

# Strong Workforce Program

**Cross Sector Advisory Meeting: Agriculture, Water & Environmental Technology  
Manufacturing | Retail, Hospitality & Tourism Business | Entrepreneurship  
Artificial Intelligence | Data Analytics  
Thursday, November 5, 2020  
Virtual - Zoom**

## Introduction

The Los Rios Community College District, in partnership with Valley Vision, and in collaboration with Sierra College and Yuba Community College District, invests Strong Workforce funding to organize and convene Regional Advisories. The objectives of the Regional Advisories are to build strong relationships between employers, educators, and workforce that:

- Provide timely information on skills gaps and workforce needs, informing partners on major industry trend information;
- Improve the efficiency of the advisory process for educators and employers;
- Reflect a regional view of workforce needs and assets
- Provide opportunities for more systemic, ongoing engagement that includes workforce partners in key industry sectors.

Regional Advisory meetings help inform decisions on needed investments and enhancements for Career Education (CE) programs to help fill the growing demand for middle-skill positions. This meeting proceedings report includes key findings, best practices, and minutes from the Fall 2020 Health Sector Regional Advisory meeting focused on careers in the beverage industry. This particular advisory also compiles testimony from employers from industries including manufacturing, retail & hospitality, agriculture, water, and environmental technology, entrepreneurship, artificial intelligence, and data analytics, as this the beverage industry intersects all of these areas.

Valley Vision supports a robust talent pipeline through our multiple 21st Century Workforce initiatives. We prepare our regional workforce for the future by addressing skills gaps, advancing research, aligning efforts and strengthening systems. Valley Vision's workforce efforts are supported by the Sacramento Employment and Training Agency (SETA), Golden Sierra Workforce Development Board (WDB), North Central Counties Consortium, Yolo WDB, City of Sacramento, local community college districts and others.

The Strong Workforce program provides Career Education opportunities to increase social mobility and fuel regional economies with skilled workers.

## Key Findings

- California's agriculture, and its beverage industry play a key role in the overall economy, and play a foundational role in our local economy.
- Food-related technology is the way of the future, and current technology upgrades will spur increased job creation, with the beverage industry expected to gain over 2,400 jobs in the next 3 years. Local schools like UC Davis and Consumnes River College receiving grants for agriculture technology and artificial intelligence for food production.
- The conjunction of updated technology and climate change policy will allow the production of beverages to become more sustainable and use less water, fertilizers and energy – notably reducing energy usage by an estimated 20% - 40%.
- COVID-19 had a massive impact on the beverage industry, leading to job loss, as well as tremendous loss to supply industry-wide. However, the pandemic has also provided new opportunities for the beverage industry; many wineries have begun hosting virtual tastings, and providing virtual and e-commerce options for customers looking to connect and have the wine tasting experience from home.
- Employers in the beverage industry are looking for employees that possess not only specialized or technical skills needed to complete jobs, but also the critical thinking and interpersonal skills needed to ensure excellent customer service.

## Meeting Proceedings

### **Welcome & Overview**

This Regional Workforce Advisory meeting is kicked off by Trish Kelly, Managing Director at Valley Vision, who explains that the goal of this meeting is to engage system partners and work with employers to inform community college faculty, high school instructors, and educational administrators about how to best prepare students for the workforce. This meeting focuses on challenges and opportunities in the Greater Sacramento Region's beverage industries. New labor market information from the North Far North Center of Excellence will be covered. This meeting also features discussion with employers presenting various aspects of the beverage manufacturing and supply chain. There will also be community discussion on how to foster good partnerships between education and employers in order to help our region pivot from COVID's devastating impacts, and celebrate the great aspects of our Farm to Fork economy.

