

LABORATORY INDUSTRY REPORT®

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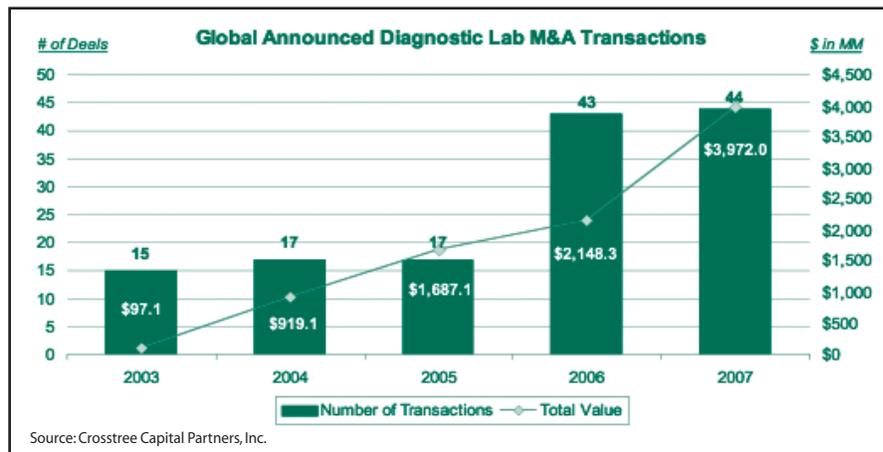
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Global Lab M&A Tops \$3.9 Billion, \$3.1 Billion in U.S. for '07

The value of announced global lab-only merger and acquisition (M&A) deals jumped to over \$3.9 billion in 2007, up from over \$2.1 billion in 2006, according to industry analysis by Crosstree Capital Partners (Tampa, FL). In the United States, there were approximately \$3.1 billion in M&A activity and 18 deals, according to Washington G-2 estimates.

For an in-depth look at 2007 U.S. M&A activity, see *Inside the Laboratory Industry*, p. 5-8.



Sonic Takes Over Labs in New Jersey, Tennessee

Australia-based Sonic Healthcare continues to expand its operations in the United States. In January, the Sydney-based lab-testing company acquired American Clinical Services Inc. (ACS), based in New Jersey near the New York metropolitan area, as well as Woodbury Clinical Laboratory, located near Nashville, Tennessee. The purchase price for both labs totals \$33 million.

ACS was attractive to Sonic because it would establish the company's presence in New Jersey and Manhattan, said Sonic Healthcare USA's President David Schultz.

"These acquisitions continue the local growth in those markets where we don't have a presence," said Schultz. "These are not large labs that are going to keep us from seeking to acquire other acquisitions in these areas." 🏛️





Carilion Labs Acquires Innovative Pathology Services

Roanoke, Virginia-based Carilion Labs has acquired Innovative Pathology Services (IPS), an anatomic pathology (AP) and cytology laboratory located in Knoxville, Tennessee.

While Carilion currently has AP capabilities, this acquisition positions the testing provider more firmly in this market, according to Bud Thompson, CEO of Carilion Labs. "This is the first AP-only lab that we have acquired, and it really puts us into the AP business," he added. "We now have relationships with three large pathology groups with a broad background in very subspecialty training areas of anatomic pathology and cytology, and this acquisition also now gives us a relationship with about 36 physician providers." Financial terms of the acquisition were not disclosed.

The acquisition will also significantly boost Carilion's cytology volume. Thompson estimates that IPS's annual volume of Pap smears is about 50,000. "This means we now will be doing between about 160,000 to 170,000 Pap smears in Carilion Labs in aggregate on an annual basis," he explained.

- AP market valued at \$9 billion in 2006, up from \$5.75 billion in 2003
- AP accounts for 20.6% of total lab market

Source: *Laboratory Industry Strategic Outlook 2007*, Washington G-2 Reports

Still Shopping for Labs

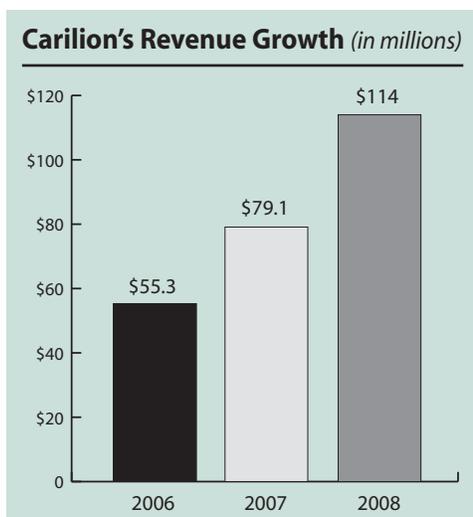
Through the IPS acquisition, Carilion is entering a hot AP market in the Knoxville region. Quest has a strong presence, as does LabCorp, particularly through the Dynacare Laboratories, which they acquired in 2002. And with last year's acquisition of American Esoteric Labs, Sonic Healthcare (Sydney, Australia) is now in the Tennessee market, said Thompson. "It's a very competitive market, but we are confident we will be successful because of the strong reputation of the pathologists who we will be working with in that market through the acquisition of IPS technical labs," he added.

