

IVF – a dynamic, innovative and growing market in the UK

London, 21 May 2018

The UK fertility market is worth £320m and experiencing accelerating growth according to a newly-published report from healthcare intelligence experts, LaingBuisson. In terms of volume, this amounted to 68,000 in vitro fertilisation (IVF) cycles and 13,500 intra uterine insemination (IUI) cycles.

The market has enjoyed steady growth in recent years, with volume growth around 3% per year accelerating to 4.5% more recently. This is driven by the increasing age at which women start families, declining male fertility and greater social acceptance of fertility treatment as a route to having a family, especially for those who have delayed starting a family or who are in same-sex relationships. Improved success rates are also encouraging more childless people to try IVF.

However, science may drive further growth. Clinics and clinicians are always looking for ways of improving their success rates and adding value. One such development is genetic testing. While the ethics sounding ‘designer babies’ remain hotly debated, the benefits genetic testing offers in terms of reducing the risk of passing on inherited diseases are significant. Currently pre-implantation genetic diagnostics only account for around 1% of IVF cycles.

The market remains highly fragmented and the eight largest groups provide less than 25% of the cycles. IVI from Spain, Vertus from Australia and FutureLife from the Czech Republic have all entered the UK market, while major independent hospital groups such as HCA, BMI and Nuffield are involved in the market, but none is growing their presence. This may be because there is little synergy between IVF and general private hospitals, or it may be that patients prefer a specialist clinic.

There remain a large number of owner-managed clinics, many of them set up in the boom years of the mid-1990s. This lends an interesting dynamic to the market in that many of these owner-managers may be reaching the time when they would consider exiting, offering an opportunity to private equity investors. Already five of the largest groups are private equity-backed and as these investments reach the end of their cycle, further deals are expected.

Hugh Risebrow, author of the report said:

“Greater social acceptability of IVF, increased success rates and most importantly innovation indicate a vibrant future for the UK IVF market. While NHS commissioners are tightening the criteria for treatment and reducing the number of cycles available, childless people who are keen to have a child are increasingly looking to IVF as a way of having a much-wanted family. This is evidenced by 70% of the market by value being privately funded. Given the UK has relatively low rates of treatment by international standards, it is clear there is scope for further growth, and this will doubtless be supported by new treatments and the possibilities these present in allowing those who might otherwise be childless to have a healthy family.”

LaingBuisson will hold its first Fertility Forum on Friday 2 November, ahead of the Fertility Show at London Olympia on 3-4 November. This one-day conference will enable providers, patients and professional associations in this dynamic market to share knowledge, experience and insight. For more details, see our dedicated website www.fertility-forum.com

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Notes to Editors

About LaingBuisson

LaingBuisson has been serving clients for over 30 years with insights, data and analysis of market structures, policy and strategy across healthcare and social care. We are the chosen provider of independent sector healthcare market data to the UK Government Office for National Statistics and work globally with providers, commissioners, payors, manufacturers, investors, regulators and advisors. We help our clients to understand their markets, make informed decisions and deliver better outcomes through market intelligence, consulting and data solutions.

For more information, please visit our website at www.laingbuisson.com.

About Hugh Risebrow

Hugh Risebrow has worked in a range of senior private and public sector healthcare roles since 1993 with organisations including Synlab UK, Guy's & St Thomas' NHS FT, Interhealth Canada, United Health Europe, BUPA and Aid-Call plc. Hugh currently undertakes consultancy work for public and private sector healthcare clients, both through Latchmore Associates, where he is managing director, and as an associate of LaingBuisson. Prior to writing this report he had advised two NHS Assisted Conception Units on future strategy. Hugh has an engineering degree from Cambridge and spent his early career with Bain & Co. He lives in the New Forest with his wife and four children.

About the In Vitro Fertilisation UK Market Report

This is the first edition of LaingBuisson's In Vitro Fertilisation UK market report. Specifically, it looks at the field of medically supervised diagnoses and interventions which assist the conception of healthy babies. Topics covered by the report include:

- Market size
- Segmentation
- Historic market growth
- Funding
- Supply and demand
- Demand drivers
- Business models
- Government policy and regulation
- Payors
- Major providers
- Investors
- Market potential