

LABORATORY



ECONOMICS

Competitive Market Analysis For Laboratory Management Decision Makers

AMERICAN PATHOLOGY PARTNERS RAISES \$75M

Two hospital chain executives—Marty Rash and Robert Yeager—have secured a \$75 million commitment from private equity investor New Enterprise Associates (Menlo Park, CA) and formed a new pathology company named American Pathology Partners (Brentwood, TN). The company plans to acquire outpatient anatomic pathology and molecular diagnostic labs. Bob Yeager, chief executive, tells *LE* that APP has several acquisitions lined up. “We are looking to partner with pathologists that want to retain some ownership in their labs, but want help with management and marketing,” says Yeager. *Continued on Page 5.*

EX-QUEST EXECES RAISE \$20M FOR NYC LAB

Tom Golubic and Bill Nouri—both former execs with Quest Diagnostics—have raised \$20 million from venture capital investors and formed a new lab company, Manhattan Physicians Labs (MPL). MPL has purchased a small routine lab (Genatom Biomedical Labs) in Roseland, New Jersey (about 20 miles west of NYC) and also plans to construct a new lab in Manhattan. “Speaking from personal experience, I truly believe the major commercial labs, such as Quest and LabCorp, have lost their focus over the past few years on servicing the Manhattan physician. I see this as a perfect time to offer them an outstanding alternative,” says Golubic. *Continued on Page 6.*

LABCORP’S ACQUISITION SPREE

Stanford Hospital (Stanford, CA) has notified lab employees that its Outreach lab is being sold to LabCorp. Due diligence is completed and close of the sale could take place by the end of June. In addition, *LE* hears that Carilion Labs (Roanoke, VA) continues to move forward with an anticipated sale (see *LE*, May 2008, pp. 1, 2). In early June, Carilion notified employees that it had received six bids and expected to announce its decision within 60 days. LabCorp is the leading the bidder. Other bidders included Laboratory Partners, Quest Diagnostics and Sonic Healthcare USA. Meanwhile, LabCorp is staying busy with smaller deals, including recent acquisitions in New York and Idaho.

More details on page 2.

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