

# Virginia Millionaire Buys Himself a Ghost Town

## Businessman Has Big Plans for Canadian Mine Site

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Author: Doug Struck

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The Millionaire Who Bought a Town likes to save a buck. He breakfasts at McDonald's, flies economy class and asks for a doggie bag when he doesn't finish his meal at cheap motel restaurants.

But when, several months ago, the Virginia-based businessman saw a news story about a whole town being for sale in remote western Canada, he called the same day to offer a check for \$5.7 million -- sight unseen.

Today, Krishnan Suthanthiran owns Kitsault, a ghost town abandoned by miners' families more than 22 years ago and preserved like a museum display of suburbia -- though one through which bears occasionally wander.

Suthanthiran, who was born in India and made his fortune selling medical devices and real estate in the Washington area, said he jumped at the chance to buy Kitsault because, "one, it is beautiful up there, and two, I couldn't believe it wasn't being used. I said if nobody else could figure out what to do with a town, I can."



His ideas for transforming the empty community, located in a majestic natural setting, tumble forth:

Kitsault will become an eco-tourist destination or an artist's colony. He will hold conferences, gathering scientists for forums and evening salmon-roasts on the beach. Wedding receptions. A corporate retreat. A movie set. Skiing, hiking, a spa, bans on smoking and cars, maybe a high-speed hydrofoil to bring tourists 85 miles from Prince Rupert.

"I feel like a kid in a candy shop," he said.

Suthanthiran has avoided publicity in the past, content with his work and a growing list of philanthropy projects in India, Canada and the United States. Many involve small scholarships, the kind of boost that enabled him to leave home for college at 15 with only a collection of donations from neighbors in his pocket.

"I do believe in education," he said. "If you're going to eliminate poverty, you need to eliminate ignorance."

At 56, after quietly building his businesses for 28 years, Suthanthiran has plunged into a flurry of financial acquisitions. In the last year, he has moved to buy half a dozen companies. Most are medical concerns that complement his own, Best Medical International. But the purchases also include a Vancouver video production company and now -- the splashiest buy -- a ghost town.

“I guess Kitsault will bring me more into the open,” Suthanthiran said with little enthusiasm during an interview on the long, bumpy gravel road stretching 140 miles from Terrace, a town in western British Columbia, to the old mining community.

Kitsault, 500 miles northwest of Vancouver, was to be a model mining town. Instead, it became a monument to corporate misjudgment. In the late 1970s, Amax of Canada Limited chose to reopen a local mine, dormant since 1972, that produced molybdenum, a metal used to harden steel.

The setting is stunning: Green-cloaked mountains crested with streaks of snow plunge toward lakes and river gorges. A tidal estuary by the town teems with shrimp and salmon. Curious harbor seals poke up their heads from the water beneath the swiftly moving shadows of bald eagles.

Amax created a modern, planned community to house 1,200 miners and their families. The company built seven apartment buildings and 92 suburban homes with aluminum siding and green lawns. The town boasted a recreation center with a gleaming hardwood-floor gym and a swimming pool, health clinic, community center, library and daycare facility.

“It was an ideal place for a family,” said Larry Payjack, who opened a sporting goods store in the town’s small mall. There was no crime; residents formed a bear watch to collect the kids when a bear wandered through.

But just as the families were getting settled, the price of molybdenum plunged, from a \$15-a-ton high to \$3. An oversupply of the ore from competing mines and the recession of the 1980s killed off the “moly” market.

The company stockpiled the ore in one-ton bags on the beach for a while, recalled Art Hill, an electrician. Then, in November 1982, it ordered the operation closed, and within months, the town was abandoned. Most of the mining families, accustomed to a boom-and-bust lifestyle, moved to places where dreams still hid in seams of coal, asbestos or gold.

Kitsault was left empty and eerie. The glasses are still stacked for the next pint at the Maple Leaf Pub. The sign-in sheet at the day-care center shows a dwindling roster of 3-year-olds. Amber LaForge was the last to attend -- alone -- on June 27, 1983. The pool was left filled. Residents left the doors unlocked.

Amax and the successive owner, the giant mining company Phelps Dodge, kept a caretaker there who mowed the lawns and kept the heat on in the winter, keeping the town surprisingly intact.

“It’s nice and peaceful here in the winter,” said Jim Essay, 65, who lived with his wife, Maggie, as a Kitsault caretaker for the last two years. “Maggie did a lot of cross-stitching. We played cards a lot.”

There were occasional attempts to sell the property, but no takers until the price dropped and Suthanthiran noticed the ghost town for sale.

He had a history with Canada. He had come to Carleton University in Ottawa in 1969 at age 20 on a postgraduate scholarship after leaving India, where a friend’s father had taken up a collection to rescue the smart young man from his family grocery store and send him to college.

Suthanthiran got a master’s degree in engineering and then went to Washington to make medical devices with an oncologist. He started his own company in 1977, specializing in sophisticated radiation treatment catheters used to fight cancer, the disease that had claimed his father in India. The company now employs a staff of 130 in Virginia and 100 in Europe.

Its owner is not a flashy millionaire. No gold Rolex -- he wears a plastic sports watch and white socks. He says he hasn't been shopping in three years. He does not own a car. He spends more than half his time on the road, so when he flies back to Virginia, he rents a car to drive to the house he bought 22 years ago in quiet Mason Neck.

The only extravagance he admits to is a two-bedroom apartment in Las Vegas. He doesn't gamble, he says, but likes the shows and marvels at the operation of the giant hotels.

Suthanthiran has neither a wife nor children; the closest he came, he said, was when he was 28 and received a surprise call from a family who said they had arranged with his mother in India for him to marry their daughter. He balked, and since then, he said, "I've been busy." He works seven days a week, his ear joined to a telephone. He hasn't borrowed money in 20 years, he said.

But something about Kitsault has brought out the dreamer in him.

"Just look at this place," Suthanthiran gushed as he wandered around the empty buildings of his town. "Look at these paved roads. Look at the gym -- how many schools would love to have a gym like this? Look at this scenery. I've got a mailing list of thousands of doctors who would love to come up here to get away for a week."

The frozen-in-time look of the town is deceptive, though. Ants are chewing away at the wood foundations; mold has crept into the eaves. The electrical wiring is brittle, and the sewage system, which runs straight into the estuary, probably will not pass today's standards.

"I don't think he really knows what he's gotten into," mused Edmond Wright, secretary-treasurer of the Nisga'a Lisims native government, which represents the aboriginal villages that are Kitsault's closest neighbors. "We're really out in the boondocks here."

Besides, native officials told Suthanthiran at a recent meeting to discuss his plans, the 6,200 Nisga'a have treaty rights and a well-vetted development blueprint for the area. Over a hospitable lunch of wild salmon, the Nisga'a officials politely scolded Suthanthiran for rushing ahead without consulting them.

"You've got too much money," Wright chided him.

Suthanthiran is undeterred by skeptics.

"If I wasn't an optimist, I'd still be in my home town in India running a grocery, with 10 kids," he said. "Land development is not for the fainthearted."

His plans do not include capitalizing on Kitsault's ghost-town history, however.

"We're going to focus on the future," he said. "People are going to say, 'Wow.' And they will forget about the past. The ghosts will be exorcised."

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