC. Santa Clara/Manufacturing	2	Metal Cabinets	PT, MS, Computer Skills, Problem Solving, Process Improvement, Project Management	To retrain workers subject to displacement due to out-of-state competition.		22	$21,750	20.4%
AJAX FORGE COMPANY Los Angeles/Manufacturing	1	Fabricated Metal Products	SPC	To assist in becoming a high-performance workplace.		16	$20,160	80.0%
ALAMEDA CONTRA COSTA SAN FRANCISCO JTARC ** Statewide/Services	6	Automotive repair	Automotive repair	To train workers who have been displaced, received notification of impending layoff, or are subject to displacement.		130	$455,000	92.9%
ALLIANCE PHARMACEUTICAL CORPORATION San Diego/Manufacturing	3	Pharmaceutical Research & Dev	Interpersonal Skills, High Performance Workplace Skills, OA, Custom Training	To transform into high-performance workplace.		65	$82,581	60.5%
AMERICAN PROTECTIVE SERVICES, INC. Alameda/Services	4	Security	OA, MS, CS, Selecting Employees, Leading Effective Meetings, Sales Skills	To adapt to a high-performance workplace in response to out-of-state competition.		6	$1,950	1.4%
AMERICAN RACING EQUIPMENT, INC. Los Angeles/Manufacturing	4	Automobile and Truck Wheels	SPC, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		149	$87,165	24.8%
AMERON CONCRETE & STEEL PIPE SYSTEMS Statewide/Manufacturing	4	Concrete and Steel Pipe Systems	OA	To adapt to a high-performance workplace in response to out-of-state competition.		88	$97,817	100.0%
AMPERSAND LABEL INC. Orange/Manufacturing	2	Printed Labels	SPC, CS, PT, MS, OA	To transition to a high-performance workplace with a more dynamic and empowered workforce.		25	$36,132	55.6%
ANA HOTEL SAN FRANCISCO San Francisco/Services	4	Hotel and Convention Center	MS, CS, PT, OA, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		114	$86,896	48.2%

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

** Special Employment Training (SET) category

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ARGOSYSTEMS, INC., A SUBSIDIARY OF THE BOEING COMPANY Santa Clara/Manufacturing	4	Electronic Reconnaissance Systems	Computer Skills	To retrain workers threatened by out-of-state competition due to diversifying goods or services.		91	$60,501	30.3%
ARRIBA JUNTOS ** Statewide/Services	6	Training	Cert Nurse Asst, Home Health Aide	To prepare unemployed workers with barriers to employment.	7		$27,760	20.6%
ASSOCIATED GENERAL CONTRACTOR OF AMERICA San Diego/Construction	4	Trade Association	Blueprint Reading, Strength Building, Construction Safety, Physical Conditioning	New hire training for employers locating or expanding in California. To train workers who have been displaced.	18		$93,834	40.0%
BASIC VEGETABLE PRODUCTS, L.P. ** Statewide/Agriculture	4	Food & Products	PT, Team Bldg, SPC	To assist agricultural workers with barriers to full-time employment.		87	$209,328	79.4%
BAY CITIES CONTAINER CORPORATION Los Angeles/Manufacturing	3	Paper Products	MS, VESL, CS, OA, PT, Team Building	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.**		140	$192,853	76.9%
BECTON DICKINSON & COMPANY, IMMUNOCYTOMETRY Santa Clara/Manufacturing	4	Cell-analysis systems	Team Effectiveness, Problem Solving, Process Improvement	To continue move to a high-performance workplace.		133	$150,654	66.9%
BEI SENSORS & SYSTEMS, COMPANY Los Angeles/Manufacturing	4	Encoders & Motion Sensoring Devices	TQM, CS, Advanced Quality Sys, SPC	To shift paradigms from "traditional" manufacturer to high-performance workplace.		101	$169,820	100.0%
BERGEN BRUNSWIG DRUG COMPANY Orange/Services	4	Pharmaceuticals, Health Care products, Advertising, Marketing & Info Svs	MS, Sales, OA, Inventory, Team Bldg/Problem Solving, CS, Communication, Info Resources, Office Skills	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.		206	$236,292	26.0%
BEST LABEL COMPANY, INC. Los Angeles/Manufacturing	3	Labels, silk-screening and hot foil stamping	SPC, MS, OA, CS, PT	To adapt to a high-performance workplace in response to out-of-state competition.		67	$73,268	84.2%

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

** Special Employment Training (SET) category

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CONTRACTOR COUNTY/INDUSTRY	BUS SIZE*	PRODUCT/SERVICE	TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEES	EARNED AMOUNT	PERCENT EARNED
BEVERLY HEALTH AND REHABILITATION SERVICES Statewide/Services	4	Health care	Certified Nursing Assistant	New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.	7		$8,379	1.7%
BIANCHI INTERNATIONAL Riverside/Manufacturing	3	Leather accessories	OA	To retrain workers subject to displacement due to out-of-state competition.		18	$16,452	18.9%
BINDCO CORPORATION Statewide/Manufacturing	3	Software	MS, SPC, Team Concepts, OA Communication, Sales,CS, PT	New integrated system and move to high performance workplace requires training.		43	$63,179	28.1%
BLOMMER CHOCOLATE COMPANY Alameda/Manufacturing	3	Candy	SPC, TQM, PT, Math	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.**		32	$45,507	46.7%
BURKE INDUSTRIES, SILICONE PROD. GRP. Los Angeles/Manufacturing	4	Rubber and Silicone Products	SPC, OA	To retrain workers subject to displacement or adapting to a high- performance workplace due to out-of-state competition.		51	$51,660	38.6%
CALIFORNIA AMFORGE CORPORATION Los Angeles/Manufacturing	2	Forged Steel Products	TQM, PT, OA, SPC, CNC, Non-Destructive Testing	To meet ever increasing demands and expectations of customers.		42	$28,896	35.7%
CALIFORNIA CIRCUITS ASSOCIATION Statewide/Manufacturing	6	Printed Circuit Boards	ISO 9000, SPC, MS, OA, CS, PT	To enable participating CCA member companies meet demand for quality, reduce costs and shorten cycle times.		11	$14,872	5.2%
CALIFORNIA INSTITUTE OF CUSTOMER ENG. Statewide/Services	6	Office Machine Repair Training	Office Machine Repair	New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.	33		$210,639	83.3%
CALIFORNIA MANUFACTURERS ASSOCIATION/MULTI-FINELINE ELECTRONIX, INC. Orange/Manufacturing	4	Circuit boards	MS, SPC, Team building	To adapt to a high-performance workplace in response to out-of-state competition.		98	$173,340	51.9%

