

Banking on health

Local specialist firm answers growing demand for banking stem cells as range of treatment applications continues to expand

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Last year, a 19-month-old Thai boy diagnosed with cerebral palsy became the first person in Asia with the condition to be treated successfully with his own stem cells.



Thai StemLife obtains most of its clients through upmarket private hospitals but it hopes to be able to broaden access to the service, says Dr Kostas Papadopoulos, chief operations officer.
PATTANAPONG HIRUNARD

The encouraging outcome might not have been possible unless a stem cell bank had foreseen the value of the medical technology.

As the number of new medical applications grows, so does the business, according to Thai StemLife, the first company in Thailand to have started collecting umbilical cord blood stem cells. It was responsible for the safekeeping of the boy's sample.

"The first two years we spent recovering our costs. Now, the company is running clearly at a profit," said Dr Kostas Papadopoulos, chief operations officer of Thai StemLife.

The boy, one of 69 cases of successful treatments using one's own stem cells globally, was one of 48 successful cases in 2008, up from seven in 2004.

Even though public stem-cell banks also exist, it is hard to find exact matches for clients, says Papadopoulos.

"The chances that another person would have matching stem cells are only one in 50,000 for a person of the same ethnicity, one in 100,000 between races, and with mixed races only one in 200,000 of finding a match," he said.

The chance of a sibling's stem cells matching is 25% but one's own stem cells are a 100% match, so stem cell banks foresee rapid growth in the future.

"Last year, we had a 25% increase in the amount of stem cells stored," he said. "For this year, it's possibly too early to say, but we may be expecting a 50% increase from last year as the technology for stem cell banking becomes more well-known to the public."

The business is also connected to the country's birth rate. Currently, the market size is 6,000 per year representing only around 1% of the country's births. However, with competitors seeking a share of the Thai market, it would appear that the market is set to grow.

In Singapore and Malaysia, stem cells are currently collected in 20% of births. In Malaysia, this represents a market size of 100,000 per year.

Thai StemLife hoped to fund expansion and new facility development by listing on the Stock Exchange of Thailand next year. It declined to give financial figures, but Dr Papadopoulos, its market share in umbilical cord banking was 90% in Thailand, and it is also the sole adult stem cell banking provider.

Competitors include Stem Cell for Life, Cryoviva, Cordlife and Thai Health Baby in the local market.

The company's main marketing channel is private hospitals, where 95% of its clients find its service. They include Bumrungrad, Samitivej, BNH, Bangkok, Phayathai, Vejthanee or Vibhavadi.

"About 70% of my patients opt to bank their cord blood at present," says Dr Poonsak Waikwamdee, chief medical officer at Sukhumvit Maternity Clinic. Many of his patients give birth at Bumrungrad, where around 30% of new mothers bank their cord blood.

The service is not cheap, at 40,000 baht for collection and 6,000 a year for 21 years for storage, or 130,000 in total. But the company is exploring ways to increase access. "I'm a huge proponent of equal access to health care," says Dr Papadopoulos. "At 6,000 baht per year, the service would be available to all."

The company also conducts clinical and epidemiological research, including an ongoing study on diabetic ulcers. There are three new studies - on heart disease under the auspices of the National Innovation Agency, Type 2 Diabetes with overseas investors, and of cerebral palsy, he said.

In the US alone, there are about 3,500 ongoing studies into the applications of adult, cord and blood stem cells.

Currently, stem cells can be used legitimately in bone marrow transplants to treat some 70 diseases, although there has been some controversy over hospitals offering unaccredited treatments.

On the web: <http://www.thaistemlife.com/>