HE fertility industry is growing up fast and it is not just would-be parents helping to boost the

Investment in the sector is on a high following Virtus Health's \$338 million listing on the ASX.

Shares in the company are up about 16 per cent since listing in June and riding the wave are a number of smaller operators like Brisbane-based City Fertility

Centre.

The centre is now one of the largest privately owned IVF companies in Australia, recently expanding its operation

interstate and processing more than 3000 IVF 'cycles' each year. Starting out in 2003, with just one doctor, one embryologist and 200 annual IVF cycles, the clinic now employs more than 80 staff and 34 specialists in six clinics nationwide.

Co-founder Dr Adnan Catakovic attributes the clinic's success to its small-scale business model and high-quality

client service.
"During the global financial crisis, IVF rates took a huge dip as couples tightened their belts on spending," Catakovic says. "They became more selective about

what they chose to spend their money on and, as a boutique-style operator, we were able to make the most of that market.

"In fact, we have never seen any slump in our numbers and have continued to grow by an average of 16 per cent each year."

Industry forecaster IBISWorld predicts
IVF will pull in more than \$500 million this
financial year, making it one of the fastestgrowing and lucrative industries in the health sector.

"One in six couples will need some sort of fertility intervention, whether it be minor or major," Catakovic says. "It's become so popular everybody probably knows someone who is

undergoing treatment."

The average cost of an IVF cycle is about \$7000-\$8000, a cost that Catakovic says has continued to increase as the technology has

Technology has meant success rates have become much higher but that has come at a cost," he says. "To deliver an IVF cycle in 2013, it is

probably three times more expensive than it was in 1999." City Fertility Centre has recently spent

more than \$300,000 to establish an advanced embryo screening laboratory in Brisbane, allowing parents to screen against chromosomal abnormalities. The laboratory is the first of its kind in

Queensland – previously, Array Comparative Genomic Hybridisation testing had only been done in southern

"We're really excited about the future of genetic testing," Catakovic says. "The new lab will allow us to look at all

of the chromosomes in an embryo and be confident about delivering a happy,

comment about delivering a nappy, healthy baby. "While we can't screen for single-gene defects just yet, it will detect things like Down Syndrome and other abnormalities." He says the advancement of vitrification

technology has also helped to expand the clinic's business, allowing women to freeze embryos and eggs for long periods of time. "In the early days of IVF, frozen

embryos were really hit and miss when it came to pregnancy rates. "But now with vitrification, all of our

clinics have seen our frozen pregnancy rates equal if not better than our normal

"We can now say confidently to women, hand on heart, that if they choose to freeze



IVF lab delivers new technology

A BRISBANE-BASED FERTILITY CLINIC HAS EXPERIENCED IMPRESSIVE GROWTH AND HAS PLANS FOR MORE, WRITES JACINDA TUTTY

their eggs, (the eggs) will be able to be used

in the future."

He says there has been a rise in the number of women choosing to freeze their eggs but predicts the number could become much higher in the future.

"Although currently it's less than 10 per cent of patients, it is certainly much higher than we used to see. A lot of women in their early thirties who may not have met their lifelong partner and women who undergo chemotherapy and cancer treatments tend

Catakovic says the centre found it difficult to break into the market because many general practitioners were hesitant to recommend a smaller operator.

'GPs had a habit of only using two clinics in Queensland, which they had been working with for more than 20 years.

"We just had to educate them and show them there was a different way to deliver IVF services.

"But as IVF became more popular, patients began to do their own researc and decided where they wanted to go.



We can now say confidently to women, hand on heart, that if they choose to freeze their eggs, (the eggs) will be able to be used in the future



CITY FERTILITY CENTRE CO-FOUNDER DR ADNAN CATAKOVIC

The centre plans to move into NSW within the next 12 months and has also been approached by teams in Hong Kong.

"We don't have any plans to follow Virtus and float at this stage. Our five-year plan is still to continue to grow and expand using the model we are comfortable with,' Catakovic says.

"But in saying that, I can't lie and say

we would never consider it in the future.
"A lot of doctors still hate to be thought of as employees of a financial firm, so we are very conscious of that when we consider our expansion." Virtus is the leading firm in Australia's

\$500 million IVF market, accounting for one in every three IVF babies born in the

The business announced its plans to float earlier this year, but Catakovic says the move was a brave decision.

"We are still very much a traditional IVF service, which is owned and operated by doctors and scientists. We will look closely at how it goes but our primary focus is on creating pregnancies.

Boom Magazine. AUGUST 2013 11