*(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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CALIFORNIA MANUFACTURERS ASSOCIATION/OWENS-ILLINOIS Statewide/Manufacturing	4	Packaging products	PT	To adapt to a high-performance workplace in response to out-of-state competition.		38	$132,496	79.2%
CALIFORNIA MANUFACTURERS ASSOCIATION/RAYPAK, INC. Los Angeles/Manufacturing	4	Pool heating equipment	MS, SPC, PT, OA, CS, MRP, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		83	$146,606	35.2%
CALIFORNIA MANUFACTURERS ASSOCIATION/SIMONS AND SUSSLIN MFG, INC. Sacramento/Manufacturing	3	Machined Parts	SPC	Changing to high-performance workplace.		39	$50,700	48.8%
CALIFORNIA MANUFACTURERS ASSOCIATION/TRIMEDYNE, INC. Orange/Manufacturing	3	Medical Equipment	MRP, OA	To retrain workers subject to displacement due to out-of-state competition.		32	$84,120	34.9%
CALIFORNIA PARAMEDICAL AND TECHNICAL COLLEGE [A] Statewide/Services	6	Training	Cert Nursing Asst, Cert Home Health Aide	To provide training in growing occupation for unemployed individuals.	63		$281,547	78.8%
CALIFORNIA STEEL INDUSTRIES, INC. San Bernardino/Manufacturing	5	Steel Products	Basic & Advanced Operator Training	To retrain workers subject to displacement.		16	$13,440	33.4%
CALSONIC MIURA GRAPHICS, INC. Orange/Manufacturing	3	Commercial Printing	PT, MS, Sales Skills, Problem Solving, Process Improvement	To adapt to a high-performance workplace in response to out-of-state competition.		12	$13,091	8.0%
CANTISANO FOODS, INC. Fresno/Manufacturing	3	Food Products	SPC, OA, PT, Maintenance skills	To adapt to a high-performance workplace in response to out-of-state competition.		25	$32,262	62.1%
CASE-SWAYNE CO., INC. Statewide/Manufacturing	3	Specialty food products	PT, SPC, MS, Project management, Problem solving	To adapt to a high-performance workplace in response to out-of-state competition.		118	$192,099	95.7%
CHEAP TICKETS, INC. Lake/Services	3	Discount Airline Ticketing	CS, OA, PT	To utilize new software.		41	$78,720	24.8%
CHORUS LINE CORPORATION Los Angeles/Manufacturing	4	Women's apparel	CS, MS, TQM, Computer skills, Problem solving	To adapt to a high-performance workplace in response to out-of-state competition.		80	$34,468	12.2%
CIRTECH, INC. Orange/Manufacturing	2	Electronics & Components	CS, TQM, MS, Hazardous Material, Advanced Quality System	To adapt to a high-performance workplace in response to out-of-state competition.		40	$59,962	75.5%

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CITY OF INGLEWOOD/SOUTH BAY PIC Los Angeles/Services	6	Training	Microsoft Computer Applications, CAD	To teach employees contemporary, high-performance work skills.	0		$0	0.0%
CMS WELDING & MACHINING, INC. Alameda/Manufacturing	3	Machine Components	SPC	Implementation of SPC program; also to increase quality.		8	$10,084	5.7%
COAST GRAIN COMPANY San Bernardino/Agriculture	3	Livestock Feed	SPC, MS	To assist in remaining competitive and adapting to high-performance workplace.		56	$48,072	85.0%
COMPREHENSIVE TRAINING SYSTEMS San Diego/Services	6	Training	Maintenance Technical Skills	New hire training for employers locating or expanding in California. To train workers who have been displaced.	31		$198,090	62.0%
COMPREHENSIVE TRAINING SYSTEMS San Diego/Services	6	Training	Medical Office Skills	New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.	16		$102,784	35.6%
COMPUTER EDUCATION INSTITUTE Statewide/Services	6	Training	OA, MS, Network Administration	To retrain workers subject to displacement due to out-of-state competition.		459	$460,864	100.0%
CONTINENTAL TRAINING CENTER Statewide/Services	6	Training	CAD	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.	50	181	$270,688	97.7%
COONER WIRE Los Angeles/Manufacturing	2	Specialty Wire	SPC, CS	To adapt to a high-performance workplace in response to out-of-state competition.		15	$12,862	63.1%
COPPER CONNECTION, INC. Statewide/Services	6	Training	MS, CAD, Computer Skills	To retrain workers subject to displacement or adapting to a high- performance workplace due to out-of-state competition.		287	$757,685	84.8%

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COURTAULDS AEROSPACE, INC. Statewide/Manufacturing	5	Polymer-based products	MRP, JIT, MS, PT, Business Writing, Project Management	To adapt to a high-performance workplace in response to out-of-state competition.		299	$245,664	62.6%
DELTA LITHOGRAPH DBA BERTELSMANN INDUSTRY SERVICES Statewide/Manufacturing	4	Trade books, directories & catalogues	Team Bldg, OA, CS, Pre-press, Sheet Fed, WEB, Bindery, ISO 9000, Call Ctr	Company converting to "One Stop Service", requiring new employees to be hired and trained in highly-skilled services.		44	$48,552	27.9%
E.M. THARP, INC. ** Statewide/Retail	3	Trucks and Trailers	CS, OA, PT, TQM, Sales Techniques	Special Employment Training for frontline workers in occupations which pay 95 percent of the state average hourly wage.		54	$82,998	44.4%
E-FAB, INC. Santa Clara/Manufacturing	1	Electroplating	JIT, SPC, TQM	To adapt to a high-performance workplace in response to out-of-state competition.		8	$14,248	61.5%
FAIRFIELD SUISUN ADULT SCHOOL Statewide/Services	6	Training	OA	New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.	40		$167,269	91.1%
FARMERS INSURANCE EXCHANGE ** Statewide/Finance and Insurance	4	Insurance	Various types of insurance claims	To train workers who have been displaced, received notification of impending layoff, or are subject to displacement.		232	$294,329	78.3%
FASSON ROLL DIV., AN AVERY DENNISON CO. Statewide/Manufacturing	4	Paper products	High performance teams, Total productive maintenance	To adapt to a high-performance workplace in response to out-of-state competition.		86	$75,060	32.5%
FIGI GRAPHICS, INC. San Diego/Manufacturing	3	Giftware & Decorative Products	MS, Supv Skills, Leadership Skills, Credit Collection, CS, OA, Organization Skills, Product Orientation/Sales, Administrative Skills	To develop a well-trained workforce that understands quality and competitiveness and responds to customer needs.		67	$63,364	43.0%
FLEETWOOD ENTERPRISES INC. Riverside/Manufacturing	4	Mfg Housing & Recreational Vehicles	OA	To retrain core group of workers in new software system.		75	$144,287	100.0%

