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Laboratory Corporation of America Holdings Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). And your first question comes from the line of David Clair of Piper Jaffray. Please proceed.

David Claire - Piper Jaffray

Hey, guys. Dave Claire, here for Bill. Congratulations.

David King

Thank you.

David Claire - Piper Jaffray

I was just hoping you could give us some color on pricing in Canada. Looks like we saw another sequential decline there.

William Hayes

That is a... this is Brad Hayes Dave. That's a contract with the government. So it is basically like a capitulated arrangement, so to speak. And volumes have increased a little there in terms of utilization. So that has some downward pressure on the price. It's not a negotiated price decrease if you will.

David Claire - Piper Jaffray

Okay. Great and given the...

William Hayes

Dave, one other thing. Also the exchange rate in the fourth quarter is going to have a negative impact on that metric as well.

David Claire - Piper Jaffray

Okay, thank you. And then, given the vitamin-D testing issues experienced by your primary competitor. Just hoping you could give us some color on how that business is going for LabCorp. Do you think you guys are gaining some share as a result of that?

David King

It's Dave, Dave. I would just comment that, we use the Dia-Stron (ph) method for vitamin D which is the FDA cleared and approved method. And I think overtime, our decision to continue to use that method will pay us benefits in terms of the appropriateness and validity of our testing results. And beyond that I really don't think it's appropriate to comment.

David Claire - Piper Jaffray

Okay. And then, just a quick question on the tax treaty benefit. Is that something we can expect to continue in 2009?

William Hayes

David, again, this is Brad. It has a little impact on 2009, but most of the positive benefit that we recorded in the fourth quarter is for prior years. So, little bit of positives impact going forward, but certainly not to the extent that you saw in the fourth quarter.

David Claire - Piper Jaffray

Okay, great. Thanks a lot guys.

Operator

And your next question comes from the line of Robert Willoughby of Bank of America. Please proceed.

Bob Willoughby - Banc of America Securities, LLC

Thanks. First, I think I'd say that I didn't think that Bill Bonello could speak anymore on a conference call. But I think you proved me wrong. But, welcome aboard, Bill.

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