

Edgar Filing: CAREER EDUCATION CORP - Form SC 13D

CAREER EDUCATION CORP
Form SC 13D
December 21, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

CAREER EDUCATION CORPORATION

(Name of Issuer)

Common Stock, Par Value \$0.01 Per Share

(Title of Class of Securities)

141665109

(CUSIP Number)

Gregory D. Hitchan
Blum Capital Partners, L.P.
909 Montgomery Street, Suite 400
San Francisco, CA 94133
(415) 434-1111

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

December 12, 2006

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Section 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box [].

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Page 1 of 14

CUSIP NO. 141665109

SCHEDULE 13D

Page 2 of 14

1. NAME OF REPORTING PERSON

BLUM CAPITAL PARTNERS, L.P.

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S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-3205364

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION California

7. SOLE VOTING POWER -0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY EACH
PERSON WITH

8. SHARED VOTING POWER 6,550,000**

9. SOLE DISPOSITIVE POWER -0-

10. SHARED DISPOSITIVE POWER 6,550,000**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 6,550,000**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 6.9%**

14. TYPE OF REPORTING PERSON PN, IA

** See Item 5

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP NO. 141665109

SCHEDULE 13D

Page 3 of 14

1. NAME OF REPORTING PERSON RICHARD C. BLUM & ASSOCIATES, INC.

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-2967812

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

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 5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
 PURSUANT TO ITEMS 2(d) or 2(e) []

 6. CITIZENSHIP OR PLACE OF ORGANIZATION California

 7. SOLE VOTING POWER -0-

NUMBER OF
 SHARES -----
 8. SHARED VOTING POWER 6,550,000**

BENEFICIALLY
 OWNED BY EACH
 PERSON WITH -----
 9. SOLE DISPOSITIVE POWER -0-

 10. SHARED DISPOSITIVE POWER 6,550,000**

 11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 6,550,000**

 12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
 CERTAIN SHARES []

 13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 6.9%**

 14. TYPE OF REPORTING PERSON CO

 ** See Item 5

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP NO. 141665109

SCHEDULE 13D

Page 4 of 14

 1. NAME OF REPORTING PERSON BLUM STRATEGIC GP III, L.L.C.

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 04-3809436

 2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
 (b) [x]

 3. SEC USE ONLY

 4. SOURCE OF FUNDS* See Item 3

 5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
 PURSUANT TO ITEMS 2(d) or 2(e) []

 6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

 7. SOLE VOTING POWER -0-

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| | | |
|--|------------------------------|-------------|
| NUMBER OF SHARES | 8. SHARED VOTING POWER | 6,550,000** |
| BENEFICIALLY OWNED BY EACH PERSON WITH | 9. SOLE DISPOSITIVE POWER | -0- |
| | 10. SHARED DISPOSITIVE POWER | 6,550,000** |

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 6,550,000**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 6.9%**

14. TYPE OF REPORTING PERSON OO (Limited Liability Company)

** See Item 5

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP NO. 141665109

SCHEDULE 13D

Page 5 of 14

1. NAME OF REPORTING PERSON BLUM STRATEGIC GP III, L.P.
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 02-0742606

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a)
(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

7. SOLE VOTING POWER -0-

| | | |
|--|------------------------------|-------------|
| NUMBER OF SHARES | 8. SHARED VOTING POWER | 6,550,000** |
| BENEFICIALLY OWNED BY EACH PERSON WITH | 9. SOLE DISPOSITIVE POWER | -0- |
| | 10. SHARED DISPOSITIVE POWER | 6,550,000** |

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 6,550,000**

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12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 6.9%**

14. TYPE OF REPORTING PERSON PN

** See Item 5

*SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP NO. 141665109

SCHEDULE 13D

Page 6 of 14

1. NAME OF REPORTING PERSON SADDLEPOINT PARTNERS GP, L.L.C.
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 83-0424234

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

7. SOLE VOTING POWER -0-

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH PERSON WITH
8. SHARED VOTING POWER 6,550,000**
9. SOLE DISPOSITIVE POWER -0-

10. SHARED DISPOSITIVE POWER 6,550,000**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 6,550,000**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 6.9%**

14. TYPE OF REPORTING PERSON OO (Limited Liability Company)

** See Item 5

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CUSIP NO. 141665109

SCHEDULE 13D

Page 7 of 14

Item 1. Security and Issuer

This Schedule 13D relates to shares of common stock, \$0.01 par value per share (the "Common Stock") of Career Education Corporation, a Delaware corporation (the "Issuer"). The principal executive office and mailing address of the Issuer is 2895 Greenspoint Parkway, Suite 600, Hoffman Estates, Illinois 60169.

