

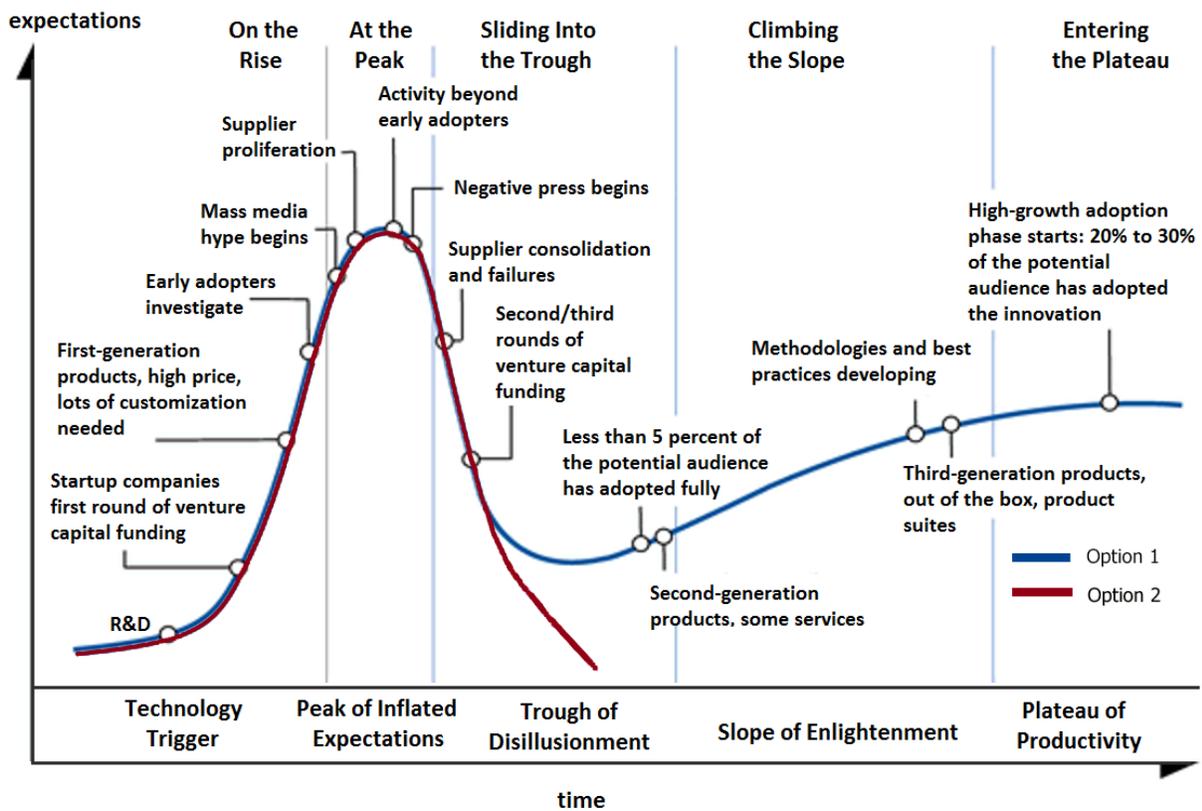
442 Startup Failure Post-Mortems

Credit:



CBINSIGHTS

Why Some Companies Can't Make It All the Way?



Gartner Hype Curve modified ([Source](#))

Argo AI

Title: [Ford, VW-backed Argo AI is shutting down](#)

Product: [Argo AI](#)

Autonomous vehicle startup Argo AI shut down at the end of October. Having just launched a suite of commercial delivery and robotaxi solutions the month prior, the news came as a surprise to many that had been watching Argo's rise to prominence. In 2017, just a year after it was founded, the company emerged from stealth with a \$1B capital commitment from Ford. Two years later, it entered the unicorn club with a \$7.3B valuation. In the time that followed, the company reportedly found it difficult to secure new investors amid slow progress toward the commercialization of autonomous driving technology. This led Ford and Volkswagen, its main backers, to shift their strategic focus away from the startup.

According to TechCrunch,

“Ford said in its third-quarter earnings report released Wednesday that it made a strategic decision to shift its resources to developing advanced driver assistance systems, and not autonomous vehicle technology that can be applied to robotaxis...

...That decision appears to have been fueled by Argo's inability to attract new investors. Ford CEO Jim Farley acknowledged that the company anticipated being able to bring autonomous vehicle technology broadly to market by 2021.

‘But things have changed, and there's a huge opportunity right now for Ford to give time — the most valuable commodity in modern life — back to millions of customers while they're in their vehicles,’ said Farley.”

Faze Medicines

Title: [Third Rock-backed Faze Medicines shuts two years after launch](#)

Product: [Faze Medicines](#)

Faze Medicines — a biotech startup focused on small molecule drug therapies — closed its doors at the beginning of November. The company initially maintained a focus on the development of treatments for ALS and other neurodegenerative disorders, and it then expanded to pursue cancer drug research. Despite its efforts, the drugs it developed never made their way to the clinical testing stage. And, unlike its competitors, it was not able to secure partnerships with major pharmaceutical firms. The lack of advancement led investors to pull back and the company to shutter.

Per Biopharma Dive,

“Third Rock Ventures, one of Faze’s early investors, confirmed its shutdown. ‘While advancements were made in the company’s ALS and oncology programs since launch in late 2020, the science did not progress sufficiently to meet our bar for further investment,’ Third Rock spokesperson Cynthia Clayton, said in a statement. ‘When Faze management made the recommendation to wind down the company, we — and the board — supported that decision.’”

Triplet Therapeutics

Title: [Atlas-backed gene-silencing startup winds down](#)

Product: [Triplet Therapeutics](#)

In mid-October, reports indicated that Triplet Therapeutics, a biotech focused on repeat expansion disorders like Huntington’s disease, was shutting down. Before it closed down

operations, the startup had raised \$59M in funding. This included \$49M in Series A funding, provided in part by Pfizer, that the company planned to use to advance its development candidates and contribute to natural history studies that could be used to guide its clinical development plan. However, the lackluster performance of its peers' Huntington's disease trials and a broader downturn in funding to the biotech space made it more difficult for the company to secure additional funding.

Per Boston Business Journal,

“Three years after emerging from stealth with plans to use RNA to silence disease-causing genes, Atlas Venture spinout Triplet Therapeutics is winding down its operations.

Co-founder Nessian Bermingham told the Business Journal the closure had been in the works for some time, following discouraging clinical trial data from competitors that were developing similar medications. The startup went from around 55 employees to around 12, then to a few key leaders who would stay on to ensure that the data Triplet had generated, plus an ongoing natural history study, would not go to waste.”

Nuri

Title: [German Crypto Exchange Nuri Shuts Down](#)

Product: [Nuri](#)

Nuri — a crypto bank formerly known as Bitwala — also shuttered in the middle of October. At the time of its closure, the company had more than 500,000 customers, who were asked to withdraw their funds by mid-December. Kristina Walcker-Mayer, the company's CEO, cited the insolvency of one of its main business partners as well as macroeconomic and political complications as contributing to its downfall. While the

startup initially entered into insolvency proceedings in an attempt to move forward through restructuring, it was not able to find new investors or a buyer.

Blockworks reported,

“German cryptocurrency exchange Nuri has closed its business after struggling to find investors.

The Berlin-based exchange with over 500,000 customers filed for insolvency in August after ‘challenging market developments and subsequent effects of financial markets,’ the company said in an earlier statement...

...Nuri is not the only cryptocurrency exchange that has been affected by the crypto bear market – many exchanges including Coinbase, Gemini, Robinhood, Crypto.com and BlockFi have all had to cut staffing after suffering significant losses.”

GloriFi

Title: [Neobank GloriFi shuts down following turbulent launch](#)

Product: [GloriFi](#)

GloriFi – a neobank for conservatives – closed down operations at the end of November. The company’s unique positioning initially drew investor attention, and it even announced a \$1.7B SPAC merger deal in July 2022. However, the startup ran into a number of issues related to product development, vendor disputes, and its workplace environment. In a statement on its website, the company cited startup missteps, economic challenges, reputation attacks, and negative media coverage as the driving forces behind its closure.

Banking Dive stated,

“GloriFi, a neobank billed as a bank for the ‘anti-woke,’ is shutting down two months after its turbulent launch, according to a message posted on the platform’s website on Monday.

The platform’s closure follows an October story by the Wall Street Journal that detailed the Dallas-based firm’s chaotic start, including missed launch dates, workplace issues and vendor disputes. GloriFi founder Toby Neugebauer stepped down as CEO following the Journal report and became the firm’s executive chairman.”

Fifth Season Collection

Title: [Vertical farming robotics startup Fifth Season shuts down](#)

Product: [Fifth Season Collection](#)

October also saw the fall of vertical farming robotics startup Fifth Season Collection. The company’s use of robotics tech to grow greens for salad kits sold at grocery stores attracted \$35M in Series A funding from Drive Capital among others. While the company did not release a statement at the time of closure, reports suggested that the startup could have struggled to raise the capital needed to support its capital-heavy operating model amid economic turbulence.

According to Pittsburgh Inno,

“According to multiple sources familiar with the matter, the revenue-producing startup officially closed its doors on Friday. It employed about 100 workers, most of whom reported to its headquarters in The Highline building on the

South Side while others worked out of its 60,000-square-foot indoor farming facility in Braddock.”

ProntoPiso

Title: [La ‘start up’ ProntoPiso echa el cierre cinco años después](#)

Product: [ProntoPiso](#)

ProntoPiso — a proptech startup — started the process of closing down in the middle of October. The startup started out as a digital real estate agency with a clear mandate: it would sell a client’s property within 90 days (charging a nearly 7% commission) — otherwise, it would pay the owner 95% of the property’s market value. It secured more than \$5M in equity funding in its first couple of years of existence and then pivoted to function as a platform for real estate agents. However, the pandemic hit soon after, [giving rise to challenges](#) that the company ultimately could not overcome.

A report from Expansión stated,

“The CEO explained yesterday that he took over the management of ProntoPiso after the firm changed its business model and argued that, shortly after, the pandemic punished the start-up, which now functioned as a technological platform for real estate agents. ‘We were very close to reaching an objective that I had set myself when starting the project, but in the end it couldn’t be’, he admitted.”