Acquiring an AP lab is also important to Carilion's growth because it rounds out their areas of specialty, noted Barry Portugal, president of Health Care Development Services Inc. (Highland Park, IL), a consulting firm specializing in strategic planning for laboratory services in hospitals and health systems.

"As you grow your portfolio, it should be blended with AP," he said. Portugal also added that many lab companies run by pathologists are finding it more attractive to be acquired right now because it enables them to be more competitive and gives them access to better managed care contracts.

Moving forward, acquisitions will continue to be a key component of Carilion's growth plans. So far the approach has been successful—in recent years, their revenues have been increasing, even with the purchase of additional labs.

And Thompson pointed out that Carilion is not limiting their growth to certain geographic regions. "Our focus





continues to be in the mid-Atlantic and Southeast for acquisition opportunities, but just because that is our focus doesn't mean we are limiting ourselves to those areas," he said. "We are exploring opportunities in other geographies outside of these regions, but our focus is to continue to be a provider-owned and provider-focused lab company. The growth that we continue to pursue is mostly through acquisition or relationships with hospital-based lab companies." 🏢

CMS Gives Pathologists Incentives for Quality Reporting

Beginning this year, many pathologists are eligible for a boost in payment from the Centers for Medicare and Medicaid Services (CMS) under the 2008 Physician Quality Reporting Initiative (PQRI). Even though the agency's pay-for-reporting program began last year, there were no quality measures for pathologists to report prior to Jan. 1, 2008, when two pathology measures pertaining to breast and colorectal cancer patients were added to the program.

Eligible PQRI participants who successfully report on quality measures applicable to their practice in 2008 can earn a bonus payment, which is subject to a cap, of 1.5% of the total Medicare allowed charges attributed to their individual national provider identifier (NPI) number. The pathology quality measures are based on recommendations from the College of American Pathologists (CAP).

While pathologists who don't diagnose breast or colorectal cancer specimens will not be able to participate in this year's PQRI, it's important for all lab professionals to pay attention to this program. It's clear that CMS plans to rely heavily on quality reporting in the future to determine physician payments, according to Dennis Padget, president of DLPadget Enterprises, Inc. (Simpsonville, KY) and publisher of *Pathology Service Coding Handbook*.

"CMS's objective for the next year or two is simply to gather actual physician quality measurement data," Padget explained. "Once the agency has gathered sufficient data and experience, it will attempt to link quality performance to physician payment. There will likely be 'carrots' where a physician is paid more for above average quality, but there almost certainly will be 'sticks' whereby payment is reduced or eliminated altogether for poor quality."

CMS 2008 PQRI: Pathology Measures

- Breast cancer patients who have a pT and pN category and histologic grade for their cancer
 - Colorectal cancer patients who have a pT and pN category and histologic grade for their cancer
- Source: CMS

Reporting on Quality to CMS

- Reporting period is dates of service between Jan. 1 and Dec. 31, 2008.
- No registration required to begin reporting, but need to use individual National Provider Identifier (NPI).
- Must be an enrolled Medicare provider, but don't need to sign a Medicare participation agreement.

Source: CMS

Appropriate Measures

While this threat of diminished payment is likely to concern many in the industry, one pathologist is in favor of the initiative. Stanley Geyer, M.D., former medical director of the Georgetown University Hospital's Department of Laboratory Medicine (Washington, DC), and the founder of Geyer Pathology Services LLC (Pittsburgh, PA), explained that pathologists should already be adhering to these two PQRI indicators. "These indicators represent good clinical care that is accepted by pathologists in general, and there are easy



reporting formats to make this happen,” he said, adding that he believes creating a financial incentive for reporting is a good idea.