Item 2. Identity and Background

This Schedule 13D is being filed by Blum Capital Partners, L.P., a California limited partnership, ("Blum LP"); Richard C. Blum & Associates, Inc., a California corporation ("RCBA Inc."); Blum Strategic GP III, L.L.C., a Delaware limited liability company ("Blum GP III"); Blum Strategic GP III, L.P., a Delaware limited partnership ("Blum GP III LP"); and Saddlepoint Partners GP, L.L.C., a Delaware limited liability company ("Saddlepoint GP") (collectively, the "Reporting Persons").

Blum LP is a California limited partnership whose principal business is acting as general partner for investment partnerships and providing investment advisory services. Blum LP is an investment advisor registered with the Securities and Exchange Commission. The sole general partner of Blum LP is RCBA Inc.

The principal business office address of Blum LP and RCBA Inc. is 909 Montgomery Street, Suite 400, San Francisco, California 94133. The names of the executive officers and directors of RCBA Inc., their addresses, citizenship and principal occupations are as follows:

| Name and Office Held | Business Address | Citizenship | Principal Occupation or Employment |
|--|--|-------------------|------------------------------------|
| Richard C. Blum President, Chairman & Director | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | President & Chairman, Blum LP |
| Nils Colin Lind Managing Partner & Director | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA and Norway | Managing Partner, Blum LP |
| John H. Park Partner | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Blum LP |
| Gregory L. Jackson Partner | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Blum LP |
| Jane J. Su Partner | 909 Montgomery St. Suite 400 | USA | Partner, Blum LP |

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San Francisco, CA 94133

CUSIP NO. 141665109

SCHEDULE 13D

Page 8 of 14

| Name and Office Held | Business Address | Citizen-ship | Principal Occupation or Employment |
|---|--|--------------|---|
| David H.S. Chung Partner | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Blum LP |
| Gregory D. Hitchan Partner, Chief Operating Officer, General Counsel and Secretary | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Chief Operating Officer, General Counsel and Secretary, Blum LP |
| Marc T. Scholvinck Partner, Chief Financial Officer, Assistant Secretary & Director | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner & Chief Financial Officer, Blum LP |
| William Scott Hartman Partner | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Blum LP |

Blum GP III is a Delaware limited liability company whose principal business is acting as the general partner of Blum GP III LP, a Delaware limited partnership, whose principal business is acting as the general partner of Blum Strategic Partners III, L.P., a Delaware limited partnership ("Blum Strategic III") whose principal office is 909 Montgomery Street, Suite 400, San Francisco, California 94133.

The principal business office address of Blum GP III and Blum GP III LP is 909 Montgomery Street, Suite 400, San Francisco, California 94133. The names of the managing members and members of Blum GP III, their addresses, citizenship and principal occupations are as follows:

| Name and Office Held | Business Address | Citizen-ship | Principal Occupation or Employment |
|---------------------------------------|--|-------------------|------------------------------------|
| Richard C. Blum Managing Member | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | President & Chairman, Blum LP |
| Nils Colin Lind Managing Member | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA and Norway | Managing Partner, Blum LP |
| John H. Park Managing Member | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Blum LP |
| Gregory L. Jackson Managing Member | 909 Montgomery St. Suite 400 | USA | Partner, Blum LP |

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San Francisco, CA 94133

| | | | |
|----------------------|--|-----|---------------------|
| Jane J. Su Member | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Blum LP |
|----------------------|--|-----|---------------------|

CUSIP NO. 141665109

SCHEDULE 13D

Page 9 of 14

| Name and Office Held | Business Address | Citizen- ship | Principal Occupation or Employment |
|---------------------------------------|--|------------------|---|
| David H.S. Chung Member | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Blum LP |
| Gregory D. Hitchan Managing Member | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Chief Operating Officer, General Counsel and Secretary, Blum LP |
| Marc T. Scholvinck Member | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner & Chief Financial Officer, Blum LP |
| William Scott Hartman Member | 909 Montgomery St. Suite 400 San Francisco, CA 94133 | USA | Partner, Blum LP |

Saddlepoint GP is a Delaware limited liability company whose principal business is acting as the general partner of Saddlepoint Partners, L.P., a Delaware limited partnership ("Saddlepoint LP"), and Saddlepoint Partners (Cayman), L.P., a Cayman Islands exempted limited partnership ("Saddlepoint (Cayman) LP"). The principal business office address of Saddlepoint GP, Saddlepoint LP and Saddlepoint (Cayman) LP is 909 Montgomery Street, Suite 400, San Francisco, California 94133. Blum LP is the managing member of Saddlepoint GP. RCBA Inc. is the sole general partner of Blum LP. The principal business office for Blum LP and RCBA Inc. and the names of the executive officers and directors of RCBA Inc. and their addresses, citizenship and principal occupations are disclosed above.