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GDS, INSTITUTE OF AMERICAN SCIENCE Los Angeles/Services	6	Training	Clinical Assistant	To train workers who have been displaced to prepare them for new jobs.	5		$20,175	16.7%
GEORGE G. GLENNER ALZHEIMER'S FAMILY CENTER San Diego/Services	6	Adult Day Care and School	Certified Nurse Assistant, Certified Home Health Aide, Dementia Care Specialist	To train workers who have been displaced to prepare them for new jobs.	61		$259,860	100.0%
GOLDEN GATE UNIVERSITY Monterey/Services	6	Training	CS, OA, Office Mgmt, TQM, SPC, Team Bldg, PT, ISO 9000 Mgmt Skills	To enhance job security and career potential of residents and strengthen their employers' competitive standing.		70	$71,311	33.3%
GOODWILL INDUSTRIES OF SOUTHERN CALIFORNIA Statewide/Services	6	Training	OA	New hire training for employers who relocated or expanded in California, and to invest in the training of front line workers.	4		$19,252	20.4%
GTE COMMUNICATIONS SYSTEMS CORP. ** San Bernardino/Transportation & Communication	4	Electronic equipment repair	Team building, Electronics, Computer hardware maintenance	To retrain workers to retain and expand the manufacturing work force and to provide skills required in a high-performance workplace.		17	$33,626	11.4%
HAYES WHEEL INTERNATIONAL - CALIFORNIA INC. Los Angeles/Manufacturing	4	Automotive Accessories	VESL, SPC, Problem Solving	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.**		267	$127,136	59.0%
HEINZ PET PRODUCTS, DIV/STAR-KIST FOODS Los Angeles/Manufacturing	4	Pet & Human Food Products	PT, Machine Operation & Maintenance, Mgmt/Supv Skills, OA, Quality & SPC, Trainer Training	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.		378	$218,075	38.5%
HELLER, EHRLMAN, WHITE & MCAULIFFE ** Statewide/Services	4	Legal	OA	To train workers to provide skills required in a high-performance workplace.		123	$121,213	27.9%

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HILTON HOTELS CORPORATION San Francisco/Services	4	Hotel and Convention Center	MS, CS, PT, Team Building, Maintenance Mechanics	To adapt to a high-performance workplace in response to out-of-state competition.		324	$239,391	72.2%
HOLIDAY INN WORLDWIDE San Francisco/Services	4	Hotel and Convention Center	OA, MS, CS, PT, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		97	$71,274	56.7%
HOLIDAY INN, INC. AS MANAGER AND AUTHORIZED AGENT FOR THE OWNER - NEW CIVIC CO.:LTD San Francisco/Services	3	Hotel and Convention Center	PT, CS, OA, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		32	$23,529	81.1%
IMPERIAL HOLLY CORPORATION Fresno/Manufacturing	4	Sugar	PT, MS, OA, Communication, Project Mgmt	To continue transformation to high performance, reduce costs and remain competitive, and address company's technology upgrade.		43	$45,902	38.2%
INLAND CONTAINER CORPORATION Statewide/Manufacturing	4	Corrugated Boxes and Containers	SPC	To adapt to a high-performance workplace in response to out-of-state competition.		383	$330,486	93.9%
INTEGRATED MEDICAL MANAGEMENT, INC. Los Angeles/Services	3	Medical Practice Mgmt	OA	To prevent displacement caused by competition.		9	$4,572	3.8%
INTERNATIONAL MEDICATION SYSTEMS, LTD. Los Angeles/Manufacturing	4	Medical Products	MS, CS	To retrain workers subject to displacement due to out-of-state competition.		44	$50,600	14.2%
IONE MINERALS & REFRACTORIES Amador/Manufacturing	2	Mineral Mining	CS, MS, OA, SPC, PT, Team building	To adapt to a high-performance workplace in response to out-of-state competition.		57	$92,586	88.1%
IRWIN INDUSTRIES Los Angeles/Construction	4	New construction, repair & maintenance of major refineries & power generation companies	TQM	To provide ability to direct workers in a manner consistent with standard practices and to develop analytical and leadership qualities.		47	$56,933	45.7%
ITT AEROSPACE CONTROLS Los Angeles/Manufacturing	5	Products, Systems & Services for the Movement, Measurement, & Control of Fluids	Materials Resource Planning, OA, Cycle Time Reduction, Supv Train, PT	To implement changes in culture and systems to improve competitive edge and profits.		127	$76,226	32.3%

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ITT POMONA ELECTRONICS Los Angeles/Manufacturing	3	Electronic equipment	TQM	To make cultural change to meet productivity goals and competitive needs.		60	$42,120	100.0%
K & K OFFICE FURNITURE, INC. Los Angeles/Manufacturing	3	Office Furniture	TLC, Continuous Quality Improvement & Problem Solving	To assist in becoming a high-performance workplace.		13	$13,376	92.5%
KINETIC PARTS MANUFACTURING, INC. Los Angeles/Manufacturing	3	Brake Rotors	PT, CNC, TQM, MS, SPC, MRP	To adapt to a high-performance workplace in response to out-of-state competition.		76	$143,763	67.8%
LALOO INTERNATIONAL, INC. San Bernardino/Retail	2	Plumbing Supplies & Hardware	OA, Product Knowledge, Inventory Quality Control, PT, Telephone Communications, CAD/CAM, Digital Photography, CS, Sales	To operate new equipment in efficient manner and gain increases in productivity.		0	$0	0.0%
LITTON SOLID STATE DIVISION Santa Clara/Manufacturing	4	Electronics & Components	Team Train, SPC, Problem Solving, PT, Time Mgmt, Demand Flow Tech, Meeting Skills, OA, Supv Skill	To initiate steps toward high performance.		21	$15,194	9.2%
LOS ANGELES CHAPTER NATIONAL TOOLING & MACHINING ASSOCIATION TRAINING CENTER (NTMA) Statewide/Manufacturing	6	Training for Manufactuers	CNC	To prevent displacement of employeees.		352	$663,904	100.0%
LOS ANGELES CHAPTER NTMA Statewide/Manufacturing	6	Training for Manufactuers	CNC	To meet demand for employees skilled in machine technology.	242		$1,529,059	100.0%
LOS ANGELES DEALERS SUPPLY, INC. Orange/Manufacturing	3	Rebuild Electronic Systems	SPC, Team Development, Business Processes, Business Finance	To adapt to a high-performance workplace in response to out-of-state competition.		92	$59,916	56.1%
LOS ANGELES SMOKING AND CURING COMPANY Los Angeles/Manufacturing	3	Fish Processing	PT, CS, OA, Sales Techniques, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		86	$182,593	90.2%
LUCAS WESTERN INC. DBA LUCAS AEROSPACE Orange/Manufacturing	5	Aerospace	OA, PT, High Performance Workplace, Project Management	To adapt to a high-performance workplace in response to out-of-state competition.		96	$84,524	64.4%