As pathology becomes a larger part of CMS pay-for-performance and pay-for-reporting initiatives, Geyer emphasized that professional societies such as CAP need to continue to be involved in developing the quality indicators that the agency will use to assess quality. “The professional societies need to advocate for pathologists so payers understand what we do,” he explained. 🏛️

LabCorp’s Growth Focused on Companion Dx, Managed Care Contracts

The country’s number two laboratory testing provider, LabCorp (Burlington, NC), has entered into a definitive agreement to acquire Tandem Labs Inc., a Salt Lake City-based bioanalytical contract research organization (CRO) working with pharmaceutical and biotechnology companies on discovery, preclinical, and clinical drug development programs. Tandem Labs—which also has facilities in West Trenton, New Jersey, and Woburn, Massachusetts—will operate under LabCorp’s Esoterix clinical trials group and will maintain its existing name, along with current employee and management structure. Financial terms of the transaction were not disclosed.

Both national laboratory providers appear to be focusing more on clinical trials testing, as Quest Diagnostics has indicated that their developing operations in India will include clinical trials testing work for pharmaceutical companies. However, LabCorp spokesman Erik Lindblom said this acquisition was more of a strategic move to focus on developing and bringing companion diagnostics to market, rather than expanding the clinical trials business, which he said has been growing in recent years.

More Acquisitions Ahead for LabCorp, Quest Talks Growth

In addition to this latest purchase, more acquisitions likely lie ahead for LabCorp in the short term, according to a presentation by company president and CEO David P. King at the JPMorgan Healthcare Conference on January 8 in San Francisco. “Industry acquisition and consolidation continue to be both a driver of top-line revenue and growth for us, as well as an appropriate use of cash,” he said.

King also said the company is looking at expanding managed care contracts. “When we think about revenue drivers in the short- and mid-term . . . the major driver of revenue expansion for us is expanding our managed care contracts, not just our UnitedHealthcare partnership, but our ability to market [our services] in all major markets for Cigna in 2008 will be a significant opportunity for us to expand our managed care footprint,” said King. Beginning in 2008, LabCorp will be able to market its services to 95% of Cigna providers, compared to 40% last year, said Lindblom.

Quest officials also spoke at the conference. Chairman and CEO Surya Mohapatra, Ph.D., said that the expansion of Quest’s operations to India, along with increasing clinical trial testing and leveraging healthcare IT assets will further enrich Quest’s portfolio. “These . . . things open up multimillions of dollars in opportunity for us in the next five to 10 years,” he said. 🏛️

INSIDE THE LAB INDUSTRY

U.S. Lab M&A Climbs to \$3.1B in 2007

Merger and acquisition activity, which included one diagnostic company purchase, continued to keep the lab market a hot one in 2007. According to Washington G-2 estimates, there were 18 announced transactions totaling \$3.1 billion, which is up from \$2.1 billion in 2006. The number of deals was down from 2006's total of 25. These totals include a purchase of a diagnostic testing company: Quest's \$420 million acquisition of HemoCue (Angelholm, Sweden), which establishes the company as a larger presence in the point-of-care (POC) testing market.

In terms of the average price multiples, figures are down slightly in 2007 to 2.7 times annual revenue from 2.9 times annual revenue in 2006, but is still a significant increase over the figures from 2003 to 2005, which ranged from 1.6 to 1.7 times annual revenue.

The leading deal last year—Quest Diagnostics' (Madison, NJ) \$2 billion acquisition of AmeriPath (Palm Beach Gardens, FL)—signified the continuing growth of the anatomic pathology (AP) market. AmeriPath not only provides AP services, but also provides dermapathology and esoteric testing services. LabCorp (Burlington, NC) also purchased an operation specializing in AP—PA Labs (Muncie, IN). Although the acquisition price was not disclosed, the purchase gives LabCorp a presence in Indiana, which is dominated by Quest. That state's largest laboratory, Mid America Clinical Laboratories (Indianapolis, IN), is a joint venture owned by and in partnership with Quest and two regional hospitals.

