

# This Silicon Valley Tech Guy Is Typical of EVERY Guy In Silicon Valley

Insane egotistical narcissism and abuse are worshiped in Silicon Valley



exclusive

Photo Illustration by The Daily Beast

MALFUNCTION

# Silicon Valley CEO Called Employees the N-Word and Hit Three Women, New LawsUIT Claims

**Gurbaksh Chahal pleaded guilty to domestic assault, but remained in charge of companies where former co-workers say he ruled through fear and racial slurs.**



[Kelly Weill](#)

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The way [Gurbaksh Chahal](#) tells it, he's living the American dream. Once a poor immigrant living in San Jose's projects, Chahal struck it rich when he sold his first company for tens of millions of dollars as a teenager and moved into a San Francisco penthouse. His inspirational story was even the subject of a 2008 appearance on the Oprah Winfrey show.

But as Chahal's accolades piled up, so did the allegations against him.

In 2013, he was filmed hitting and kicking his girlfriend 117 times, and later charged in the alleged beating of another girlfriend. In both instances, he remained at the head of tech companies where, according to a lawsuit reported for the first time by The Daily Beast, he routinely called people "n---rs" and fired an employee who allegedly tried to stop him from hitting a third woman. Two other open lawsuits, between them, accuse him of misleading investors, hiring women based on their looks, and making a death threat against an employee.

That hasn't stopped him from attempting to raise \$100 million with a new [bitcoin-like cryptocurrency](#) that he launched earlier this month with the endorsement of Paris Hilton.

“He’s the biggest liar I’ve met in my life, I’ll tell you that much,” one former employee told The Daily Beast.

Neither Chahal nor his companies nor the lawyer representing him in two civil cases returned The Daily Beast’s requests for comment.

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Chahal was born in India, and moved to the U.S. when he was 4. His family had “about 25 bucks,” he said in a 2008 episode of the reality television show *Secret Millionaire*. He dropped out of high school to launch advertising company Click Agents when he was 16, and sold the company for \$40 million in 2000, when he was 18.

At least that’s how Chahal’s story goes. In 2011, [Business Insider](#) reported that the price tag on Click Agents’ sale was subject to dispute, with a source claiming Chahal sold the business for \$25 million, not \$40 million.



### **Courtesy of ValueClick**

Chahal's relationship with ValueClick, the company that bought Click Agents, soon deteriorated, along with the company's stock price. Chahal sued the company for securities fraud, settled, and founded a new advertising technology firm, BlueLithium, which he sold to Yahoo for \$300 million in 2007. He purchased a Lamborghini, "got tired" of it, and moved into a swanky penthouse apartment in San Francisco, which he showed off on television.



### **ABC**

Scene from show Secret Millionaire

But Chahal's lifestyle began wearing on his new neighbors. In 2010, the building's owners association sued Chahal for allegedly violating his tenant agreement, according to court records. They claimed in one instance he berated a female security guard. "He then is reported to have cursed and used

degrading language to the employee when he threw the key fob at her,” the lawsuit, which was settled out of court, said.

### **‘Illegal Activities’**

By 2013, Chahal had launched a third digital advertising agency called RadiumOne, which he boasted of being an industry leader, [despite allegations](#) that the company had copied a rival’s business model. (Chahal told Business Insider the allegations were a “weird conspiracy theory.”)

That June, Chahal’s executive assistant Rafael Rojas sent an email to board members accusing Chahal of “illegal activities” including soliciting sex workers, drugging women, and trying to obtain drugs illegally, Rojas wrote in an email obtained by [Business Insider](#). Chahal denied the allegations and sued Rojas for over-billing him for car rides, but the case was dismissed by all parties in August 2013.

By that point, Chahal was facing more serious allegations.

Chahal’s penthouse apartment had a state-of-the-art video surveillance system that on Aug. 5, 2013, filmed Chahal hitting and kicking his girlfriend 117 times and attempting to smother her with a pillow.