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LUCENT TECHNOLOGIES, INC. ** Los Angeles/Transportation & Communication	4	Telecommunication equipment	OA, CS, PT	Special Employment Training for frontline workers in occupations which pay 95 percent of the state average hourly wage.		161	$146,673	83.4%
M. ARTHUR GENSLER JR. & ASSOCIATES, INC. Statewide/Services	4	Architecture	OA, Computerized Drafting and Design	To retrain workers subject to displacement due to out-of-state competition.		100	$54,234	33.6%
MACK TRUCK SALES OF NORTHERN CALIF,INC. Alameda/Retail	4	Truck engine and parts repair and sales	CS, OA, MS, PT, Sales	To retrain workers subject to displacement due to out-of-state competition.		27	$57,124	66.8%
MAGNESIUM ALLOY PRODUCTS COMPANY Los Angeles/Manufacturing	2	Non-ferrous Products	TQM, Advanced Quality Systems, Blueprint Reading	To meet challenge from out of state companies.		15	$30,568	94.6%
MANCHESTER RESORTS LP A CALIFORNIA LIMITED PARTNERSHIP DBA HYATT REGENCY SAN DIEGO San Diego/Services	4	Resort Hotel	PT, CS, OA, MS, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		296	$273,900	71.6%
MARTINEZ TECHNOLOGY EDUCATION CENTER ** Statewide/Services	6	Training	Computer Networking	Special Employment Training for frontline workers affected by defense industry cutbacks and military base closures.	14		$77,406	41.6%
MDL INFORMATION SYSTEMS, INC. Alameda/Manufacturing	4	Computer Software	PT, CS, Business Efficiency	To adapt to a high-performance workplace in response to out-of-state competition.		43	$26,301	30.5%
MEDWAY PLASTICS CORPORATION Los Angeles/Manufacturing	2	Plastic products	SPC, OA, CAD, CAM	To adapt to a high-performance workplace in response to out-of-state competition.		8	$8,377	18.5%
MEPCO LABEL SYSTEMS San Joaquin/Manufacturing	3	Printed Labels	MS, Team Concepts, OA, SPC, Sales, CS, CAD, Graphics, PT,	To remain a viable competitor.		19	$32,465	38.9%
MISSION PRODUCE, INC. Ventura/Agriculture	2	Agriculture	TQM	To give workers an understanding of operations to increase efficiency.		0	$0	0.0%

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MOLDING CORPORATION OF AMERICA Los Angeles/Manufacturing	3	Thermoplastic Parts	Leadership & Mgmt, Team Problem Solving, PT, CS, ISO, Bus Writing, VESL	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.**		74	$140,936	84.6%
MOUNTAIN VIEW CHILD CARE ** San Bernardino/Services	2	Provide health care to children in a non-hospital setting	OA, Leadership and Decision Making, Pediatric Sub-Acute Care	To retrain frontline workers in unique skills needed to care for developmentally disabled children.		7	$9,108	7.1%
MS CARITA, INC. Santa Clara/Manufacturing	2	Publishing & Printing	TQM, SPC, Teamwork, Leadership, Communication	To adapt to a high-performance workplace in response to out-of-state competition.		32	$29,873	91.4%
MULLER PRINTING COMPANY Santa Clara/Manufacturing	2	Printing	MS, PT, SPC, TQM, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		37	$46,364	62.2%
NATIONAL ALLIANCE OF BUSINESS Statewide/Services	6	Training	MS, TQM, SPC, PT, OA, VESL, Sales	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.**		1207	$860,488	100.0%
NESTLE ICE CREAM COMPANY Kern/Manufacturing	4	Ice Cream Products	SPC, TQM, MS, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		181	$296,750	43.1%
NETWORK EQUIPMENT TECHNOLOGIES, INC. San Mateo/Manufacturing	5	Communication Systems	MS, TQM, CS, Team building, Team empowerment	To adapt to a high-performance workplace in response to out-of-state competition.		311	$149,337	25.1%
NEWPORT BEACH MARRIOTT HOTEL AND TENNIS CLUB Orange/Services	4	Hotel Services	MS, Effective Writing, Delivering Superior Service, Implementing Quality Service	To better attract, secure, & properly serve clients.		106	$110,360	74.4%

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NORDSTROM BUSINESS INSTITUTE ** San Diego/Services	6	Training	Business Skills, Operations Mgmt, Sales & Service	To assist Small Business owners.		3	$3,336	3.4%
ODETICS INC. Orange/Manufacturing	4	Electronic equipment	MS, MRP, SPC, Communication, Problem solving	To adapt to a high-performance workplace in response to out-of-state competition.		70	$70,572	14.2%
ORA CORPORATION, DBA DELIMEX San Diego/Manuacturing	4	Frozen foods	TQM, MS, CS, Project management, Leadership and decision making	To adapt to a high-performance workplace in response to out-of-state competition.		82	$51,560	70.4%
PACKAGING INNOVATORS CORPORATION Alameda/Manufacturing	2	Shipping containers and corrugated packaging materials	SPC, PT, TQM, MRP	To adapt to a high-performance workplace in response to out-of-state competition.		22	$29,866	43.0%
PACKARD BELL Sacramento/Manufacturing	4	Personal computers	PT, VESL, MS, OA, CS	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.**		974	$1,074,185	54.2%
PEBBLE BEACH COMPANY Monterey/Services	4	Resort Hotel	Leadership, Special needs for high performance	To adapt to a high-performance workplace in response to out-of-state competition.		442	$304,527	56.5%
PERKIN ELMER/APPLIED BIOSYSTEMS DIVISION San Mateo/Manufacturing	4	Biotechnology Instrument Systems	Teamwork, Communicating for High Performance, Becoming a Global Company, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		157	$94,926	20.6%
POOL CALIFORNIA ENERGY SERVICES, INC. Statewide/Manufacturing	4	Gas & Oil	OA, Team Bldg, PT	To give employees new skills to work more efficiently, saving customers' time and money.		302	$237,564	19.7%
PRECISION ENGINE CONTROLS CORPORATION San Diego/Manufacturing	1	Microprocessor-based controls for engines	SPC, CS, OA, PT, Team building	To adapt to a high-performance workplace in response to out-of-state competition.		27	$12,110	77.2%