Lab Deals Total 18 in 2007

<i>Month</i>	<i>Buyer</i>	<i>Target</i>	<i>Purchase Price</i>	<i>Target Revenue</i>	<i>Avg. Price Multiple</i>
January-07	Sonic Healthcare	American Esoteric Labs	\$180M	\$100M	1.8
February-07	Carilion Labs	Presbyterian Reference Lab	n/a	n/a	n/a
March-07	Quest	Hemocue	\$420M	\$90M	4.7
March-07	Genova Diagnostics	AAL Reference Labs	n/a	n/a	n/a
May-07	Sonic Healthcare	Mullins Pathology & Cytology	n/a	\$15M	n/a
June-07	Caris Diagnostics	Cohen Dermatopathology	n/a	n/a	n/a
July-07	Quest	AmeriPath	\$2 B	\$760M	2.6
July-07	Sonic Healthcare	Sunrise Medical Labs	\$168M	\$75M	2.2
July-07	Laboratory Partners	Terre Haute Medical Lab	n/a	n/a	n/a
July-07	Laboratory Partners	Kilbourne Medical Labs	n/a	n/a	n/a
July-07	Sorenson Genomics	Identigene	n/a	n/a	n/a
September-07	LabCorp	DSI Laboratories	\$75M	\$23.5M	3.2
September-07	Celera	Berkeley Heart Lab	\$195M	\$85M	2.3
September-07	LabCorp	PA Labs	n/a	\$40M	n/a
October-07	Thompson Street Capital	Diagnostic Cytology Laboratories	n/a	\$20 M	n/a
November-07	Sonic Healthcare	Consolidated Lab Services	n/a		
December-07	Perkin Elmer	Pediatrix (newborn screening laboratory)	n/a	\$15M	
December-07	Inverness Medical Innovations	Redwood Toxicology Lab	\$99M	\$44M	2.3
TOTAL	18 transactions		Total: \$3.1B		Avg: 2.7x

But in terms of total acquisitions in 2007, LabCorp continued to be quiet. In addition to PA Labs, which has an estimated annual revenue of \$40 million, LabCorp's other big purchase was DSI Laboratories. LabCorp purchased the Ft. Myers, Florida-based lab for a rumored \$75 million from NCH Health-care System in Naples.

A Closer Look at Six Big Lab Deals

❑ *Quest Buys AmeriPath for \$2B*

The biggest acquisition of the year was Quest's purchase of AmeriPath. With estimated annual revenues of \$760 million, AmeriPath was under the control of the private equity firm Welsh, Carson, Anderson, and Stowe IX (New York, NY), which had purchased a majority stake in the company in 2003 for about \$840 million. Approximately 75% of AmeriPath's annual revenue comes from AP, and the remaining 25% comes from esoteric testing. The esoteric testing is done through Specialty Laboratories, a hospital-focused reference lab that AmeriPath bought in 2006 for \$305 million.

❑ *Quest Buys HemoCue for \$420m*

In March, Quest added to their IVD portfolio by snapping up HemoCue, which is the leading international provider in POC testing and has annualized revenues of approximately \$90 million. Through this acquisition, Quest now has a stronger foothold in the POC testing market. Last year, Washington G-2 estimated that this testing segment represents a worldwide market of approximately \$5.5 billion and is growing at about 10% per year.

❑ *Sonic Buys American Esoteric Labs for \$180m, Sunrise for \$168m*

Sydney, Australia-based Sonic Healthcare continued to make inroads in the U.S. lab market (see box). In January, it bought American Esoteric Laboratories (AEL) for \$180 million. AEL moved its headquarters last summer from Nashville, Tennessee, to Austin, Texas, to consolidate operations with Clinical Pathology Laboratories (CPL). CPL was Sonic's first acquisition in the United States in 2005.

Sonic's 2007 Buying Spree in the U.S. and Abroad

<i>Month</i>	<i>Target</i>	<i>Purchase Price</i>
January.....	American Esoteric Labs (Austin, TX)	\$180M
April.....	Central Queensland Pathology Laboratory (Mackay, Queensland)	n/a
May	Mullins Pathology & Cytology (Augusta, GA).....	n/a
July.....	Sunrise Medical Laboratories (Hauppauge, NY)	\$168M
	Medica Laboratory Group (Zurich, Switzerland).....	
September	Bioscentia Healthcare Group (Ingleheim, Germany).....	\$260M
November	Consolidated Lab Services (Las Vegas, NV).....	n/a

Sonic's other big purchase of the year was Sunrise Medical Laboratories (Hauppauge, NY) for \$168 million. Sunrise has annual revenues of approximately \$75 million. Both these acquisitions and others are in keeping with

Sonic's "federation model." Under this approach, the company's management, name, and other aspects of the acquired company are maintained, including the management team.

