

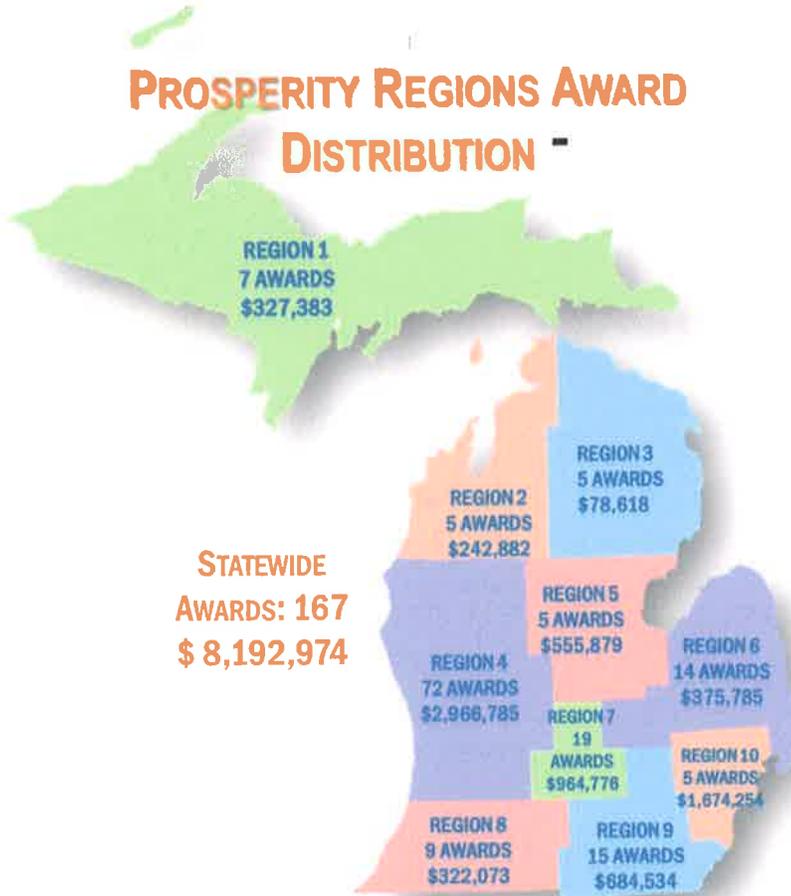
# PROGRAM SUMMARY



## AUGUST 2014 SCORECARD

METRIC	2014 TARGET	AUGUST 2014	PERCENTAGE OF TARGET OBTAINED
JOBS CREATED	1,500	1,756	↑ 117%
JOBS RETAINED	2,500	9,551	↑ 382%
TRAINING COMPLETION RATE	75%	100%	↑ 133%
EMPLOYMENT RETENTION RATE AT 6 MOS.	70%	91%	↑ 130%
HOURLY WAGE AT SIX MONTHS	\$13.95	\$20.83	↑ 149%

## PROSPERITY REGIONS AWARD DISTRIBUTION



## PROGRAM STATISTICS

AUGUST COMPILED STATISTICS	
LEVERAGED FUNDS	\$44,287,984.75
NUMBER OF COMPANIES BENEFITTING	192
AVG. COST OF TRAINING PER PARTICIPANT	\$724.59



Matt Bulloch  
President, TentCraft, Inc.  
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April 28, 2014

To Whom It May Concern:

I would like to offer my thanks and heartfelt gratitude to Michelle Socha, Northwest Michigan Works! and the State of Michigan for the manufacturing training assistance that we received as a result of our Skilled Trades Training Funds (STTF) grant. We completed this training through Northwest Michigan College (NMC) and Michigan Manufacturing Technology Center (MMTC) North, who were fantastic training partners.