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PRIVATE INDUSTRY COUNCIL OF SOUTHEAST LOS ANGELES COUNTY, INC. Statewide/Services	6	Economic development, business retension and expansion	TQM, SPC, OA	To retrain workers subject to displacement or adapting to a high-performance workplace due to out-of-state competition.		336	$263,624	100.0%
PRO-LOG CORPORATION Monterey/Manufacturing	3	Circuit boards and industrial computer systems	TQM, SPC, MS, PT, CS, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		70	$145,194	50.5%
RAMCAR BATTERIES, INC. Los Angeles/Manufacturing	3	Automotive, Marine amd Commercial Batteries	SPC, OA, PT, CS, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		91	$120,951	79.2%
RANCHO BERNARDO INN San Diego/Services	4	Hotel and Convention Center	MS, CS	To retrain workers subject to displacement due to out-of-state competition.		96	$106,380	81.9%
RANDS SYSTEMS, INC. Statewide/Manufacturing	6	Training	CNC	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.	53	247	$719,615	100.0%
RICHTER MANUFACTURING Statewide/Manufacturing	3	Paper and plastic packaging products	MS, OA, CS, Work processes, Problem solving, Team building	To adapt to a high-performance workplace in response to out-of-state competition.		145	$156,247	80.3%
RIVERSIDE COUNTY PUBLISHING CO. Riverside/Manufacturing	4	Publishing & Printing	CAD, OA, MS, CS, SPC, Maintenance Techniques, Leadership & Decision Making, Time Mgmt, Goal Setting, Quality Assurance, Conventional Pre-Press	To transform into a high-performance workplace.		139	$160,146	63.7%
ROAD RUNNER SPORTS, INCORPORATED San Diego/Retail	3	Sports Footwear & Apparel	MS, Problem Solving	To enhance company's ability to remain competitive and to grow, ensuring continuing relationship with customers.		143	$88,084	70.6%
ROHR, INC. Statewide/Manufacturing	5	Aerospace Equipment	Continuous Process Improvement, Team Training, OA, Cost Reduction, Cycle Time Reduction, MS	To remain a Boeing supplier, the company must achieve mandated cost reductions by assisting suppliers to adapt to a high performance workplace.		165	$199,650	41.0%

*(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

CONTRACTOR COUNTY/INDUSTRY	BUS SIZE*	PRODUCT/SERVICE	TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEES	EARNED AMOUNT	PERCENT EARNED
RUBIN POSTAER AND ASSOCIATES Los Angeles/Services	4	Advertising	Computer Skills, Communication, Teamwork, Leadership, Advertising, Media/Marketing, Interpersonal	To adapt to a high performance workplace in response to out-of-state competition.		88	$42,861	56.4%
SAN DIEGO MARRIOTT HOTEL & MARINA San Diego/Services	4	Hotel and Convention Center	MS, OA, CS	To retrain workers subject to displacement due to out-of-state competition.		245	$184,050	100.0%
SAN MATEO CO. COMMUNITY COLLEGE DISTRICT ** Statewide/Services	6	Training	OA, High-performance workplace	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.		129	$57,123	34.2%
SANTA BARBARA INFRARED, INC. Santa Barbara/Manufacturing	1	Testing Equipment	PC Skills, Procurement, Effective Negotiating, Quality Systems, ISO 9000, Visual Mfg, Interactive Case Study	Technological training needed for company to remain viable in California.		0	$0	0.0%
SANTA CLARITA COMMUNITY COLLEGE DISTRICT Los Angeles/Services	6	Training	MS, OA, Cycle Time Reduction, MRP, CNC Machining, CAD, PT	To ensure long-term viability of local employers.		189	$165,426	85.2%
SANYO NORTH AMERICA CORPORATION Statewide/Manufacturing	4	Appliances & Electronic Consumer Products	SPC, CAD/CAM, CS, Database Mgmt, Personal Mgmt, Problem Solving, OA, TLC, TQM	To remain competitive, the company must improve skills of workforce and create an environment for a high-performance workplace.		204	$106,550	64.3%
SASCO DATA SYSTEMS ** Statewide/Construction	4	Communication Systems Installation & Repair	LAN Technicques, Fiber Optic Technology	Cutting-edge technologies will maintain firms' competitiveness.		74	$235,520	69.7%
SEFCO COMPUTER PRODUCTS San Mateo/Manufacturing	1	Personal computers	PT, SPC, OA	To adapt to a high-performance workplace in response to out-of-state competition.		4	$6,552	56.4%
SHASTA COUNTY PRIVATE INDUSTRY COUNCIL Shasta/Services	6	Training	OA	To provide clerical employees which are competitive.	17		$109,446	56.7%
SHERATON PALACE HOTEL San Francisco/Services	4	Hotel and Convention Center	MS, CS, PT, Team Building, Maintenance Mechanics	To adapt to a high-performance workplace in response to out-of-state competition.		156	$120,695	82.7%

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** Special Employment Training (SET) category