Chahal was arrested and charged with 47 felony counts, but didn’t lose the support of the RadiumOne board. A judge later ruled the video inadmissible as evidence, and the alleged victim refused to testify. As a result, the 47 felony charges were dropped and Chahal pleaded guilty to two misdemeanors, which resulted in a fine and a year of probation but no jail time.

RadiumOne board members cheered the decision, urging him to keep his head down while the company prepared to go public on the stock market.

Instead, Chahal declared his innocence in a series of online tirades and accused his victim of having sex with other people for money. The RadiumOne board fired him shortly after the outburst.

In July 2014, Chahal launched his current advertising company Gravity4. Two months later, on Sept. 17, 2014, he allegedly beat a different girlfriend in the same San Francisco penthouse.

The woman, a South Korean citizen, left the U.S. and did not testify against Chahal, but claimed in court papers that he had threatened to report her for immigration fraud. Chahal was charged with probation violation and sentenced to a year in prison, which he had postponed pending an appeal.

He briefly stepped down as Gravity4 CEO, letting his sister Kamal Kaur take over before reclaiming the office for himself.

### **Shocking Allegations of Sexism**

Kaur’s short-lived tenure was a ploy to protect the company in the media, Chahal’s former second-in-command at Gravity4 claims in a lawsuit filed June 2017. The suit by former Gravity4 chief of staff Ali Al-Ansari—reported for the first time here by The Daily Beast—claims that Chahal told board members Kaur was a “puppet female CEO” who would protect Gravity4’s image. Kaur, who did not return The Daily Beast’s request for comment, allegedly took offense to the “puppet” comments.

Chahal also allegedly said he did not believe in “woman rights” or “equal pay,” Al-Ansari’s suit claims.

Two other ongoing lawsuits from former employees also accuse Chahal of sexism.

In one, Erika Alonso, a former Gravity4 senior vice president, claims she was pressured during her job interview to reveal whether she thought Chahal beat his girlfriend. Once she got the job, Chahal forced her to do shots of hard liquor against her protests, she claims. She claims she lost her job after just two months, learning she had been fired when her work email was disconnected and her picture removed from Gravity4's website. Gravity4 called Alonso's suit "baseless" in a statement.

A third lawsuit by a former Gravity4 employee, Yousef Khraibut, claims Chahal showed a picture of a prospective female hire in a bikini to other male employees, asking them for their opinions on the woman's breasts. Khraibut supposedly messaged Chahal to say that looking at the picture "wasn't right." "Research bro," Chahal wrote back, according to Khraibut's lawsuit. "Everything is online. I do this on EVERY CANDIDATE." (Chahal responded to Khraibut's lawsuit in a [series of tweets](#), accusing Khraibut's lawyer of extorting Chahal "to make a quick buck.")

After Chahal allegedly beat a girlfriend in September 2014, he allegedly asked Khraibut to lie to police and say he was in the apartment and that Chahal hadn't beat his girlfriend. Khraibut said he refused.

Al-Ansari's lawsuit claims Chahal wanted to further harm the two women he was charged with beating. In October 2016, Chahal described "in sickening detail his wish to go back in time and inflict severe violence on the two women he had been convicted of beating as 'revenge' for 'ruining his life,'" Al-Ansari's suit claims.

The suit also alleges Chahal hit a third woman in an apartment in Miami, Florida, while Al-Ansari attempted to hold him off.

"Al-Ansari was forced to interpose himself between the woman and Chahal and physically intervened to defend this woman to block Chahal from hitting her," his suit alleges. "Chahal nonetheless managed to hit this woman. Al-Ansari repeatedly told Chahal 'don't touch her!'"

Al-Ansari began recording the incident, he claims in his suit. Chahal allegedly fired him on the spot. After the termination, Chahal attempted to delete damaging content from Al-Ansari's laptop and cellphone by logging into Al-Ansari's iCloud account, his suit alleges.

### **Racial Slurs in the Office**

The alleged attack wasn't the first incident Al-Ansari recorded, he claims. According to Al-Ansari's suit, Chahal frequently called black people "n---rs." Al-Ansari's lawsuit includes a transcript of a recording Al-Ansari allegedly made of one such exchange.

"We're diverting into n---r topics," Chahal is quoted as saying.