CommonBond

Title: [Student loan startup CommonBond is quietly winding down operations after the pandemic’s interest and payment pause massively hit its core business](#)

Product: **CommonBond**

In September, student loan lender CommonBond announced that it would be shutting down. The company had fared well before the pandemic, raising more than \$1.1B as of 2019. But the refinance market took a massive hit over the 2 years that followed, and the pause on student loan payments zapped the demand for solutions like CommonBond's offering. While the company tried to pivot and expand into loans for folks that wanted to give home solar panels a go, it ultimately wasn't able to scale and raise new funding quickly enough to make it work.

Per Business Insider,

“Student loan lending company CommonBond quietly announced it will be ‘winding down’ its operations after its core businesses saw a hit during the pandemic.

CommonBond cofounder and CEO David Klein said in a LinkedIn post that despite shifting to focus on residential solar panel loans, the impact of the student loan payment pause made it hard to continue the business.”

Reali

Title: **Reali to close down, reveals job cuts**

Product: **Reali**

Reali, a real-estate marketplace, stated that it was going to shut down and lay off most of its employees at the start of September. The startup echoed many of its failed compatriots in citing the contributing factors to its demise: disastrous market conditions as well as an unfavorable capital-raising environment. Interestingly, Reali had experienced steady growth up until fairly recently — it raised a \$100M funding round just over a year ago. Suffice to say, the onset of failure can happen very fast.

As reported by Mortgage Professional America,

“Real estate startup Reali has joined the list of companies shutting down amid the inflation-driven housing recession. The San Francisco-based fintech company said it will cease operating and start laying off most of its workforce on September 9.

Earlier this year, Reali announced plans to expand outside California and into other states by the end of 2022. However, things went south due to ‘challenging real estate and financial market conditions’ and an ‘unfavorable capital-raising environment,’ Reali cited.”

Quillion Tech

Title: [CPU Chip Company Quillion Technology Ceases Operations](#)

Product: [Quillion Tech](#)

Mid-way through Q3’22, Quillion Tech notified its employees that it would be closing shop. Up to that point, it had raised just shy of \$180M for its energy-efficient CPU chips. It had also been hiring rapidly, issuing dozens of new offers to support growth. However, a hiring freeze in July was followed by its August announcement that it would be winding down operations. While the company agreed to pay employees their full salary in August, it stated that it would reduce that amount to the Shanghai minimum wage once September hit. For most employees, this amounted to 3%–5% of their original compensation. The reported reason driving Quillion’s closure was a control rights disagreement among partners that crippled its ability to attain financing.

Per Pandaily,

“Quillion Technology, which has been in operation for more than half a year and was working on general-purpose computing and data center solutions, informed all staff on

August 5 that the company would cease its operations, LatePost reported on August 10...

...According to LatePost, the letter for all employees of the company said that Quillion will pay their August salary in full, but starting September 5, it will only pay the salary according to the minimum wage standard in Shanghai, that is, 2,590 yuan per month...”

Kitty Hawk

Title: [Flying-Car Startup Kittyhawk to Shut Down](#)

Product: [Kitty Hawk](#)

Flying car startup Kitty Hawk, founded by Sebastian Thrun, folded at the end of September. Thrun, who also co-founded Google’s moonshot factory (X), had launched the startup with backing from Google co-founder Larry Page in 2010. He largely shielded its operations from the public eye until it revealed its vertical take-off-enabled Flyer aircraft in 2015. The company continuously shifted its product focus over the years that followed, shuttering the Flyer project and spinning off its other public project into a joint venture with Boeing. While the company seemed to go all in on the development of its electric, autonomous aircraft (Heaviside), progress was hindered by mounting competition in the space and internal tension between Thrun and Heaviside program lead Damon Vander Lind. The company has not provided details on the forces behind its decision, but reports allude to clouded mission focus as playing a role.

[Engadget](#) stated,

“It’s unclear why Kitty Hawk decided to call it quits, but comments [Kitty Hawk CEO Sebastian] Thrun made after the company ended development on Flyer may provide a clue. ‘No matter how hard we looked, we could not find a

path to a viable business,' the chief executive said at the time.”

Bank North

Title: [Bank North: SME neobank goes bust after failing to raise Series B](#)

Product: [Bank North](#)

Neobank Bank North was forced to close at the beginning of October. The announcement came on the heels of its failure to raise the funding that it needed to obtain a full banking license from the Bank of England. Bank North was not unfamiliar with fundraising challenges, having been faced with a number of obstacles over the course of its 4-year lifespan. In addition to its past challenges, Bank North co-founder Richard Baker also pointed to mounting market uncertainty as factoring into the decision to shut down. Neobanks are no strangers to this running list of startup failures – in our [last update](#), we covered the downfall of Bank North’s Australian counterpart Volt.

Fintech Futures reported,

“Manchester-based neobank Bank North is winding down its operations with immediate effect after failing to raise the funds needed for a full banking licence from the Bank of England.

In a letter to the bank’s shareholders, board chair Ron Emerson stated the firm had failed to secure funding within the required timeframe as it looked to become a fully regulated bank.”

Modsy

Title: [Modsy quietly shut down while some customers were still awaiting refunds](#)

Product: **Modsy**

In late June, interior design service provider Modsy stopped offering its services without warning. While its website remained active at the time, the company deleted its Facebook and Twitter profiles and privatized its Instagram account in the weeks that followed. The shuttering of these channels made it difficult for customers with unfinished projects and unfulfilled orders to contact the fallen startup about refunds. More than 2 weeks after the company closed its doors and laid off its designers, former customers were still scrambling to attain what they were owed.

Modsy co-founder and CEO Shanna Tellerman communicated to TechCrunch that capital challenges and market uncertainty fueled its descent,

“Capital constraints and uncertain market conditions forced the company to cease operations on July 6 and lay off all employees,’ Tellerman told TechCrunch. Modsy’s assets were acquired by a ‘new entity’ out of an insolvency proceeding, she added, and some former employees were hired by the entity to take the business in a ‘new direction.’”

ShopX

Title: **Ecommerce enabler ShopX shuts down operations**

Product: **SHOPX**

India-based e-commerce enablement startup ShopX closed down operations at the end of August. From its founding in 2016 through 2020, the startup raised nearly \$48M to help local kirana store owners build their digital presence through the establishment of e-commerce operations. As it grew, it took out a number of loans from Singapore-based Fung Investment, which ironically ended up leading to its future failure. The company’s faulty business model prevented it from generating the cash flow and funding required to pay off the interest on those loans, forcing it to file for insolvency and bankruptcy.

According to Your Story,

“ShopX has been instrumental in co-creating the e-B2B industry. Over time, it has become unviable to operate at scale given the low margin profile of the industry, and hence, the decision to shut down operations. We have focused on an orderly and ethical windup, respecting all company obligations,’ the company spokesperson told Entrackr.”

Bolt Mobility

Title: [Micromobility startup Bolt abruptly shuts down in several cities](#)

Product: [Bolt Mobility](#)

Bolt Mobility — the e-bike and scooter startup co-founded by Olympic sprinter Usain Bolt — closed up and disappeared at the end of July. It stopped operating in a number of the cities that it served, leaving public officials to deal with hundreds of thousands of dollars worth of inoperable equipment that had been left behind. A number of its clients unsuccessfully reached out to the company to request information and assistance with equipment removal, with some reporting that emails to Bolt contacts and its CEO went unanswered. At the time, it wasn’t clear if the startup had permanently halted operations in all of its locations, but mounting accounts of service shutoffs and continued silence on Bolt’s part did not paint a promising picture. In a statement at the start of August, the company released a statement on its website explaining that its inability to raise necessary funding had led it to shutter operations.

Morning Brew discussed the aftermath of the startup’s rapid shutdown,

“If you think clogging the toilet at a party and Irish-exiting is bad, listen to this: City officials across the country are figuring out what to do with hundreds of dead e-scooters and bikes left behind by micromobility startup Bolt after it

abruptly shut down. And the company's ghosting anyone who tries to call or email...

...Some officials were aware that Bolt was in the process of powering down, but were caught off guard when the company skipped protocol to do so seemingly overnight.”

Propzy

Title: [Vietnamese proptech startup Propzy to shut down](#)

Product: [Propzy](#)

Vietnam-based Propzy, a proptech startup, initiated its shutdown in mid-September. CEO John Le stated that the company had been hit hard by the pandemic and ultimately proved unable to recoup its losses in the face of continued lockdowns. Propzy had previously laid off 50% of its staff in June, but announced that it was still on track to raise fresh capital. This did not pan out, and its inability to raise new funding in conjunction with macro turbulence pressured the company to close its doors for good.

[DealStreetAsia](#) obtained a copy of the internal email sent to employees, which stated,

“We had raised our \$25-million Series A round in mid-2020, which was immediately met by a prolonged pandemic compounded by global financial market instability from the Russian war in Ukraine. Our efforts to grow the business during this period resulted in absorbing significant losses that we were not able to recover from given the continual lockdown in Vietnam.”

B3i Services

Title: [Major insurers pull the plug on B3i insurance blockchain consortium](#)

Product: [B3i Services](#)

B3i was a provider of blockchain-backed reinsurance services formed by some of the biggest names in insurance and reinsurance: AIG, Allianz, and Swiss Re, to name a few. The company initially saw significant success, supporting the establishment of the world's first reinsurance contract using blockchain technology. It also raised \$26M over a 2-year period. However, its inability to close a new funding round after its Series B raised in 2020 forced the consortium's participants to call it quits.

Ledger Insights pointed to the potential factors that inhibited the startup's ability to fundraise,

“B3i, the blockchain insurance venture backed by more than twenty insurers and reinsurers, is to shut down. The company was incorporated in Switzerland in 2018, and its funding came entirely from insurance firms. An inability to close a further funding round triggered the insolvency.

A key question is whether this failure will be attributed to another large consortium, the technology, timing, agility, or something else. Consortia are notoriously hard.”

Wriggle

Title: [Bristol restaurant app Wriggle closes down for good following pandemic](#)

Product: [Wriggle](#)

Restaurant discovery app Wriggle shut down at the start of Q3'22. The platform aggregated local food and beverage deals for consumers as a way to help them save money and expand their horizons. While it started out in Bristol, it expanded into 7 cities across the United Kingdom before closing down in July. At that point, it had gained more than 400K downloads and \$2M in funding. Company management pointed to pandemic lockdowns as irreparably stymieing its growth.