To the best knowledge of the Reporting Persons, none of the entities or persons identified in this Item 2 has, during the past five years, been convicted of any criminal proceeding (excluding traffic violations or similar misdemeanors), nor been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Considerations

The source of funds for the purchases of securities was the working capital of Blum LP's limited partnerships and investment advisory clients, the partnership for which Blum GP III LP serves as the sole general partner and the partnerships for which Saddlepoint GP serves as the general partner.

Item 4. Purpose of Transaction

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The purpose of the acquisition of the Common Stock is for investment, and the acquisitions of the Common Stock were made in the ordinary course of business and were not made for the purpose of acquiring control of the Issuer.

CUSIP NO. 141665109

SCHEDULE 13D

Page 10 of 14

Although no Reporting Person has any specific plan or proposal to acquire or dispose of the Common Stock, consistent with its investment purpose, each Reporting Person at any time and from time to time may acquire additional Common Stock or dispose of any or all of its Common Stock depending upon an ongoing evaluation of the investment in the Common Stock, prevailing market conditions, other investment opportunities, liquidity requirements of the Reporting Persons and/or other investment considerations.

Also, consistent with the investment purpose, the Reporting Persons may engage in communications with one or more shareholders of the Issuer, one or more officers of the Issuer and/or one or more members of the board of directors of the Issuer and/or one or more representatives of the Issuer regarding the Issuer, including but not limited to its operations. The Reporting Persons may discuss ideas that, if effected may result in any of the following: the acquisition by persons of additional Common Stock of the Issuer, an extraordinary corporate transaction involving the Issuer, and/or changes in the board of directors or management of the Issuer.

Except to the extent the foregoing may be deemed a plan or proposal, none of the Reporting Persons has any plans or proposals which relate to, or could result in, any of the matters referred to in paragraphs (a) through (j), inclusive, of the instructions to Item 4 of Schedule 13D. The Reporting Persons may, at any time and from time to time, review or reconsider their position and/or change their purpose and/or formulate plans or proposals with respect thereto.

Item 5. Interest in Securities of the Issuer

(a), (b) According to the Issuer's Form 10-Q filed with the Securities and Exchange Commission on November 7, 2006, there were 94,774,003 shares of Common Stock issued and outstanding as of November 6, 2006. Based on such information, after taking into account the transactions described in Item 5(c) below, the Reporting Persons report beneficial ownership of the following shares of Common Stock: (i) 1,997,404 shares of Common Stock held by Blum LP and RCBA Inc. on behalf of the limited partnerships for which Blum LP serves as the general partner, which represents 2.1% of the outstanding shares of the Common Stock; (ii) 4,126,896 shares of the Common Stock held by Blum GP III which serves as general partner of Blum GP III LP which, in turn, serves as the general partner of Blum Strategic III, which represents 4.4% of the outstanding shares of the Common Stock; (iii) 270,900 shares of the Common Stock held by Saddlepoint GP on behalf of a partnership for which it serves as the general partner, which represents 0.3% of the outstanding shares of the Common Stock; and (iv) 77,400 shares of the Common Stock that are legally owned by The Nuclear Decommissioning Trust of Dominion Nuclear Connecticut, Inc. ("Dominion Connecticut"), which represents 0.1% of the outstanding shares of the Common Stock and 77,400 shares of the Common Stock that are legally owned by Virginia Electric

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and Power Company Qualified Nuclear Decommissioning Trust ("Virginia Electric"), which represents 0.1% of the outstanding shares of the Common Stock (collectively, the "Investment Advisory Clients"), with respect to which Blum LP has voting and investment power. Each Investment Advisory Client has entered into an investment management agreement with Blum LP, but neither Investment Advisory Client has any contract, arrangement or understanding with the other Investment Advisory Client, or any other Reporting Person, with respect to the acquisition, ownership, disposition or voting of any shares of the Common Stock. Each Investment Advisory Client disclaims membership in a group with any Reporting Person or with the other Investment Advisory Client, and each disclaims beneficial ownership of any shares beneficially owned by the Reporting Persons other than for their own account.

