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Advice from young millionaire Gurbaksh Chahal

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By [Carolyn Zinko](#), Chronicle Staff Writer

At 17, Gurbaksh Chahal was clueless about kissing girls and holding hands, but he was savvy enough to make \$300,000 a month with an Internet advertising company he founded in his bedroom at his family's home in San Jose.

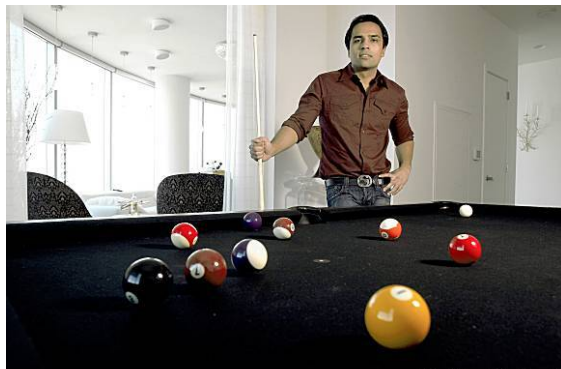
When he flew to Los Angeles on business, the young Sikh with a turban and a beard looked mature, but he was too young to rent a car to drive to his appointments, so he concealed his age by taking cabs to meet his clients.



When he sought venture capital from investors, he skirted questions about his experience (none!) and tried to avoid revealing that he'd dropped out: not from college, but from high school.

Now all of 26, he sits on top of two astounding achievements: He sold his first company, Click Agent, for \$40 million in an all-stock merger in 2000, and his second, Blue Lithium, to Yahoo last year for \$300 million.

This week, his autobiography, "The Dream: How I Learned the Risks and Rewards of Entrepreneurship and Made Millions" (Palgrave MacMillan, 236 pages, \$24.95) hit bookstores.



He appeared on "The Oprah Winfrey Show" on Thursday. On Dec. 3, he'll be on Fox TV's "Secret Millionaire" series, in which wealthy participants live undercover among the poor, and then bestow \$100,000 of their own money on deserving recipients. He lived in the Tenderloin, and his segment features two San Francisco charities: St. Anthony's and Raphael House.

Chahal has yet another TV show in the works, and a new Internet company that should launch in coming weeks.

While success like his is often attributed to luck, Chahal's story, like that of many immigrants, is more one of sacrifice. He wrote the book, he said, to show that it was years of hard work, persistence and faith, along with the support of his family, that brought his financial rewards - not chance.

"I did not want to write a Donald Trump book - 'Think big, kick ass,' " Chahal said in an interview last week in his sleek, white, modern penthouse in the Infinity Tower overlooking the Embarcadero and San Francisco Bay. "It's not easy to make money. It's a struggle, a journey. There's no '10 ways to success,' no pyramid scheme," he said. "I thought if I could write about my life and my journey and people could connect it with their own life, their own path, they could realize, 'If he can do it, so can I.' "

Chahal, who has soap-opera-star good looks, is one of four children in a family that immigrated from Punjab, India, in 1986 to escape political instability arising from the Sikh separatist movement.

In San Jose, his father worked as a postal employee and his mother was a nurse. Chahal had an older brother, two older sisters and a grandmother who came along. They lived in East San Jose, one of the city's lower-income neighborhoods. In India, his father had graduated college with an engineering degree and worked at the police academy, while his mother had run the nursing program at a city hospital. Here, they worked double shifts, shopped at the Dollar Store and McFrugal's and clipped coupons. But they encouraged their children to go to college to become doctors or engineers.

But Chahal, who was nicknamed "G" for Gurbakshi-Ji ("Ji" is a term of endearment) took an independent path. He was influenced by his father's pluck, his grandmother's optimistic spirit and an innate stubborn streak. He was teased as a child by neighborhood kids about his Sikh religion, questioned by a schoolteacher about his colorful clothing, and was once forced at knifepoint on a schoolyard basketball court to take his turban off.

"I can't. It's part of my religion," Chahal told them.

"You don't listen too good, do you?" (the boy) said, taking a knife out of his pocket. "Take that s- off right now!"

"I wanted to tell them, just as I'd wanted to tell everyone who had ever taunted me, that I was proud of my family, proud of my heritage and proud to be a Sikh - but I was just a kid, and I didn't know where to begin," he says.

"Instead, I began to long for another kind of existence, where I was in charge."

His dream became a reality not long afterward. Chahal's father had started a side job, day trading on the computer, and was soon making more money than at his day job. Chahal, the youngest son, helped him research stocks, and together they watched business reports on TV and read the business pages every morning before work and school.

Chahal came across Double Click, an Internet advertising business. They didn't invest, but it planted a seed in Chahal's mind.