Former founder and CEO Robert Hall spoke to Bristol Live about the startup's pandemic-induced plight,

“After each lockdown, we tried to return – but too much momentum was lost, and there was so much pent-up demand for dining out post-pandemic (and red tape around dining restrictions with the rule of six) that our restaurant partners didn't come back to Wriggle at sufficient speed.”

Kite

Title: [With Kite's demise, can generative AI for code succeed?](#)

Product: [Kite](#)

AI-assisted coding startup Kite announced its closure in the middle of November. The startup, founded in 2014, was focused on leveraging AI to help developers write code and raised \$21M in funding. However, a [detailed account of the startup's demise](#) written by the company's founder revealed 2 major factors that stood in the way of its success: the company hit the market too early and realized that its product would not monetize. In other words, a product that could help developers increase their code-writing speed by 18% wasn't something engineering managers felt compelled to buy. While the company considered pivoting to AI-powered code search, in the end, it decided to close up for good.

Per TechCrunch,

“Kite, a startup developing an AI-powered coding assistant, abruptly shut down last month. Despite securing tens of millions of dollars in VC backing, Kite struggled to pay the bills, founder Adam Smith revealed in a postmortem blog post, running into engineering headwinds that made finding a product-market fit essentially impossible.”

Curb Food

Title: [EQT-backat "spökkök" lägger ned verksamheten](#)

Product: [Curb Food](#)

Building on last year's series of food delivery startup failures, Curb Food shut down at the end of December. The company – run by co-founders with experience at Delivery Hero – operated a network of dark kitchens, i.e., locations that exclusively prepare food for delivery. From its founding in 2020 to 2021, the company brought in more than \$28M in funding from investors including EQT Ventures and Point72 Ventures. However, its journey peaked in 2021 with its Series A round – a year-and-a-half later, it confirmed it would be closing down. CEO Carl Tengberg stated that the startup's capital-intensive model proved unsustainable amid poor capital market conditions.

Dagens Industri reported on the closure,

“In June 2021, the company raised over SEK 200 million in a financing round that valued the company at SEK 660 million...

...When DI reported on the financing round last year, the company had seven brands of food from different parts of the world, and had expanded to several Swedish cities. But now the restaurants have closed in Bolt and Foodora, and the website is down.”

[This excerpt has been translated from Swedish.]

Brodmann17

Title: [Computer vision technology startup Brodmann17 has shut down](#)

Product: [Brodmann17](#)

Computer vision tech startup Brodmann17 shut down at the beginning of December. The company's goal was to create lightweight, software-based computer vision technology

(free from traditional hardware requirements) that could support advanced driver assistance systems and ultimately compete with autonomous driving tech co Mobileye's solutions. While it raised more than \$16M in pursuit of its goals, it found it difficult to raise fresh capital after its Series A round in 2019. Without a much-needed injection of funding, the company was forced to close its doors despite — per a statement by CEO Adi Pinhas — having proven the technology, seeing demand, and having customers in production.

TechCrunch reported on the shutdown,

“Brodmann17 applied its technology to blind-spot wing cameras, surround and rear cameras, video telematics and even two wheelers, [Brodmann17 CEO Adi Pinhas] said.

‘The demand in the market is far more diversified than people think,’ he said. ‘We decided to take the road not taken by many other companies in the ecosystem. We just needed more time.’

The startup did attract investors during its lifetime...But the company struggled to get new funding. Even though the team was ‘very lean,’ with fewer than 30 people, Pinhas said it was impossible to continue without support from private and corporate venture capital firms. He added that ‘everyone’ is waiting for next year and for something to happen before making more investments.”

Airlift

Title: [Airlift, Pakistan's top startup, shutting down following funding crunch](#)

Product: [Airlift](#)

Pakistan-based Airlift — a ridesharing turned rapid delivery service — announced that it would be closing down operations in the middle of July. Despite raising an \$85M Series B round in August 2021, which at the time seemed to signal a promising future for the country’s burgeoning startup ecosystem, the company was unable to finalize the funding round it had planned for this year. Select investors reportedly notified the startup that it would take them more than 2 months to wire the new funding amid the turbulent economic environment, leading other investors to hold as well. As a result of this uncertainty-induced domino effect, the startup was forced to close, as it could not meet its funding requirements for continued operations.

As reported by TechCrunch,

“Airlift founder Usman Gul confirmed to TechCrunch that the startup is shutting down and provided detailed notes about the events of recent months.

The startup’s demise could hurt the local ecosystem’s enthusiasm. In the past three years, scores of global investors, including Tiger Global, Prosus Ventures and Addition, have backed young startups in Pakistan, giving a major vote of confidence to the market.

‘We were never their investors, but I’m still sad for the people losing their jobs and who will be justifiably jaded by what just went down,’ tweeted Kalsoom Lakhani, GP at i2i Ventures, an early-stage focused venture firm in Pakistan.”

Butler

Title: [Butler shows hundreds of employees the door after raising \\$50M for room service delivery](#)

Product: **Butler**

Despite sharing a message that it was still afloat in mid-May, on-demand virtual room service platform Butler had actually laid off its entire workforce of 1K employees a few days earlier. Reports later indicated that the company had indeed folded. The closure came as a surprise to its hotel client base, leaving many scrambling to find alternative options to cater to their guests. At the time, neither Butler CEO Premtim Gjonbalic nor the company's investors had commented on the matter, and the office that it had signed a 3-year sublease for had been abandoned after less than a year.

As per TechCrunch,

“Butler’s downfall is a cautionary tale both of the opportunities and challenges that exist in the world of on-demand startups. There may be clear gaps in the market for services that appear in theory like easy sailing. Yet they can inevitably be buffeted by economic, social and, in recent times, extreme public health headwinds.”

Kune

Title: **Nobody is shocked that this Kenyan food delivery startup failed after one year**

Product: **Kune**

Kenyan food delivery platform Kune closed down at the end of June, after the company ran out of money and could not find a buyer to save it. Like other food delivery startups that have watched their time come to an end, Kune struggled with low margins, an issue that was further exacerbated by rising food costs.

According to Quartz Africa,

“Reecht told employees, in a virtual meeting on June 22 announcing the shutdown, that Kune ‘ran out of money completely.’

That made a French investor who agreed to give them 30 million shillings (\$250,000) pull back.”

Volt Bank

Title: [Volt, Australi’s first online-only bank, shuts down due to fundraising woes](#)

Product: [Volt Bank](#)

Australian neobank Volt Bank closed its virtual doors in June after failing to secure \$200M in Series F funding. While the company had previously raised a total of \$102M in funding, as was the case with many other startups covered in this post-mortem breakdown, the company lost fundraising momentum as the financial market downturn worsened. As a result of the closure, the company had to lay off its 140 employees, return \$100M+ in deposits to customers, and give up its banking license.

Reuters commented on broader neobanking dynamics in Australia,

“Volt is the third of four prominent neobanks that were approved in an initial wave by Australian regulators to fold or be sold, leaving just privately held Judo, which had \$5.5 billion in mortgages in April, government figures show.”

Wingocard

Title: [Teen financial literacy app Wingocard shuts down](#)

Product: [Wingocard](#)

Wingocard, a personal finance platform for teenagers, launched in May 2021. At the time, it had more than 75K teens on its waitlist and was able to raise nearly \$2M in seed funding. However, as the year came to a close, the company unsuccessfully sought out new investors to provide the fresh capital needed to keep it going, and eventually was forced to close down for good in May 2022.

According to FintechFutures,

“In a note on Twitter, Wingocard co-founder, CTO and VP product and engineering Salvatore D’Agostino writes: ‘Towards the end of 2021, Wingocard was looking for interested investors to keep us going on our mission. Unfortunately, we were unable to close a round of funding.’”

BeyondMinds

Title: [AI startup BeyondMinds shutting down, laying off all 65 employees](#)

Product: [BeyondMinds](#)

In a scenario that is probably starting to sound familiar, AI-as-a-service platform BeyondMinds shut down in May after failing to raise funding or find a buyer. Last year, BeyondMinds co-founder and CEO Rotem Alaluf had been pressured to sell the company by investors wary of what was at the time a burgeoning market downturn. Instead of selling, Alaluf left the company and founded another (Wand.ai) with former BeyondMinds employees. Co-founder Roey Mechrez took hold of the reins, but was unable to rein in the resources the startup needed to carry on.

CTech stated,

“BeyondMinds was notified on Sunday that a possible sale of the company it was looking into had fallen through due to the situation in the market and the general slowing in employee recruitment.”

Udayy

Title: [Edtech startup Udayy shuts down, lays off entire staff](#)

Product: [Udayy](#)

Indian edtech platform Udayy halted operations at the beginning of June. While the company stated that it had sufficient capital, it decided that it would ultimately not be feasible to keep going as children returned to attending school in person. Udayy initially considered pivoting to a hybrid model to offer offline services as well, but this proved not to be a realistic move. After failing to sell off its English learning courses, it shut down for good and laid off its workforce of around 120 employees.

The Economic Times reported,

“Several edtech firms are presently venturing into hybrid learning models that involve both online and offline learning. However, Udayy could not tap into that segment.

‘We evaluated the offline mode of learning; however, we were very early stage and the growth through offline would have been very difficult,’ [Udayy cofounder] Yadav said.”

Crejo

Title: [Matrix Backed Edtech Startup Crejo.Fun Shuts Down; Failed To Raise Funding](#)

Product: [Crejo](#)

Crejo, another Indian edtech startup, shuttered at the end of Q2'22 in a tale that largely mirrors Udayy's downfall. In addition to the harsh fundraising environment, the company cited the reopening of in-person schooling as the final blow to its operations. Co-founder Vikas Bansal stated that the startup had successfully secured new jobs for the vast majority of its workforce and would be providing each employee with one month of severance pay. In an attempt to compensate some of its investors, the company stated that it would attempt to sell its intellectual property and product.

As per Inc42,

“Matrix Partners-backed Crejo.Fun has become the latest Indian startup to shut operations amidst the economic downturn and funding winter...

The cofounders – Ankit Agarwal and Vikas Bansal – told employees that lack of funding and reopening of schools made them take the decision to wind down the operations.”

Ahead

Title: [Mental Health Startup Ahead Shuts Down](#)

Product: [Ahead](#)

Mental health platform Ahead closed down in the middle of April. The company did not cite a specific reason for the closure, but Sid Viswanathan, the CEO of Truepill, which invested \$9M in Ahead in 2020, stated that the startup had moved to exclusively focus on B2B operations. As a result, Truepill decided not to extend continued support. At the time of closure, Ahead stated that it would not be taking any new patients and that it would halt services for existing patients by the end of June.