### **California's Working Landscapes: A Key Contributor to the State's Economic Vitality**

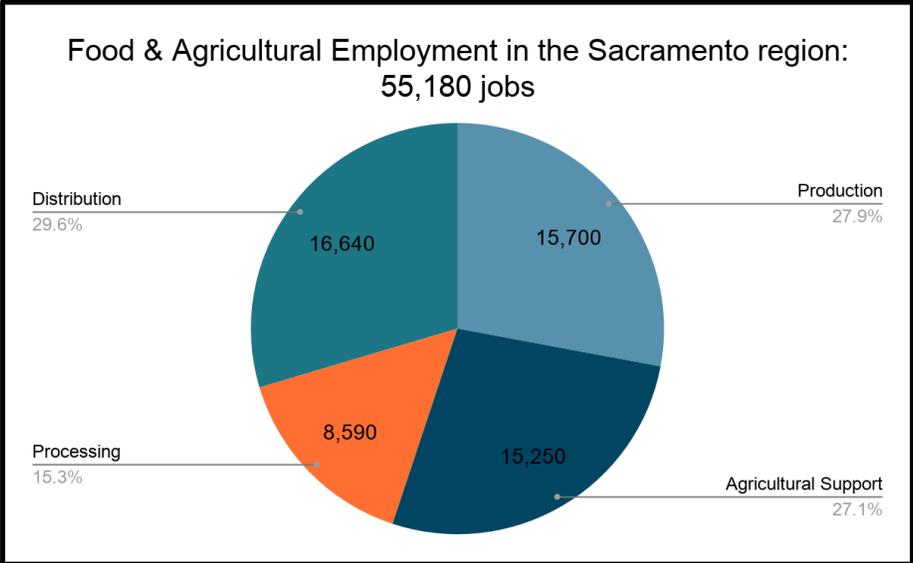
Agriculture is a huge and key piece of the California economy, as can be seen in Figure 1. Food and agriculture distribution and tourism is extremely impactful on the Sacramento region - creating a \$12 billion economy with over 55,000 jobs in our area. These jobs cause a ripple effect, due to the fact that

agriculture is a foundational industry cluster for the region. Agricultural technologies coming out of UC Davis & entrepreneurial networks are helping growers increase productivity - while reducing water, fertilizer, and energy use by 20-40%. In addition to Agricultural technology, food technology presents an opportunity to scale up these efforts. Food processing is the third largest manufacturing sector in California - and beverage manufacturing is a key part of it. The California Energy Commission is currently investing in the Greenhouse Gas Reduction Fund in technologies that reduce the use of natural gas, electricity, and overall emissions.

**Key Food & Agriculture Cluster Facts (2019)**

California’s Working Landscape makes up more than 6% of the total agricultural economy, and contributes \$328 billion in sales, and 1.5 million jobs. Information about food and agricultural employment in the Sacramento region can be seen below, in Figure 1:

***Figure 1 - Food & Agricultural Employment in the Sacramento Region***



**Strong Workforce Program & Career Education**

The Strong Workforce Program is a partnership with four Community College Districts (8 colleges) and 8 Workforce Development Boards. Together, this partnership conducts Labor Market research and organizes convenings with employers and system partners to identify skills gaps, emerging trends and opportunities. For this advisory, the goal is to:

- Develop next generation of farmers, skilled manufacturers & food entrepreneurs
- Address impacts of technology
- Provide career pathways & mobility
- Support employers struggling to find the needed workforce
- Identify skills needed for the 21st Century Digitalization Era
  - As well as address new workforce needs for AgriFood Tech skills

**Food & Agriculture Sector AgTech Workforce Assessment: Employer Challenges 2020**

<b>Employer Challenges in 2020</b>	
<b>Macro Trends</b>	<b>Micro Trends</b>
<ul style="list-style-type: none"> <li>● Climate change</li> <li>● Immigration status</li> <li>● State minimum wage increases</li> <li>● Lack of student interest in farming &amp; ag-related careers</li> <li>● Lack of career technical education in K-12</li> <li>● Aging out of low &amp; middle skills level workforce</li> <li>● Lack of internet access</li> </ul>	<ul style="list-style-type: none"> <li>● Competition for same pool of workers</li> <li>● Lack of career pathways in K-12 systems</li> <li>● Need to market Food and Ag. career opportunities to attract next generation of workers</li> <li>● Lack of awareness for opportunities in more advanced farming industry</li> <li>● Competition from large-scale distribution employers</li> </ul>

