

## Cogent prepping for acquisitions

Select buys to supplement organic growth

By [Erin Lawley](#)



Gene Fleming

11-20-2009 1:17 PM — Hospital medicine company Cogent Healthcare is preparing to enter the acquisition game.

CEO Gene Fleming told *NashvillePost.com* the company is looking at physician groups and other companies that would fit well with Cogent's model. Brentwood-based Cogent develops, staffs and manages hospitalist programs for hospitals and academic medical centers across the country.

Until now, the company has expanded organically, experiencing top-line growth of about 20 percent per year, Fleming said. But with the addition last year of chief development officer Jim Panoff, former Harpeth Consulting president and executive vice president of Spheris, acquisitions now are another part of Cogent's growth strategy.

"We see (acquisitions as) on top of a robust organic growth pipeline," Fleming said.

One driver of that growth is the explosion of the hospital medicine industry in the last few years. According to the Society of Hospital Medicine, it's now the fastest-growing specialty in the U.S. with more than 28,000 hospitalists currently practicing. That number could reach 33,000 by the end of the decade, according to SHM.

Another growth driver for Cogent, Fleming said, was the company's decision to relocate its headquarters from Irvine, Calif., to the Nashville area in 2007.

"That's been one of the most important things we've done, consolidating things in Nashville," said Fleming.

In March of 2007, when the company announced its relocation plans, it had executives scattered around the country. Fleming and Senior Vice President of Development Hal Andrews, who is now CEO of Nashville-based Data Advantage, worked from Nashville. Other executives were in cities in California, Florida and North Carolina.

Besides hiring Panoff, Cogent has made [several other executive additions](#) since its move, including Chief Information Officer [Antoine Agassi](#), former director of the state's eHealth Advisory Council, and CFO Susan Brownie, who had spent the previous eight years as CFO of HealthStream.

Locally, Cogent has added about 30 employees in the last quarter, giving it 100 workers in Nashville and about 500 total. To accommodate the growth, the company last month [renewed its lease](#) for more than 19,000 square feet in Highwoods Plaza One and added 7,500 additional square feet.