



Cord Blood America, Inc. Company Overview

(OTCBB: CBAI)

In response to growing global demand to collect and cryogenically preserve stem cells, Cord Blood America, Inc. (CBAI) offers a storage service to “bank” infant cord blood stem cells for future use exclusively by the enrolling family.

CBAI earns revenue through a one-time enrollment and processing fee, and through an annually recurring storage and maintenance fee. With three storage facilities in three countries, CBAI currently stores and services approximately 30,000 samples.

The company does not conduct stem cell research or development, nor conduct clinical trials.

Corporate Strategy

Because cryogenically preserved umbilical cord stem cells have already been used to treat major diseases, including leukemia, severe anemia, metabolic blood disorders, and immune deficiencies, consumer awareness and demand for stem cell storage like CBAI's is growing with each headline. Additionally, therapeutic companies who serve these markets rely on CBAI's collection services to source their raw stem cell material.

CBAI's growth strategy is comprised of three objectives: organic sales growth through insurance carrier partnerships, acquisitions, and diversification of revenue streams from alternate collection methods.

Health Insurance Carrier Partnerships

CBAI's partnerships with leading insurance carriers identify pregnant women within their provider networks. When coded by the carrier, co-branded CBAI marketing literature is mailed directly to the pregnant family. The insured is provided with information needed for cord blood collection and storage and offered a discount to CBAI's market rate. There are additional marketing strategies employed by each insurance carrier, unique to their geography, from health fairs to hospital presentations.

CBAI's current partners insure an estimated 16.5 million lives*:

- AmeriHealth
- AmeriHealth Administrators
- Asuris Northwest Health
- BlueCross BlueShield of Kansas
- BlueCross BlueShield of Tennessee
- Blue Cross Blue Shield of Northeastern Pennsylvania

- Highmark Inc.
- Highmark Blue Cross Blue Shield West Virginia
- Horizon Blue Cross Blue Shield of New Jersey
- HMSA, Blue Cross Blue Shield of Hawaii
- Independence Administrators
- Independence Blue Cross
- Keystone Personal Choice (part of IBC and BCBS of Northeastern PA)
- Premera Blue Cross
- Regence Life and Health
- Regence BlueCross BlueShield of Oregon
- Regence BlueCross BlueShield of Utah
- Regence BlueShield of Idaho
- Regence BlueShield

*Sources: AHIP 2010 Directory; www.ibx.com/about_ibc/company_information/index.html

Acquisition Strategy

CBAI's acquisition strategy targets undervalued, accretive acquisitions as well as strategic plays that allow the company to expand in to new markets or broaden its insurance carrier partner base. It is often cheaper for the company to “buy” new customers through acquisitions, which in turn lever the economies of scale in storage capacity.

Revenue Diversification

By leveraging its cryopreservation capabilities, CBAI is able to monetize commonly discarded medical waste stem cells.

- Placenta stem cells
- Umbilical cord tissue
- Umbilical cord blood
- Dental pulp stem cells

Company Products

Collect-A-Cord™ Kit featuring PALL Medical's Cord Blood Sterile Collection Bag. This innovative sterile bag makes it safe for all deliveries including C-sections, with no need for additional sterile adapters. The bag is designed to maximize the recovery of cell-rich plasma and accommodates volume up to 210 mL of cord blood. This collection bag also features an In-line DonorCare® Needleguard, ensuring protection against accidental needle stick injuries.

The PALL bag is FDA NDA approved and individually inspected prior to release per Current Good Manufacturing Practice (cGMP) standards. Each bag is trackable with unique lot numbers, further ensuring dependable quality control measures.

BioE PrepaCyte-CB® sterile cord blood processing system.

The BioE system is 510K and FDA approved. The BioE system is manufactured under FDA cGMP regulations. The interconnected three-bag design, along with the sterile fluid path, limits cell manipulation and helps minimize environmental contamination and identification errors.

In contrast to automated systems that assume every cord blood sample is exactly the same, CBAI's in-house technicians manually process incoming samples and are given direct hand held and totally enclosed control at each stage of the process.

On-Site Storage

Samples are stored in vapor-phase nitrogen tanks for maintenance at a consistent -196 degrees Celsius. These tanks are equipped with a 24-hour monitored alarm device along with a backup system meeting regulatory standards.

All samples have unique identification codes and assigned inventory locations in the tanks for easy identification and retrieval.

Credentials

- FDA registered for Human Cells, Tissue based products and Cellular Tissues (HCT/Ps)
- Registered with the FDA to serve as a cord blood bank
- Operating under cGMP standards
- Licensed in the states of NY, NJ, CA, and MD
- Testing conducted by CLIA approved, licensed reference laboratories
- American Association of Blood Banks (AABB), Institutional Member

Senior Management

Matthew Schissler, Founder, Chairman & CEO • Joseph Vicente, Chief Operating Officer • Stephanie Schissler, Founder, Consultant • Geoffrey O'Neill, Ph.D., Vice President of Operations

Board of Directors

Matthew Schissler • Joseph Vicente • Timothy McGrath

Medical & Scientific Advisory Board

Shamoon Ahmad, M.D., FACP • Geoffrey O'Neill, Ph.D.