

Helping companies train employees, linking them with qualified job seekers, and assisting job seekers in finding employment

ANNUAL REPORT 2004



MESSAGE FROM THE CHAIRMAN

To stay competitive in an ever more dynamic marketplace, businesses are driving to become more efficient and

effective. This report highlights how one company, The Gleason Works, is moving quickly to embrace the concept of "lean" manufacturing so that it can continuously eliminate waste in its processes and offer more value to customers.

RochesterWorks! has played an important role in helping this company and many others make this transition. It's just one way we are targeting the resources we manage on behalf of Monroe County to increase our community's economic vitality.

Our role is to deliver, free of charge, outstanding employment, education, support and training services.

By helping companies train employees, linking them with qualified job seekers, and assisting job seekers in finding employment, we are making our community more vital. And, like those we serve, we are also driving to become more efficient and effective at what we do, so that we, too, can provide more value to our customers.

The drive to be more efficient and effective impacts the entire community

In the past year we:

- Redesigned our organizational structure to be flatter and more efficient.
- Opened two new RochesterWorks! Career Centers to expand access to services.
- Helped 31 companies secure \$1.6 million in Building Skills in New York State grants to train more than 1,200 employees. Since the program began, we have helped 75 companies secure \$4 million to train more than 4,900 workers.
- Implemented our first strategic planning effort. We also hosted the area's first ever Workforce Summit with Monroe County and the City of Rochester and issued a State of the Workforce Report to guide the continued development of local programs and enhance our community's economic well being.
- Received a second Promising Practice award from NYS for business services and marketing efforts to local businesses.
- Received \$1.6 million in new funding to expand services.

- Developed a new job seeker marketing campaign to increase awareness for services. Career Center visits increased and Web site traffic more than doubled.
- Participated in economic development efforts with Greater Rochester Enterprise, Rochester Business Alliance, Monroe County, the City of Rochester, DOL and Empire State Development Corp.
- Developed initiatives to help health care providers increase the number of available nurses, radiology and patient care technicians and other health care professionals.

If you have employment-related needs, we're here to help. I urge you to take advantage of our services. Visit www.rochesterworks.org, or stop in or call one of our Career Centers.