**Impacts of COVID-19 on Food Systems**

COVID-10 had a hugely detrimental impact on our regional food system. We have had to address the following issues:

- High levels of food insecurity
- Tremendous loss and disruption of our supply chains
- Loss of our food distribution points
- Loss of markets for farmers and food distributors
- High levels of job loss or furloughs in a sector with high ratings for jobs at risk of displacement
- Concern for safety of workers and volunteers

As a result of this, we conducted a study on the Hospitality, Leisure, and Tourism industry, which found that this job area was high risk. Many individuals at the front lines of these industries (and the manufacturing which supports them) are essential workers, whose needs must be addressed - leaving employers with much to grapple with.

**Our Path Forward: The Prosperity Strategy**

Several of Valley Vision’s partners have created a regional economic strategy over the past year which is qualified to receive federal funding, and serves as a blueprint for the next five years. The Prosperity Strategy provides a framework and bridge to action for the six-county Sacramento region which prioritizes core economic initiatives and will result in a more prosperous, equitable, and resilient region. This strategy serves as our region’s federally designated Comprehensive Economic Development Strategy (CEDS). Additional information on sector initiatives to increase innovation & growth, and increase job and workforce development opportunities can be found below:

- Develop the California Institute for Agriculture, Food and Health Innovation Institute to bridge the innovation gap between research, development, and commercialization
  - Doing so by leveraging the assets of UC Davis, and focusing on sustainable processes and products
- Expand wet lab and greenhouse space across the region
- Support food system infrastructure projects such as technology parks, food hubs, incubators and accelerators
- Advance an institutional procurement strategy to regionalize the food system
- Support scale-up for food manufacturing companies
- Develop a funding strategy, including a health food financing fund

**Emerging Opportunities**

Consumnes River College receives new USDA grant for Mechanized Agriculture Technology Program for development of dual enrollment

UC Davis’s Agriculture and Natural Resources receives \$20 million NSF grant for Artificial Intelligence Institute for Next Generation Food

More regional supply chains & institutional procurement, new beverage products including health focus

**Regional Directors Industry Overview**

North Far North Center of Excellence represents the Sacramento region, as well as Butte College near the Oregon border Each of the regional directors was asked how COVID-19 had affected their sector of the beverage industry. The following information was shared:

**Agriculture, Water, & Environmental Technology - Carrie Peterson**

Thankfully during COVID-19, agriculture was considered an essential sector, so little changed with production of food and beverages like dairy and alternative milks. However, logistic affected by the pandemic posed the biggest problem. Products were ready for distribution or manufacturing, but many plants were closed or weren’t operating due to a drop in demand. Some products had to be donated or disposed of because they were perishable and could not be saved. Other products could be stored until the supply chain could be repaired or redesigned. Many companies in the agriculture industry had to pivot quickly to find a buyer for their products while still making a profit.

### **Advanced Manufacturing - Jeff Briggs**

During the COVID-19 pandemic, the manufacturing sector showed contraction in the early period of pandemic restrictions. Many employers furloughed a portion of their employees, but subsequently had to compete with unemployment benefits when attempting to rehire them later on. Thankfully, nearly all manufacturers in the region were able to classify as essential and keep their doors open. However, working within the manufactory was not without its challenges – including acquiring PPE, modifying the working environment to accommodate social distancing requirements, and adjusting quickly to new regulations.

### **Retail, Hospitality, and Tourism - Josh Sweigert**

Retail, Hospitality, and Tourism (RHT) sectors were devastated by the COVID-19 pandemic. Our region experienced widespread closures, as well as layoffs at bars, wineries, breweries, restaurants, hotels, and many other local businesses. From April 2020 to July 2020, California experienced the following job losses, as compared to the previous year: Arts, Entertainment, Recreation: -41.6%; Food Services & Drinking Places: -25.8%; Accommodation & Food Services: -28.3%. Even as California opened back up, re-openings were uneven across the state and within counties, leaving the short and medium-term future of industries extremely unclear. As a result of this, many displaced RHT workers may consider upskilling through a community college, in order to secure their employment in the future.