APPENDIX B
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CONTRACTOR COUNTY/INDUSTRY	BUS SIZE*	PRODUCT/SERVICE	TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEES	EARNED AMOUNT	PERCENT EARNED
SIEMENS SOLAR INDUSTRIES L.P. Ventura/Manufacturing	4	Solar Energy	Math, Information Technology, Reading Blueprints, SPC, Problem Solving	To adapt to a high-performance workplace in response to out-of-state competition. **57 employees were given Basic Math Skills instruction with skills training.**		133	$114,320	32.1%
SKC AMERICA, INC. Santa Clara/Manufacturing	3	Microfilm	OA, Business Skills, CAD, PT	To move to a high-performance workplace.		117	$241,212	88.1%
S-MOS SYSTEMS Santa Clara/Manufacturing	4	Integrated Circuits & Board-level products	MS, Team Skills, OA, CS, Technical Dev	To meet customer demands with on-time delivery and high quality.		57	$49,494	17.8%
SOUTHERN WINE & SPIRITS OF NO CA ** Alameda/Retail	4	Liquor & Beverages	Team Bldg, CS, Product Knowledge, OA, Sales, PT	To become more productive and profitable, so as to remain competitive, and provide better customer service.		367	$396,020	84.0%
SOUTHWEST MARINE, INC. San Diego/Manufacturing	4	Ship repair and renovation	Various technical skills	To adapt to a high-performance workplace in response to out-of-state competition.		226	$228,126	49.7%
SPECTROL ELECTRONICS CORPORATION San Bernardino/Manufacturing	4	Sensing Devices	ISO, PT, SPC	To transition to a high-performance workplace.		80	$77,732	79.8%
STREAMLINE ELEC MFG, INC. DBA CURRENT Contra Costa/Manufacturing	1	Electronic circuit boards	SPC, MRP, PT, CS, OA, Team building	To adapt to a high-performance workplace in response to out-of-state competition.		16	$37,412	76.3%
SUMMIT TRAINING CENTER, INC., D.B.A.: SUMMIT COLLEGE Statewide/Services	6	Training	OA	To train workers who have been displaced to prepare them for new jobs.	71		$264,404	100.0%
SUNCLIPSE, INC. Statewide/Manufacturing	4	Packaging Supplies	CS	To retrain workers to adapt to a high- performance workplace to meet out-of-state competition.		323	$129,200	48.1%
TDK ELECTRONICS CORPORATION Orange/Manufacturing	4	Cassette Tapes & Floppy Discs	CS, Teaming for Results, PT, Worker Dev & Integration, Managing for Excellence, Team Leadership, Personal Leadership Developing Others	To remain viable, company must convert to a high-performance workplace.		366	$465,586	66.6%

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** Special Employment Training (SET) category

APPENDIX B
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CONTRACTOR COUNTY/INDUSTRY	BUS SIZE*	PRODUCT/SERVICE	TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEES	EARNED AMOUNT	PERCENT EARNED
THE CALIFORNIA HYATT CORPORATION, AS AGENT OF ISLANDIA ASSOCIATION, LTD., D-B-A-HYATT ISLANDIA San Diego/Services	4	Resort Hotel	PT, CS, OA, MS, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		151	$133,254	67.4%
THE COPY HOUSE Sacramento/Manufacturing	3	Commercial Printing	Team Bldg, OA, PT	To remain competitive, the company needs to become more dynamic and empowered.		23	$37,881	74.4%
THE FAIRMONT HOTEL San Francisco/Services	4	Hotel and Convention Center	MS, CS, PT, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		146	$103,576	66.6%
THE HANDLERY HOTELS, INC. San Francisco/Services	4	Hotel and Convention Center	CS, OA, PT, MS, Team Building	To adapt to a high-performance workplace in response to out-of-state competition.		56	$41,095	53.0%
THE MONTAGUE COMPANY Alameda/Manufacturing	3	Commercial Cooking Equipment	MS, Team Concepts, SPC, CS, OA, Communication, PT	To move to a high-performance workplace.		59	$96,383	56.3%
THE TORO COMPANY, INC., IRRIGATION DIVISION Statewide/Manufacturing	4	Irrigation Products	MS, CS, Problem Solving, Time Management, Computer Skills, Product Development, Inventory Control	To adapt to a high-performance workplace in response to out-of-state competition.		14	$10,128	6.5%
THE VENDO COMPANY Fresno/Manufacturing	4	Vending Machines	PT, SPC, CAD, MS, OA, Team Building, Communication	To adapt to a high-performance workplace in response to out-of-state competition.		0	$0	0.0%
TOMADUR ENGINE COMPANY Statewide/Manufacturing	3	Auto parts & engines	SPC, Basic Linear Instruments, Statistical Techniques, MS, Sales/CS	Becoming a high-performance workplace.		97	$116,800	73.4%
TUTHILL PUMP COMPANY OF CALIFORNIA Contra Costa/Manufacturing	4	Magnetic driven gear pumps	SPC, OA	To adapt to a high-performance workplace in response to out-of-state competition.		36	$46,568	80.3%
UAW LABOR EMPLOYMENT & TRANING CORP. Statewide/Services	6	Training	CNC	To retrain workers subject to displacement or adapting to a high- performance workplace due to out-of-state competition.	59	80	$375,232	72.6%
UNIPHASE CORPORATION Statewide/Manufacturing	3	Laser products	PT, OA, SPC, Team building	To adapt to a high-performance workplace in response to out-of-state competition.		77	$46,973	33.7%

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** Special Employment Training (SET) category

APPENDIX B
COMPLETED CONTRACTS

CONTRACTOR COUNTY/INDUSTRY	BUS SIZE*	PRODUCT/SERVICE	TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEES	EARNED AMOUNT	PERCENT EARNED
VALLEY INDUSTRIES, INC. San Joaquin/Manufacturing	4	Automobile parts	MRP, MS, OA, PT, Problem solving/Decision making	To retrain workers subject to displacement due to out-of-state competition.		60	$31,530	12.4%
VANS, INC. Statewide/Manufacturing	4	Footwear	PT, CS, Distribution Techniques, Training for Trainers	To adapt to a high-performance workplace in response to out-of-state competition.		20	$10,650	6.5%
VENTURA REGIONAL SANITATION DIST. (VRSD) ** Ventura/Transportion & Communication	3	Integrated waste recovery, treatment and disposal services	MS, TQM, OA, CS, PT	To train workers who have been displaced, received notification of impending layoff, or are subject to displacement.		39	$65,217	34.0%
VISTA PAINT CORPORATION Statewide/Manufacturing	4	Paint & Paint Products	MS, OA, CS, Sales, Communication, PT, Team Bldg, Inventory Mgmt, Product Knowledge	To teach continuous improvement tools and techniques resulting in improved customer service.		170	$122,210	40.5%
VQS ENTERPRISES, INC. San Diego/Manufacturing	3	Printing	Stitcher Operations, Bunn Tying, Strapping & Banding, Paper Rewinder Operations, Forklift, Advanced Press, Ink Reprocessing, Camera Operations, Plate Making, Basic Mailing Operations, OA, CS, Problem Solving, Participative Mgmt	To remain competitive and ensure continuing relationship with customers.		25	$25,004	39.7%
WALKER CORPORATION San Bernardino/Manufacturing	3	Metal Products	OA, SPC, CS, VESL, Team Building	To adapt to a high-performance workplace in response to out-of-state competition. **5 employees were given Vocational English as a Second Language instruction with skills training.**		63	$90,444	51.3%
WATTERSON COLLEGE Los Angeles/Services	6	Training	Computer Information Skills	To train workers who have been displaced to prepare them for new jobs.	43		$179,353	71.7%
WESTERN CAREER COLLEGE ** Statewide/Services	6	Health Field Occupational Training	Nursing Skills	To place unemployed Californians with multiple barriers to employment.	26		$104,832	39.4%
WESTIN ST. FRANCIS San Francisco/Services	4	Hotel and Convention Center	MS, CS, PT, Team Building, Maintenance Mechanics	To adapt to a high-performance workplace in response to out-of-state competition.		101	$77,740	74.8%

