

Singapore cord blood bank targets upper middle-class market

By Kang Wan Chern | Wednesday, 02 August 2017



Cordlife GROUP, a Singapore-listed cord blood bank, has officially opened an office in Yangon. It will offer cord blood, cord lining and cord tissue banking services to new parents in Myanmar.



Cordlife allows parents to store the cord blood and lining of their newborns at its blood banks for up to 20 years. Aung Htay Hlaing / The Myanmar Times

Samples will be collected in the country and sent to Cordlife's cryogenic facility in Singapore for processing and storage for up to 20 years.

Cordlife will also offer metabolic screening services for newborns as young as two days old and urine tests to identify babies with metabolic disorders to customers here.

Currently, the company has a marketing agreement with local healthcare distributor Bio Secure Company to offer its services in Myanmar.

Blood bank

Cord blood, which is also called placental blood, is blood that remains in the umbilical cord and placenta following the birth of a baby and after the umbilical cord is cut upon delivery.

Cord blood can help nurture life long after a baby's birth and be used as a source of stem cells should the need ever arise for a stem cell transplant. This is because cord blood is a rich source of stem cells known as haematopoietic stem cells, which are primarily responsible for replenishing blood and regenerating the immune system.

"Cord blood can be used in the treatment of blood diseases like leukemia and in bone marrow transplants," Dr Wong Chiang Yin, Cordlife CEO, told *The Myanmar Times*. Cord blood can also correct genetic defects in siblings, and has potential to be used in cellular therapy and regenerative medicine.

Cordlife is the first Singapore cord blood bank in Myanmar and the only one accredited by AABB in the US and Europe's Foundation for the Accreditation of Cellular Therapy (FACT).

"This means that if a sibling of the newborn whose cord blood is in storage needs it, all the hospitals in the world will demand that the cord blood is first stored in an AABB or FACT facility before the sample will be accepted for treatment," Dr Wong said.

Light model

Cordlife has Asia's largest network of cord blood and cord lining banks with seven cryogenic storage facilities in Singapore, Malaysia, Hong Kong, Indonesia, the Philippines, India and Thailand.

The company runs a full-fledge processing and storage facility in Singapore, where collections have reached 4,000 a year, more than 10 per cent of all births annually. It is in the process of building full facilities in the Philippines, Indonesia and Hong Kong, where collections are closing in on 1,000 per year.

Since Cordlife first set up its office in Myanmar in October last year, there have been just two-to-three collections a month. However, Cordlife hopes to collect at least one sample a week before the end of the year.

"We are starting off with a minimal investment for now but if collections hit 100 a month or 1,000 a year, we will set up proper processing and storage facilities here," said Dr Wong.

"If collections hit 50 a month and we see a rapidly increasing trend, we may not wait for to hit 1,000 a year before investing more," he added.

“For now, we will run a rep office in Yangon as we iron out all the start-up issues and all collections will be sent to Singapore. If there are patients in need of treatment, it will be done in Singapore.”

Upper middle-class market

With processing and storage fees beginning at US\$ 5,000 for a basic package to over \$9,000 for more comprehensive packages, Dr Wong said cord blood banking will only appeal to the upper middle-class and the rich, at least for now.

“We need to store the samples for up to 20 years so there are high costs involved so our product is not cheap. Only those with disposable income will pay for these services now,” he said.

But the Myanmar economy is also growing rapidly and the middle-class will double by 2020. There are also more than 900,000 live births a year in the country, now said Dr Wong.

“As awareness builds up, demand for Cordlife’s services will likely grow. When that time comes, we will move down the ladder and capture more demand from the population.”

Cordlife is listed on the Singapore Exchange, where its shares currently trade at 90 Singapore cents each. For the nine months ended March 31, 2017, the company reported revenues of S\$44.1 million and a loss of S\$3.3 million.