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EXCLUSIVE: New CEO of Greater Cincinnati firm has 400-mile commute

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Connie Hallquist has a long commute to her new job as CEO of **DNA Diagnostics Center** in Fairfield. The company's headquarters is about a 400-mile flight from her home in Arlington, Va. She stays in hotels because she hasn't had time to find a home in Greater Cincinnati.

"When I'm here, I'm so focused," Hallquist said. "I arrive Monday mornings and leave Thursday nights. It's super easy because my house in Arlington is five minutes from Reagan Airport and there are a ton of flights to choose from. The hardest part is getting from CVG to here."

Driving from Cincinnati/Northern Kentucky International Airport on Interstate 75 can be intimidating for anyone because of all of the trucks, and Hallq
witnessed an acc
her one day rece



TOM UHLMAN

Connie Hallquist is CEO of DNA Diagnostics Center in Fairfield. **Age:** 52 **Family:** Husband of 14 years, Brian Cowan; a son, 13, and daughter, 10 **Born:** Baltimore **Grew up:** Bethesda, Md. **Residence:** Arlington, Va. **Education:** University of Virginia bachelor's degree in French language and literature (1985); UVA master's in business administration (1991) **Experience:** CEO of Healthy Directions, 2012-16; executive vice president for merchandising and new product development at Healthy Directions, 2010-12; director of L2 Inc., 2011; president for new business ventures Orchard Brands 2009-10; CEO and founder of Gold Violin, 2000-08; managing director of Prophet brand

“A car got hit by an 18-wheeler,” she said. “I feel like I need to drive a tank around here.”

Aside from that, she’s settling into the top spot at DNA Diagnostics Center, a privately held firm that’s also known as DDC. Hallquist, who was named to the position in March, had been CEO of Healthy Directions, a Bethesda, Md.-based business unit of Helen of Troy Ltd., since December 2012. She replaced Peter Vitulli, who had been chief executive of DDC for five years.

The company provides private testing for paternity and other family relationships, forensics, genetic traits of animals, cell-line authentication and ancestry. DDC, which has 230 employees, performed more than 750,000 DNA tests last year.

“We do the paternity testing for the ‘Dr. Phil’ show, the ‘Maury’ show, ‘Paternity Court’ and a few other judge shows,” Hallquist said. “What’s nice is they give us credit during the television show and talk about the testing lab. And when Maury (Povich) does the big reveal, it’s a big DDC envelope. It’s like the Academy Awards when he rips it open.

“Talk about branding, that’s great exposure, obviously,” Hallquist said. “If you ask a lot of consumers about DDC, they would know right away that’s the paternity company.”

DDC’s paternity test is available through Walgreens and a handful of other retailers.

“We’re looking to expand that side of the business,” Hallquist said. “We’re launching products into retail, which will get the DDC brand in front of consumers. And in more of a distributor and business-to-business setting, we will continue to have a strong brand in terms of value-added services that we offer.

“And then the philanthropic work like the Innocence Project is a great way to be a good corporate citizen and build the DDC brand,” she said.

DDC has helped out in more than 200 cases and been involved in seven exonerations, including ones in Ohio, Kentucky and Florida.

“We have two full-time people dedicated to the forensics side, and when the cases come up for the Innocence Project, they work on that,” Hallquist said. “We’re working with prosecutors as well as defense attorneys.”

The DDC call center in Fairfield handles direct inquiries from consumers interested in paternity or other DNA testing.

“As we grow, we need more call center people and more lab technicians,” Hallquist said. “We’re currently running two shifts. As we expand, we can add another shift in this facility.”

Founded 20 years ago, DDC was acquired for about \$118 million in 2015 by specialist health care investor GHO Capital, which was founded in 2014 and is based in London.

While DDC doesn’t release revenue figures, sales have been growing in the low double digits the last few years and remain on that pace, she said.

Hallquist shared insights on everything from areas where she hopes to grow DDC to how someone who majored in French language and literature in college ended up as the CEO of a DNA testing company:

What are your top goals? To keep us on a profitable growth trajectory. The company has been growing significantly over the past few years. Also, preservation and maintenance of our sterling reputation as a high-quality lab and customer service-oriented organization. The third thing always for me is about developing and retaining top talent.

Why did the top job at DDC interest you? It’s not a mature market by any means. There are not well-established brands out there. To be on the ground floor for consumers and see the power of DNA testing and what it can do for people and to be able to shape that vision and that strategy moving forward is incredibly exciting.

How did you end up here? I was recruited. I’m not a scientist. They liked that I understand direct-to-consumer marketing and how to grow that side of the business. I have experience in growing global brands. I’ve been involved in private equity three times now and successfully sold several companies.

How did your college major lead to this? I went from being a French language and literature major to trading currencies in New York City at a French bank at which point I went back and got my MBA at the University of Virginia. I wanted to transition out of finance into marketing, so I went to work for Kraft Foods doing brand management for Good Seasons Salad Dressing and Shake’N Bake. I ended up moving to San Francisco and worked at a brand strategy consulting firm and did global brand strategy for Levi Strauss and Co., Williams-Sonoma, UBS and Audi.

What was your first job? I played tennis professionally for a little bit. I went to UVA on a tennis scholarship. Coming out of college, I thought maybe I could play professionally. That lasted about four months. I played over in Europe on a satellite circuit and ran out of money. That’s when I moved to New York and ended up at the French bank and did foreign exchange trading for three and a half years before going back to business school. Being a competitive tennis player, I hate to lose, and I think that’s a great trait in business.

Why are you focused on building the brand of DDC? I am a brand geek. I get excited about branding. I think DDC already has a very strong brand. A lot is driven through the TV paternity testing. We get a lot of advertising associated with that.

Why is brand recognition so significant? It’s proven the No. 1 brand in any category gets the lion’s share of the sales and the profits. The No. 2 brand will get some of the profits, and then everybody else is left in the dust. That’s why the brand piece ultimately becomes so important in terms of a company’s profitability.

What are the most popular DNA tests that DDC offers? Paternity is definitely the biggest test, but we do a lot of immigration testing. We have other relationship tests that go beyond paternity. We’re doing ancestry testing. The current product gives you the percent of your DNA by regions around the world. It’s a product that we’ve had for a few years, but a new one will be a whole different generation of product when we introduce it.

Why are consumers interested in DNA tests for their own ancestry? I think people want to know where they come from. It’s interesting and it’s fun, and

you'd like to leave a legacy to your children in terms of helping them understand who they are.

What does cell-line authentication entail? A lot of biomedical researchers are using both human cells and animal cells for their testing. Cell lines can often become contaminated. Some of the data would suggest that about a third of the research that's taking place out there has contaminated cell lines, which puts into question obviously the results coming out of that research. We're proposing and trying to get the market to embrace this idea of authenticating the cells lines that the researchers are using. It's not a requirement. More and more, it's being done. We're waiting for this big tipping point to happen in the marketplace.

Why do people want to have their dogs tested? We work mostly with breeders. They want to understand if there's some kind of genetic predisposition or mutation that could get passed down to the pups in the litter. They are constantly testing to be sure there aren't conditions that are being passed along.

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