□ *LabCorp Acquires DSI Laboratories for \$75m*

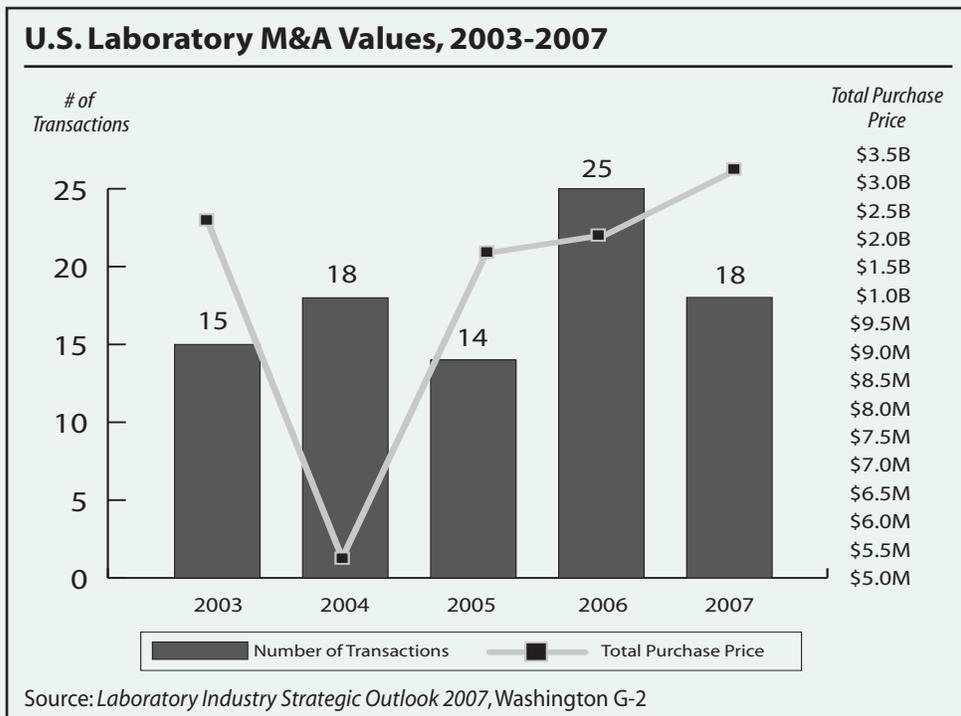
Last summer, LabCorp agreed to acquire DSI Laboratories in Florida for a rumored \$75 million. With approximately \$24 million in annual revenues, DSI operates a core lab in Ft. Myers, as well as hospital labs elsewhere in southwestern Florida. Quest was reportedly interested in acquiring DSI but was concerned about the purchase price of nearly three times annual earnings.

□ *Celera Buys Berkeley Heart Lab for \$195m*

The potential financial windfall of integrating diagnostic testing with personalized medicine has long been touted, but it's unclear when—or how—this potential will become a reality. But molecular diagnostics company Celera (Rockville, MD) indicated its commitment to this integration when they purchased Berkeley Heart Lab (BHL; Alameda, CA) for \$195 million in September. BHL, which was expected to have annual revenues of \$85 million last year, provides personalized cardiovascular risk management programs that include advanced lipid and metabolic testing, performing over 1.6 million tests in 2006.

More Consolidation Ahead

Moving into 2008, several laboratory insiders expect the M&A lab market to continue to be active, with more labs looking to acquire operations with a specialty focus. "A lot of these labs are going to focus more on specialty



care and how to compete in the specialty care market, because that's where there is probably more revenue growth for a lot of labs," said Rob O'Brien, founder of the laboratory consulting firm KCJ Solutions and a former head of national contracting operations for Aetna (New York, NY).

Acquisition activity is likely to continue to be hot and maybe even increased due to a number of current market forces, explained another laboratory insider, Rick Cooper, an attorney who works on M&A deals as manager of the health law practice group at McDonald Hopkins (Cleveland). Many labs

might now consider putting themselves on the market and view getting acquired as more attractive than before, he explained.

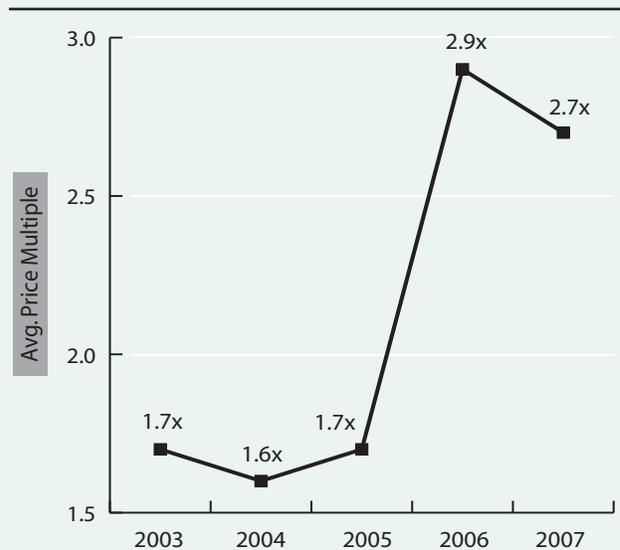
"Hits to reimbursement, coupled with national lab contracts and the advent of Medicare's competitive bidding demonstration project are probably causing labs to look more long term and assess the market trends more strategically," Cooper said. "I think many labs are looking at the impact these factors might have on them and are considering affiliating with a large lab company."