Marty Birmingham
Chair, Workforce Investment Board



TWO NEW CAREER CENTERS OPEN

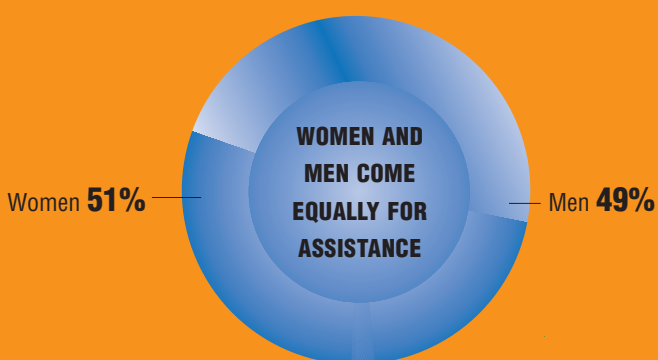
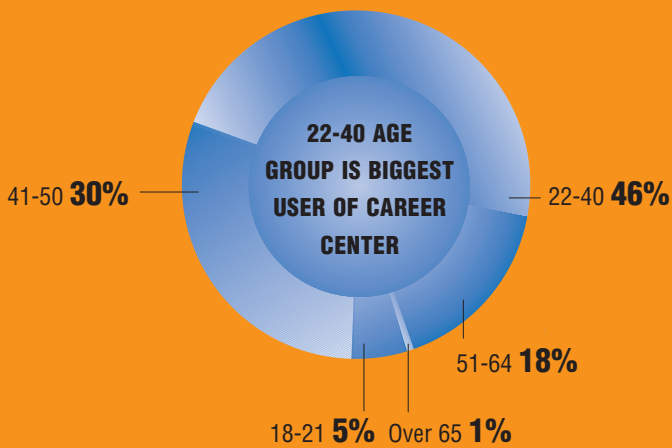
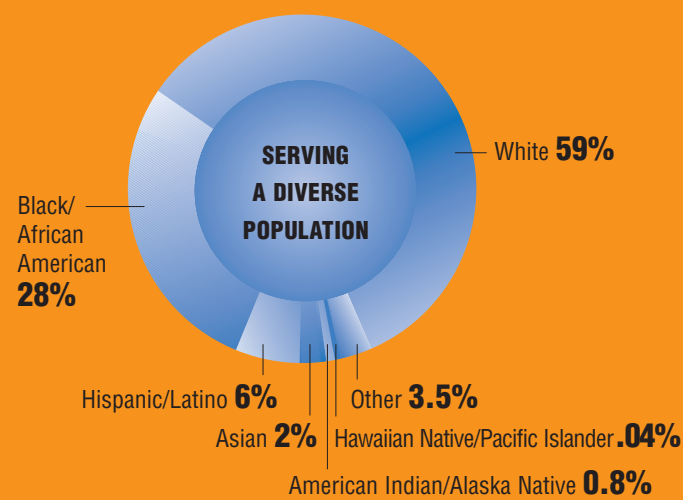
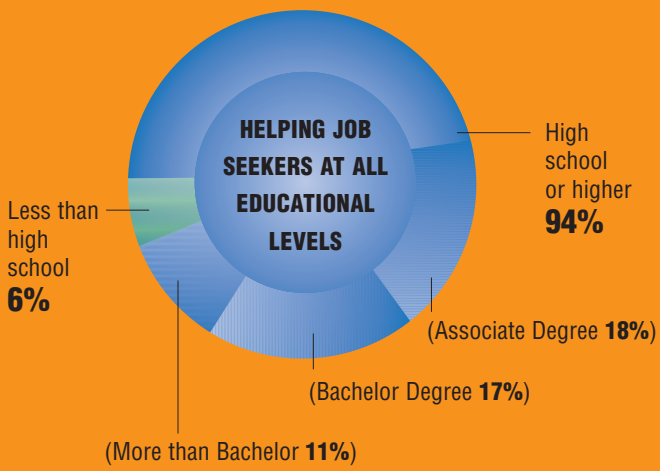
FINDING A JOB JUST GOT EASIER

In 2003-04, RochesterWorks! made finding a job easier by adding two new Career Centers. Along with the Downtown Career Center, 34 St. Paul Street, RochesterWorks! now has three Career Centers.

To better serve customers in western Monroe County, a new Career Center opened in December 2003 at the BOCES 2 Center for Workforce Development, 3545 Buffalo Road in Gates. "We are in an Empire Zone, two-tenths of a mile from Rochester Tech Park, which is a very busy business incubator," noted Dianna Phillips, Ph.D., Director. "We're also adjacent to the Manitou Road business corridor, so that means we're within 10 minutes of 50-60 businesses."

In partnership with the Department of Labor (DOL) and Lifespan, RochesterWorks! opened
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4,000 AREA RESIDENTS MADE 17,200 TOTAL VISITS TO THE THREE CAREER CENTERS LAST YEAR. NEARLY 2,250 OF THE INDIVIDUAL VISITORS RECEIVED INTENSIVE ASSISTANCE



TOP 10 OCCUPATIONS PROJECTED TO BE IN DEMAND IN LATE 2004 BY REGION EMPLOYERS

LABOR DEMAND (NEED IN 6 MONTHS)	NUMBER NEEDED	% OF TOTAL DEMAND
Engineers	196	11.8%
Bench assemblers	111	6.7%
Registered nurses	103	6.2%
Customer service representatives	74	4.5%
Sales representatives	72	4.3%
Machine operators, no setup	71	4.3%
Clerical workers with advanced computer skills	63	3.8%
Licensed practical nurses	60	3.6%
Unskilled laborers (manufacturing, repair)	50	3.0%
Programmer/analysts	47	2.8%

Source: Rochester Business Alliance/Wadley Donovan Group Employer Survey, Spring 2004

RECRUITMENT SERVICES OFFER EMPLOYERS VALUE

In response to positive trends in the job market, RochesterWorks! staff stepped up efforts to assist businesses with recruiting and to connect job seekers with jobs.