### **Business & Entrepreneurship - Angela Cordell**

Financial services were completely overwhelmed throughout the pandemic, due to the fact that banks were given the majority of responsibility for the PPP Loans. However, a national survey found that alcohol consumption in the United States found that alcohol consumption increased by 14% among adults over the age of 30. (RAND, Sept. 2020) This trend was mirrored in our local area, and was great for the redemption of local business. Even though on-location sales suffered, many businesses saw innovation and an entrepreneurial mindset kick in. Businesses designed new delivery services, invented special pricing, invested in e-commerce, and used their social media to increase sales.

## **Beverage Industry in Sacramento: Labor Market Trends and Occupations**

North Far North Center of Excellence Research Manager, Ebony Benzing, presented data and occupational information on the types of jobs available within the beverage industry.

- Job Sub-Sectors within the Beverage Industry:
  - Production
  - Processing
  - Distribution
  - Support
- Projections for Beverage Industry

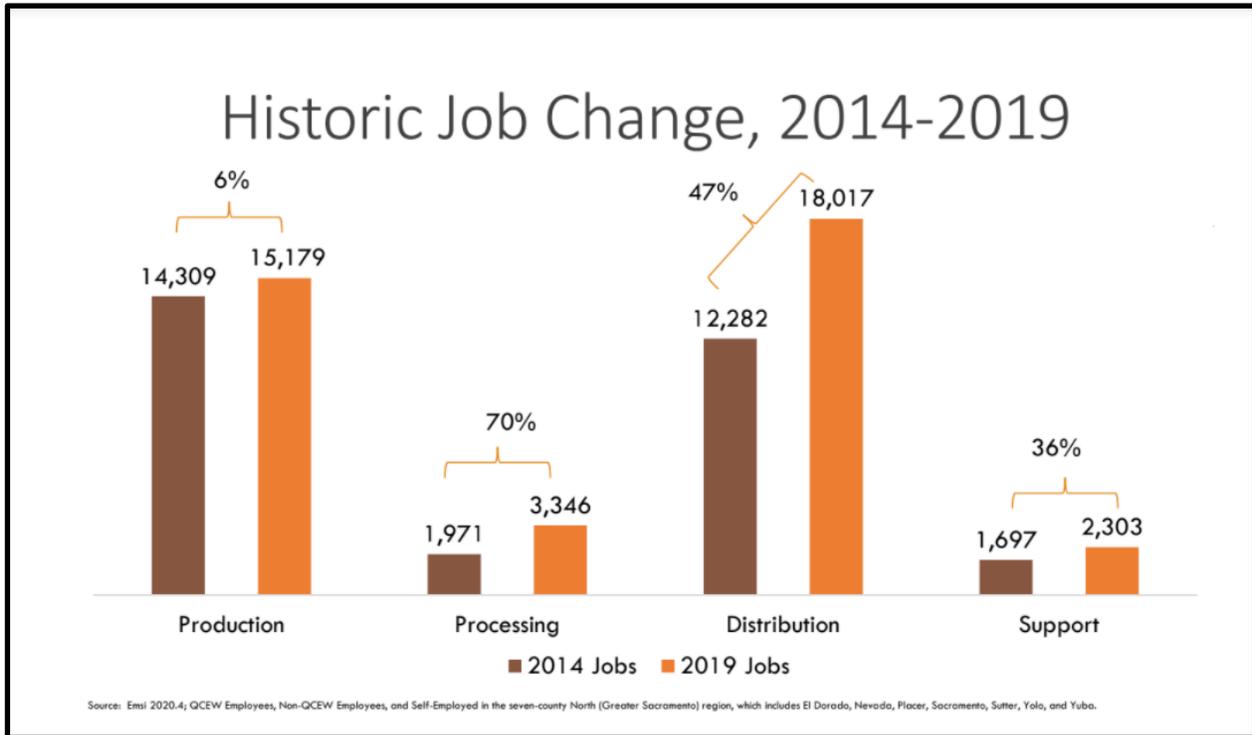
- Beverage Industry is projected to grow by 6%, from 38,845 jobs in 2019 to 41,253 projected jobs in 2024. 1,981 establishments will be offering these jobs, with the average job earning \$57,212 (Figure 2)

