

Don Quijote takes over Amerispan in the USA

Don Quijote, the Spanish language school chain owned by Enforex but operated as a stand-alone company, has formed an American division and it has bought the assets of Amerispan, one of the biggest agencies in North America, as it faced collapse.

Amerispan's President and Co-Founder, John Slocum, told *Language Travel Magazine* that the company had never recovered financially from a downturn in profits since September 11, 2001. With large debts owing to banks, other creditors and many of its partner schools around the world, there is consternation in the language travel industry that significant debts have been left outstanding – Slocum cited debts of US\$645,000 in a letter to partners, of which US\$300,000 was to Enforex, US\$345,000 to banks/credit card companies and other creditors, and a further unspecified "large amount" to other language school partners.

A sum of at least US\$290,000 is still owed to other partner schools, according to an association of affected schools that has been formed to work together and reclaim debts. Called the Association of Unpaid Language Schools (see www.aulas.ws), Aulas estimates the real debt to be closer to US\$500,000 and has stated its mission is to "propose a fair and equitable solution is arrived at with respect to Amerispan Unlimited's default on its obligations to language schools worldwide". It estimates that around 40 language schools have been affected.

At the time of going to press, a variety of solutions had been presented to Aulas by Antonio Anadon, Owner of Don Quijote and Enforex. He explained that he holds a 12 per cent share in

Amerispan, acquired nine years ago for a five-year exclusivity deal for Amerispan clients studying in Spain, but his current relationship was as a creditor only. He offered various solutions, one of which was to undertake to work with all Amerispan partners for a minimum of two years under the same terms, or until outstanding debts were paid. However, Aulas rejected the offers and wrote, "This fails to recognise Enforex's inherent responsibility as a shareholder of Amerispan and the new de-facto owner of Amerispan." It said that

it would begin fundraising to mount a legal case against Amerispan and Enforex for debts owed.

Slocum claims Amerispan has no funds, no assets and is unable to honour its debts since the takeover of its name and website by Don Quijote USA; the "best overall bid" for the company.

However, since the announcement, some schools have been paid, according to Aulas. And Anadon paid for all students starting their courses from January as part of the deal, although he denied responsibility for remaining debts.

He said he paid for 450 students who would otherwise have been affected by a business collapse, saying that he wanted to help avoid such an event. In the long-term, it was "a business decision" as to whether relationships with schools would be continued, said Anadon – some schools compete with Enforex/Don Quijote schools.

A number of ex-partners of Amerispan told *Language Travel Magazine* that all of their 2006 invoices were unpaid and the situation had evolved because of long-standing payment problems, usually resolved eventually. Jorge Barroso of Academia Falcon in Mexico noted, "Amerispan still owes us a great deal of money." ●



EU expansion spells more business

THE EXPANSION of the European Union (EU) on January 1 to include two more members, Bulgaria and Romania, could mean more business for education institutions already in the trading bloc, according to agencies in the new member countries.

Diana Timofte, Managing Director of International Education Center in Romania, pointed out that the first main change that will affect the outbound market is the liberalisation of air travel. "More and more low-cost airlines [will be] flying to and from Romania and increased competition will translate into more routes," she said, "many of which are poorly served to date."

She added that the cost and time involved in acquiring a visa will no longer be a factor, while the subsidised tuition available at EU universities will prove a draw. "On the whole, we do expect an increase in business and more opportunities and we are preparing accordingly," Timofte told *Language Travel Magazine*.

Fellow Romanian agent, Daniela Pavoni of Mirunette Viaggio, said that she believed the UK and Germany would be the most popular study destinations for Romanians applying for Bachelor and Masters degrees. But she added that even with lower tuition fees,

accommodation prices would still be very expensive for many.

In Bulgaria, Nikola Georgiev of Association Niki-M STA, noted that as well as access to cheaper air services and education, access to a wider labour market might fuel a drive to learn European languages.