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** Special Employment Training (SET) category

APPENDIX B
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CONTRACTOR COUNTY/INDUSTRY	BUS SIZE*	PRODUCT/SERVICE	TYPE OF TRAINING	REASON FOR TRAINING	NEW HIRES	RETRAINEES	EARNED AMOUNT	PERCENT EARNED
WILDEN PUMP & ENGINEERING COMPANY Riverside/Manufacturing	3	Pumps used in mining	OA, TQM, CS, MS, PT, Team building, Personal and Corporate Excellence	To adapt to a high-performance workplace in response to out-of-state competition.		168	$378,496	91.6%
WILLITS ELECTRONICS ASSEMBLY, INC. Mendocino/Manufacturing	1	Process Control Devices	Basic Contamination Control, Demand Flow Technology	To effectively facilitate transition to the cleanroom production environment.		11	$32,880	91.7%
WORLDWIDE EDUCATION SERVICES, INC. Statewide/Services	6	Training	OA, Electronics	New hire training for employers who relocated or expanded in California.	98		$502,586	86.5%
YOUNG'S MARKET COMPANY ** Statewide/Retail	4	Liquor and beverage distributor	CS, Team building, Communication, Product knowledge, Time management, Personal Computer	To train workers to provide skills required in a high-performance workplace.		291	$361,471	72.4%
ZENECA AGRICULTURAL PRODUCTS Contra Costa/Manufacturing	4	Chemicals	OA, PT, MS, Hazardous materials	To adapt to a high-performance workplace in response to out-of-state competition.		253	$353,470	86.8%
				Totals	1,097	18,203	$25,450,443	
				Average Cost Per Trainee:			$1,318.68	

TYPE OF TRAINING			TYPE OF TRAINING
CAD	Computer-Assisted Design	Math	Basic Math Skills
CAM	Computer-Aided Manufacturing	OA	Office Automation
CNC	Computer-Assisted Numerical Control	PT	Production Techniques
CS	Customer Service	SPC	Statistical Process Control
JIT	Just In Time	TLC	Team Leadership and Communication
MS	Management Skills	TQM	Total Quality Management
MRP	Manufacturing Resource Planning	VESL	Vocational English as Second Language

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

** 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.

CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Abbott Diagnostics Manufacturing, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Los Angeles Manufacturing Chemical and allied products $76,897 110 MS, SPC, Math, team problem solving, project management, computer skills, interpersonal skills Retrain workers whose jobs are threatened by out-of-state competition.	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.
ADAC Laboratories	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Santa Clara Manufacturing Medical diagnostic imaging systems $96,187 118 PT, VESL, Finance, Team building Retrain to adapt to a high-performance workplace.	The company requested termination due to a change in the business environment.
Advanced Machine Programming	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Santa Clara Manufacturing Precision machine parts $158,088 134 PT Retrain to adapt to a high-performance workplace.	The company requested termination due to a downturn in business and change in business priorities.

APPENDIX C
TERMINATED CONTRACTS

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

APPENDIX C
TERMINATED CONTRACTS

CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Candle Corporation	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Los Angeles Manufacturing Systems management software $371,760 360 Various computer programming, development and support skills Retrain workers subject to displacement.	The company requested termination due to a major reorganization to cope with market needs and business changes.
Cargill Salt Division	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Manufacturing Salt $146,927 246 Continuous improvement, problem solving, Quality, Team building, Leadership Retrain to adapt to a high-performance workplace and remain competitive and grow.	The company requested termination because the formal paperwork was very time consuming and the ETP requirements did not conform to their needs.
Century Analysis, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Contra Costa Manufacturing Computer software $254,344 149 OA, MS, Customer relations, Technical training, High performance Retrain to adapt to a high-performance workplace.	The company requested termination because their diverse training programs, including video, interactive multimedia, and Internet, did not fit into ETP guidelines.

APPENDIX C
TERMINATED CONTRACTS

CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Chocolates A La Carte, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Los Angeles Manufacturing Candy $61,604 48 OA, Continuous quality improvement, Production skills Retrain to adapt to a high-performance workplace.	The company requested termination due to increased business volume and other circumstances.
Chrysler Corporation	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Service Automotive $115,600 264 Automotive repair and maintenance 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: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Santa Clara Manufacturing Circuit boards $116,760 57 MS, PT, Team building, Business 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: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Fresno Manufacturing Vending machines $1,131,632 1,102 PT, MS, OA, VESL, Team building 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.

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CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Contra Costa Small Business Development Center	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Contra Costa Service Government Services $31,285 50 Entrepreneurship Special Employment Training for small business owners to improve competition.	The company requested termination due to the unexpected departure of individuals who were responsible for planning and implementing the project.
Directed Electronics, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	San Diego Manufacturing Automobile security systems $173,488 123 CS, OA, Team building, Quality improvement, Technical skills Retrain to adapt to a high-performance workplace.	The company requested termination due to other management priorities which preempted training.
DPIC Companies, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Monterey Insurance Insurance $232,992 153 CS, Leadership, Team development, Presentation skills, Time management, Negotiation skills, Product knowledge Retrain to adapt to a high-performance workplace.	The company requested termination due to a major reorganization.

APPENDIX C
TERMINATED CONTRACTS

CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
ETEC Systems, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Alameda Manufacturing Tools for integrated circuit production $310,803 416 MS, CS, OA, PT, Communication Retrain to adapt to a high-performance workplace and retain and expand.	The company requested termination due to business growth and a change in priorities.
Fresno City College Training Institute	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Services Training and Education $136,272 192 Production line maintenance, OA Retrain for high-performance workplace and diversifying of goods or services.	The company requested termination due to inflexibility of the schedule and unwillingness of manufacturers to release employees for training.
Golden Empire Concrete Company	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Kern Manufacturing Concrete $30,852 22 CS, Commercial driving, Ready mix concrete, Job safety Train new employees to allow for growth.	The company requested termination due to a change in business priorities.
Golden Gate University	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Service Education $10,400 20 Entrepreneurial Special Employment Training for small business owners.	The company requested termination due to a change in business priorities and the unavailability of an outside trainer.

