

NEWS RELEASE

Contact:

Raymond C. Kubacki

Chairman, President and CEO

(978) 206-8220

JONATHAN COMPTON JOINS PSYCHEMEDICS CORPORATION AS DIRECTOR OF MARKETING

Acton, Massachusetts, January 22, 2008 - Psychemedics Corporation (AMEX: PMD) today announced that Jonathan Compton has joined the company as Director of Marketing.

Jonathan will be responsible for all marketing activities, as well as establishing, staffing and directing the company's lead generation program. Jonathan will report directly to the Chairman and CEO.

Since 1999, Jonathan has served as Director of Marketing for DeWolff, Boberg and Associates, a management consulting firm where he recruited, trained and managed a twelve person inside sales team that generated leads for the outside sales force. From 1995 to 1999, Jonathan was a manager for Arthur Andersen LLP's National Specialty Team for Family Wealth Planning where he managed inside sales that generated meetings with high net worth clients for Arthur Andersen's tax partners and managers in the U.S. Prior to his position at Arthur Andersen, Jonathan ran inside sales and outside sales for ITAC Systems as well as serving as Marketing Director for Whitehall Group/Heritage Organization LLC. Jonathan has his B.S.E.E. from the University of Texas, Arlington.

Raymond C. Kubacki, Chairman and CEO stated, "We are extremely pleased to have Jonathan join our team. He comes to us with a strong proven track record that fits extremely well with the needs of our company. His lead generation expertise as well as his other broad marketing capabilities will play a key role in

our company's objective to accelerate our sales growth. We are excited to have Jonathan on board."

Psychemedics is the world's largest provider of testing for drugs of abuse using hair analysis with thousands of corporations relying on the patented Psychemedics drug testing services. Psychemedics' clients include over 10% of the Fortune 500, some of the largest police departments in America and Federal Reserve Banks.

The Psychemedics web site is www.drugtestwithhair.com

Cautionary Statement for purposes of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995: From time to time, information provided by Psychemedics may contain forward-looking information that involves risks and uncertainties. In particular, statements contained in this release that are not historical facts (including but not limited to statements concerning growth, earnings, profit margins, earnings per share, revenues, dividends, future business, new accounts, customer base, market share, test volume and sales and marketing strategies) may be "forward looking" statements. Actual results may differ from those stated in any forward-looking statements. Factors that may cause such differences include but are not limited to risks associated with the expansion of the Company's sales and marketing network, development of markets for new products and services offered, the economic health of principal customers of the Company, government regulation, including but not limited to FDA regulations, competition and general economic conditions and other factors disclosed in the Company's filings with the Securities and Exchange Commission.