"The competition in the labour market will increase and people without the necessary language abilities will face a lot of difficulties in finding a job," he said. "Therefore, we believe that many people will still look for different types of programmes that can increase their potential." ●

MARCH T W T F S S

APRIL

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Calendar

Salao do Estudante

Date: March 3-14
Venue: São Paulo, Curitiba, Porto Alegre, Florianopolis, Rio de Janeiro – Brazil
Email: info@csglobal.net
Web: www.csglobal.net

The Icef Japan Workshop

Date: March 4-6
Venue: Tokyo, Japan
Email: info@icef.com
Web: www.icef.com

Aula - Educ. Opportunities Exhibition

Date: March 7-11
Venue: Madrid, Spain
Email: fitur@ifema.es
Web: www.aula.ifema.es

Expolingua Portugal

Date: March 8-10
Venue: Lisbon, Portugal
Email: info@expolingua.pt
Web: www.expolingua.pt

Fairs "Education and Career XXI"

Date: March 13-16
Venue: Moscow, Russia
Date: March 30- April 1
Venue: St Petersburg, Russia
Email: rty@znanie.info
Web: www.znanie.info/eng.html

The Alphe Latin America Workshop

Date: March 14-16
Venue: Sao Paulo, Brazil
Email: jane@hothousemedia.com
Web: www.hothousemedia.com

Work Experience Travel Market

Date: March 15-17
Venue: Riga, Latvia
Email: mailbox@gwea.org
Web: www.gwea.org

ExpoBelta

Date: March 17-18
Venue: Sao Paulo, Brazil
Date: March 20
Venue: Brasilia, Brazil
Date: March 22
Venue: Curitiba, Brazil
Date: March 24

UK ELT fared well in 2005

THE BIG PLAYERS of the English language teaching market in the UK had a good year in 2005, according to the latest report from Brian McCallen Research. In the round-up of company accounts for the calendar year, the indications are that while some companies saw their sales and profits fall back slightly, the majority managed to improve their financial returns; a good performance which underlines the limited impact of the terrorism attacks in July 2005 in London.

OISE made the most significant headway because of the acquisition of Regent Language Training in 2004, which was

reflected in the 2005 accounts. With sales of UK£27.3 million (US\$53.7 million), OISE is now the largest player by far in the country, and since then, it has gone on to purchase even more schools, this time in Canada (see *Language Travel Magazine*, November 2006, page 6).

Second-largest school in terms of revenue was Embassy Education Services, trading as Study Group. This company, since sold to Champ Private Equity (see *Language Travel Magazine*, October 2006, page 6), was in fact the most profitable in that year, with pre-tax profits registered of UK£2.9 million (US\$5.7 million).

TOP 10 UK LANGUAGE SCHOOL COMPANIES BY TURNOVER

OISE Ltd.	£27.3m
Embassy Ed. Services	£16.7m
The Bell Educational Trust	£14.6m
EF Language Schools	£11m
St Giles Schools of Languages	£9.7m
Aspect Int. Language Academies	£8.4m
Ardmore Language Schools	£7.5m
Eurocentres UK	£7.1m
Lingurama Ltd	£5.3m
International House Ed. Trust	£5.2m

The Bell Educational Trust was the third largest school in terms of turnover, followed by EF, then St Giles. Aspect, the third-most profitable company after Embassy and OISE, was in sixth position and this company has also been sold, to Kaplan, since these accounts were filed.

The combined turnover of the 10 leading schools in the report was UK£113.4 million (US\$223.2 million) and their aggregate pre-tax profits UK£8 million (US\$15.7 million) resulting in an average profit margin of 7.1 per cent.

For further details please contact info@brianmccallenresearch.co.uk

China more popular with Koreans

ACCORDING to recent statistics made available by South Korea's Education Ministry, China and Southeast Asia have risen in popularity as study destinations in the last five years, while the market share of Koreans studying in North American and Australasian countries decreased in the same timeframe.

The ministry reports that 10,351 primary, elementary and high school students left to study in China or Southeast Asia in the 2005 school year; nearly five times more than the 2,137 students recorded leaving in 2000. China was the intended destination for 6,340 students with a further 4,011 heading to Southeast Asia. The Philippines has been noted as an increasingly popular and affordable option for Koreans (see *Language Travel Magazine*, September 2006, page 20).