- The new "Hot Jobs" page, which premiered in April at www.rochesterworks.org, quickly became a popular destination for employers and job seekers. Hundreds of jobs, from entry-level to professional, have been listed.
- To connect job seekers with more opportunities, Business Services staff contacted dozens of employers, identifying hundreds of new jobs. Job seekers can access postings through America's Job Bank and RochesterWorks!
- Through outreach to employers and staffing agencies, an increased number of recruitment events have been held at Career Centers.

Recruitment services – all free of charge – are becoming a "value-added service for businesses," said Claudia Gately, Acting Business Services Manager. "In addition to posting job openings for free, we can match job seekers with openings, pre-screen applicants, provide space for interviews and job fairs, and communicate on-site business recruiting events."

TRAINING GIVES SUPERVISORS NEW SKILLS



In today's competitive marketplace, employees in supervisory positions must produce more, deliver more, sell more, and do more with fewer resources. With help from a RochesterWorks! grant, employers had an opportunity to send employees to supervisory skills training classes at a reduced rate. Sessions were at Monroe Community College, covering topics such as communication and listening skills, team building, project and time management, and problem solving.

Participating companies	43
Industries represented	14
Employees receiving certificates	175

Continued from page 1

FINDING A JOB JUST GOT EASIER

another center in February 2004 at 276 Waring Road. Peter C. Pecor, DOL Regional Administrator, pointed out that it is now "simpler for job seekers and businesses to access the wide range of services we have to offer."

Fran Weisberg, President of Lifespan, called serving RochesterWorks! job seekers "a natural extension of what we do. Our experience has been finding employment for older workers, providing career counseling, job search information, resume assistance and more. Now we are extending that expertise to workers of all ages."

For more information on the many services available free of charge to job seekers, visit www.rochesterworks.org, stop by any Career Center, or call 258-3500.



The 3545 Buffalo Road location in Gates opened in December 2003. "We are in an Empire Zone, two-tenths of a mile from Rochester Tech Park, which is a very busy business incubator," noted Dianna Phillips, Ph.D., Director.



The 276 Waring Road Center opened its doors in February 2004, making it, "simpler for job seekers and businesses to access the wide range of services we have to offer."

"The people at RochesterWorks! are just fantastic. I can't say enough about them. They can deal with everybody from the

entry level to the owner of a company in whatever industry... and they do it in a way that it makes it very, very pleasant."

HELPING BUSINESSES COMPETE AND SUCCEED

▶ GLEASON IS ON TRACK TO “DRIVE DOWN COSTS”



Left to right: Timothy L. Gregory, Linda Johnson, Tom Tschorke

With a helping hand from RochesterWorks!, the Gleason Works, which employs about 850 persons locally, is taking a critical step on its journey to become a “lean manufacturing” organization. David Burns, President and CEO, calls lean manufacturing, which is both a set of tools and a way of thinking, “absolutely necessary for a business like ours to survive, thrive and prosper.”

The company is known worldwide for its gearing technology. As is true in so many industries, says Thomas Tschorke, Training Manager, Gleason customers are demanding “faster, better, more

cost-effective products and services.” Competition in the marketplace is translating to an absolute need for Gleason “to drive down costs.”

A lean manufacturing organization strives continuously to eliminate waste, and thus costs, in its production processes and related overhead activities. Two years ago, Gleason completed step one in its lean journey, using state grant funds to train upper management and a cadre of mid-level managers in its Rochester plant in lean concepts and tools. After these managers were “seeded throughout the organization,” the company was ready to roll out lean manufacturing to the rest of its local employee base.

“When we determined we were going to need a grant to do employee-wide training, we turned to RochesterWorks!,” says Tschorke. Connie Felder, now Downtown Career Center Director, “told me about their seminars on applying for grants and offered to look at a draft copy (of Gleason’s application).”