In an announcement on its website, the company stated,

“At Ahead, our mission has always been to provide accessible, quality, and judgment-free mental healthcare. And while we’ve made great strides toward this mission, it is with deep regret that we share that it is time for us to close our doors. This decision was not easy to make and we understand this sudden change may be difficult news to hear.”

WanderJaunt

Title: [San Francisco Airbnb rival WanderJaunt abruptly shuts down, vanishes with barely a trace](#)

Product: [WanderJaunt](#)

Airbnb competitor WanderJaunt shut down at the end of June. While the company did not make any major statements regarding the matter, the automated message on its customer service voicemail pointed to economic pressure as the factor driving the decision. While the voicemail message relayed that customers would receive refunds for booked stays, it also indicated that customers should reach out to Airbnb (if they booked a WanderJaunt property through Airbnb) or their bank if they faced any issues.

SFGATE discussed the broader context surrounding the closure,

“WanderJaunt’s shuttering is just another symptom of the tech industry’s big-time crunch, with investors reticent to put money into fledgling startups, large companies pausing hiring or laying off workers outright and the cryptocurrency industry collapsing.”

myNurse

Title: [Health startup myNurse to shut down after data breach exposed health records](#)

Product: [myNurse](#)

Chronic care management platform myNurse closed down in May after experiencing a data breach. While the company discovered the breach at the start of March, it did not notify affected patients – whose health records, financial information, and other personal data had been accessed – until the end of April. The company denied that the breach was behind its decision to wind up operations, though it also did not provide any other explanation.

According to TechCrunch,

“myNurse co-founder and chief executive Waleed Mohsen provided TechCrunch with a short statement saying the company was considering “how best to adjust our business model amid a changing healthcare landscape,” but declined to answer any of our questions about the data breach,

including why it took the company seven weeks to notify affected patients or if myNurse had carried out a third-party security audit of its systems prior to the breach.”

Gavelytics

Title: [Litigation Analytics Company Gavelytics is Shutting Down Tomorrow](#)

Product: [Gavelytics](#)

Gavelytics was a legal tech startup that helped users gain insight into the behavioral patterns exhibited by judges — such as the tendency to favor defendants over plaintiffs. While the company had previously raised \$6M, founder and CEO Rick Merrill stated that the company was not able to bring in the funding it needed to continue moving forward.

LawSites shared an early preview of a statement put forward by Merrill,

“This week I made the difficult decision to close Gavelytics. Despite our fast start and many accomplishments, I have been unable to grow the business fast enough to secure sufficient financing to continue...”

Kaodim

Title: [Malaysian startup Kaodim to shut down on July 1, cites rising costs among challenges](#)

Product: [Kaodim](#)

Kaodim — a platform for booking home services like moving and plumbing — announced that it would cease operations at the start of July. The driving force behind the move was two-fold, involving both existing pandemic-related disruption and more recent rising costs stemming from inflation. Employees were notified of the move ahead of time and provided with severance pay.

In a note discussing these pressures on the company website, co-founder and CEO Choong Fui Yu stated,

“Against this backdrop, we reluctantly but consciously arrived at the difficult decision to cease operations. We feel strongly that this is the best way for us to honour our obligations to employees, by providing all we can in notice and severance payments.

In the same way, to our customers, service providers, investors and partners, we believe that ceasing operations, while painful, is better than having to compromise on the level of service that we have constantly strived for and delivered...”

Friday



Title: **We are shutting down**

Product: **Friday**

Workplace communication startup Friday announced that it would be turning off its application at the beginning of June. In an announcement on its website, Friday co-founder Luke Thomas touched upon a lack of clarity surrounding product vision as well as market competition as reasons behind the closure. Customers were given 60 days to migrate their data from the application as well as recommendations for other products to use.

According to Thomas,

“Ultimately, I didn’t have enough clarity to continue pursuing additional investment and as a byproduct, growing the business. The pain-point we aimed to solve is still a very big issue, but I believe over time existing tools (docs, project management, HRIS) will work to solve the problems people face when working outside of the office.”

SuperLearn

Title: [Another edtech firm, SuperLearn shuts shop as capital dries out](#)

Product: [SuperLearn](#)

Rounding out the trio of Indian edtech startups to recently go under, SuperLearn closed its doors at the end of June. As was the case with Uday and Crejo, SuperLearn highlighted fundraising difficulties amid the return to offline schooling as a reason for its closing.

VCCircle commented on the scenario,

“For edtech firms, the funding rush which turned many firms into unicorns (\$1 billion and above valuation) nosedived since the end of last year as physical education and learning returned offline.

Several VC and PE-backed startups are now facing a funding crunch owing to the global and domestic turmoil as investors are going conservative on additional investments.”

Chisel AI

Title: [AI software startup Chisel AI shuts down](#)

Product: **Chisel AI**

In April 2022, commercial insurance AI startup Chisel AI announced that it would be shutting down. The company, like many others, explained that macroeconomic pressures prevented it from raising more capital, driving it to closure.

In a LinkedIn post explaining the decision, the company stated,

“It is an inescapable fact of life that things come to an end. It is in how we face those endings that we define ourselves. As we have been throughout, we will continue to be there for each other after this. We will continue to help each other navigate this phase and ensure that everyone finds an amazing place to make an impact with their wonderful talents. We know we have all learned a ton, we have grown together, and we cannot wait to see how we all flourish in life after Chisel AI.”

Fast

Title: **Fast shuts doors after slow growth, high burn precluded fundraising options**

Product: **Fast**

Fast, which enabled retailers to offer one-click login and checkout options, halted operations at the beginning of April. The company had started out hot, raising \$125M in funding across deals backed by investors like Stripe, Addition, and Index Ventures. However, the company’s burn far exceeded its revenue growth in 2021, putting it in a precarious position as it entered 2022. Just one week after closing a deal with the Honest Company, the startup released a statement from CEO and co-founder Domm Holland announcing its closure:

“After making great strides on our mission of making buying and selling frictionless for everyone, we have made the difficult decision to close our doors. While you’ll no longer

see the Fast button at checkout, we are incredibly proud of the team we assembled and our work to democratize commerce through Fast's one-click checkout experience.”

Zero Grocery

Title: [Delivery Startup Suddenly Folds, Leaving Food Business Owners With Thousands in Unpaid Bills](#)

Product: [Zero Grocery](#)

Plastic-free grocery delivery startup Zero Grocery shut down at the beginning of March. Despite having raised \$12M just one month earlier, in addition to 3 other seed rounds over the past 3 years, Zero CEO Zuleyka Strasner stated that the startup had “suffered from being chronically undercapitalized.” Several Bay Area food businesses have been left with unpaid bills as a result of the startup’s abrupt closure.

A post on the startup’s official Instagram also pointed to a lack of capital as driving its fall from grace,

“Today is Zero’s last day.

With great regret, effective immediately, Zero will be shutting its doors and stopping all further deliveries.

How did this happen? Fundraising has always been the biggest battle we have faced. Unfortunately, it’s the battle we’ve lost.”

Munchies

Title: [Unilever-backed quick commerce startup Munchies shuts operations](#)

Product: [Munchies](#)

Munchies — a 30-minute delivery startup — closed its doors in March, just 5 months after it raised \$3M in seed funding. The startup set itself apart from other Pakistani grocery delivery players by maintaining a focus on snacks and drinks, targeting the country’s convenience-hungry millennial population. While it was initially successful in doing so, sharing domestic expansion plans just a few months prior to shutting down, the company ultimately halted its operations. It has yet to release a statement on the matter, but both its website and mobile app are now inactive.

According to Pakistan Today,

“In its pre-seed funding announcement, the startup had claimed that the pilot prior to the incorporation was successful enough to warrant a full-scale investment, as well as life as its own legal entity...

Munchies had reached 3,000 daily orders until October 2021 and had ambitious plans of venturing into new cities before raising a bigger round.”

Fridge No More

Title: [Grocery Startup Fridge No More Shuttters in Failed DoorDash Deal](#)

Product: [Fridge No More](#)

Fifteen-minute grocery delivery startup Fridge No More shuttered after a deal with potential buyer DoorDash fell through. While the startup attracted over \$15M in funding a year earlier, investors became increasingly “concerned about growing competition and about bad order economics,” CEO Pavel Danilov reportedly told employees. Unable to secure fresh capital, the company notified employees that it would be shutting down operations.

Lido Learning

Title: [Edtech startup Lido Learning shuts shop](#)

Product: [Lido Learning](#)

K-12 online tutoring platform Lido Learning closed its doors at the end of February. Founder Sahil Sheth reportedly held a town hall meeting, where he informed employees that the company would be shuttering due to financial complications. At that point in time, some of the company’s vendors and staff stated that they hadn’t received their respective payments and salaries for almost 2 months. Lido has not released an official statement on the closure.

ET Brand Equity reported,

“In a nightmare for more than 150 employees, homegrown edtech startup Lido Learning which is backed by top entrepreneur Ronnie Screwvala, has apparently shut operations, forcing its workforce to seek help via social media platforms.”

Humm

Title: [Humm closes, but tech lives on](#)

Product: [Humm](#)

Humm, a once-promising graduate of the UC Berkeley Skydeck Accelerator, had developed a neurostimulation-backed wearable patch designed to enhance memory. While it had generated positive results in early testing stages, the pandemic and supply chain disruption hampered its ability to continue to test and develop the prototype. After failing to raise essential capital in a Series A round, the company folded. Humm CEO Iain McIntyre plans to join California-based Rogalife to help develop its electrostimulation-driven wearable for anxiety relief.

McIntyre stated,

“Unfortunately we weren’t able to get it to the point that we wanted to from an investment perspective to be able to convince investors to enable us to fund this to mass production... We just didn’t raise anywhere near enough money to make that happen and unfortunately during Covid it was just too hard to make progress fast enough to get to that point.”

Nice Tuan

Title: [Alibaba looks on as Nice Tuan hits bottom](#)

Product: [Nice Tuan](#)

Nice Tuan, a community buying platform, reportedly closed at the end of March, despite having raised \$1.2B in funding to date. The startup had drawn repeat investments from Alibaba and GGV Ventures, among others, for enabling consumers to collectively buy produce and groceries at competitive rates via WeChat groups. However, in 2021, it fell short of its sales target, largely due to the fact that it was slapped with fines for fraud, dumping, and misleading advertising early in the year. Its financial woes sparked a falling out with Alibaba, accelerating the startup’s downward trajectory.