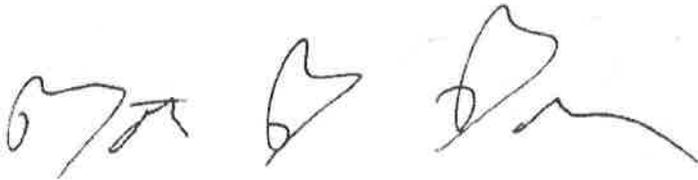
Here are some highlights:

- Michelle Socha, the business liaison for Northwest Michigan Works! identified TentCraft as a potential target for training funds and walked us through the application step-by-step. The application process couldn't have been smoother. From start to finish, I think it only took us three weeks from when we heard about the program to when we knew that we'd been selected. I didn't encounter any red tape or bureaucracy.
- We sent nine employees through an onsite LEAN Bootcamp program and all nine earned the Lean Champion Certification through NMC and MMTC-North. The lean curriculum is focused on the systematic identification and elimination of waste in all forms – process waste, material waste, time waste, etc.
- We have completely transformed our operation as a direct result of the lean manufacturing training we received:
  - We have hired almost 15 people since we were approved for the STTF and I expect to hire another 10 by the end of the year, which doubles the size of our company.
  - Revenue was up over 100% in Q1 2014 over Q1 2013. I expect another 100% growth year over year for Q2.
    - A result of this growth is that we are taking massive market share from our competitors that manufacture in China or S. America. By improving our core processes, we are creating a more skilled workforce and new jobs.
  - Gross profit margins have improved by almost 5% - I credit the application of lean principles to our sales process as well as by the elimination of waste in our core production operation.
  - We track all mistakes and call them "AFOGS" (Another Freaking Opportunity for Growth). Afogs have decreased through measurement and on-the-spot corrections, which ultimately results in less waste, shorter lead times and happier customers.

- Michelle also helped us with some new job training incentive money, which allowed us to hire two new employees three months earlier than we typically would have been able to hire them. So we were able to put two great people into good jobs earlier!
- Michigan Works! has helped with the recruiting and selection of our new positions, and we look forward to having them continue to be our new job placement partner.

That was a lot of bullet points! Can you tell that I'm thrilled with the support that we've received from Northwest Michigan Works? Please let me know if you have any questions or require any clarification on the above.

Respectfully Submitted,



**MATT BULLOCH**

President | TentCraft

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## Reed City Tool Re-ignites Apprenticeship Program

Michigan Works! West Central

Michelle Rasmussen, Business Services Director, 231.349.4144 (cell)

Reed City Tool, Rod Weck, President: [rweck@reedcitytool.com](mailto:rweck@reedcitytool.com), 231.349.0522

Like many manufacturers, Osceola County's Reed City Tool Inc. has seen its share of hard economic times over the years. With three consecutive Trade Act Certifications from February 2004 through October 2011 and going from 125 employees down to 43 employees, this rural employer continued to look for ways to increase business and keep the company moving forward despite its setbacks. Over the last several years the company has brought its employee base up to 80, and now with the help of \$15,000 received from the Skilled Trades Training Fund, the company is able to re-start its apprenticeship program that had become dormant during the period of downsizing. Five Reed City Tool employees will be trained by Ferris State University to become certified mold makers. Having more journeymen mold makers will allow Reed City Tool to initiate more open capacity with customers and incur improved lead times which will result in the company obtaining more work.

Ferris State University, located in Big Rapids, is delivering the mold maker apprentice training for the 4-year certification required by the U.S. Department of Labor, and funding from the Skilled Trades Training Fund will help with first-year costs of the training.



*Mold maker apprenticeship training instructor explaining a mold component to apprentices.*

“We are excited to partner with Reed City Tool and Michigan Works! West Central and provide this training,” says Ron McKean, associate dean for Corporate and Professional Development at Ferris State University.

“The beginning series of the apprenticeship training will incorporate face to face, online, and hands-on training. The trainings will cover in-depth understanding of calibration, application, general shop safety, equipment start-up and operation, and application and in-depth training on core machining processes. Employees also will be given additional training that will cover CNC programming, parametric modeling, blueprint reading, and analyses.”

Paul Griffith, executive director for Michigan Works! West Central, says the Skilled Trades Training Fund application process couldn't have been much simpler, and the guaranteed three-day turnaround time on the approval or denial of the submitted application shows the state's commitment to making this process as quick and easy as possible.

"We knew that the \$10M allocated to the Skilled Trades Training Fund wouldn't last long, so we really appreciated the simple application form and quick turnaround time on a decision," says Griffith. "Because we were responsible for submitting the completed application to the Workforce Development Agency, it gave us the ability to move fairly quickly and allowed the employer to move quickly on training once the application was approved."

"We are thrilled to have received this funding," says Rod Weck, president of Reed City Tool. "And it couldn't have come at a better time for us in terms of our training needs. Increasing the skill level of our employees is important to us as a company, and it's important to our employees. It's a win-win situation for everyone."