He adds, “I took advantage of all the opportunities offered, and worked fairly closely with her and it paid off.” In May Gleason was notified that it had received a \$77,725 Building Skills grant to provide lean manufacturing training to its local workforce. “We couldn’t have pulled this off without her.”

The training, which Gleason expects to complete by year end, is well underway and Tschorke says employees are giving “excellent reviews” to the Monroe Community College instructor leading the training effort.

EXPECTED OUTCOMES

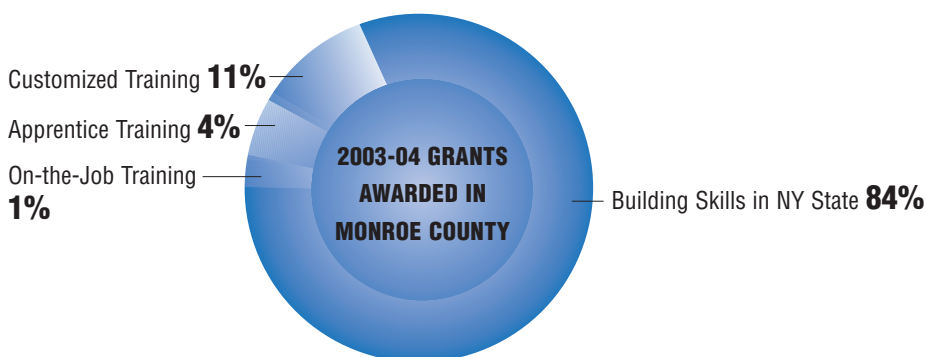
“In the next one to two years, as lean projects begin to affect the company’s financial performance indicators, we are striving to initially achieve an EVA (Economic Value Added) of 15%, and improve this each year. Once we have met and exceeded our shareholders’ profitability expectations, any additional profitability is considered EVA.”

Gleason’s goals are realistic, Tschorke says, given what the firm is already seeing as a result of adopting lean more than two years ago. Linda Johnson and John Terranova, Lean Implementation Team members, say 2004 results to date show many year-over-year improvements. For example, they note, “We expect \$450,000 in annualized savings in electrical assembly areas due to use of lean tools.”

To read the full Gleason Case Study see www.rochesterworks.org.

▶ BUSINESS GRANTS EXCEED \$1.9 MILLION

Training employees is one way companies improve productivity and enhance services. To offset training costs more businesses are turning to RochesterWorks! for funding through local grants or assistance applying for State grants. More than \$1.9 million was awarded. For details and applications visit www.rochesterworks.org.

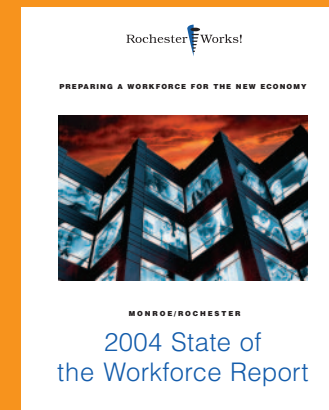


About 84% of the \$1,970,159 awarded during 2003-04 through RochesterWorks! to area companies was the result of the NYS Department of Labor’s Building Skills in NY State (32-1) program. Organizations may apply for up to \$100,000 for employee training to fill skill gap shortages that will result in transferable skills or industry recognized certification. Applications are accepted on an ongoing basis.

NO. OF 32-1 APPLICANTS	COMPANIES APPROVED	DOLLARS AWARDED	EMPLOYEES TRAINED	APPLICATIONS PENDING
53	31	\$1,651,494	1,209	13
OTHER GRANTS FOR TRAINING		GRANT DOLLARS AWARDED	NO. OF EMPLOYEES TRAINED	
Customized	\$221,968	730		
On-the-Job	\$22,744	9 new hire trainees		
Apprentice	\$73,953	15		

THE STATE OF THE WORKFORCE SUMMIT

MOBILIZING EFFORTS TO ADDRESS FUTURE WORKFORCE ISSUES



Greater Rochester’s first Workforce Summit, sponsored by RochesterWorks!, Monroe County and the City of Rochester was held June 24. The Monroe County/Rochester Workforce Investment Board (WIB) presented the 2004 State of the Workforce Report to about 200 community leaders.

