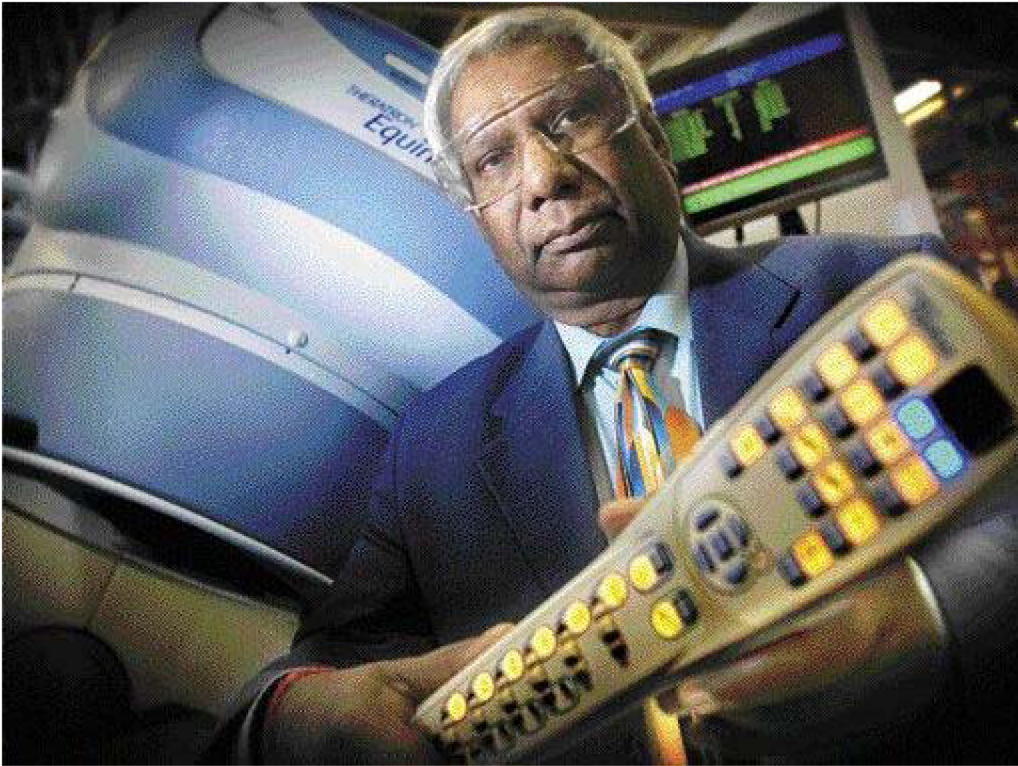


Cancer-fighting workhorse gets an update

Krish Suthanthiran has improved equipment that has been saving lives for decades. Bert Hill reports.

BY BERT HILL, THE OTTAWA CITIZEN JANUARY 13, 2010



Best Medical International president Krish Suthanthiran says he's proud of the performance of his company's sturdy cancer radiation machines, which bring affordable and effective relief to patients 'in the Third World as well as the First World.'

Photograph by: Bruno Schlumberger, The Ottawa Citizen, The Ottawa Citizen

When Krish Suthanthiran arrived at Carleton University in 1969, the penniless graduate student washed dishes in the cafeteria.

Tuesday, he returned as president and owner of Best Medical International, a Washington-area company with sales of more than \$100 million. It owns Ottawa-based Best Theratronics, the former Crown corporation specializing in cancer radiation equipment, which he bought two years ago for a bargain \$15 million.

"Everywhere you look in the world today, the health-care system is broken," he said. "It is too expensive, yet people are not getting the care they need."

He demonstrated what he's doing about it at the Theratronics plant Tuesday.

Best Theratronics is taking its workhorse Equinox cancer radiation equipment, found in 2,700 hospitals around the world, and adding new features. The latest development, 3D Conformal Radiation, allows technicians to deliver radiation much more accurately without damaging healthy tissue.

Every year, the Best Theratronics operation produces 30 to 50 radiation machines from a sophisticated operation in Kanata. It has 140 employees and annual sales of about \$35 million.

