

Ahmad Ishaq ByteCubed Three-vear growth 4.767.7% © 2015 revenue \$11.6 MILLION

Killing a Mediocre Business to Build a Great One

Ahmad Ishaq had grown a steady big-data business subcontracting for U.S. government projects. But the Afghan immigrant realized it wasn't his dream. So he started over—with Arlington, Virginia-based ByteCubed.

—As told to Kate Rockwood



MY PARENTS CAME to America near the end of the Cold War to escape the killing happening in Afghanistan. I was around 4 years old, and my first memory is driving straight from the Los Angeles airport to the beach. In Afghanistan, there are no beaches. It felt like a whole new world.

MY FAMILY DIDN'T have a dollar to its name, but asylum meant a chance to build another life. My dad worked all sorts of jobs—at a juice spot in the mall, driving cabs. I helped him start an import-export company. But there was always this civic drive to make a difference and give back to this country that gave my family a second chance.

Photograph by JOHN LOOMIS

AFTER COLLEGE, I MOVED from California to Washington, D.C. I got an internship at the Department of Defense and parlayed that into a government-program-manager position. One of the projects I led, A-Space, was named a Best Invention by Time magazine. It's a restricted social network where members of the government's intelligence services can share ideas and information.

I MOVED TO A BIG defense contractor, but I quickly got frustrated with all the bureaucracy. I wanted to do work that actually made stuff better for the government, not spend my days dealing with internal red tape. I thought, Let me try starting my own company.

SO IN 2011, I started ByteCubed. I wanted to figure out how the government could take information out of documents, analyze it, and make better decisions. But it can be hard for startups to win a primary contract-it's more common for them to work as subcontractors. So that's the approach I took

at first: partnering with big companies and feeding off the scraps they'd give me. Any opportunity that came up, I'd say yes.

WE KEPT GROWING, and I was taking home nearly half a million dollars in salary. But I was also deeply unhappy. We weren't fulfilling my vision of making a real difference. I wanted to be in control of my destiny, and instead I was subject to the whims of those primary contractors.

WHEN MY WIFE was pregnant with our first child. I had this now-or-never moment. I worried that if I didn't do something radical soon, I'd never start over. So I canceled our month-to-month office lease, cut my expenses to the bare bones, and sold off all my subcontracts for pennies on the dollar-which gave the business eight months of savings. I slashed employee head count from 10 to just two.

I SWEATED FOR MONTHS OVER that first proposal, and then there was this excruciating waiting period. I was checking my phone so often that my wife finally persuaded me to take a short trip to get my mind off things. We were in our hotel room when I got the news-ByteCubed had been awarded a five-year Department of Defense contract for \$1.2 million each year. My wife couldn't stop screaming, she was so excited.

IT WASN'T UNTIL a few months later, when the second and third contracts came in, that I started hiring again and signed for month-to-month office space. When we hit 40 people, I found a great space at 4,800 square feet. Then we got another contract. Now we're at 140 people, and we've finally moved into a new office: It's 17,000 square feet. Now we have room to grow.