## Collaboration for the STTF Lumber Inspectors

We started with a Michigan Industry Cluster group of Lumber Manufactures/employers group.

The employers identified a need to make local youth aware of the industry and for Lumber Inspectors. However, the only school in the nation was located in TN. This was a huge expense to send employees to TN for the 10 week program. Not only were there training costs, there was lodging, meals and the employees being away from their family for this amount of time.

Well the first thing we needed to do was to see if the National Hardwood School would come to Michigan, and if they would, what were the terms for them to do so....

We had to ensure:

1. That there would be a minimum of 25 students in the class. We eventually negotiated with them for a guaranteed minimum of 20. In the end we had 21.
2. Find a location that would have a classroom and an area to store the lumber for class.
3. Pay the room and board for the instructor.

We had our work cut out for us. We had three tasks to complete;

Find students, a location and a way to pay for the instructor.

Thus began our need to spread the word about the training, and the collaboration that followed.

What we did to:

### A. Find Students:

1. We started with our core group of employers for their suggestions on who we could contact.
  - a. They each gave us a list of other lumber manufactures, sawmills and names of their peers in the lumber industry they thought may need a lumber inspector. A couple of core employers made contact or phone calls to let their peer know of the training coming to Michigan. The rest we contacted via an email or phone calls.
  - b. They suggested the Timberman's Association of Michigan who issues a newsletter and has an email ListServ. We asked them to contact of all their members. Which they did and resulted in 2 downstate employers participate.

- c. They suggested the School of Forest Resources and Environmental Science, at Michigan Tech, who works with many employers in the industry. They spread the word.
2. NEMC Spread the word about the training.
- a. Our BSP's contacted local lumber manufactures, sawmills and any other employer who may be in the need of graders.
  - b. All of our staff in all 7 offices was made aware of the training. They did email blasts utilizing the PMTC, talked to PATH participants and customers coming into the Resource Rooms.
  - c. I spoke with and sent emails to my peers across the state via the Business Services User Group;
  - d. I participated on the conference call for the Governor's Steering Committee for his Talent Summit and spoke with our WDB and Admin Boards. Basically anytime I was at a meeting I spoke of the training opportunity.
  - e. We asked the NHLA School to let other employers in the US know of the training that was going to happen in Michigan.

All the marketing of this training coming to Grayling, Michigan resulted in 4 additional employers that were located in three other MWA regions.

I contacted each of my peers in the other MWA's :

- 1. Central Area Michigan Works {Kathy Jo Vanderlaan},
- 2. Kalamazoo/St. Joe {Kara Stewart}, and
- 3. Northwest Michigan Works {Jaclyn Sanborn})

and asked for their help by having their Business Services staff follow-up as a local contact for the STTF application forms, getting the local EDC and MEDC Rep's on board with the consortium application. Their help was crucial when trying to pull this statewide collaboration together.

In addition, with NHLA's help, two out of state employers from Indiana and Pennsylvania each sent two employees to the training. Even though these two employers were not eligible to access the STTF funds, those 4 students helped in our head count.

Total # of Students:

Out-of-state Employers:	4
Local Employers:	5
Other Michigan Employers:	10
NEMC DWT NEG paid for:	<u>2</u>
Total:	21

## B. Find a Location

1. Went back to the core employers to see if they had space. They didn't.
2. Contacted EDC's, Chambers, and local industrial parks for locations. No one had the space we needed.

In the end, we were lucky that the local township (Frederick) had purchased a school for their offices, and fire department. They had the space and were willing to let us use the space AT NO COST. It had a classroom and the old gym was perfect for the lumber storage.

## SECOND GOAL – MET

### C. A way to pay for the Instructors costs

1. My BSP asked for donations from local businesses that would benefit from the training coming to Grayling, which resulted in a lower room rate for the instructor and students.
2. Conversations were had with both the Michigan Timberman's Association and the School of Forest Resources and Environmental Science, at Michigan Tech. Each organization pledged \$500 towards these costs.
3. I looked into local grant opportunities; however none of them panned out.
4. We ended up charging each student an equal share of the balance, after the donations. The employers stepped up and paid \$160 per student to cover these costs and the two students sponsored by the DWT NEG, were covered by support services.