"You need to stop," another man on the recording said, "drop the the n-word." "I'm not going to stop the n-word. Dude, do you want me to go ahead and say n---r, n---r, n---r?" Chahal asked. The other man said he didn't like the term. "I don't give a fuck. Martin Luther King might not like that, but he's a n---r, too," Chahal allegedly said.

Chahal allegedly told Al-Ansari to “avoid hiring n---rs” and claimed that another employee would have been promoted “if he wasn’t a n---r.” Chahal allegedly described President Barack Obama and Oprah Winfrey as “n---rs” and accused Al-Ansari of being a “n---r lover” when he protested the term.

“If he was displeased with an employee he would claim that they ‘pulled a n---r move,’” Al-Ansari’s suit alleges.

Chahal also allegedly called bankers “Jew n---rs,” blaming them for his failures, particularly for his inability to get more credit from banks. Chahal even lobbed the insult at his small dog when it angered him, Al-Ansari alleges.

Al-Ansari and Khraibut, both of whom are of Arab descent, accuse Chahal of calling them “terrorists” or “ISIS.”

Ironically, Chahal started a nonprofit called the Chahal Foundation to raise awareness of hate crimes, but tax records from 2013 to 2015 (the only years publicly available) show the foundation spent no money on grants or donations during those years—but did keep approximately half a million dollars in its coffers.

### **Company Chaos**

Chahal’s behavior allegedly worsened outside the office, in what Khraibut’s suit describes as a “cult of personality, intimidation, vulgarity, and impersonation.”

“Chahal expected his younger employees, including Khraibut, to spend virtually all of their waking hours in his service, including ‘hanging out’ in his condominium and ‘partying’ with him,” often alongside a bodyguard who carried a gun, Khraibut’s lawsuit alleges.

“I was in his inner circle. I don’t know how I even ended up there,” another former employee told The Daily Beast of Chahal. “He pretty much made everyone alcoholics at the office.”



## **Twitter**

Yousef-Khraibut

Khraibut claims Chahal doled out prescription drugs liberally, encouraging programmers to take his Adderall, and sometimes pressuring Khraibut to accept Xanax for flights, or painkillers instead of going to the dentist.

But Chahal also feared evidence of his alleged substance abuse being released to the public, and he sometimes asked associates to search each others' phones for pictures of his prescriptions or partying, Khraibut's suit alleges.

As the company supposedly floundered, Chahal allegedly fired people by using a fake employee named "Christian Gray" to justify the terminations. "Gray," who shares a name with the main character of *Fifty Shades of Grey*, started to outperform other staffers, [Bloomberg News](#) reported in 2016. Six people told Bloomberg that Gray was Chahal and two people said Chahal used Gray's sales as an excuse to fire workers.

Gray wasn't the only suspicious thing Gravity4 employees claimed about the company.

Gravity4's data software was stolen, Khraibut alleged in his suit. In the company's early days, Chahal told Khraibut that Gravity4's data software had been taken without permission from another company where Chahal's Gravity4 co-founder once worked, the lawsuit alleges.



Chahal's co-founder allegedly asked Khraibut to review a user handbook for the software. "Every page" was stamped with the previous company's name and "confidential," Khraibut's suit alleges. "Fuck... I'll have to scrub it page by page," Gravity4's co-founder allegedly texted Khraibut.

Khraibut and Al-Ansari worked without pay, both claim in their lawsuits. Chahal allegedly threatened to sue Al-Ansari for extortion if he attempted to collect on his back wages. Khraibut claims when he confronted Chahal about working without pay for months, Chahal fired him, ending his U.S. work visa.

Then Chahal allegedly called Khraibut "threatening and berating Khraibut, with threats including threats to knock Khraibut's teeth out, stick a knife between Khraibut's teeth, and 'find [Khraibut] wherever you are and send someone to beat the shit out of you and have you taken care of.'"

Chahal and his bodyguard also allegedly threatened to kill Khraibut's building manager when they demanded access to Khraibut's apartment. "They have been threatening me and my life is in danger," Khraibut texted his landlord, according to his suit.