Movez

Title: [Sport-tech startup Movez shutting down due to Roman Abramovich sanctions](#)

Product: [Movez](#)

Movez – an augmented reality platform for soccer training – shut down due to sanctions placed on Roman Abramovich. The Russian oligarch owned the startup’s main backer – the Chelsea Football Club – and was sanctioned by the British government for his ties to Vladimir Putin in early March. While Abramovich handed the reins over to the Chelsea Charitable Foundation amid the controversy, the club was still rocked by sanctions, inhibiting it from continuing to fund Movez.

As per CTech,

“Most of the company’s employees, estimated at 9, will join Coach-AI, another company owned by [Mati] Kochavi, where they are expected to continue working on the development of the applications they were working on at Movez.”

OnwardMobility

Title: [BlackBerry revival is officially dead as OnwardMobility shuts down](#)

Product: [OnwardMobility](#)

OnwardMobility had hoped to help consumers relive the aughts by bringing back the BlackBerry. BlackBerry itself hasn’t manufactured a smartphone since 2016 – however, it offers the brand name under a license that OnwardMobility picked up in 2020. While the company initially planned to release a BlackBerry-branded smartphone with a physical keyboard in 2021, it was unable to bring the product to market, drawing scrutiny from hopeful buyers. Eventually, the company announced its closure, but it did not provide any details on the reasoning behind its decision:

“It is with great sadness that we announce that OnwardMobility will be shutting down, and we will no longer be proceeding with the development of an ultra-secure smartphone with a physical keyboard.

Please know that this was not a decision that we made lightly or in haste. We share your disappointment in this news and assure you this is not the outcome we worked and hoped for.”

Protonn

Title: [Digital solutions startup Protonn shutdown in less than a year after raising \\$9 million in Seed Fund](#)

Product: [Protonn](#)

Protonn, a platform to help independent professionals launch businesses, shut down in the first weeks of 2022, despite having raised \$9M in seed funding 6 months prior. It was reportedly unable to find product-market fit, and its founders were not able to rework the company's business model in order to adapt. While not the primary factor, the pandemic contributed to Protonn's downfall, as it exacerbated existing complications surrounding market alignment.

According to the Economic Times,

“Covid-19 didn't help the startup either, but there was a point when a pivot became necessary but founders weren't on the same page on that,' a person aware of the matter said, adding that the company has returned the full capital to investors.”

Local Motors

Title: [Local Motors, the startup behind the Olli autonomous shuttle, has shut down](#)

Product: [Olli](#)

Local Motors — the company behind Olli, an autonomous shuttle — closed down operations in January. Olli was an all-electric vehicle designed to operate in closed environments, such as college campuses and hospitals. While there was some buzz surrounding the announcement of its spring 2021 pilot partnership with Pacific Western Transportation — to bring shuttles to the city of Toronto, CA — the launch itself largely fell under the radar.

Local Motors' closure came only a few months after president and COO Vikrant Aggarwal took over as CEO and expressed the company's intent to scale up production. Local Motors has yet to release a statement on the matter.

Former VP of sales and customer success Chris Stoner commented on his time at the company,

“The autonomous vehicle space is an exciting emerging market with plenty of opportunity. Experiencing first-hand the skill and dedication of the people I worked with, I have no doubt AVs (like Olli) are the future of transportation.”

Neufund

Title: [Once Promising German Digital Security Platform Neufund Shuts Down](#)

Product: [Neufund](#)

Neufund, a developer of a blockchain platform for investing and fundraising, announced its closure on January 10. The company had performed well up to this point, processing around \$22.6M via its Ethereum-based platform and registering 11K investors across 123 countries.

Despite its seeming success, Neufund’s fundraising model was ultimately unable to withstand the pressures of a complex regulatory environment.

In a blog post, the company stated,

“Our aim since the beginning always was to make investing and fundraising more inclusive. Our hard-working team combined with you, our incredible community, went down the right path. However, the existing environment of the regulatory system seems not to be equipped yet to support innovative fintech companies.”

askRobin

Title: [Estonian FinTech startup shuts down after reaching almost 2M customers](#)

Product: [askRobin](#)

Estonia-based askRobin was a credit marketplace for underbanked consumers in emerging markets. It initially experienced success with the launch of its financial education chatbot, onboarding 200K+ users within its first month of activity. This compelled the company to broaden its offering to include lending services. Despite expanding its customer base to nearly 2M users, the startup ran into a number of complications amid the pandemic, which, in the end, proved to be insurmountable.

As per the company's founder and CEO Rain Sepp,

“We partnered with over a hundred lending companies to get the fairest credit to our customers. But something we never really achieved was a strong product market fit – not strong enough to allow us to stand against the storm, anyway.”

Ikos

Title: [Ikos' 'winding down' of operations comes after years of rapid growth for Pittsburgh-based rental platform](#)

Product: [Ikos](#)

Pittsburgh-based Ikos stated that it would be “winding down” operations in a letter sent to shareholders at the end of December 2021. This announcement came on the heels of multiple years of continuous growth for the real estate rental platform – it had raised \$7.6M in equity funding across 6 deals up to that point.

Low rental turnover amid Covid-19 hampered the company's ability to generate revenue, and while the startup looked to raise additional capital in the latter half of 2021, talks with venture firms fell through, as did its attempt to find a buyer. After exhausting their options, co-founders Steven Welles and Patrick Paul made the decision to close for good.

According to Welles,

“Ultimately, inventory was super tight, which means our revenue growth was limited, and then as we started to pivot

to make changes to the business that we were ultimately planning to continue under, we just ran out of time to continue to execute and really to continue to build the momentum that we started.”

LendUp

Title: [CFPB shuts down payday lender it calls ‘a darling’ of venture capital](#)

Product: [LendUp](#)

Payday loan platform LendUp was forced to halt loan origination and the collection of some outstanding loans as the result of a lawsuit from the Consumer Financial Protection Bureau. The CFPB stated that the company had violated a 2016 consent order, engaged in misleading marketing practices, and failed to provide adverse-action notices to consumers in a timely manner.

While LendUp did agree to the terms established in the settlement agreement, it neither confirmed nor denied the CFPB’s allegations.

Consumer Financial Protection Bureau director Rohit Chopra stated,

“LendUp was backed by some of the biggest names in venture capital. We are shuttering the lending operations of this fintech for repeatedly lying and illegally cheating its customers.”

Binance

Title: [Binance shuts down Singapore cryptocurrency exchange](#)

Product: [Binance Singapore](#)

In mid-December 2021, Binance announced that it would close its portal in Singapore by February 2022. This move came at the tail-end of a series of regulatory challenges faced

by the crypto trading platform. In September 2021, the Monetary Authority of Singapore had forced Binance.com to stop providing services to Singaporean residents, compelling its subsidiary, Binance Asia Services (BAS), to apply for a license to operate a regulated cryptocurrency exchange.

Like many other crypto players, BAS made the decision to withdraw its application in the face of intense regulatory scrutiny and stated that it would refocus its efforts in the region.

KrASIA reported,

“Binance said it will refocus Binance Asia Services’ operations in Singapore to create a hub for blockchain innovation to help develop the global ecosystem for the technology that underpins cryptocurrencies. It said it will explore a number of Singapore-based initiatives, including incubation programs, blockchain education, and further investment opportunities.”

1520

Title: [Instant delivery startup 1520 reportedly closes its doors](#)

Product: [1520](#)

1520 — a rapid grocery delivery startup — shut down in December 2021. The company, launched in January of this year, aimed to provide no-fee 20-minute grocery delivery services and was initially successful in doing so. It drew \$7.8M in seed funding from investors in April, opened up new [dark store](#) locations across Manhattan, and even expanded its services to Chicago in September.

However, the company struggled to keep up with its more well-funded competitors, such as [Jokr](#) and [Gopuff](#), and ultimately shut its doors in the face of insurmountable customer acquisition costs.

Per Grocery Dive,

“Like other companies hoping to find a path to success by stoking customer demand for groceries on the double, 1520 has sought to deliver on the proposition that racing products to people’s doors could lead to a payday for investors.

The question now is whether investors are beginning to lose their appetite for the hefty risks that come with putting capital into the fledgling instant delivery industry.”

Apervita

Title: [Apervita ceases operations](#)

Product: [Apervita](#)

Apervita, a health analytics startup, closed its doors in October 2021. While the company had picked up momentum in recent years, acquiring value-based contract and alternative payment administration solutions provider Qcentive and establishing partnerships with organizations like Mayo and Cleveland Clinic, it was not able to raise enough funding to maintain operations.

Former Apervita chief informatics and innovation officer Blackford Middleton stated,

“Even with this market momentum, however, we ran into challenges with our second round of funding and have simply run out of runway.”

Yunniao

Title: [Logistics unicorn backed by U.S. investors goes bankrupt](#)

Product: [Yunniao](#)

Same-city logistics company Yunniao went bankrupt at the end of October. Prior to its closure, it had garnered \$210M in funding, last raising a \$100M Series D round in February 2017.

However, the rise of intense market competition and the Covid-19 pandemic set the company into a downward spiral, leaving it strapped for cash. On October 30, the state of the company's finances was revealed when an employee posted from the company's official Weibo account, stating that employees had not been paid in months. The post also encouraged staff to seek legal action against CEO Han Yi.

This sparked a flood of public grievances:

“More disgruntled employees quickly emerged, claiming they were forced to buy the company's financial products, and that drivers were required to pay a 4,000 yuan (\$626) deposit before they could get jobs, but never had them refunded.”

Payvision

Title: [ING Phases out Payvision](#)

Product: [Payvision](#)

ING announced that it would begin the shutdown of its Payvision subsidiary, a card acquirer and payments platform, at the start of November. ING acquired a majority stake in the startup in 2018 to enhance its omnichannel payments and merchant services. Soon after, the startup became mired in controversy — the European Funds Recovery Initiative publicly claimed that the startup had processed \$160M in fraudulent transactions prior to its acquisition.

A sign of events to come, ING sold half of Payvision's operations for €1 in 2020, and it now plans to fully phase out Payvision's services by 2022. ING pointed to market forces in addressing the move:

“After a thorough evaluation of all options in the context of the rapidly evolving and increasingly competitive and

capital intensive e-commerce merchant market, ING has concluded that it is not feasible to achieve its ambitions with Payvision. The aim is to complete the phase-out process by the second quarter of 2022.”

