



State of California
Employment Training Panel

Training Proposal for:
Tayden Enterprises LP dba Direct Buy San Diego
North

Agreement Type: Small Business

Agreement Number: ET09-0198

Panel Meeting of: July 25, 2008

ETP Regional Office: San Diego

Analyst: S. Godin

CONTRACTOR:

- Type of Industry: Services:
Priority Industry: [] Yes [x] No
Contractor's # of Full-Time Employees: 50
California: 50
Worldwide: 50
Number to be trained: 36
Turnover Rate: 14%
Repeat Contractor: [x] Yes [] No

CONTRACT:

- Training Project Profile: SET/Retrainee
ETP Funding Amount: \$42,240
In Kind Contribution: \$50,000
Average Cost per Trainee: \$1,173
Post Retention Wage Range: \$23.36 to \$60.00 for all Job Numbers
Health Benefits: \$2.72 per hour
Occupations to be Trained: Administrative Support Staff, Customer Service Staff, Designer, Distribution Personnel, Product Service Reps, Sales Personnel, Owner
Training Menu: [x] Computer [] Management
[x] Commercial [x] Business
[x] Cont. Improvement [] Other:
Range of Hours: 8-80 Weighted Avg: Job Number 1: 50
Job Number 2: 60

- Multiple Job Numbers: Yes No
- County(ies) Served: San Diego
- Union Representation: Yes: No
- Subcontractors: Ocean Consulting Group, Murrieta- Delivery of class/lab training in Business & Continuous Improvement Skills topics at an amount to be determined.
- Third Party Services: Ocean Consulting Group also developed the project for a flat fee of \$5,000.

INTRODUCTION

Tayden Enterprises LP dba Direct Buy San Diego North (Tayden) is a membership based sales and service company. Membership at Direct Buy enables customers to purchase home and building merchandise/services at manufacturer direct (wholesale) prices.

Tayden completed its first small business project in May 2007. The first ETP project introduced basic process improvement, team building, and quality concepts to 31 employees. The proposed training plan will build upon the skill sets acquired in the first project by targeting continuous improvement and customer service measures that will create a high performance workplace. Employees hired since the completion of the first ETP project and at Tayden's second facility (due to open on 8/1/08) will be introduced to continuous improvement principles delivered in the first ETP project.

Furthermore, Tayden's representative states that the Direct Buy Corporation was recently purchased by a large conglomerate, and as a result, all processes and standard operating procedures have been significantly revised. Both new and veteran employees must be trained in new processes; new product and service offerings; new Citrix software, and the Total Operation System (TOPS) software.

Wage Criteria:

For trainees in Job Number 2, the Panel may use commission earnings to determine a trainee's hourly wage, if there is a reliable history of commission payment by the employer and if actual payment can be verified in accordance with Title 22, California Code of Regulations, Section 4418(b). Trainees' wages must be equivalent to the ETP's SET wage of at least \$23.36 per hour.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by the company under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned
ET06-0304	San Marcos	5/9/06-5/8/07	\$44,400	\$26,660*

*When ET06-0304 was funded, the Contractor expected to open a second location and hire additional employees. However, the opening of the second location was delayed which resulted in fewer employees being trained than originally planned. Of the 31 enrolled trainees, 26 (84%) completed training and retention.