CUSIP NO. 141665109

SCHEDULE 13D

Page 11 of 14

Voting and investment power concerning the above shares are held solely by Blum LP, Blum GP III and Saddlepoint GP. The Reporting Persons therefore may be deemed to be members in a group, in which case the group would be deemed to have beneficial ownership of an aggregate of 6,550,000 shares of the Common Stock, which is 6.9% of the outstanding Common Stock. As the sole general partner of Blum LP, RCBA Inc. is deemed the beneficial owner of the securities over which Blum LP has voting and investment power. The filing of this Schedule shall not be construed as an admission that any of the shareholders, directors or executive officers of RCBA Inc. or the managing members and members of Blum GP III, Blum GP III LP and Saddlepoint GP, is, for any purpose, the beneficial owner of any of the securities that are beneficially owned by RCBA Inc., Blum GP III LP, Blum GP III or Saddlepoint GP.

c) The Reporting Persons effected the following transactions in the Common Stock during the last 60 days:

The Reporting Persons purchased the following number of shares of Common Stock in the open market:

| Entity | Trade Date | Shares | Price/Share |
|--|------------|---------|-------------|
| ----- | ----- | ----- | ----- |
| Investment partnerships for which Blum LP serves as the general partner. | 10-23-06 | 15,400 | 21.7500 |
| | 10-23-06 | 5,900 | 21.7604 |
| | 10-23-06 | 8,800 | 21.8000 |
| | 10-23-06 | 12,200 | 21.8450 |
| | 10-24-06 | 166,600 | 20.8835 |
| | 10-24-06 | 129,100 | 21.1884 |
| | 10-27-06 | 700 | 20.9827 |
| | 12-12-06 | 130,000 | 26.0050 |
| | 12-12-06 | 16,800 | 26.1500 |
| | 12-13-06 | 23,000 | 25.2356 |
| | 12-14-06 | 74,600 | 25.3129 |
| | 12-14-06 | 23,700 | 25.6797 |
| | 12-15-06 | 300 | 24.8467 |
| | 12-15-06 | 24,700 | 24.8500 |
| | 12-18-06 | 126,900 | 24.7580 |
| | 12-19-06 | 1,100 | 24.4781 |
| 12-20-06 | 51,100 | 24.7023 | |
| 12-21-06 | 70,100 | 24.6131 | |
| 12-21-06 | 58,200 | 24.6235 | |

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| Entity | Trade Date | Shares | Price/Share |
|-------------------------------|------------|---------|-------------|
| For Blum Strategic III for | 10-23-06 | 108,731 | 21.7500 |
| which Blum GP III LP | 10-23-06 | 40,941 | 21.7604 |
| serves as the general partner | 10-23-06 | 61,858 | 21.8000 |
| and for Blum GP III which | 10-23-06 | 85,300 | 21.8450 |
| serves as the general | 10-24-06 | 120,000 | 20.8835 |
| partner for Blum GP III LP. | 10-27-06 | 2,000 | 20.9827 |
| | 12-12-06 | 180,300 | 26.0050 |
| | 12-12-06 | 31,800 | 26.1500 |
| | 12-13-06 | 74,000 | 25.2356 |
| | 12-14-06 | 273,008 | 25.3129 |
| | 12-14-06 | 97,300 | 25.6797 |
| | 12-15-06 | 1,493 | 24.8467 |
| | 12-15-06 | 101,200 | 24.8500 |
| | 12-18-06 | 115,007 | 24.7580 |
| | 12-19-06 | 2,835 | 24.4781 |
| | 12-20-06 | 45,065 | 24.7023 |
| | 12-21-06 | 116,600 | 24.6131 |
| | 12-21-06 | 107,400 | 24.6235 |

CUSIP NO. 141665109

SCHEDULE 13D

Page 12 of 14

| Entity | Trade Date | Shares | Price/Share |
|---------------------------|------------|--------|-------------|
| The partnership for which | 10-23-06 | 1,600 | 21.7500 |
| Saddlepoint GP serves as | 10-23-06 | 600 | 21.7604 |
| general partner. | 10-23-06 | 900 | 21.8000 |
| | 10-23-06 | 1,300 | 21.8450 |
| | 10-24-06 | 17,400 | 20.8835 |
| | 10-24-06 | 13,500 | 21.1884 |
| | 12-12-06 | 35,500 | 26.0050 |
| | 12-12-06 | 600 | 26.1500 |
| | 12-13-06 | 1,200 | 25.2356 |
| | 12-14-06 | 4,400 | 25.3129 |
| | 12-14-06 | 1,600 | 25.6797 |
| | 12-15-06 | 1,700 | 24.8500 |
| | 12-18-06 | 10,700 | 24.7580 |
| | 12-19-06 | 100 | 24.4781 |
| | 12-20-06 | 10,800 | 24.7023 |
| | 12-21-06 | 64,700 | 24.6131 |
| | 12-21-06 | 2,000 | 24.6235 |