In the same period, numbers of students heading to all other countries listed by *Yonhap News* increased but not by as much. Overall, market share for the USA declined by 8.6 percentage points to 34.6 per cent; by 1.5 per cent for Canada to 12.6

per cent and by 1.2 per cent for New Zealand to four per cent. Meanwhile, Australia's market share increased from 4.6 per cent to 4.8 per cent as it performed the best of the English speaking destinations. Student numbers increased from 918 in 2000 to 1,674 in 2005. European countries were not cited in the research. ●

UK school wins business award

LANGUAGE school ILS English in Nottingham in the UK has won a regional award for international business communications. Supported by UK Trade & Investment, the Regional Language Network, the East Midlands Development Agency and the Business Network for International Trade, the EMIBCA awards honour "effective international solutions within the communications realm". ILS English won the award in collaboration with Empower Training Services for training programmes provided for overseas governments and businesses from Libya, Russia, Algeria, Hungary and Iraq.

Anna Dragun, Managing Director of the school (centre), said, "We are pioneering new methods of delivering courses by working in collaboration with local businesses." ●



ILS English in Nottingham was rewarded for its international business training courses

Currency

1xUS\$ =currency*		
Argentinean	Pesos	3.081
Australian	Dollar	1.275
Brazilian	Real	2.140
British	Pound	0.508
Bulgarian	Leva	1.500
Canadian	Dollar	1.164
Chilean	Pesos	540.60
Chinese (PR)	Yuan RMB	7.789
Czech	Koruny	21.39
Danish	Kroner	5.743
Egyptian	Pound	5.706
EU	Euro	0.770
Hong Kong	Dollar	7.800
Hungarian	Forint	194.85
Icelandic	Kronur	70.39
Indonesian	Rupiah	9,079.6
Israeli	New Shekels	4.219
Japanese	Yen	120.38
Maltese	Lira	0.331
Mexican	Peso	10.982
New Zealand	Dollar	1.436
Norwegian	Kroner	6.403
Polish	Zloty	2.988
Russian	Rubles	26.519
Singaporean	Dollar	1.538
Slovakian	Koruny	26.806
South African	Rand	7.231
South Korean	Won	933.94
Swedish	Kronor	6.995
Swiss	Franc	1.243
Taiwanese	NT Dollar	32.825
Thai	Baht	35.897
Turkish	New Lira	1.426
Venezuelan	Bolivar	2,147.3

*Rates are subject to change and should be used as indications only. 16/01/07

Venue: Porto Alegre, Brazil
Email: marketing@beta.org.br
Web: www.expo-beta.org.br

Tieca Study Abroad Fair
Date: March 24-25
Venue: Bangkok, Thailand
Email: admin@tieca.com
Web: www.tieca.com

The Icef Moscow Workshop
Date: March 27-29
Venue: Moscow, Russia
Email: Icef as before

Vieca International Education Fair
Date: March 30
Venue: Hanoi, Vietnam
Email: vieca@hn.vnn.vn
Date: April 1
Venue: Ho Chi Minh City, Vietnam
Email: vieca@hn.vnn.vn

MEI-Relsa Agent Workshop
Date: March 31
Venue: Dublin, Ireland
Email: info@mei.ie
Web: www.mei.ie

Kazakhstan Educational International Fair
Date: April 14-15
Venue: Almaty, Kazakhstan
Email: enquiries@intellect.kz
Web: www.intellect.kz

International Ed. Fairs of Turkey
Date: April 15-22
Venue: Adana, Ankara, Izmir, Istanbul - Turkey
Email: info@ieft.net
Web: www.ieft.net

The Partnership Workshop, Europe
Date: April 18-19
Venue: Madrid, Spain
Email: info@csglobal.net
Web: www.csglobal.net

English Australia Agents Workshop
Date: April 19-21
Venue: Adelaide, Australia
Email: easesc@englishaustralia.com.au
Web: www.englishaustralia.com.au

UIEF Education & Career
Date: April 20-22
Venue: Kiev, Kharkov - Ukraine
Email: veronika@dteducation.com
Web: www.dteducation.com/en/fair

Ialc Agents' Workshop
Date: April 26-29
Venue: Cape Town, South Africa
Email: info@ialc.org
Web: www.ialc.org