## THIRD GOAL – MET

Our other partners included:

Kirtland Community College – ran a math refresher class for the students – Free  
Blarney Stone Broadcasting – advertizing the class – Free  
Department of Natural Resources – Talent Tour  
Local Economic Development offices and Chamber of Commerce - advertizing the class

In summary, collaboration is possible, but it is a lot of work. I'm not going to sugar coat that fact. However, the partners we had in this project all pulled their weight and in the end, it was a win for the employers and a win for the employees..



### Reed City Tool – Apprenticeship Program Reignited

Like many manufacturers, Osceola County's Reed City Tool Inc. has seen its share of hard economic times. Three consecutive Trade Act dislocations reduced their headcount from 125 employees down to 43. The company has developed business opportunities that have brought its employee base up to 80, and now with the help of \$15,000 received from the Skilled Trades Training Fund, the company is able to re-start its apprenticeship program.

Five Reed City Tool employees will be trained by Ferris State University to become certified mold makers. More journeymen mold makers will enable Reed City Tool to reduce lead times and open more capacity to customers—result in more work for the company and opportunities to create new jobs.

Reed City Tool provides custom injection molding services and is a worldwide supplier of residential garage and entry door manufacturing systems.

### Sybesma's Electronics – Business Diversification

Sybesma's Electronics of Holland, a third generation electronics service solutions provider, has invested in more than \$500,000 to pursue the market that is developing for repair, remanufacturer, and repurposing of lithium-ion battery packs. As pioneers in this expertise their workforce must be trained to ensure safety issues, such as critical fire and explosive hazard, are mitigated.

The Skilled Trades Training Fund awarded Sybesma \$10,345 for seven staff to train in *Emerging Technologies* at the University of Michigan, Stanford University and Notre Dame. An additional seven full time staff will be added based on projected growth.

### TentCraft – Re-Shoring Production

Tentcraft of Traverse City is the exclusive provider of MasterTent, the world's only premium custom pop-up tent and tent accessory system designed specifically for the rigors of mobile marketing and promotional events. The company team relies on: 1.) fast turnaround times, and 2.) high quality. As they grow in the number of employees they have become increasingly disorganized. The Skilled Trades Training Fund awarded \$13,500 to train nine employees in Lean Bootcamp/Lean Champion Certification in order to identify and eliminate waste.

Re-shoring the manufacturing of tent frames by paying Zingerlemetal Inc. \$150,000 to allow manufacturing their licensed production in the U.S. will create seven high-wage jobs in 2014 and 15 new jobs in 2015.

After transforming their operation:

- First quarter revenue was up over 100% over the first quarter 2013
- They anticipate hiring ten more people by the end of 2014
- Gross profit margins have improved by 5% - attributed to the elimination of waste
- As a result of the growth, TentCraft is taking market share from competitors that manufacturer overseas

**Lumber graders-**

Lumber is important to northern Michigan and the area employers identified a need for Lumber Inspectors, problem – nearest school was in Tennessee. Northeast MWA reached out to the National Hardwood School to see if they would consider coming to Michigan. NE was able to achieve this and had seven Michigan employers participated, training a total of 15 employees. Four out-of-state employers participated as well as it was cheaper to send employees to MI than to TN.

Training that was not available locally was delivered training The Michigan employer's estimate, the combined savings, of conducting training in-state saved them over \$70,000.

Four MWAs participated in addition to Northeast; they were Central Area, Kalamazoo/St. Joseph, and Northwest.



Jennifer Sierra  
581 Ottawa Ave. Ste. 100  
Holland, MI 49423  
03/26/2014

Governor Rick Snyder  
P.O. Box 30013  
Lansing, Michigan 48909

Dear Governor Snyder:

Thank you for the opportunity to further develop our employees through the STTF Grant. Our company has embarked on a journey through the uncharted territory of Li-Ion batteries. We have created a "cradle-to-cradle" approach to help lower battery costs; with the goal of increasing electric vehicle sales. As pioneers in this area, our staff needs continued education. With the bankruptcy of our number one battery customer, A123, this seemed like an impossible endeavor.

The STTF Grant has made it possible for our technicians to receive a certification in "Emerging Automotive Technologies" through the University of Michigan. Our technicians have successfully completed the first part of the course and have already begun to implement what they have learned about battery safety into our processes. As a result of a human resource course, our business operations manager has already implemented new safety procedures for our staff. It is exciting to see this much success so quickly. We look forward to what new prospects this education may bring.

Thank you again for this excellent opportunity. We are looking forward to a bright future!

Sincerely,

A handwritten signature in cursive script that reads "Jennifer S. Sierra".

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