**Figure 2 - Beverage Industry Snapshot**



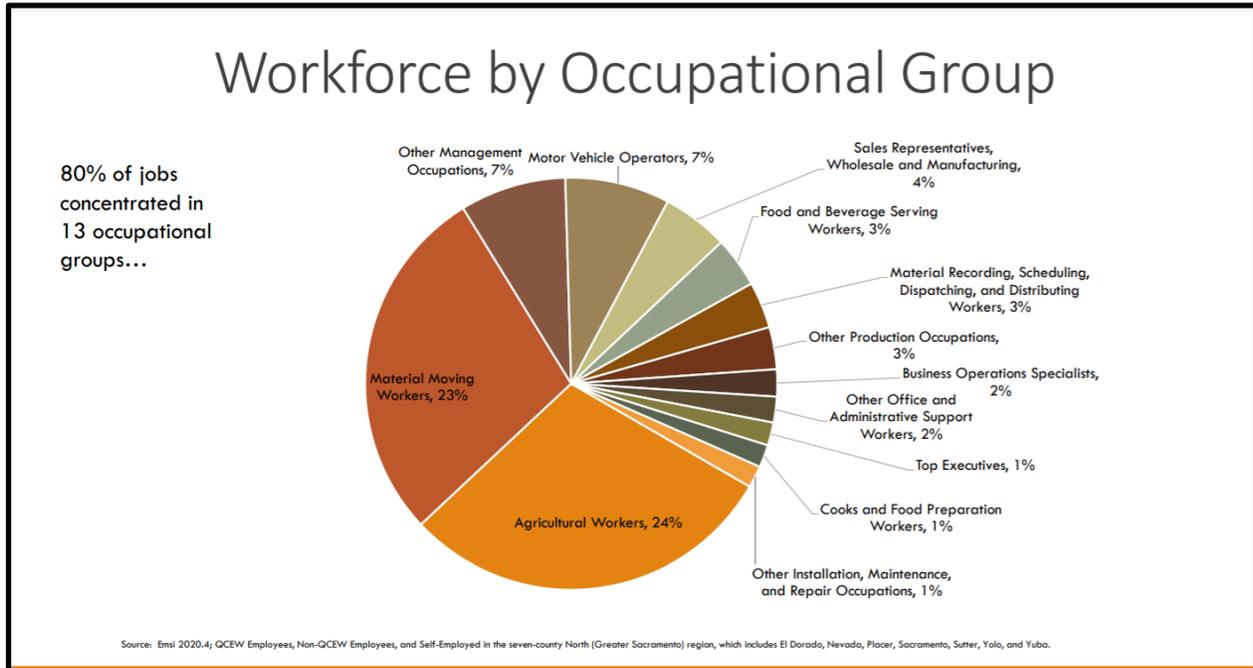
- Historic Job Change
  - Looking at the breakdown of sub-sectors within the beverage industry, we can see how each one has increased between the years of 2014-2019. Production slowly increased, while sub-sectors like Support, Distribution, and most notably, Processing, have increased dramatically within the 5-year period. (Figure 3)
- Projected Job Change: 2019-2024
  - While jobs in sectors like Processing, Distribution, and Support have grown significantly in the last 5 years, this growth is expected to significantly level off in the future, projections show Production sector jobs remaining stagnant, with 0% change; Support sector jobs increasing by 6%; and both Processing and Distribution jobs are expected to increase by 10%. These are noteworthy projected increases - but not nearly as dramatic as the increase in jobs over the past 5 years.

