

Friday, April 11, 2008

Carolina Liquid Chemistries looks beyond LaunchPad

The Business Journal of the Greater Triad Area - by [Matt Evans](#) The Business Journal
Serving the Greater Triad Area

It seemed strange at the time, Phil Shugart admits, for him to name a California-based company "**Carolina Liquid Chemistries**." But it's turning out to be prescient.

The 11-year-old company, one of the first two tenants of the Piedmont Triad Research Park's new Wet Lab LaunchPad low-cost lab facility, will be relocating its headquarters to Winston-Salem from Brea, Calif., over the next year to 18 months, Shugart said. He anticipates employing about 20 people locally in both scientific and administrative roles.

"I guess it was a little unusual, but I'm from North Carolina and I wanted a name that starts with 'C' to go with 'Chemistries.' 'Carolina' sounded good," Shugart, a Yadkinville native, said. "I always wanted to come back, and now here we are."

Carolina Liquid Chemistries manufactures chemical reagents that are used in roughly 100 different kinds of laboratory tests, and also sells laboratory testing equipment to medical practices. Its customers include Spectrum Laboratory Network in Greensboro and Lab Corp. in Burlington, and it competes with such industry giants as Roche, Johnson & Johnson and Siemens, Shugart said.

Carolina Liquid Chemistries is not a giant yet with about \$10 million in annual sales, but Shugart said he expects significant growth as he ramps up equipment sales and researches new product offerings, one of the key activities that will be taking place at the company's 1,500-square-foot LaunchPad facility. The company has half a dozen local employees and about 35 others in California and in sales around the country.

Another high-priority task, Shugart said, is planning the company's next move once it leaves the LaunchPad in about 18 months. That facility was built with largely donated materials and labor from dozens of contributors to attract high-growth companies with below-market lease rates, but tenants are expected to relocate in about that time frame to make room for others.

Shugart said he will probably leave manufacturing functions in California because of the complexity of



Julie Knight

relocating an FDA -approved facility, but he expects to be hiring for other functions primarily from the local area, starting with medical technologists to work in the lab.

"This area has really great people," Shugart said, adding that he has found recruiting easier here than in Southern California. "With Wake Forest and Forsyth Tech and the others, there's an abundance of well-educated people, and I think the work ethic seems a little better here."

Shugart said his team will begin planning a permanent facility within the next few months, and he'll be looking first at other locations in the research park and elsewhere in Winston-Salem.

The company is not contractually obligated to stay, but Bill Dean, president of the Idealliance which handles leasing arrangements in the park, said he's very hopeful. Carolina Liquid Chemistries and regenerative medicine firm Tengion were chosen as the first two tenants of the LaunchPad because they were seen as companies likely to set up shop permanently after getting a short-term boost.

"He's already hiring people and moving things out here. Once you start building that root system, if you will, I don't think he's going to want to move away," Dean said.

There is still one unoccupied space available in the LaunchPad. Dean said a screening committee is evaluating prospective tenants for that space, and he expects an announcement within the next few months.