YCloset

Title: [Alibaba-backed fashion rental app YCloset shuts down after five years](#)

Product: [YCloset](#)

YCloset — a fashion rental startup — shut down in early July, despite having raised \$70M in total disclosed funding since its founding in 2015. In doing so, the company announced plans to end support for its sales and online channels by August 15. Like its US-based counterparts, Rent the Runway and Stitch Fix, YCloset operated using a subscription model and allowed its users to rent branded apparel.

Technode brought broader issues in the market to light:

“YCloset’s collapse comes as investor sentiment sours toward the once-popular fashion rental market, which has proven to be capital intensive. As YCloset scaled, it struggled to keep up with high expenses in shipping, dry cleaning, and staying abreast of the latest fashion trends.”

KupiVIP & Mamsy

Title: [Russian Online Retail Pioneer KupiVIP Shuts Down](#)

Product: [KupiVIP & Mamsy](#)

Discount e-commerce retailer KupiVIP and its affiliate Mamsy shut down after Yandex backed out of a deal to buy the company in July. Founded in 2008, KupiVIP was once one of Russia’s top 10 e-commerce sites — in fact, in 2012 it was valued at \$400M. However, its ranking fell as competition in the space increased, ultimately leading it to experience a 10% year-over-year decrease in sales revenue in 2020.

Despite having raised \$120M in disclosed funding, KupaVIP was unable to compete with rising e-commerce giants like Wildberries and Lamoda, leading parent company Private Trade to close down operations. KupaVIP board member David Waroquier stated,

“KupaVIP attempted to become omnichannel, involving operating across its websites, mobile app and brick-and-mortar retail stores. All this required significant capital, given the size of the Russian market...

While the international context was less favorable, not all local players were able or willing to invest in the company.”

Abundant Robotics

Title: [US: fruit harvesting robot company shuts down](#)

Product: [Abundant Robotics](#)

Robotic apple harvester developer Abundant Robotics announced that it would be closing its doors at the beginning of July. Abundant claimed that it had been unable to develop the market traction necessary to stay afloat amid the pandemic, despite having collected \$10M in venture capital investment and additional funding from The Washington Tree Fruit Research Commission.

Prior to the announcement, the company put all of its intellectual property and assets up for sale, which included a number of patents integral to the development of its computer vision-enabled robot for fruit picking. Abundant CEO Dan Steere commented,

“After a series of promising commercial trials with prototype apple harvesters, the company was unable to raise enough investment funding to continue development and launch a production system.”

Yelo

Title: [Exclusive: Matrix-backed neo-banking app Yelo shuts down](#)

Product: [Yelo](#)

July 2021 saw the closure of Yelo – a challenger bank mainly geared toward gig workers. After raising a seed round in 2019 and subsequently amassing 4M app downloads, the company faced complications with its business model that were further compounded by the onset of the pandemic. While no official statement was made by the company, in July, an anonymous source close to the company stated,

“Yelo suspended the operations last month and laid off all employees in the past few months.”

Orthrus Studios

Title: [Distant Kingdoms dev Orthrus Studios shuts down after entire team is laid off](#)

Product: [Orthrus Studios](#)

Scotland-based video game developer Orthrus Studios shut down following the launch of its fantasy video game “Distant Kingdoms” in May. The company’s team of 10 employees, including founder Oliver V. Smith, were all let go.

In a statement on LinkedIn, Smith stated,

“As of today myself and my entire team at Orthrus Studios have been made redundant.

We worked our hardest on Distant Kingdoms, but sometimes the work and a good product just aren’t enough.

I am incredibly grateful to the people who helped make this 4.5 year dream a reality, and my colleagues are all

INCREDIBLY talented people, some of whom I firmly believe are the next great minds of Game Development.”

Houseparty

Title: [Epic Games to shut down Houseparty in October, including the video chat 'Fortnite Mode' feature](#)

Product: [Houseparty](#)

At the start of September, Epic Games announced that it would be discontinuing Houseparty come October. Epic acquired the video chat app in 2019 for \$35M in order to provide live video chat capabilities to Fortnite gamers. While the company didn't cite an explicit reason for the shutdown, many surmised that the app had simply proven to be financially unsustainable.

In a blog post, Epic stated that Houseparty employees would be redistributed across other teams to focus on developing social features at “metaverse scale,” suggesting that Epic would be moving toward developing a larger-scale virtual environment:

“So what's next? The team behind Houseparty is working on creating new ways to have meaningful and authentic social interactions at metaverse scale across the Epic Games family.”

Clickety

Title: [Closing Clickety](#)

Product: [Clickety](#)

At the end of August, project management tool Clickety announced it would be closing down. Customers were told to contact the company to obtain a file containing data related to “group memberships, manual comments, people notes, and merged aliases,” otherwise it would be permanently deleted on October 1. Founder Luke Kanies didn't provide a specific reason for the closure, simply stating,

“We are incredibly proud of what we’ve built. We’ll miss using it ourselves. And we’re as convinced as ever that what we were building – a powerful tool to help people whose jobs are built around people work – is still needed. But we aren’t able to continue our efforts.”

Mastree

Title: [Unacademy shuts Mastree after a year of acquisition](#)

Product: [Mastree](#)

Unacademy shut down online learning platform Mastree a year after acquiring a majority stake in the company for \$5M. Of Mastree’s 240 employees, Unacademy stated that 190 would be redistributed across its other businesses following the closure, though Mastree co-founders Shrey Goyal and Royal Jain chose to fully depart. In an internal note, Unacademy co-founder and chief executive Gaurav Munjal commented,

“Everyone – after a lot of experiments we have decided to shut down the operations at Mastree. Kudos to Shrey and Royal for iterating at breakneck speed and trying out many things before all of us decided to shut things down.”

Katerra

Title: [Katerra Commences U.S. Court-Supervised Process to Implement Financial Restructuring](#)

Product: [Katerra](#)

Modular construction startup Katerra filed for Chapter 11 bankruptcy in early June 2021. The SoftBank-backed unicorn was last valued at \$3B in 2018 and had raised nearly \$1.5B in total funding from investors such as Khosla Ventures and Greenoaks Capital Management.

Although the company cited mismanagement as the driver of its downfall, the collapse of lender [Greensill Capital](#), just 3 months earlier, also played a role. While SoftBank had been funding Katerra directly, Greensill, a SoftBank Vision Fund recipient (\$1.5B), was also financing Katerra, highlighting the interconnected nature of SoftBank's portfolio. This downturn domino effect has led some to question the viability of SoftBank's Vision Fund, especially given that this follows the 2019 fall of coworking unicorn [WeWork](#), in which SoftBank was the primary investor.

Katerra Chief Transformation Officer Marc Liebman stated,

“Our multi-step action plan has rapidly evolved and includes consolidating US activities, continuing our international businesses, advancing key asset sales, securing debtor-in-possession financing, and commencing an in-court restructuring process. We are grateful to the extraordinary ongoing work and support of the Katerra team and other core constituencies through this extremely difficult time.”

Madefire

Title: [Digital comics startup Madefire is shutting down](#)

Product: [Madefire](#)

Madefire, a digital comics startup, entered into an assignment of benefit for creditors (ABC), an alternative to formal bankruptcy, at the beginning of April 2021. This was a sudden announcement for many Madefire users, who were given until the end of the month to download their purchases. The Madefire app powered a number of digital comics apps – such as Archie Unlimited and IDW – which were also shut down. Despite having a wide range of artists, including Dave Gibbons, and investors, like Drake, the company faded out in the face of competition. The Beat reports,

“Digital comics platforms have tried to play the start-up-to-acquisition game a few times, none with as big a footprint — or as doggedly — as Madefire. In the end, readers have spoken with their wallets and eyeballs: people prefer free comics, print comics and Amazon (comiXology).”

Aerion Corporation

Title: [Aerion Supersonic shuts down, ending plans to build silent high speed business jets](#)

Product: [Aerion Corporation](#)

Aerion Corporation, an aeronautical engineering startup, announced its sudden closure at the end of May 2021. The company had drawn attention for developing a patented technology that would allow its AS2 supersonic jets to fly without creating a sonic boom. While the company had fostered partnerships with Boeing, General Electric, and NetJets, and reported plans to fly its first jet by 2024 and begin commercial services by 2026, it ultimately succumbed to challenges associated with securing necessary capital. According to a company statement,

“The AS2 supersonic business jet program meets all market, technical, regulatory and sustainability requirements, and the market for a new supersonic segment of general aviation has been validated with \$11.2 billion in sales backlog for the AS2.

However, in the current financial environment, it has proven hugely challenging to close on the scheduled and necessary large new capital requirements to finalize the transition of the AS2 into production.

Given these conditions, the Aerion Corporation is now taking the appropriate steps in consideration of this ongoing financial environment.”

Periscope

Title: [Farewell, Periscope](#)

Product: [Periscope](#)

Periscope, the livestreaming app that popularized mobile livestreaming, shut down at the end of March 2021 — 6 years after its initial launch. In December 2020, Twitter — which bought Periscope in 2015 for \$100M — announced that it would be phasing out the app due to declining usage. The need for Periscope as a standalone service started to wane in 2016 when Twitter announced the launch of its homegrown streaming capabilities. Periscope’s website will remain active with an archive of its public broadcasts and users will still be able to download their data through Twitter as well. Twitter stated,

“The truth is that the Periscope app is in an unsustainable maintenance-mode state, and has been for a while. [...]

Although it’s time to say goodbye, the legacy of Periscope will live on far beyond the boundaries of the app itself.

The capabilities and ethos of the Periscope team and infrastructure already permeate Twitter, and we’re confident that live video still has the potential of seeing an even wider audience within the Twitter product.”

SuperData Research

Title: [Nielsen to Shut Down its SuperData Gaming Division](#)

Product: [SuperData Research](#)

Market intelligence provider SuperData Research was shuttered in March 2021 by Nielsen Sports, which acquired the research firm in 2018 to help it enhance its own product offerings. While Nielsen did not specify a reason for shutting down the division, it did state that it would move away from offering gaming services as its own entity and instead add it as an additional feature to its core Nielsen Sports products. Sports Business Journal reported that market competition and Covid-19-related complications could have factored into the decision,

“...esports industry executives, when informed of the move, noted to SBJ in general that the gaming data space is crowded and that, more broadly, the esports industry hasn’t scaled quite as much as expected in part because of effects from the coronavirus pandemic.”