**Figure 3 - Historic Job Change in the Sacramento Region Beverage Industry (2014-2019)**



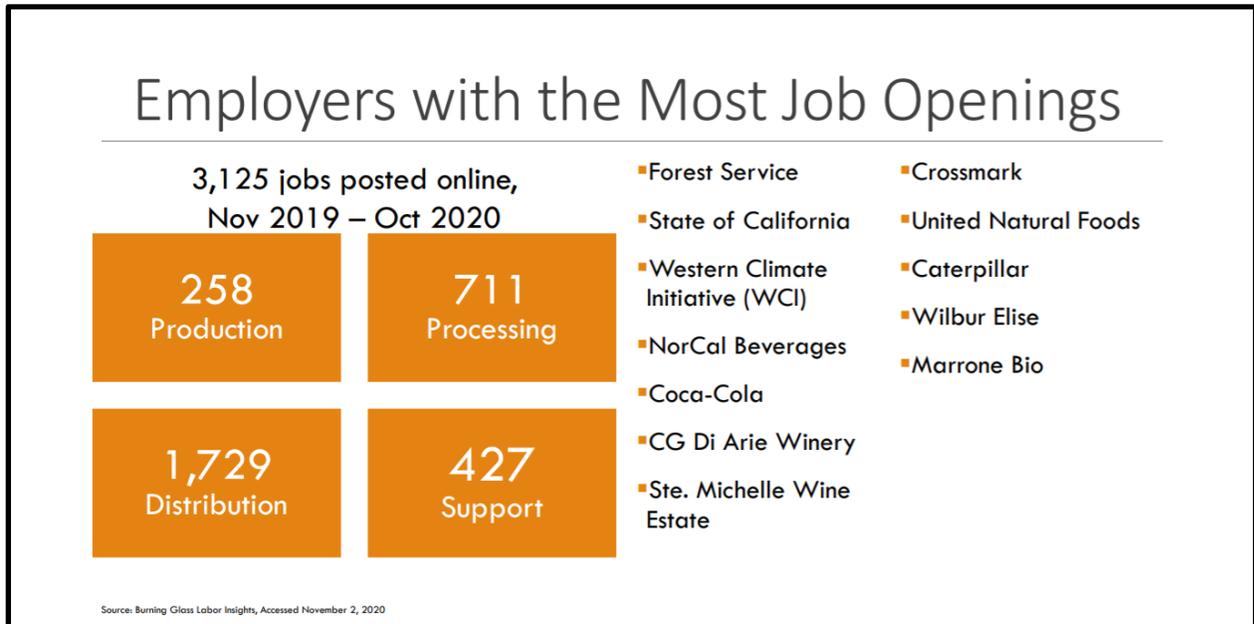
- Beverage Industry Workforce
  - North Far North Center for Excellence also examined the overall Sacramento Beverage Industry Workforce by Occupational Group. 80% of jobs are concentrated into 13 occupational groups, shown below. However, a majority of the workforce is shown to be both Agricultural Workers and Material Moving Workers. (Figure 4)

