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## Genomic Health Q3 2007 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator Instructions) Your first question comes from the Charles Duncan with JMP Securities.

#### Charles Duncan - JMP Securities

Hi, good afternoon, folks and congratulations on a good quarter and the recent ASCO guidelines.

#### Randy Scott

Thanks, Charles.

#### Charles Duncan - JMP Securities

I had a question regarding kind of the sequential growth, the trends in the business right now. If we calculated, test bills are up approximately 3% sequentially, it's down from a 5.5% growth sequentially 1Q to 2Q. Can you help us understand the current tone of business and how much of an impact seasonality may have on that business?

#### Randy Scott

Yes sure Charles, thanks and in fact we believe that most of that impact is seasonality as we have cited over the last several years, we expect to see some seasonality close around the spring break in Q2 when a lot of people take vacation and especially in the summer months, late July and August. So given that we expect to see seasonality, we weren't surprised by what we saw in terms of growth quarter-over-quarter. The growth year-over-year has been quite strong. Preferably that's also because the little bit of visibility shows that as people were headed back from vacations in early September, we saw a very strong uptick in test ordered and delivered up late in the quarter as you would expect would be a seasonal effect giving us good momentum moving into the fourth quarter.

So, we were very comfortable with being right on target for a 23,000 to 25,000 tests this year and feel pretty comfortable that what you're looking there is seasonality. You may also remember that a year ago, while we had some pretty big news in Q2 of 2006, when we published both first chemotherapy benefit study, as well as the Kaiser test study and so those had some impact on last year's numbers. So as we look forward, I think we'll continue to see strong growth, but a good portion of growth is likely to come in Q4 and Q1 and I would expect again next year that we'll see some seasonality in Q3, in Q2.

#### Charles Duncan - JMP Securities

Okay, that makes sense to me. And then if I may ask a question on ASCO, it's more of a conceptual question, perhaps to Kim or whoever can answer it. Can you give me some sense as to the number of early adapter versus late adapters and the impact that the ASCO guidelines may have on the kind of usage pattern for those different physician communities?

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