The report was based on a six-county labor market analysis by the Wadley-Donovan Group of Edison, N.J. and includes data from a recent employer survey of 1,400 area firms conducted by the Rochester Business Alliance in association with Greater Rochester Enterprise and RochesterWorks!

Martin Birmingham, President of the Rochester Region, Bank of America and WIB Chair, called the report “a planning tool for community groups that are working to align workforce strategies and economic development priorities. Action will be taken in upcoming months on key recommendations made by summit participants.”



SOME OF OUR STRENGTHS

(based on comparison with benchmark areas)

- High quality labor force – strong computer/software skills, strong work ethic, high productivity.
- Large concentration of technical/professional workers.
- Education levels above state and national norms in key areas.
- Affordable housing.
- Highly regarded public schools and post-secondary institutions.
- Local labor costs offer savings opportunities over other technology centers.

SOME OF OUR CHALLENGES

- Greater Rochester growth rate lags the state and nation.
- Our area is losing a key labor force component (residents aged 20-34) faster than the state or nation.
- Our region has a significant number of underemployed residents.

For the full 2004 State of the Workforce Report, visit www.rochesterworks.org.

2003-2004 32-I GRANT RECIPIENTS

Barthelmes Manufacturing Co.	GEVA
BCC Software	Insero, Kasperski, Ciaccia & Co.
Bonn, Shortsleeve & Grey LLP	Magnum Shielding
Brinkman Precision	Moscows Eclectic Dining
Brite (Upstate Whole)	Neo Sci
Buckmans Car Wash	Peko Precision Products Inc.
Celltech Manufacturing	Pierce Industries LLC
Concentrix Corp.	Publishease Inc.
Corning Tropel Corp.	Riverside Automation
Croop La-France Inc.	Schlegel Systems Inc.
Dayton Rogers	St. Johns Meadows
Eastside Machine Inc.	The Gleason Works
Epilepsy Foundation	Turner Engineering PC
Excel Securities & Associates	VirtualScopics (2)
Getinge Sourcing LLC	Vizia Inc.

For a complete list of all grant winners see rochesterworks.org.

OFFSET TRAINING COSTS

For information on grant options, visit www.rochesterworks.org or contact Claudia Gately, Acting Business Services Manager, 258-3541, or cgately@rochesterworks.org.

“RochesterWorks! is phenomenal. You go over what you have done to look for a job, what you are looking for, and they point you in various directions.”

ROCHESTERWORKS! PROVIDES SERVICES AT NEW WELFARE TO WORK CENTER

Job seekers receiving services from the Department of Health and Human Services can now also access RochesterWorks! employment and training services at the new RochesterWorks! Welfare to Work Center, 691 St. Paul Street. They can get assistance in job search, job placement and training. This cooperative effort opened June 1, 2004 with the Urban League and Department of Health and Human Services.

TRANSITIONS

THANK YOU TO WAYNE LECHASE

R. Wayne LeChase, President and CEO of LeChase Construction, has completed his term on the Monroe County/Rochester Workforce Investment Board (WIB). LeChase played a significant role in the development of RochesterWorks! from its inception in 2000, to being a major contributor to economic development in the county in 2004. We are pleased to recognize and thank LeChase, who chaired the board's Finance Committee since its start.

MATTHEW HURLBUTT LEAVES FOR NEW POSITION

Matthew Hurlbutt, Executive Director for RochesterWorks! since 2000, has left to join DBM, an international provider of strategic human resource solutions. Under his leadership RochesterWorks! attracted millions of dollars to help area companies train thousands of workers, developed the emerging worker model, and opened three career centers and a welfare to work center.