Hubba

Title: [Hubba To Shut Down](#)

Product: [Hubba](#)

Canada-based e-commerce startup Hubba shut down in February 2021. The company, which had raised \$59M in disclosed equity funding, aimed to help connect independent retailers and emerging brands to bring attention to new products and facilitate wholesale buying. The announcement was a shock both for those familiar with the company’s earlier achievements and IPO plans and for its employees, who were immediately let go on an all-hands zoom call at the start of the month. According to Betakit,

“It is unclear to what extent the COVID-19 pandemic had hampered Hubba’s growth and customer base. However, one source BetaKit spoke with claimed a months-long

battle between Zifkin and Hubba’s board of directors regarding the ongoing viability of the company.”

Hey Tiger

Title: [A Farewell Letter From Our Founder, Cyan Ta’eed](#)

Product: [Hey Tiger](#)

Ethical chocolate brand Hey Tiger announced its closure at the beginning of May 2021, 3 years after opening. The company’s mission was twofold – to produce high-quality chocolate products while simultaneously acknowledging and addressing inequities in the cocoa industry. Not only did it commit to ethically sourcing ingredients, but it also made charitable donations to combat child labor and poverty in cocoa farming communities. Although the company gained a loyal following, it struggled to scale its operations and remain profitable in a manner that aligned with its social goals. A post on the company’s Instagram account stated,

“But like any start up, there comes a time when you need to take a hard look at the company’s long term viability. Although we designed a business that customers absolutely love, it proved hard to scale into the profitability it needed to be a sustainable social enterprise. As the scale of our chocolate production grew, so did the tensions between the very things that made Hey Tiger special. Ultimately while succeeding in one goal, we couldn’t make the other.”

Beam

Title: [FTC shuts down savings app Beam under tentative settlement](#)

Product: [Beam](#)

Mobile savings app Beam was shut down under a settlement with the Federal Trade Commission. The app – launched in 2019 – initially billed itself as “the first mobile high-interest savings account for the 99%,” offering interest rates as high as 7% while still permitting “24/7 access” to deposits. However, a 2020 CNBC investigation revealed that dozens of customers were not able to get their money out of their accounts, which ultimately led the FTC to shut it down and bar it from operating a similar business in the future. FTC Acting Director of Consumer Protection Daniel Kaufman stated,

“The message here is simple for mobile banking apps and similar services: Don’t lie about your customers’ ability to get their money when they need it.”

JAAK

Title: [Early blockchain music startup Jaak has shut down](#)

Product: [JAAK](#)

UK-based blockchain music startup JAAK announced that it would be taking most of its properties offline starting at the end of March 2021. JAAK’s goal in developing its pilot blockchain network – KORD – was to create a global view of intellectual property rights and payment information to help artists manage rights ownership and correct inconsistencies in royalty payments. A series of Tweets on the company’s corporate account points to challenges with scale and securing adequate funding, among others, as reasons for its undoing,

“6 years is a long time in startups, especially pre-revenue ones, and, ultimately, we failed to secure the funding required to get to market. Markets change and we didn’t change quickly enough.

I have a Notion full of painful lessons about why we failed but I’ll save those for another day.

tl;dr: users > partners, no premature scaling.”

V1 Interactive

Title: [Disintegration developer V1 Interactive shuts down](#)

Product: [V1 Interactive](#)

Video game developer V1 Interactive announced its closure in March 2021, just 9 months after releasing its debut game called Disintegration. While the company didn't cite a specific reason for its closure, previous reports indicate that it struggled with growing an audience for its multiplayer offering. It took Disintegration's multiplayer mode offline in September 2020, and the entire game was taken offline in November. In its final Twitter announcement, it simply stated,

“We are sad to inform you that V1 Interactive is officially closing.

We want to thank all the talented people at V1, both past and present, who helped make the last 5 years wonderful.

And a heartfelt thanks to the amazing community that supported us.”

Quibi

Title: [Quibi Is Shutting Down Barely Six Months After Going Live](#)

Product: [Quibi](#)

Mobile-focused streaming service Quibi shut down in October 2020 just 6 months after launching. The platform — which had raised a mammoth \$1.75B from investors like [NBC Universal](#), [Viacom](#), and [Warner Bros. Entertainment](#) — offered subscribers shows made up of 5- to 10-minute episodes, meant to be consumed “on-the-go.” The service failed to gain traction with consumers amid a crowded playing field of streaming services and other

short form content providers like TikTok. Roku purchased the rights to Quibi's programming for less than \$100M in January 2021.

As reported in the Wall Street Journal, founder Jeffrey Katzenberg and chief executive Meg Whitman said in a letter to employees at the time of the shutdown:

...[T]here were “one or two reasons” for Quibi’s failure: The idea behind Quibi either “wasn’t strong enough to justify a stand-alone streaming service” or the service’s launch in the middle of a pandemic was particularly ill-timed. “Unfortunately, we will never know, but we suspect it’s been a combination of the two,” they said.

Aura Financial

Title: [Hammered by pandemic, consumer lender Aura shuts down](#)

Product: [Aura Financial](#)

Latino-focused consumer lender Aura Financial, which offered customers loans of \$300 to \$4,000 through supermarkets and other retailers, suspended operations in early January as it faced increasing financial challenges. On LinkedIn, company co-founder James Gutierrez blamed the company’s demise on the pandemic and a lack of funding, as quoted in American Banker:

“When the pandemic first hit, Aura was on the verge of closing new financing on its final march to profitability. However, suddenly, all capital dried up as the uncertainty of how our low-income, mostly Latino customer base would recover from a pandemic that disproportionately impacted their jobs, health, and finances intimidated investors.”

Loon

Title: [Alphabet punctures Loon internet balloon project](#)

Product: [Loon](#)

Loon, the high-flying internet balloon project spun out of X, [Alphabet's](#) (the parent company of Google) innovation lab, closed down in January. According to the Financial Times,

Astro Teller, head of X, said on Thursday that, “despite the team’s groundbreaking technical achievements over the last nine years, the road to commercial viability has proven much longer and riskier than hoped.”

Xinja

Title: [Australian neobank Xinja throws in the towel](#)

Product: [Xinja](#)

Australia-based digital bank Xinja announced in December 2020 it would exit banking, returning its banking license and refunding customer deposits. The startup had reportedly spent heavily on its high-interest bank accounts and was unable to close a funding round before announcing its decision to shut down its banking products on its website, noting:

“After a year marked by Covid-19 and an increasingly difficult capital-raising environment, and following a review of the market in Australia, Xinja has decided to withdraw the bank account and Stash (savings) account and cease being a bank. This was an incredibly hard decision. We hope to refocus the business in other areas such as our US share trading product, Dabble, should circumstances allow.”

GoBear

Title: [Financial services firm GoBear closing business](#)

Product: [GoBear](#)

Despite having raised \$17M in fresh funding in May 2020, Singapore-based fintech GoBear announced it would wind down operations earlier this year. The startup, which offered a financial products comparison tool, cited its inability to raise new financing and the pandemic's downward pressure on consumer demand for products like travel insurance as reasons for its failure. The Strait Times reported:

In a statement, the fintech firm said Covid-19 has made the operating and fund-raising environment “very challenging,” despite the firm having made progress in its growth and transformation plans last year.

The factors included a prolonged period of weakened demand for some financial products and services, in particular travel insurance.

Quantopian

Title: [A Crowdsourced Quant Fund Fizzles in Era of Democratized Trading](#)

Product: [Quantopian](#)

Quantitative trading platform Quantopian announced in October 2020 that it would shut down and that its co-founders and employees would move to [Robinhood](#). The company, which had raised over \$51M in funding from names like Andreessen Horowitz, Khosla Ventures, Bessemer Venture Partners, let users develop and test algorithmic trading strategies for free. Selected algorithms were then used as part of Quantopian's hedge fund's investing strategy, and developers would get a cut of the profits. Bloomberg said about the shutdown:

It was the wisdom of the crowds, applied to the nerdiest corner of Wall Street—radical, sure, but a logical extension of a burgeoning gig economy and a tech revolution that was opening up access to ever-deeper market data.

The startup, which was launched in 2011, also tried to make money by selling an enterprise version of its online platform to financial firms. But that never really took off, and it was mainly banking on its hedge fund to succeed, according to people familiar with the matter who spoke on the condition of anonymity. [...]

The fund stopped trading at the start of 2020. In an interview with the Boston Business Journal, Fawcett said the fund had underperformed.

AWOK

Title: [Dubai's Awok shuts down just a year after raising \\$30 million Series A](#)

Product: [AWOK](#)

Dubai-based e-commerce startup AWOK closed down in early September 2020. While the startup blamed the pandemic for its demise in an official statement, the company had allegedly been far behind on payments to its employees and suppliers before then, despite having secured \$30M in funding a year prior.

MENAbites has spoken with multiple employees at Awok all of which have confirmed that the company has been in crisis since the start of 2020. All of them have told us that

the employees weren't paid salaries since January and the majority of them left the company in March. [...]

Some of the vendors of the company were also not paid their dues, the former employees of the company told us. The online reviews of Awok on Trust Pilot suggest that the company was not fulfilling the orders of customers in spite of receiving payments.

Brideside

Title: [Wedding apparel retailer Brideside abruptly shuts down](#)

Product: [Brideside](#)

Launched in 2013, wedding and bridesmaid dress retailer Brideside shut down in November 2020, as it and the wedding industry on the whole faced significant headwinds due to Covid-19. According to Retail Dive,

The retailer, which sold online and through physical retail locations in Boston, Chicago, Charlotte and New York said that “with two-thirds of weddings cancelled in 2020 and an uncertain year ahead, our chapter has come to an end.”

Joonko

Title: [The fintech company Joonko to cease operations after only 12 months of existence](#)

Product: [Joonko](#)

Berlin-based financial products comparison site Joonko shut down in October 2020 after only 1 year in operation. The startup, which had received \$11M in seed funding from [Ping](#)

An Ventures and Raisin, was in talks to raise another financing round which fell through. As quoted in Born2Invest, the company's press release at the time of its closure stated:

“Series A financing round with existing and new investors, which was initiated in spring, could not be completed because one of the lead investors withdrew at short notice. An alternative and sufficient financing is not possible in such a short period of time, so the company is now taking the step and discontinuing the business.”