One of the keys, according to Suthanthiran, is making the equipment as inexpensive, reliable and simple as possible. "We are producing machines for \$1.5 million without service contracts while our competitors charge \$5 million to \$7 million for complicated machines that need service contracts."

For a technology company, it is tempting to throw out the old gear in favour of advanced equipment carrying rich price tags and service contracts.

But growing up in a poor village in Southern India, Suthanthiran knows what happens when complex equipment breaks down. Machines that were working seven days a week around the clock suddenly shut down and people with cancers are denied treatment.

The Theratronics machines are a legend in the medical profession. Dr. Ebrahim Ashayeri, a colleague who recently retired from a Washington cancer treatment centre, remembers working on one as a medical student at the University of Tehran. Thirty years later, he went back to Iran while his father was getting treatment. The machine bought under the Shah was still delivering treatment.

Suthanthiran said, "We have a former Crown corporation at Theratronics which I think is a crown jewel for Ottawa.

"Our equipment can work off batteries and solar power. It is built for the Third World as well as the First World."

He remembers how, when his father struggled with colon cancer while running a small grocery store, it was only the generosity of villagers that allowed the bright young student to get an education.

And he remembers the early years at Carleton. While he can now afford the toys of the super-rich, he prefers to fly commercial, live modestly and eat at McDonald's.

While his two years at Carleton and a semester at the University of Toronto led to a U.S. green card and a job

as biomedical engineer at Howard University Hospital in Washington, he has fond memories and has kept in touch with Ottawa.

"When I arrived at Carleton, I remember how cold the winters were and all the snow. I loved the tunnels and the take-out pizza, with hot peppers. We lived on beer, coffee and pizza."

Learning English working in the cafeteria was a challenge.

"I thought hot dogs were dog food."

While he still lives modestly, that does not mean he doesn't have the occasional extravagance, like buying a remote abandoned mining town in B.C.

He paid \$5.7 million for Kitsault, 140 kilometres north of Prince Rupert, in 2005 and has been pouring in more money to turn it into a resort, conference centre and artists retreat. One idea is to turn the

townsite, abandoned 26 years ago, into a centre for 400 bright artists and scientists to spend a year, with free room and board, addressing world problems.

Suthanthiran said he got his entrepreneurial drive from his father. As a child, he bought bulk candy and sold it to his friends. He started Best Medical International in 1977 developing technology aimed at blood circulation problems.

The big break came in the '90s when his company developed a radiation treatment.

He rapidly acquired and built a string of companies. He said he has invested about \$30 million in Ottawa in recent years. Theratronics was actually his second Ottawa company. In 2005 he bought Thomson Nielsen, which makes radiation measurement devices

Buying land is a critical part of his strategy. He has extensive holdings in the U.S. and when his company needs cash to make an acquisition, it is usually readily available.

It also puts him in the crosshairs of neighbourhoods opposed to redevelopment. He sold a Washington apartment project last year for \$12.3 million after losing a court battle to redevelop the site for luxury townhouses.

The crash in U.S. land values has hurt, but he said he still prefers the independence of funding his own operations. "I don't have to pay \$5 million a year to meet stock market requirements."

Paul Moses, the director of global sales for Best Theratronics, has worked for the company as Crown corporation, a division of MDS Inc. and a private company.

"The big difference is the enthusiasm and the quick decisions that Krish brings.

"When we decided we needed a clinic in Washington to demonstrate the technology, we thought the price of land would be exorbitant. But Krish had land ready."

He endowed a scholarship at Carleton in the name of a retired professor, Richard Kind, who was his mentor.

He put up money for an Ontario research development program to match public funding. And he is talking to Carleton about how to harness technology to reduce the costs of delivering education.

In the U.S., his Cure Foundation is financing an alternative non-profit insurance company that he believes will provide coverage much more cheaply than for-profit insurance companies do.

"There is no reason why governments in Canada and the U.S. should have to spend 40 per cent to 50 per cent of their budgets on health care."