

Connecting nations through a common language

Wizard's teaching system is rapidly becoming synonymous with English learning around the globe

The English language teaching business has evolved considerably over the past few years, with many new companies getting involved, and aggressively marketing their products. It is a globally competitive business.

The demand for English language classes is growing as well and that means good business for privately run companies, which are generating over \$10 billion in global revenues.

Portuguese-speaking Bra-

zil has not been immune to this demand for English learning, as its economy grows, more companies are looking for a workforce that can communicate at a global level — meaning, often, in English.

However it has also become apparent that the penetration of English into the workplace is not nearly as deep as it needs to be.

Certain observers pointed out recently that there were 8 million job vacancies in

Brazil because of a lack of qualified manpower.

Now, it would not be fair to blame all those vacancies on a lack of English language skills, but it would be fair, and accurate, to say that, had the use of English been more extensive, skills and qualifications needed could have been obtained in English and transferred to the local economy.

Unfortunately, Brazil does not have full employment, yet these jobs are not filled. The obvious conclusion is that educators have a place in closing that gap.

For one man and his company, this paradox of job opportunities in the face of unemployment, is a window of opportunity. And Carlos Wizard Martins, the president of Wizard, is looking to

change Brazil into a bilingual country.

Currently, only 2 percent of Brazil's people are bilingual, so it is not exactly difficult to grasp what Martins means by "window of opportunity".

Martins' catch phrase is "Speak English in 24 hours". That is the force, along with Martins' guidance and leadership, behind the expansion of Grupo Multi, a behemoth in the teaching industry, mostly thanks to mergers and acquisitions. The 24-year-old company had more than \$1.4 billion in revenues in 2010, employs over 45,000 people, and is responsible for teaching over a million students a year in 3,000 locations.

New teaching era

Martins graduated from Brigham Young University, in the state of Utah, after spending seven years in the United States, and returned home to his native Brazil. He was working as a paper company executive, making some extra money from English lessons in his spare time, when he suddenly saw that he was making more from his teaching. So he veered off his career path and set up a language school that he named Wizard.

His teaching methodology was clearly appreciated by the students as they could easily see the progress they made after only a handful of classes. The same sequence of learning conversation was repeated in each lesson and his method caught on very quickly.

Naturally, there were some parallels drawn between Wizard's method and that of other, long-established companies teaching English

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CARLOS WIZARD MARTINS, PRESIDENT OF WIZARD

by compact disc, and so on. But, those companies did not offer the personal and emotional links with the students that Martins employed.

“This method is popular, in the true sense of that word, because we provide classes for everybody — from housewives, children, and students to CEOs and presidents,” Martins explained.

Growth opportunities

After he saw the window of opportunity, Martins naturally saw the growth potential his business offered. “People ask me how long this window will remain open, and I tell them, at least for another 50 years.”

With the growth the Multi Group has achieved over the past 24 years, it, and its methodology, are on solid ground. As if to affirm that, and its professionalism, reliability and growth potential, Kinea, the alternative investment arm of Brazil's biggest private bank, Banco Itau, bought a 15-percent stake in the group, earlier this year.

While Martins knows that this \$125-million investment is a stamp of approval for his 24 years of hard work, he still insists that this is just the beginning of a new future.

“Naturally, we entered into this partnership pre-

dicting that we would prepare for an IPO. This could occur in 2012 or 2013,” he added.

The group has expanded aggressively in the last five years and continues to acquire more schools under its franchising agreement, making it one of the largest franchisers in the education sector worldwide.

In handling second language classes, Wizard is not limited to English — it includes Chinese, Japanese, Spanish, Italian, German, French, and Portuguese as well. So, it is expanding beyond Brazil's borders, with schools in the US, Mexico, Japan, Ireland, Colombia, Costa Rica, the United Kingdom and, more importantly, in China.

Martins has said that he believes that national and international expansion will prove to be the key for Wizard in the coming years.

China's importance

Obviously, in its efforts to promote openness and an international outlook, China has to embrace English. By 2002, it had already become the world's largest English language teaching market and many employees below the age of 40 were being told to learn at least 1,000 English phrases. Clearly, that window of opportunity had

opened again.

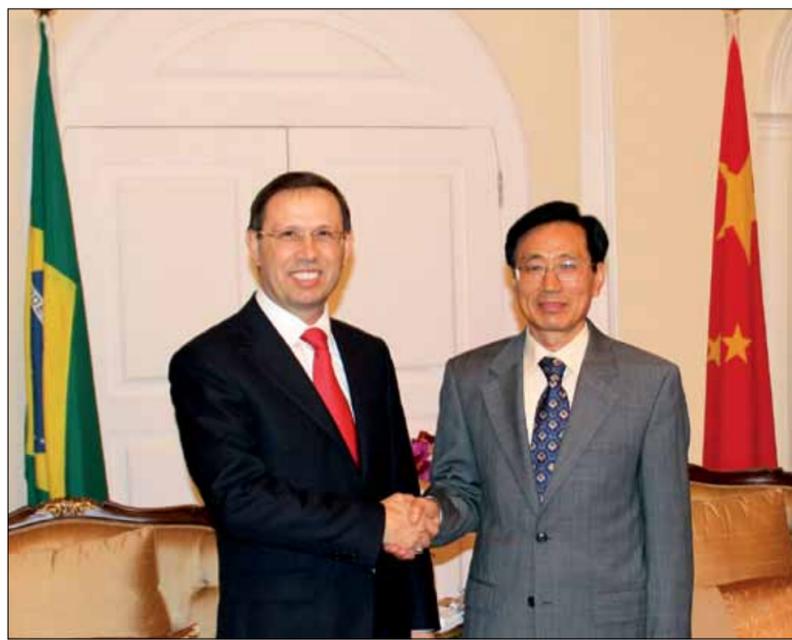
Martins knew there were opportunities in China, but it was not just the idea of the size that excited him. It would also be an exciting venture and challenge from a management point of view.

