Sperm donation: a lucrative and growing industry

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Like most sperm donors at Cryos International, Laus has chosen to be anonymous. The Danish sperm bank, which says it delivers sperm to more than 80 countries, is a great believer in protecting the identities of the donors on its list as only a small proportion have indicated they would be open to future contact.

You can click on Laus's profile, which reveals him to be a 6ft 2in student of business administration with blond hair and blue eyes. There is a picture of him as a smiling baby and an audio recording of him as a grown man. “I cannot see any downside in donating my semen,” he says. “As for myself I am not ready to become a father yet.”

Like other sperm donors, Laus has been paid nominal amounts but is part of a rapidly growing fertility industry. Driving its growth is what some have called a “delay boom” — the trend for women to put off having children until they reach an age at which their fertility is reduced — as well as the growing acceptance in many western societies of single-parent or same-sex families.

For-profit sperm banks such as Cryos, established in 1987, are among the businesses that are benefiting from these trends. Ole Schou, founder of Cryos, says his company processes sperm “like milk from a cow”. Like other sperm banks, it collects samples and tests and grades them. The different grades of sperm are sold at prices ranging from €40 to €1,000 per 0.5ml “straw” — which also reflects the amount of information Cryos publishes about the donor and whether he is open to future contact. The donors go through months of testing and only a tiny fraction of applicants are accepted.

Cryos is part of a “fertility cluster” in Denmark that turned over DKr1bn ($152m) in 2012, according to Copenhagen Economics, a consultancy. It estimated the cluster as a whole exported goods and services worth DKr700m in the same year.

Denmark has become a world leader in the fertility market, says Annemette Arndal-Lauritzen, chief executive of European Sperm Bank, Cryos’s main Danish competitor.

Denmark has certainly become a significant source of sperm used in the UK. In 2013, according to the UK’s Human Fertilisation and Embryology Authority, licensed clinics used 387 new UK-based donors and 178 new imported donors. Of the imports, donors from the US accounted for about 70 per cent. However, Denmark, with a population of 5.5m, was the next biggest source, accounting for nearly a fifth of all new imported sperm donors.

Clients and industry bodies are concerned, however, that the number of children born to sperm donors could be much higher than authorities think — the point is that there is no way of knowing. Cryos and many of its US counterparts ship directly to women’s homes, which means women can self-inseminate and authorities might never find out. “We can ship directly to a woman. We don’t need to go through a clinic and the authorities can’t do anything about it,” says Schou.

The implications of this and the associated under-reporting of so-called “live child” data (babies who survived), even from registered clinics, are serious. In Europe, most countries have imposed strict limits on the number of families a donor can help. In the UK that number is 10. The restrictions exist for a number of reasons. For example, authorities want to minimise the risk of in-breeding — half siblings could meet one another in the future and be unaware they have the same biological father. In addition, these rules help protect sperm banks against criticism and possible legal action should the father be found
to be carrying a genetic disease. The limits are also meant to ensure donors and offspring are not shocked to discover how many biological relatives they have.

“One of the challenges is that people don’t report their [live births],” says Alice Ruby of The Sperm Bank of California, a non-profit organisation. “It needs to be more carefully monitored.”

Laura Witjens, chief executive of the UK’s National Gamete Donation Trust, which has responsibility for the recently launched National Sperm Bank, says the problems are exacerbated by the financial incentives for those in the industry. She estimates a donor could help to generate up to £50,000 in revenue if his sperm is sold through UK clinics and linked to fertility treatments for just 10 families. His sperm alone, if sold by the non-profit National Sperm Bank for straightforward insemination, could earn £5,000 — £6,000.

But a donor’s sperm could generate far more — in the US, for example, there are recommendations, but no rules, to limit the number of families a donor can help. In addition, sperm banks that sell to European countries sometimes exceed their limits — Schou says Cryos simply puts a warning up when the limit has been reached and does not ask buyers to identify themselves. Also, many sperm banks are marketing globally — once they have reached a limit in one country they can still offer an individual’s sperm for sale in another. Schou says the average Cryos donor will have 25 children, although he admits some will have more than 100.

Wendy Kramer, founder of the Donor Sibling Registry, a US-based website that invites donors and siblings to connect with one another, says she has met men who are shocked to discover they have fathered more than 200 children.

She set up the site because her own child, who was born after she received donated sperm, was curious about his origins. “My own donor donated three times a week for five years,” she says, adding that men might not be aware just one donation could father several children. “One man might produce 75 sellable vials in a week,” she says.

Witjens agrees men may not fully understand what they are doing. “I’ve spoken with UK donors who think one ejaculate equals one baby,” she says.

“We assumed they would keep accurate records and practise the highest ethics. A lot of us have come to realise the industry doesn’t always operate at the highest ethical levels,” says Kramer.