When the stock market crashed in 1997 and his father lost nearly everything, Chahal decided he would try to help his family recover - and created his own company, Click Agent. It was a performance-based advertising company. Software could track when someone viewing a Web page clicked on an ad; an advertiser was charged each time that happened. The company that delivered the most clicks most consistently, he writes in his book, was going to get the most business.

Chahal doesn't write code, but he knew what he wanted the program to do, and hired a programmer who flew to San Jose from London to meet with him. He promised to pay the man \$10,000 a month, even though he didn't have any startup cash. After the meeting, he went home and began cold-calling companies to find clients to place orders.

"Two days into it, I struck gold," Chahal says. "I found myself on the phone with a gentleman at the Left Field Advertising Agency in San Francisco. Left Field had a client, Infoseek, a search engine like Google, that was looking to increase traffic to its Web site. 'If you put up a \$30,000 order, I can deliver traffic at a dollar a click,' I told the agency. In plain English, I was telling him that I could deliver at least 30,000 clicks.

" 'We'll get back to you,' I was told. The following morning, they contacted with an insertion order. Suddenly I was in business. That's how fast things moved."

Chahal hadn't told his parents, but soon he had to. He was making serious money. He couldn't open a bank account on his own because he was too young, and had enlisted his older brother, Taj, to open one and join him in the business venture.

Nirmal Chahal, the family's eldest daughter, recalled the night that Chahal told his father.

Dad freaks out

"He brought the bank statement and showed my father he was making money," she said by phone from Utah, where she lives with her husband and two daughters. "My dad's reaction was that he literally screamed. My mom came rushing from the kitchen, her hands still wet. My dad said, 'G is going to jail! He did something illegal!' They'd been working 20 years, double shifts, and had not had that kind of savings."

Once the family understood that it was a legitimate business, tempers calmed.

"Initially, it was tough to believe," his father, Avtar Chahal, said. "But because Gurbaksh believed in himself, I believed in him. I'm the proudest father in the world."

Chahal persuaded his father to let him drop out of high school. He opened an office in Santa Clara and hired staff, including two of his siblings. He sold the company to a competitor, Value Click, and a few years later started Blue Lithium.

He also cut his hair, shaved his beard and stopped wearing a turban because, he writes, he felt it was difficult to make investors comfortable with him when he looked less than mainstream.

At Value Click, he met Troy Baloca, who worked as director of sales. Baloca, now chief executive at eMediaVC Inc., says Chahal has been an inspiration to him since the day they met. Their brainstorming sessions often run past 2 a.m.

"Ever since I've known him, he's been a mentor for me - the way he carries himself, the way he talks to people," Baloca said. "It's not about age, because we'd go into board meetings together and he had a presence. I would call him a genius. He's a thinker. The word 'motivated' is not the word. The best word to describe him is 'determined.' Everything he does has rubbed off tenfold, not just on me but on others around him, too."

With his success, Chahal paid off the mortgage on the new home his parents had moved into in a better neighborhood. He bought cars for his brothers and sisters and took the family on vacations. He also went through a car phase, buying a Lamborghini, a Mercedes, a Ferrari, another Lamborghini and finally a small white Bentley, which he drives today.

He also started dating, something he'd never learned to do in high school. Money, he has found, has brought him a more ornamented life - bigger homes, designer clothes, better toys - but also complexity. He recently vacationed in St. Tropez, where he found that the good life wasn't so good.

Down to earth

"Too superficial - in restaurants, it was all about who could have the bigger tab," said Chahal, a down-to-earth type who flies economy class and whose parents fed the kids Little Caesar's pizza on Monday nights because it was only \$5 per pie. "Waiters at Nikki Beach would clap for you, if you bought Champagne at 3,100 euros a bottle. I could do that, but it would put me through mental shock."

He's also finding it hard to form friendships and find girlfriends because it's difficult to know whether people like him for himself - or his money.

"He still gets nervous on the first date," said Baloca, who enlisted Chahal to be best man at his wedding five years ago. "He'll call and say, 'I met this girl,' and we'll start talking. I'll ask, 'Where are you going to take her?' It's nice to know I can help him, too."

Chahal likes to go to Las Vegas because there nobody knows him as the millionaire wunderkind. He's just a guy from the Bay Area.

"When it comes to making friends, what it comes down to is finding people who don't need anything from me," Chahal said. "That's the test."

He's working on a new company called gWallet that he says will help people shop for bargains on the Internet, and hopes to launch it in the next few weeks. In the meantime, he believes that his book can serve as a self-help primer for just about anyone.

Not bad for a guy who spent his teen years skipping proms and movies in favor of toiling in front of a computer, munching on Twinkies.

"I've had an incredible 11 years," Chahal said. "I thought, if I had an opportunity to share it and if I could inspire people, why not?"

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