The business model used in Brazil was based on a large number of franchisees, and the entrepreneur in Martins wanted to consider new models and ways to generate revenue for business in such a large market.

“It was interesting just preparing ourselves for business in China. And, since China has grown so much in recent years, it would be a mistake not to be doing business there,” he commented.

In explaining his methodological shift, further, he said, “In China we're launching an online English teaching platform, called WeSpeak.cn. This is a break from the model used in other countries, with physical buildings and teachers at the front of the classroom.”

He continued, “We can reach many more people this way than we can if we use the same model as in other countries. It will be a challenge to offer language courses in a country the size of China so we are adapting our business model to meet China's specific needs.”



Carlos Wizard Martins, the company's president, meeting with Sun Rongmao, consul-general of China in São Paulo, Brazil.

Expecting to make a big impact on Shanghai and neighboring area schools

When you hear Carlos Martins talking about doing business in China it should come as no surprise that his company has already made a great leap forward in the country.

Wizard recently signed an agreement with the Shanghai Overseas Education Institute (SOEI), an arm of the Shanghai government. The agreement gives the SOEI the rights to Wizard's training methodology, in Shanghai and surrounding provinces.

Secondary school English teachers recently completed their training, which ran from June to August this year, and the effect has been overwhelming.

This agreement means that Wizard's tried and true teaching methods will eventually reach 3,000 teachers and 10,000 pupils and students across the vast urban area.

This is also a clear indication of greater things to come from the Wizard-China relationship. In Martins' words, “Wizard is committed to China for the long term and we see immense growth potential for English learning.”

But, it is not just Wizard's being here and its first steps in China that are causing the excitement, but the way they have approached the market as well.

Wizard hired Steven Tam, a successful American Chinese entrepreneur, as general manager in charge of China operations and Tam is convinced that Wizard has the products, services and resources to prosper in this market. He also says the company has the ultimate goal of helping all Chinese to become more competitive and integrated into the international marketplace.



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Tam was the head of the American Chamber of Commerce in Tianjin, from 2001 to 2007, so his intimate knowledge of government policies and the Chinese culture and traditions will be an important part of Wizard's venture in China. He opened the first school in Tianjin in 2010, and has had more than 1,000 students from the general public, corporations, and the government, including Tianjin Airlines employees, the China Railroad Design Institute, and public school English teachers.

As soon as Wizard has consolidated its position in China, it will begin using the franchise model that has been so successful in other countries. The plan is to have 100 schools operating by 2015.

Martins explains that he is used to balancing ambition and patience. Wizard filed an initial request to register its trademark in China in 2009 and the government approved it 15 months later, in March this year.



Spreading the word that the Wizard has landed in China

Latest English teaching device 'ideal portal for Chinese learners'

Editor's note: The president of Wizard, Carlos Wizard Martins, speaks about how his company has improved international business communications and how he personally will be helping language learning in China.

A: What is WeSpeak.cn?

Q: It's a worldwide, language community where users can access free English lessons, interact with native English speakers, and practice their language skills with other students. What is important is to look beyond the classroom and to make learning accessible and fun. Around the globe, students are increasingly turning to the Internet for education, as well as entertainment, and China is certainly one of those places. That's why we launched this web portal — WeSpeak.cn — that is specifically geared to Chinese students.

Wizard has always been ahead of the competition in teaching methods and now we're applying this same forward-thinking mentality to the web.

A: Is WeSpeak.cn a substitute or a complement to Wizard's teaching program?

Q: To students already enrolled in Wizard's programs, it offers additional content, which complements their lessons. However, for the large majority of people who don't have access to traditional schooling, this is a convenient choice, allowing them to enjoy language training in the comfort of their home, and at a much lower cost. In a vast country like China, this option might be the only one for many people. WeSpeak.cn allows us to reach the Chinese people with greater penetration,

efficiency, and speed.

A: Is WeSpeak.cn free?

Q: The website offers a range of content that's free to users and also has specialized services that can be purchased directly. The portal is designed to meet the student's individual needs. If a client has some very specific needs, we can provide a tailor-made course exactly suited to him or her.

A: Where is WeSpeak.cn's headquarters?

Q: The educational staff are located at our headquarters in Tianjing, but we have a team of native English-speakers as tutors, available all over the world.

A: What are the business relations like between Brazil and China, in your opinion?

Q: I had the opportunity of accompanying Brazil's President Dilma Rousseff in her recent visit to China. I believe that Brazil and China, as two of the top emerging countries, have great potential as business partners.

In 2009, we received the head of the Heping district at our HQ in Brazil, with three staff members, one of them from the Secretary of Education. They spent a whole day getting to know Wizard and understanding how we work. For them to come all the way to Brazil, from China, and spend an entire day with Wizard made us see that they were more than just curious about our company and our methodology.

For more information, please visit:
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Steven Tam (left), the new general manager of Wizard in Tianjin, China