Khraibut was not Chahal's only obsession, lawsuits allege.

In pursuit of favorable headlines, Chahal would announce high-profile mergers he never intended on closing, Al-Ansari alleged in his lawsuit. Chahal told Al-Ansari that he was "making false representations to potential investors and shareholders regarding Gravity4's profits, and talked about nonexistent \$1 billion + takeover bids that never occurred," the suit alleges.

One of those bids was an offer to buy the publicly traded company Rocket Fuel, which Gravity4 didn't have the funds to acquire, Al-Ansari claims. Two other bids were for RadiumOne, which had ousted Chahal in 2014, and rejected both bids. Alonso claims in her lawsuit it was part of a "constant theme of revenge against Chahal's former employer RadiumOne."



**CBS**

Gurbaksh Chahal, Internet entrepreneur, appears at the Hall of Justice for violating probation.

Al-Ansari's suit claims "the purpose was to mislead the press to believe that Gravity4 had the cash to make these offers." When Al-Ansari questioned the legality the moves, "especially as Rocket Fuel is a publicly traded company" whose stock jumped 18 percent after Chahal's bid, Chahal allegedly threatened to fire Al-Ansari.

Two former employees and a third person familiar with Gravity4 told The Daily Beast that almost no one works there today. Reviews on the anonymous job-rating website Glassdoor describe the company as an empty ship with a dangerous captain.

"Schizophrenic," reads the headline of Gravity4's [first-ever Glassdoor review](#), from a former sales employee in August 2015. The company's first seven reviews, which date up to Feb. 20 were all one-star warnings to would-be employees: "company founded, funded, and ran by a con-man," read one.

On May 12, 2017, the company received eight four- and five-star reviews, all of which hyped it as a "top advertising house" whose few flaws included being "constantly in need of more sales staff in order to manage all incoming orders."

The blitz didn't prevent a one-star review purportedly from a former employee though.

"Didn't land a single piece of business in the time I was there," the review read. "Obsessed with media coverage but fails to realize that the media and the industry at large despises him."

### **Cryptocurrency Dreams**

Less than three months after the surge of positive Glassdoor reviews, Gravity4 created social media accounts for a bitcoin-like cryptocurrency [called LydianCoin](#).

On Sept. 1, Chahal posted a YouTube video titled "LydianCoin Launch," which offers practically no information on what LydianCoin is, eschewing a product description for three minutes of a male narrator murmuring inspirational phrases over stock footage of jetpacks and clips of Chahal meeting Obama and Oprah.

Adding to the celebrity sheen was Paris Hilton, who posted tweets and Instagrams like "Looking forward to participating in the new @LydianCoinLtd Token!"

Hilton's tweets attracted a wave of uncritical media coverage of Chahal's new product. Some articles didn't mention Chahal's widely publicized domestic abuse record, and even fewer appeared to read the [LydianCoin white paper](#), which explained that the cryptocurrency can only be cashed in for advertising campaigns with Gravity4.

"That's the biggest scam I've ever heard," one former Gravity4 employee said.



David Yermack, the chair of New York University's finance department who teaches courses on cryptocurrency, said buyers of any cryptocurrency should read the fine print to understand what they're purchasing.

"You have to encourage people to do their homework on what they're buying," Yermack told The Daily Beast. "You see people thinking they're going to make a profit and flip this to someone more gullible next week. It's what we in finance call the greater fool theory."

Chahal found his fools, a Sept. 7 tweet suggests.

"Based on overwhelming demand, @LydianCoinLtd offering is now oversubscribed," Chahal tweeted. "Working w/ legal advisors on best path forward. Pls, stand by."

Meanwhile, the lawsuits from Khraibut, Alonso, and Al-Ansari remain open, with Alonso's returning to court this year. Chahal's appeal against his one-year sentence for parole violation is scheduled to return to court on Dec. 1, according to a spokesperson for a local domestic violence group monitoring the case.

The end may be catching up to Chahal, which wouldn't surprise at least one former employee.

The former employee recalled a conversation with Chahal. "He turned to me and said, 'Don't you get it? I've never built a thing in my life.'"