APPENDIX C
TERMINATED CONTRACTS

CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Granny Goose Foods, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Alameda Manufacturing Food products $710,084 534 MS, PT, Team building, Product knowledge, Time management, Computer, Sales Retrain to adapt to a high-performance workplace.	The ETP terminated this contract because the training performance was unsatisfactory.
Heinz, U.S.A.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	San Joaquin Manufacturing Food products $92,108 267 PT, MS, Hazardous waste management Retrain to adapt to a high-performance workplace.	The company requested termination because the factory was shutting down permanently.
Heublein, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Manufacturing Wine $181,859 201 CS, MS, OA, VESL, Quality, Communication Retrain to adapt to a high-performance workplace.	The company requested termination due to the extensive amount of paperwork.
IDEC Corporation	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Santa Clara Manufacturing Electronic controllers $37,280 79 PT, OA, Team building, Time management, Product knowledge Retrain to adapt to a high-performance workplace.	The company requested termination due to a reorganization and planned relocation.

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CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Industrial Indemnity, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Insurance Insurance $115,440 222 OA Special Employment Training to frontline workers to remain competitive.	The company requested termination because they were bought by another company.
Ingram Micro, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Wholesale trade Computer equipment $434,355 1,192 CS, MS, High-performance workplace, Purchasing, Sales, Telecommunications Retraining for a high-performance workplace.	The company requested termination because ETP requirements did not conform well to their system of training.
Internet and Web Services Corporation	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	San Diego Service Internet service $181,912 90 MS, Computer networking, High performance, Internet, Communication, Sales Retrain to adapt to a high-performance workplace.	The company requested termination due to a major reorganization.
Kemwater North America Company	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Contra Costa Manufacturing Chemicals $29,801 31 PT, SPC, MS, Team Concept Retrain workers to adapt to a high-performance workplace.	The company requested termination due to an increase in production, downsizing and management changes.

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CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Landis and Gyr Utilities Services, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Santa Clara Services Computer network systems $136,168 183 CS, OA, Management development, Strategic planning, Financial management, Process reengineering, Product knowledge Retrain to adapt to a high-performance workplace.	The company requested termination due to a change in management.
Los Angeles Freightliner	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Los Angeles Transportation Heavy duty truck service $162,168 143 OA, CS, Train the trainer, Sales, Leadership, Team building Special Employment Training for frontline workers to remain competitive.	The company requested termination due to personnel problems.
Marshall Engineering Corporation	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Santa Clara Manufacturing Precision machine parts $126,010 96 PT, TQM, MRP, VESL 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: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Alameda Manufacturing Semiconductor processing equipment $399,252 239 MS, PT, OA, CS, High performance, Team building Retrain to adapt to a high-performance workplace.	The company requested termination due to unforeseen weakened business conditions and a reduction in workforce.

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CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
McDonnell Douglas Aerospace - Space and Defense Systems	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Manufacturing Transportation equipment $992,600 1,951 Self-directed work team, High-performance work systems, Process variable reduction, Operator verification, Assistance stamp training Retrain to adapt to a high-performance workplace.	The company requested termination as they moved out of state.
McGuire-Nicholas Company, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Los Angeles Manufacturing Tool accessories $251,120 138 OA, PT, CS, Team problem solving Retrain to adapt to a high-performance workplace.	ETP terminated this contract because there was no evidence of any performance within ten months after the start date.
Motorola, Inc. - Semiconductor Products Sector	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Orange Manufacturing Microchip semiconductor $853,440 508 MS, CS, PT, Leadership Retrain to adapt to high-performance workplace.	The company requested termination because the operation was being closed down.

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CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Pharmacia Iovision, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Statewide Manufacturing Industrial gases $257,776 562 CS, PT, Sales techniques Retrain to adapt to a high-performance workplace and Special Employment Training for frontline workers.	The company requested termination because the facility was being closed within one year.
Polycom, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Santa Clara Manufacturing Audio and data conferencing products $156,928 154 MS, OA, Product knowledge, Business strategy Retrain workers subject to displacement due to out-of-state competition.	The company requested termination due to unforeseen circumstances in their business environment.
Powerfood, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Alameda Manufacturing Food products $121,200 100 OA, High-performance workplace Retrain to adapt to a high-performance workplace.	The company requested termination due to business growth and organizational changes.
Praxair Distribution, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Orange Manufacturing Medical and surgical devices $148,428 94 VESL, High performance, Technical, Team building, process improvement, hazardous materials Retrain to adapt to a high-performance workplace.	ETP terminated this contract because the training performance was unsatisfactory.

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TERMINATED CONTRACTS

CONTRACTOR	CONTRACT PROFILE		REASON FOR TERMINATION
Quality Cabinet and Fixture Company	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	San Diego Manufacturing Wood products $247,520 181 CS, VESL, Math, Team building, Leadership and decision making, Basic woodwork Retrain to adapt to a high-performance workplace.	The company requested termination due to financial concerns.
Revo, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Santa Clara Manufacturing Sunglasses $78,828 84 MS, OA, PT, High performance Retrain to adapt to a high-performance workplace.	The company requested termination due to the inflexibility of ETP requirements.
Safeguard Health Plans, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Orange Insurance Health Insurance $74,698 178 CS, MS, TQM, Sales, Computer Retrain to adapt to a high-performance workplace.	The company requested termination due to a reorganization.
Silicon Systems, Inc.	County: Industry: Product/Service: Contract Amount: Planned Trainees: Planned Training: Reason for Training:	Orange Manufacturing Semiconductors $239,112 275 PT, Systems application, Data processing Retrain to diversify goods or services.	The company requested termination due to changes in direction and the resulting changes in training requirements.

APPENDIX C
TERMINATED CONTRACTS

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

APPENDIX C
TERMINATED CONTRACTS

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

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:

Contracts Active as of July 1, 1998	
Active Training Contracts	142
Millions Approved for Training	$62.8
Persons Targeted for Training and Employment	43,043
Contracts Targeting Small Businesses Employing 100 or Fewer Workers	54

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:

Literacy Training	
Contracts with VESL Component	25
Contracts with Basic Math Component	9

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

Most Frequent Types of Training
Office Automation (OA) Statistical Process Control (SPC) Management Skills (MS) Total Quality Control (TQC) Production Techniques (PT) Customer Service (CS)

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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