**Figure 4 - Workforce by Occupational Group**



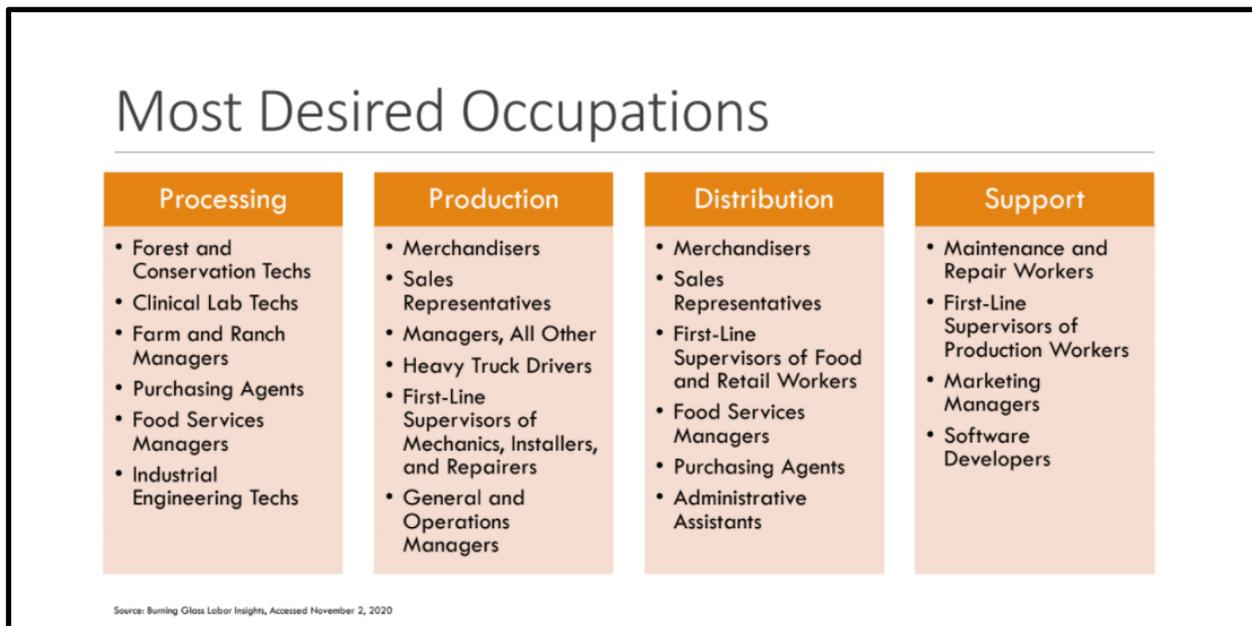
- Beverage Industry Job Postings
  - North Far North Center for Excellence pulled data from Burning Glass Technologies' Labor Insight™
    - Labor Insight™ provides job market data in order to show potential opportunities for training programs, job markets, and education
  - Labor Insight™ used an online job posting aggregator to examine new jobs posted online between November 1, 2019 through October 31, 2020. In addition, Labor Insight™ searched industries at a 3 or 4-digit NAICS (North American Industry Classification System) level, and focused on jobs that required training beyond a high school diploma. The number of job postings vary by industry subsector, as do the number of unspecified job postings.
    - Distribution sub-sector had the highest number of job postings online, with 1,729. Following was Processing, with 711 jobs, Support with 427 jobs, and Production with 258. (Figure 5)

**Figure 5 - Employers with the Most Job Openings in the Sacramento Region Beverage Industry**



- Within the sub-sectors shown in Figure 5 (above), Burning Glass data also found the most desired occupations by employers, shown in Figure 6, below.

**Figure 6 - Most Desired Occupations in Processing, Production, Distribution, and Support**



- Skills in Greatest Demand
  - For the those applying to work within the Beverage Industry, Burning Glass data found that there are several skill sets which are in the greatest demand by employers - ordered from highest demand to medium level of demand below:

Specialized Skills	Technical Skills	Soft Skills
<ul style="list-style-type: none"> <li>● Retail Industry Knowledge</li> <li>● Forklift Operations</li> <li>● Land Management</li> <li>● Cryptography</li> <li>● Repair</li> <li>● Merchandising</li> <li>● Sales</li> <li>● Marketing</li> </ul>	<ul style="list-style-type: none"> <li>● Budgeting</li> <li>● Scheduling</li> <li>● Microsoft Office</li> <li>● Enterprise Resource Planning (ERP)</li> <li>● SAP</li> <li>● Sales Force</li> <li>● SQL</li> <li>● Oracle</li> <li>● Adobe</li> </ul>	<ul style="list-style-type: none"> <li>● Customer Service</li> <li>● Customer Contact</li> <li>● Personnel Management</li> </ul>

**Employer Panel Discussion**

- **Kara Sather - Executive Director, El Dorado Winery Association**
- **Anna Gerhardt - Sales Account Executive, Regal Wines**
- **Cyndi Fisher - Senior Human Resources Manager, HP Hood**