In addition to labs putting themselves on the market, private equity firms will continue to invest in the lab market. Firms such as ABS Capital Partners (Baltimore, MD, and

San Francisco, CA), who invested in U.S. Pathology Labs before its sale to LabCorp, have been integral in building a number of successful laboratories and then selling them to large reference labs in recent years, according to analysis from Crosstree Capital Partners. "With the glaring gap between the small and large, timing is perfect for building the next mid-sized diagnostics laboratory," wrote the firms' analysts in a recent report, *Diagnostic Services: Forces Align to Create an Environment Ripe for Mergers and Acquisition Activity*. "In addition, there is a tremendous amount of capital on the sidelines waiting for solid opportunities," the report went on to say.

Tony Konkoly, a partner of Cooper's at McDonald Hopkins, concurs that private equity firms continue to view the lab industry as an intriguing market. "There are other healthcare markets, such as imaging, that have lost a bit of their luster and have been subjected to reimbursement cuts and other factors that suggest that they are less attractive for investors in comparison to the lab market," he added. 🏠

Average Revenue Multiple Paid to Acquire Labs, 2003-2007



Source: *Laboratory Industry Strategic Outlook 2007*, Washington G-2



PAML's Newest Joint Venture Focused on Capturing Salt Lake City Outreach Market

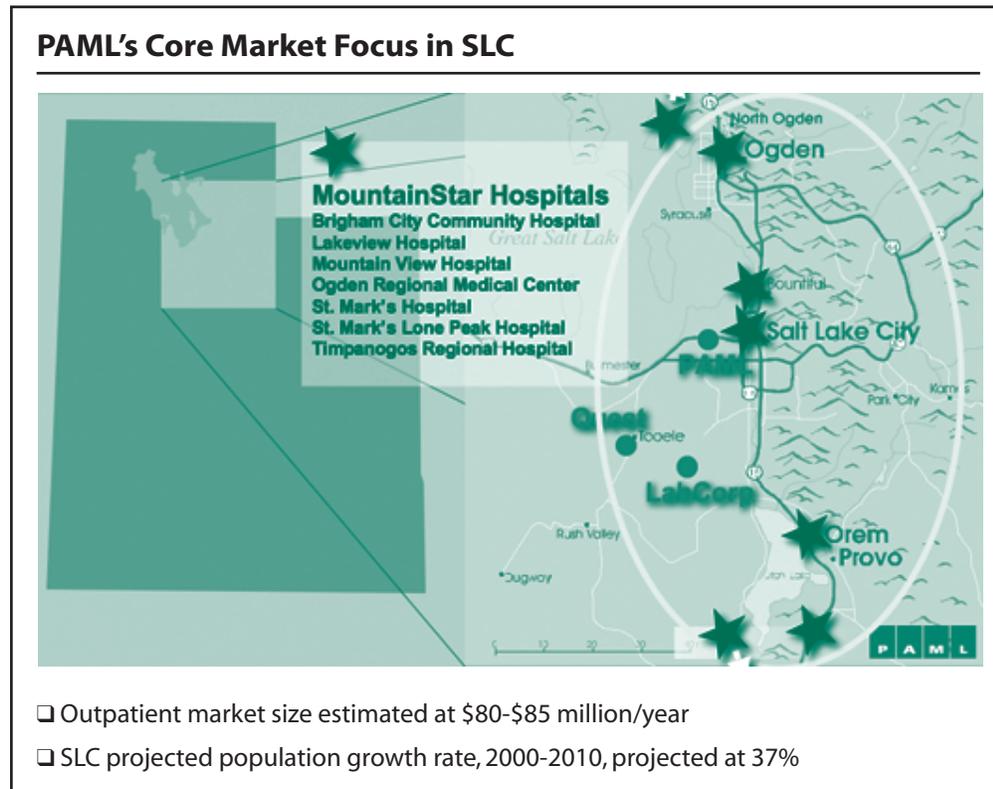
When St. Mark's Hospital (Salt Lake City) and Lakeview Hospital (Bountiful, Utah) formed MountainStar Clinical Laboratories as part of their outreach joint venture with Pathology Associates Medical Laboratories (PAML) in November 2007, both labs were doing a combined annual outreach volume of about 100,000 tests. But by the second quarter of this year, hospital leaders anticipate that annual volume will climb to 500,000, as this recent joint venture begins to chip away at the regional market share dominated by Quest and LabCorp, according to St. Mark's Hospital COO Matt Dixon.

