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EC opens school in San Diego

Vanessa Macdonald

EC has acquired an English language school in San Diego in a multimillion dollar deal, its sixth outside Malta.

EC, a wholly Maltese owned organisation, started in Malta in 1991 and now has schools in London, Cambridge and Brighton in the UK, Cape Town in South Africa and Boston.

Group head Andrew Mangion said the plans were to expand in the US, making the most of the favourable dollar exchange rate and the imminent double taxation agreement, which means the effective tax rate on repatriated dividends would drop from 60 per cent to about 40 per cent.

US Ambassador Molly Bordonaro, who was present at the news conference unveiling the deal, said the double taxation agreement was now in its final stages and would be signed within weeks.

However, Mr Mangion noted that plans to expand to the US were laid down some two years ago, before either the weak dollar or any prospects of a double taxation agreement. "Of course, these factors help but we think the US is a very exciting market and plan to have as many as seven schools there by 2010," he said.

"The weak dollar also makes it a very cheap location for foreign students. The only thing we hope is that the American government makes the visa process smoother..."

The school in San Diego was established in 1994 and is located in an affluent suburb along the shores of the Pacific.

The school, which will be rebranded as EC San Diego, will be managed by Michelle Falzon and has about 25 staff in low season. EC plans to upgrade the 20-classroom school and its facilities to bring them in line with its other schools. It caters mostly for affluent European adults, including a strong market from Switzerland, with some Asians and South Americans. The school uses a mix of host families and residential units.

Ms Bordonaro expressed her admiration for the entrepreneurial spirit that enabled a Maltese company to invest in the US.

"We estimate that one in 50 Maltese work for American companies - not including franchises - so this shows that it is not one-sided," she said.