

# Solstas Lab Partners adds 203 jobs in last year, continuing to hire

Business Journal online posting (August 26, 2011):

*Things are pretty busy at the headquarters of Solstas Lab Partners, as we wrote about in our story in the print edition this week [below]. Solstas, which is the new name for the laboratory testing firm formed by the 2010 merger of Spectrum Laboratory Network and Carilion Labs, has bought out five other labs in the Southeast just since June, sparking a lot of new hiring at their main office in Piedmont Centre.*

*They've been so busy, in fact, that company officials weren't able to get us updated local employee counts in time for our deadline for that story, but they have sent those figures now.*

*In March of 2010, when the merger happened, Spectrum had 669 employees in the Triad. As of this week, Solstas has 872 employees in the area, an increase of 203 jobs.*

*Right now the company has 62 local openings. Most of those are medical and lab technicians, specimen processing, IT, courier, customer service and billing positions. Information about their open positions is available [online](#).*

---

## ***Growing quickly:***

### **Solstas Labs expands in High Point, plans to hire 60**

*The Business Journal  
by Matt Evans , Staff Writer  
Friday, August 26, 2011*

Solstas Lab Partners, the new name for the company formed by the 2010 merger of Spectrum Laboratory Network and Virginia-based Carilion Labs, is expanding its corporate and scientific operation in Piedmont Centre and hiring dozens of new employees as part of an aggressive regional growth strategy.

Solstas is trying to fill as many as 60 openings at its two offices in the area, on Federal Drive and Mendenhall Oaks Parkway. Spectrum Labs had about 670 Triad employees prior to the merger.

The company is moving some administrative offices out of a building now shared with laboratory functions and into adjacent space, said Chief Administrative Officer Bud Thompson.

“That will allow us to expand our clinical lab services capacity within the existing building,” Thompson said. “That’s something we need to do to accommodate our growth.”

That growth has shifted into overdrive this summer for the privately held Solstas, which has acquired a total of five other clinical laboratory firms since June including Greensboro-based Select Diagnostics. The company also bought out two labs in Wilmington as well as in Florida and Alabama.

Solstas performs clinical laboratory testing services for health care providers, ranging from simple blood tests to more complicated genetic and so-called “esoteric” tests.

The company was formed in March 2010 by the merger of Spectrum and Carilion, which was based in Roanoke, Va. Solstas now has dual headquarters in the Triad and in Roanoke, though most of the administrative functions are at the High Point office.

That merger created one of the ten largest laboratory testing firms in the country. The company used the name Carilion-Spectrum until February of this year, when it changed its name to Solstas.

Spectrum itself had been formed in 1997 by Winston-Salem-based Novant Health along with Cone Health in Greensboro and High Point Regional Health System as a way to control testing costs. Spectrum was sold to private investors in 2005 and then again to equity firm Welsh, Carson, Anderson and Stowe for \$230 million shortly before the merger with Carilion.

Novant retains a minority stake in Solstas along with Carilion Clinic of Virginia and Wellmont Health System of Tennessee. In June, Solstas announced that it had received a new equity investment from health care venture fund Ascension Health Ventures, but it did not release the size of the investment.

Solstas has been targeting acquisitions that either strengthen existing customer bases in places like the Triad, as was the case with Select Diagnostics, or introduces it to new regions such as Georgia.

Thompson said the company’s pattern is to leave most basic lab functions within their existing markets to stay close to customers. But billing services, HR functions and supply chain needs are integrated and run primarily out of the Triad. Most of the more complicated lab services are performed here, too.

“Some of these labs don’t have as broad a menu as we offer, so they’ll send out reference work to third-party labs,” he said. “A lot of that now gets redirected (to the High Point lab).”

That’s driving some of the employment growth the company is experiencing locally now. Solstas is currently advertising 60 open positions in the Triad on its website, ranging from couriers and customer service representatives to lab technicians, systems analysts and managers.

### **Steady growth foreseen**

Some of the current openings are turnover, but Thompson said he expects to see steady growth in hiring in lab, IT and support positions over the next several months.

Even with the growth and a company-wide total of about 3,800 employees, Solstas is still much smaller than its Burlington-based Triad rival LabCorp, which has about 3,300 Triad employees and more than 30,000 workers total.

Both companies offer full lines of clinical and anatomic lab tests, Thompson said, but he said his company’s smaller size makes it “a little more nimble” and able to adjust to market demands quickly.

Thompson said the company’s long-range focus right now is on building a sustainable business and serving its customers, but he acknowledged Solstas is anticipating some sort of “liquidity event” for its investors in the future, either a sale to a larger company or an initial public stock offering.

Several of Solstas' financial backers are non-profits in the health sector, and he said the company may continue to fund its own growth through new equity partners, including other non-profits.

The most likely scenario for Solstas is a sale to another company, said Jondavid Klipp, publisher of industry newsletter Laboratory Economics. Either LabCorp or Quest Diagnostics, the two largest lab companies in the country, are potential buyers, though LabCorp's geographic proximity might raise antitrust issues, he said. Sonic Healthcare of Austin is another potential acquirer, he added.