Currently, the larger of the two hospitals—St. Mark's—has less than a 20% share of the local outreach market in the medical buildings on the hospital campus, said Dixon. "Our goal is to turn the tide the other way, where we are seeing 80% of the market share coming into the hospital," he added. Both St. Mark's and Lakeview, in addition to seven other hospitals in Utah and Idaho, are part of the MountainStar Network, which is owned by the Hospital Corporation of America, Inc. (HCA, Nashville, TN).

PAML (Spokane, WA) has similar expectations for MountainStar Laboratories. About four years ago, PAML acquired two small labs in Utah and has seen the revenues from these acquisitions triple over a five-year period. Looking for more growth opportunities, the company was attracted to the MountainStar system because of its geographic location along the mountain range known as

the Wasatch Front. Over a five-year period, PAML believes the MountainStar venture can gain about 25% of the outreach lab market in the greater Salt Lake-Wasatch Front area.

MountainStar has acquired or built hospitals where there is the greatest population concentration, said PAML chief marketing officer Noel Maring. "Our initial desire was to partner with the whole system, but we agreed to





start with these two hospitals,” he explained, adding that the joint venture is primarily focused on attracting physician and clinic business. “There is no guarantee that it will go beyond that, but it’s always possible. And it will be based on performance of the venture and the individual desires of the remaining hospitals.”

Selling the Local Healthcare Model

PAML has been applying this joint venture business model for over 12 years, since their first partnership with AlphaMedical Lab in Idaho, which is located outside of Spokane, Washington. Around the same time, they co-founded PacLab Network Laboratories in Seattle that has now partnered with 10 hospitals throughout the Puget Sound (western Washington) area. “We just updated our market share analysis of the western Washington market and right now, we have a slight market share advantage over the two national competitors in the market place,” said Maring. “We anticipate doing about \$70 million in the PacLab joint venture this year. In every PacLab region where we have a hospital partnership, we are either number one or number two in market share in that region, with our main competitors being Quest and LabCorp.”

This successful business model is driven by the belief that the competitive edge in healthcare delivery lies with local—rather than national providers. In terms of testing providers, the relationship that the physician has with their hospital is far more important to them than the relationship they have with any outreach lab, including PAML, explained Maring. “If I approach physicians and offer them an equivalent or better product from their local hospital and ask them to

try us, what we see is that over time, because of those stronger relationships with hospitals, the physicians will choose to use their hospital labs,” he added.

Another advantage that PAML brings to the joint venture is their contracts with major managed care providers, such as United-Healthcare and Aetna. Wherever PAML operates, those contracts are brought along, although Maring is concerned that might not always be the case. “So far, we

haven’t had any trouble doing that, which is not to say that’s 100% guaranteed for the future,” he said.

From MountainStar’s perspective, Dixon liked that PAML would partner with them. Other competing national labs simply want to come in and take over the entire operation. “Under that scenario, I don’t necessarily get any incremental revenue in my lab,” he said. “But under the PAML joint venture, we’re going to see a lot of incremental revenue as opposed to just having someone there to provide a service that we already do ourselves.” 🏠

PAML at a Glance

- ❑ Test volume estimated at 8 million/year
- ❑ Growing market share in Salt Lake City area: 2003: 5%; 2007: 10%; 2012-2013 (expected growth over 5 years): 25%.
- ❑ Current joint venture partnerships:
 - ❑ MountainStar Clinical Laboratories (Salt Lake City and Bountiful, Utah)
 - ❑ Alpha Medical Laboratory (northern Idaho)
 - ❑ PacLab Network Laboratories (western Washington state)
 - ❑ Treasure Valley Laboratory (southern Idaho and eastern Oregon)
 - ❑ Tri-Cities Laboratory (central Washington state)