PREPARING YOUTH FOR FUTURE SUCCESS



Laquanda Lippens, a 15-year-old parenting teen, shown with supervisor Gail Berkes, has learned significant new skills since becoming involved in the YWCA Young Parents Support Services program. Funded by RochesterWorks! it has helped her learn “life and job skills.”

or private sector employers to better prepare them for future success.” Premo said the programs help youth build skills and competencies that help them “successfully manage life tasks such as learning, forming relationships, solving everyday problems, resolving conflict peacefully, and obtaining and keeping suitable employment.”

The Monroe County/Rochester Youth Council, appointed by the County Executive and Mayor, advises the RochesterWorks! board on developing and implementing workforce development services to youth.

YOUTH SERVICES PROVIDED 2003-04

- Year-round: 760 youth (in school and out-of school) served by 18 area programs
- Summer TANF employment: 472 youth served by 14 community-based programs

Thirty-two community based programs provided workforce development services last year to more than 1,200 youth meeting income and other eligibility guidelines. RochesterWorks! gave \$2,014,172 to support the programs.

To qualify for funding, says John Premo, Youth System Manager, “a program must serve youth having one or more barriers to a successful post-secondary experience – college, training or employment.” Barriers can range from low performance in school to being homeless, in foster care, disabled or parenting, said Premo.

“Many youth we serve have little to no work experience. In these programs youth receive the extended support they need. When they are ready, they are provided opportunities to work with public

MONROE/ROCHESTER WORKFORCE INVESTMENT BOARD

The Board oversees the local workforce development system including strategic planning, service integration and performance evaluation.

OFFICERS

Martin Birmingham
Chair, President of the Rochester Region, Bank of America

Stewart Putnam
Vice Chair, Executive Vice President, Unity Health System

George Scharf
Treasurer, Senior Vice President & CFO, Flower City Printing, Inc.

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General Manager, Hyatt Regency

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Monroe County Executive

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Director, Human Resources, Gleason Corporation

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Vice President, New Directions

Stephen D. Hooper
President, Health Economics Group, Inc.

Paul Johnson
Acting Director, Planning & Development Department, County of Monroe

William A. Johnson, Jr.
Mayor, City of Rochester

Nicolette Leathersich
Acting Regional Director, VESID

R. Wayne LeChase
CEO and Managing Partner, LeChase Construction

Robert Lewis
Consultant

Joseph Martin
Acting Director, Monroe County Department of Social Services

Thomas F. McHugh
Executive Director, Rochester Housing Authority

Augustin Melendez
Director, Human Resources, Eastman Kodak Company

Charles Murphy
Vice President, Human Resources, University of Rochester

Gail Murray
Manager of Total Pay, Xerox Corporation

James H. Norman
CEO, Action for a Better Community

Michael R. Nuccitelli
President & CEO, Parlec, Inc.

Peter C. Pecor
Regional Administrator, New York State Department of Labor

Dianna G. Phillips, PhD
Director, Center for Workforce Development, Monroe 2 BOCES

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Dawn Tobin
President, Tobin & Associates

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Joint Activities Representative, United Auto Workers

Julio Vazquez
President & CEO, Ibero-American Action League

Fran Weisberg
President & CEO, Lifespan

James W. Winston
Manager, Monroe County Workforce Development Division

ROCHESTERWORKS! – A PARTNERSHIP THAT WORKS!

RochesterWorks!, part of the Workforce New York network, is a community-wide, collaborative partnership of the City of Rochester, County of Monroe, the New York State Department of Labor, and RochesterWorks Inc. For a list of our community partners please visit rochesterworks.org.

CAREER CENTER LOCATIONS AND HOURS

34 St. Paul St., 585- 258-3500,
Mon.-Thurs. 8:30 a.m.- 4:30 p.m.,
Fri. 8:30 a.m. - 4 p.m.

276 Waring Road, 585-266-7760,
Mon.-Fri. 8:30 a.m. - 4:30 p.m.

3545 Buffalo Road, Gates, 585-349-9100,
Mon.-Thurs. 8:30 a.m. - 4 p.m.

www.rochesterworks.org

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