| Entity | Trade Date | Shares | Price/Share |
|-------------------------------|------------|--------|-------------|
| The Investment Advisory | 10-23-06 | 1,400 | 21.7500 |
| Clients for which Blum LP | 10-23-06 | 600 | 21.7604 |
| serves as investment advisor. | 10-23-06 | 800 | 21.8000 |
| | 10-23-06 | 1,200 | 21.8450 |
| | 10-24-06 | 16,000 | 20.8835 |
| | 10-24-06 | 12,400 | 21.1884 |
| | 12-12-06 | 4,200 | 26.0050 |
| | 12-12-06 | 800 | 26.1500 |
| | 12-13-06 | 1,800 | 25.2356 |
| | 12-14-06 | 6,600 | 25.3129 |
| | 12-14-06 | 2,400 | 25.6797 |
| | 12-15-06 | 2,400 | 24.8500 |
| | 12-18-06 | 15,600 | 24.7580 |
| | 12-20-06 | 13,000 | 24.7023 |

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| | | |
|----------|-------|---------|
| 12-21-06 | 4,600 | 24.6131 |
| 12-21-06 | 2,400 | 24.6235 |

The Reporting Persons sold the following number of shares of Common Stock in the open market:

| Entity | Trade Date | Shares | Price/Share |
|--------------------------------|------------|--------|-------------|
| ----- | ----- | ----- | ----- |
| Investment partnerships for | 11-28-06 | 23,000 | 25.2000 |
| which Blum LP serves as the | 11-29-06 | 3,600 | 24.9853 |
| general partner and on behalf | 11-29-06 | 25,000 | 25.0209 |
| of an entity for which Blum LP | 11-30-06 | 40,040 | 25.2762 |
| serves as investment advisor. | 12-01-06 | 3,668 | 25.1382 |
| | 12-04-06 | 16,000 | 25.9381 |

(d) and (e) Not applicable.

CUSIP NO. 141665109

SCHEDULE 13D

Page 13 of 14

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

None of the Reporting Persons or, to the best knowledge of the Reporting Persons, the other persons named in Item 2, is a party to any contract, arrangement, understanding or relationship with respect to any securities of the Issuer, including but not limited to the transfer or voting of any securities of the Issuer, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies, except as noted above, Blum LP has voting and investment power of the shares held by it for the benefit of The Investment Advisory Clients.

Item 7. Material to be Filed as Exhibits

Exhibit A Joint Filing Undertaking.

CUSIP NO. 141665109

SCHEDULE 13D

Page 14 of 14

SIGNATURES

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: December 21, 2006

RICHARD C. BLUM & ASSOCIATES, INC.

BLUM CAPITAL PARTNERS, L.P.

By: Richard C. Blum & Associates, Inc.
Its General Partner

By: /s/ Gregory D. Hitchan

By: /s/ Gregory D. Hitchan

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Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

BLUM STRATEGIC GP III, L.L.C.

BLUM STRATEGIC GP III, L.P.
By: Blum Strategic GP III, L.L.C.
Its General Partner

By: /s/ Gregory D. Hitchan

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Managing Member

Gregory D. Hitchan
Managing Member

SADDLEPOINT PARTNERS GP, L.L.C.

By: Blum Capital Partners, L.P.
Its Managing Member
By: Richard C. Blum & Associates, Inc.
Its General Partner

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan,
Partner, Chief Operating Officer,
General Counsel and Secretary

CUSIP NO. 141665109

SCHEDULE 13D

Page 1 of 1

Exhibit A
JOINT FILING UNDERTAKING

The undersigned, being duly authorized thereunto, hereby execute this agreement as an exhibit to this Schedule 13D to evidence the agreement of the below-named parties, in accordance with the rules promulgated pursuant to the Securities Exchange Act of 1934, to file this Schedule jointly on behalf of each such party.

Dated: December 21, 2006

RICHARD C. BLUM & ASSOCIATES, INC.

BLUM CAPITAL PARTNERS, L.P.
By: Richard C. Blum & Associates, Inc.
Its General Partner

By: /s/ Gregory D. Hitchan

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

Gregory D. Hitchan
Partner, Chief Operating Officer,
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Its General Partner

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Managing Member

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Managing Member

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By: Blum Capital Partners, L.P.
Its Managing Member
By: Richard C. Blum & Associates, Inc.
Its General Partner

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan,
Partner, Chief Operating Officer,
General Counsel and Secretary