Lab Stocks Down 5% Over Past 5 Weeks, 1% So Far in '08

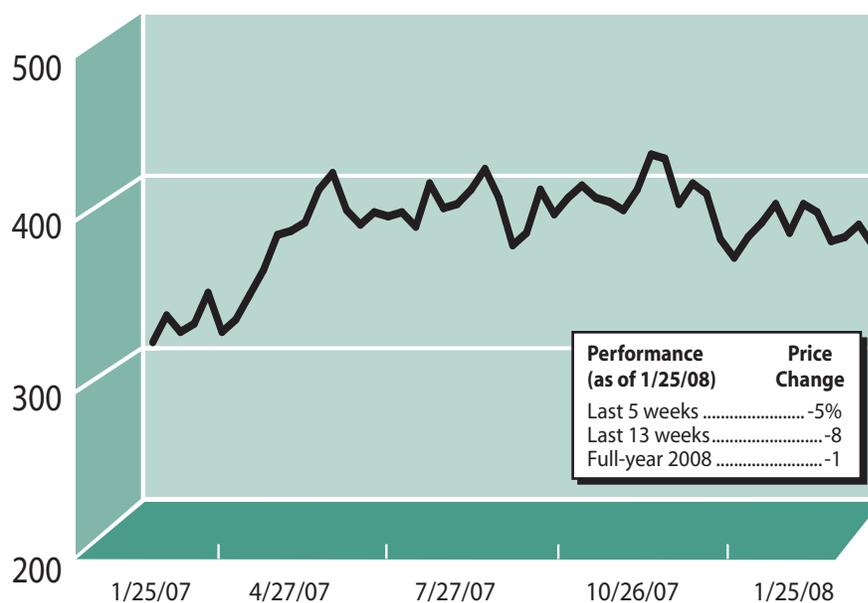
Despite a strong start at the beginning of the year, January has been rough on the lab industry, with the G-2 Laboratory Stock Index down 5% over the last five weeks and down 1% for the year for the week ended Jan. 25, 2008. The Nasdaq and S&P 500 also took a beating. Between the weeks ended Dec. 28, 2007, and Jan. 25, 2008, Nasdaq was down 13.02%, while the S&P was down 10%.

Over the past four weeks, those experiencing the biggest losses include **Enzo Biochem** (Farmingdale, NY), a full-service clinical reference laboratory serving the New York-New Jersey metro region. The company's stock was down 25% to \$9.94 per share for a market cap of \$365 million over the past four weeks for the week ended Jan. 25, 2008. **Bio-Reference Labs'** (Elmwood Park, NJ), stock was also down during that same time period. Its stock was down 16% to \$27.04 per share for a market cap of \$364.4 million for the past four weeks.

The country's two largest lab testing providers also were down this month. **Lab-Corp** (Burlington, NC) was down 3% to \$73.50 per share for a market cap of \$8.5 billion over the past four weeks for the week ended January 25, while **Quest Diagnostics** (Madison, NJ) was down 7% to \$49.02 for a market cap of \$9.6 billion over that same time period. In related news, Quest recently rescheduled reporting of fourth quarter FY07 results from January 29 to February 21, citing ongoing efforts to settle with the U.S. government, relating to allegations of quality problems at the Nichols Institute Diagnostics (NID; San Clemente, CA), the test-kit manufacturing subsidiary that the company closed in 2006. Quest is waiting to announce its recent earnings until a settlement is reached. 🏛️

For up to the minute laboratory and diagnostic firm data, financial news and company podcasts—go to www.g2reports.com

G-2 Laboratory Stock Index



Recent Winners, Losers

% price change, past 4 weeks for week ended 1/25/08

	% CHG	PRICE
Clariant	18%	\$2.32
Genomic Health	2	22.26
Psychemedics	1	15.99
Bio-Reference Labs Inc.	-16	27.04
Enzo Biochem	-25	9.94
Myriad Genetics	-12	41.50

Source: The G-2 Laboratory Stock Index is tabulated weekly by *Laboratory Industry Report* from the average percentage change in the price of 13 laboratory testing service stocks.



Don't miss Washington G-2's Molecular Diagnostics 2008

Conference. The molecular diagnostic testing market is the fastest-growing and most profitable segment of the \$51.7 billion U.S. lab industry. For 2007, Washington G-2 Reports values molecular diagnostic testing at \$4.1 billion and estimates growth of approximately 19% each year through 2010. Washington G-2 Reports' Molecular Diagnostics conference will provide expert insight and advice on how laboratories can and are successfully integrating

molecular diagnostics into their business strategies, given the current regulatory business environment. The conference, which will be held April 30 to May 2 at the Hyatt Regency Cambridge in Cambridge, Massachusetts, will feature world-class molecular experts. They include the following invited speakers:

- Michael Laposata, M.D., Ph.D., Professor, Vanderbilt University School of Medicine
- Steven Gutman, M.D., Director, Office of In Vitro Diagnostic Device Evaluation and Safety, U.S. Food & Drug Administration
- Bryan Moore, Molecular Diagnostics Marketing Manager, Roche Diagnostics

For more information, visit www.g2reports.com. 🏠

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- Genova Diagnostics 828-253-0621
- Geyer Pathology Services LLC
412-417-1660
- Health Care Development Services
Inc. 847-498-1122
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