CHICAGO, Oct. 7, 2013 /PRNewswire/ -- Water Street Healthcare Partners , a strategic investor focused exclusively on the health care industry, announced today that it has sold ConVerge Diagnostic Services to Quest Diagnostics (NYSE: DGX), the world's leading provider of diagnostic information services. Headquartered in Peabody, Mass , ConVerge is a leading full-service regional laboratory providing clinical, cytology and anatomic pathology testing services.

Water Street invested in ConVerge in 2009 and recruited a management team spearheaded by Bob Gorman , a leader with more than 20 years of laboratory services experience. Together, Water Street and the company's management team expanded ConVerge's test menu and capabilities, particularly in the area of women's health, and invested in initiatives to enhance customer service. They also partnered with leading universities, health systems, hospitals and physician groups to grow ConVerge's customer base and build it into a leading laboratory serving the greater New England region.

"When we invested in ConVerge, we saw an opportunity to build on the company's core strength of clinical expertise. We worked with Bob and his team to grow ConVerge into a market leader recognized for innovation, high-touch customer service and expertise in women's health," said Jim Connelly , a partner with Water Street and a director of ConVerge. "We are pleased that the combination of our team's industry expertise and Bob's leadership to strategically expand ConVerge's capabilities and customers led to the company being acquired by the global industry leader in diagnostic information services with the vision to build on these strengths."

Quest Diagnostics President and Chief Executive Officer Steve Rusckowski said, "As a regional leader in women's health that is also recognized for customer service, medical expertise and innovation, ConVerge is a strong strategic fit with our business. The addition of ConVerge to the Quest family will extend the range of diagnostic information services patients and providers can access in the region while also combining the considerable medical leadership of both companies to spur new innovations that improve patient outcomes."

Financial terms of the acquisition were not disclosed.

About Quest Diagnostics

Quest Diagnostics is the world's leading provider of diagnostic information services that patients and doctors need to make better health care decisions. The company offers the broadest access to diagnostic information services through its network of laboratories and patient service centers, and provides interpretive consultation through its extensive medical and scientific staff. Quest Diagnostics is a pioneer in developing innovative diagnostic tests and advanced health care information technology solutions that help improve patient care. Additional company information is available at QuestDiagnostics.com . Follow us at Facebook.com/QuestDiagnostics and Twitter.com/QuestDX.

About Water Street

Water Street is a strategic investor focused exclusively on health care. The firm has a strong record of building market-leading companies across key growth sectors in health care. It has worked with some of the world's leading health care companies on its investments including Gentiva, Johnson & Johnson, Medtronic and Smith & Nephew. Water Street's team is comprised of industry executives and private equity professionals with decades of experience investing in and operating global health care businesses. The firm is headquartered in Chicago. For more information about Water Street, visit waterstreet.com .

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