**Question: What are the highest demanded positions that you see/skills that people have the most difficulty filling?**

The group of employers stated that consumer-facing front end workers with customer service skills were difficult positions to fill – and harder to fill with quality workers. Employers are looking for not looking for applicants who solely have knowledge of wine, but for applicants who also have the tact to carefully apply this knowledge with consumers in tasting rooms. These customer service professionals should be able to identify what level wine tasters are at, explain wines, and conduct sales. The employer panel stressed how hard it was to find employees with these soft skills. For new consumers trying wine for the first time, there are often complications with translating wine, beer and liquor knowledge to customers who aren’t as knowledgeable. This leads to the need for customer service workers who have strong people skills. Working within beverage industry requires a lot of relationship building, self-motivation and self-organization. In addition to customer service work, the employer panel notes that it was increasingly difficult to find maintenance mechanics to fix machines on the production floor, including ammonia systems and boilers.

**Question: How do you see the nature of the jobs changing because of the impact of COVID, and the impact of automation and technology?**

Employers were excited to announce that, as a result of COVID-19, numerous wineries have embraced the concept of virtual wine tastings. These virtual tastings allowed wineries to ship out samples to customers, so customers would no longer have to purchase multiple bottles of wine to enjoy the tasting experience. Even in a virtual format, winery employees were able to establish intimate relationships between consumers and winemakers. Customers were able to learn about flavor profiles and history of wine from their own home. This virtual content provided consumers and sellers with an in-person aspect to buying and selling wine, even amidst a pandemic. Due to many individuals being socially distant, customers often lingered to chat on virtual platforms because it provided the opportunity for social interaction.

Alcohol has also taken off on another online format, with e-commerce for alcohol rapidly expanding, and big box stores like Target now selling alcohol online. However, this online platform has changed wine sales. In person, customers browse and experiment with different types of wine, while online, these individuals usually stick to buying what they are comfortable with.

For many wineries, revenue is also based off of events and membership – both of which have taken a hit during the pandemic. However, the El Dorado Winery Association will soon kick off the El Dorado Wine Movement & Ventureship, which will allow the association to engage consumers, drive traffic to wineries, gain revenue.

In regards to automation and technology, panelists mentioned that many capital projects are upgrading and adding new equipment, and replacing technology at various building projects throughout the region. Some of these projects provide work to 100-200 contractors on site at any time.

**Question: With all the other partnerships you have, do you have to have a lot of different types of equipment for the types of products you're manufacturing for customers?**

Panelists noted that many manufacturers' product remains the same, but different businesses have different processes, recipes, and packaging. Even so, in most manufactories, the same machines are used for many different types of product.

The panelists also noted that, due to COVID-19, there are many more audits to their manufacturing that are virtual. Auditors cannot come on site due to the pandemic, leading audits to be conducted through virtual tours and Zoom. Many manufactories are also sending in virtual documentation, so auditors can see manufacturers are continuing to make quality products.

**Any experiences of partnering with community colleges (i.e. through mentorships or internships)?  
Suggestions you have for how colleges can better prepare students for jobs in the industry? I.e. Courses, programs, curriculum changes, etc.?**

Panelists noted that the El Dorado Winery Association has partnered with Folsom Lake College (FLC) in the past to develop programs to educate individuals with a basis of wine knowledge. These programs

taught students to inform customers of wine tasting and strategy, and employ the customer service skills needed to excel. However, since COVID-19, the association & FLC have not been in contact. Panelists noted that there is a need for program to teach potential applicants basic office skills and computer skills, in addition to their knowledge of wine. Panelists also noted that mentorships and internships could be worthwhile, especially for maintenance mechanics and introductory efforts into the field.

Regal Wines offers different internship programs and people who work locally, and reiterated that soft skills, customer service skills, and communication skills would greatly benefit students coming into the industry. Additionally, organization, note taking, and self-motivation skills were noted as important abilities for building accounts

## Conclusion

To get in contact with professionals from the different sectors, or for those looking for opportunities to partner, please find the contact information for each industry below:

**Carrie Peterson - Agriculture, Water, & Environmental Technology:** [cpeterso@yccd.edu](mailto:cpeterso@yccd.edu)

**Jeff Briggs - Advanced Manufacturing:** [jeffbriggs@sierracollege.edu](mailto:jeffbriggs@sierracollege.edu)

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