

John McGrath, CEO and president of EVCI Career Colleges, says his company is benefiting from the push to privatize higher education. EVCI was the best-performing stock in The Journal News Bloomberg index of 77 stocks with headquarters in the northern suburbs.

EVCI still at the top

Operator of private colleges gains 134% in quarter

Jay Loomis
The Journal News

Not many football teams win back-to-back Super Bowls.

Neither do many stocks win consecutive championships for best annual returns.

Yet EVCI Career Colleges Inc. of Yonkers is off to a good start by the latter yardstick with one quarter of the year gone. Extending the gain of 729 percent in 2003 that made it the year's top gainer in The Journal News Bloomberg index, the operator of career colleges soared another 134 percent during the first quarter to again rank as the best performer.

"The reason the stock has done so well is the strength of our business model and the growth of the company," said John McGrath, chief executive officer and president. "I have always been very confident that the company would do well."

EVCI's stock closed at \$12.61 yesterday, up from \$5.39 on Dec. 31. The stock had traded as low as 42 cents a share in January 2003 as investors questioned the company's business of offering college classes over the Internet.

Yet EVCI has largely ditched online education to run brick-and-mortar campuses aimed at disadvantaged students. Investors have been giddy over results that included a 56 percent jump in student enrollments for EVCI's spring semester that followed a 28 percent jump in 2003. EVCI also appears to be benefiting from investor enthusiasm for companies that operate private colleges — one of

Biggest gainers

EVCI Career Colleges

The company's shares are up 134 percent this year. Yonkers-based EVCI operates private colleges and is benefiting from surging enrollments and investor enthusiasm.

Lynch Interactive

Up 40 percent. The Rye-based telecommunications company announced last week that it agreed to buy a phone company serving parts of northern California for \$21.2 million, bringing its total access lines to more than 55,000 in 10 states.

U.S. Energy Systems

Up 39 percent. The White Plains-based company established an income fund that will invest in American and Canadian energy projects.

the market's hottest sectors.

"The privatization of higher education is a large part of the future of American education," McGrath said.

EVCI's stellar performance was atypical in an otherwise lackluster quarter in which market averages were little changed.

The Journal News index of 77 stocks with a headquarters or major operations in Westchester, Rockland or Putnam counties rose 1.9 percent during the quarter. That compared to declines of 0.9 percent for the Dow Jones industrial average and 0.46 percent for the Nasdaq Stock Market. The S&P 500 index was up nearly 1.3 percent.

The flat markets reflect investor uncertainty over terror-

Biggest losers

RCN Corp.

Down 57 percent. The cable company, whose investors include billionaire Paul Allen, may not have enough money to stay in business after 12 months, according to Bloomberg News.

Michael Anthony Jewelers

Down 48 percent. The Mount Vernon-based company lost \$154,000 during the quarter that ended in November compared to a loss of 580,000 a year earlier.

Atlas Air Worldwide Holdings

Down 35 percent. The Harrison-based air cargo carrier is operating under Chapter 11 bankruptcy protection.

ism, the presidential election and the outlook for job growth. Several money managers said they expect stocks to move higher in the months ahead given a promising outlook for corporate profits and economic growth.

"I think we could have a 20 percent rally between now and the end of the year," said Phil Orlando, senior vice president and senior portfolio manager for Federated Large Cap Growth Fund in Manhattan. "Over the course of the year, investors should get more comfortable."

Sheldon Jacobs, editor of the No-Load Fund Investor in Ardley, is optimistic unless there is a major terrorist attack.

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