HubHaus

Title: [Bay Area co-living startup HubHaus implodes, stranding renters and homeowners](#)

Product: [HubHaus](#)

Co-living rental platform HubHaus, which raised over \$12M in VC funding, announced it would wind down operations in September 2020 after months of missed payments. The company laid off all employees and transferred all tenants' leases to the homeowners abruptly. The San Francisco Chronicle reports,

Many landlords who had rented their homes to HubHaus said in interviews and on a Facebook group that it had already slashed the rent it was paying them in recent months, leaving them tens of thousands of dollars in the hole. Several said they were stunned to discover that it had also stopped paying utilities months ago. (Because of the pandemic, utility companies are not cutting off service for nonpayment.)

TerrAvion

Title: [TerrAvion Abruptly Files For Bankruptcy, Ceases Operations](#)

Product: [TerrAvion](#)

Agtech imaging startup TerrAvion folded abruptly in September 2020. According to CropLife, company CEO Robert Morris said in an email to customers:

“I wish we could have given everyone more of a heads up, but we were working and hoping to avoid this until just hours ago. I cannot tell you how disappointed I am in this outcome. To make the decisions it will be called upon to make on every acre in the 21st century, agriculture needs modern, open, high-resolution data infrastructure. Though TerrAvion delivered the most volume in our category – with positive and growing margins – agribusiness and capital markets seem to have incommensurate expectations. TerrAvion was caught in the middle. The team and I did everything possible in our power to make it work.”

Rubica

Title: [Seattle cybersecurity startup Rubica shuts down after running out of cash](#)

Product: [Rubica](#)

Cybersecurity startup Rubica, which initially offered its services to individual consumers and small businesses, closed up shop in November 2020. The 4-year-old startup had attempted to pivot to offering its services to larger customers as it struggled to generate enough revenue from its consumer subscription service, but it was unable to convince investors of the viability of its model. Rubica CEO and co-founder Frances Dewing told GeekWire:

“We were all really surprised given how relevant and needed this is right now,” Dewing said. “Investors didn’t agree with that or see it in the same way.”

Haven

Title: [Haven, the Amazon-Berkshire-JPMorgan venture to disrupt health care, is disbanding after 3 years](#)

Product: [Haven](#)

Haven, a joint venture by [Amazon](#), [Berkshire Hathaway](#), and [JPMorgan Chase](#) aimed at lowering healthcare costs, announced it would shut down in February 2021, 3 years after launching. According to CNBC,

One key issue facing Haven was that while the firm came up with ideas, each of the three founding companies executed their own projects separately with their own employees, obviating the need for the joint venture to begin with, according to the people, who declined to be identified speaking about the matter.

TenX

Title: [Crypto payment and wallet project TenX shuts down](#)

Product: [TenX](#)

Cryptocurrency payments startup TenX is sunsetting its current services and has disabled new signups and deposits. The startup, which was incubated by [PayPal](#) in 2016, announced in October 2020 it would discontinue its cards as its card issuer Wirecard filed for insolvency. The company stated,

“This is not goodbye, and we want to thank you for your support along the way and helping us build an incredible community of visionaries who are committed to the future of sound money.”

Lumina Networks

Title: [SDN startup Lumina Networks closes shop, citing Covid-19 impact](#)

Product: [Lumina Networks](#)

Lumina Networks, a provider of open source software for telecom networks, announced it was going out of business in late August 2020. Although backed by [AT&T Ventures](#) and [Verizon Ventures](#), the company was unable to find a sustainable revenue model, citing the pandemic as a contributing factor, according to its statement:

“Essentially, revenue continued to flow to proprietary vendors. The switch to open source did not take place at a pace anywhere close to the speed that would enable us to operate and grow our business, despite commitments from many to the contrary. We have also found that Covid-19 has actually redirected funds away from automation projects and into building-out raw infrastructure, further delaying adoption.”

“Selling Lumina to a proprietary vendor who is naturally antithetical to our mission proved an impossible task and for this reason we must now close our business,” it concluded.

Atrium

Title: [\\$75M legal startup Atrium shuts down, lays off 100](#)

Product: [Atrium](#)

Legal tech and law firm startup Atrium shut down in March 2020, following an unsuccessful pivot to a pure software offering in January. The firm had received just over \$75M in funding from investors including [Andreessen Horowitz](#), [General Catalyst](#), and [New Enterprise Associates](#), and it was once valued at over \$250M. CEO Justin Kan noted in his interview with TechCrunch,

“If you look at our original business model with the verticalized law firm, a lot of these companies that have this kind of full stack model are not going to survive,” Kan explained. “A lot of these companies, Atrium included, did not figure out how to make a dent in operational efficiency.”

ScaleFactor

Title: [ScaleFactor Raised \\$100 Million In A Year Then Blamed Covid-19 For Its Demise. Employees Say It Had Much Bigger Problems.](#)

Product: [ScaleFactor](#)

Finance and accounting platform ScaleFactor raised \$100M from investors before shutting down in June 2020. In an interview with Forbes, CEO Kurt Rathmann blamed pandemic-related financial woes for the demise of the company, which promised to automate customers’ bookkeeping needs. However, some former clients – and employees – protested this characterization, stating that the AI tech powering the platform was often unpredictable, creating errors that even outsourced accountants the company had hired couldn’t keep up with fixing. According to a Forbes investigation published in July 2020,

ScaleFactor used aggressive sales tactics and prioritized chasing capital instead of building software that ultimately

fell far short of what it promised, according to interviews with 15 former employees and executives. When customers fled, executives tried to obscure the real damage.

Starsky Robotics

Title: [The End of Starsky Robotics](#)

Product: [Starsky Robotics](#)

Starsky Robotics, an autonomous trucking tech startup, folded in March 2020. In a blog post, CEO Stefan Seltz-Axmacher outlined the reasons the company had failed, stating:

Timing, more than anything else, is what I think is to blame for our unfortunate fate. Our approach, I still believe, was the right one but the space was too overwhelmed with the unmet promise of AI to focus on a practical solution. As those breakthroughs failed to appear, the downpour of investor interest became a drizzle.

Essential Products

Title: [Essential, Andy Rubin's phone company, is shutting down](#)

Product: [Essential Products](#)

Consumer hardware startup Essential closed down in February 2020, following the flop of its Essential Phone launched in 2017 and other unfinished projects. Founded by Andy Rubin, the creator of [Android](#), the startup drew significant interest, raising over \$330M. However, after a 2018 New York Times report revealed that Rubin had allegedly left Google due to sexual misconduct allegations, attention to the startup cooled. According to The Verge,

Essential was in the process of developing another phone called “Project Gem” with an unusual design. Rubin first teased the project in October 2019, but the company now says it has “no clear path to deliver it to customers.”

“Given this, we have made the difficult decision to cease operations and shutdown Essential,” the company writes in a blog post.

Jumpshot

Title: [Avast Antivirus Is Shutting Down Its Data Collection Arm, Effective Immediately](#)

Product: [Jumpshot](#)

Avast Antivirus’ CEO Ondrej Vlcek and board of directors promptly shut down subsidiary Jumpshot after an investigation by Motherboard and PCMag revealed that Avast, the antivirus security platform, was collecting and selling private user web browsing data through Jumpshot. According to The Verge,

Vlcek, who became CEO of Avast seven months ago, said he has spent the first few months of his job “re-evaluating every portion of our business,” and that the Jumpshot revelations had eroded trust in the company.

Sorabel

Title: [Indonesian fashion e-commerce startup Sorabel to shutter operations](#)

Product: [Sorabel](#)

Fashion e-commerce startup Sorabel was unable to weather the storm created by the Covid-19 crisis, announcing plans to wind down operations in July 2020 as consumers

avoided non-essential spending. Sorabel had received over \$28M in disclosed funding, and was reportedly poised to close new financing when the pandemic hit and investors withdrew. Deal Street Asia reported,

In a letter to Sorabel employees, the company said it had done its best to save the business but was left with no choice but to close down. “Due to this liquidation process, we have to terminate employment contracts with no exception, effective July 30. I am certain that no one would ever expect this to happen.”

Hollar

Title: [Online dollar store Hollar to wind down](#)

Product: [Hollar](#)

Launched in 2015, Hollar — backed by investors like [Kleiner Perkins Caufield & Byers](#) and [Lightspeed Venture Partners](#) — received over \$45M in funding to bring the dollar store online. However, Axios reported in February 2020 that the startup would wind down operations amid financial troubles:

Hollar’s thesis was that dollar store denizens would buy multiple products at a time, thus alleviating pressure on shipping costs. But a source close to the situation says the unit economics never panned out.

The company is said to have started looking for a buyer late last year, and is in final negotiations with retailer Five Below, which would bring on more employees and at least some of the other assets.

The Outline

Title: [The Outline, an attempt to build a bolder kind of news site, appears to have met its end](#)

Product: [The Outline](#)

[Bustle Digital Group](#) shut down digital media company The Outline in April 2020, just one year after acquiring it. Founded in 2016 by journalist Joshua Topolsky, the company raised over \$10M in funding to develop a news site that featured immersive design, bold colors, and full-page ads. Amid low site traction and added pressure from the Covid-19 crisis, Bustle Digital laid off The Outline's staff as part of broader company layoffs. According to Neiman Lab,

In a statement, Bustle Digital cited the “unprecedented impact of COVID-19,” noting that most remaining employees “will be taking temporary tiered salary reductions.”

As for The Outline's future, the statement said: “We are halting operations of The Outline going forward. We will continue to host the publication and the archives, and Josh Topolsky will be exploring alternative paths forward for the publication's future.”

Stay Alfred

Title: [Stay Alfred to permanently close down](#)

Product: [Stay Alfred](#)

Apartment rental startup Stay Alfred was hit hard by the pandemic, as shutdowns forced the company to close its properties and investor interest dried up. The startup, which had

raised \$62M in funding, announced it would permanently cease operations in May 2020. According to Short Term Rentalz, CEO Jordan Allen said in an interview with the Spokane Journal,

“My heart’s broken in a lot of ways,” Allen told the newspaper. “We were trying to sell off assets, but there just aren’t a lot of buyers out there.”

He added that, in hindsight, he would have looked to adopt more of an ownership business model rather than concentrating so heavily on a master lease model.

Stockwell

Title: [Stockwell, the AI-vending machine startup formerly known as Bodega, is shutting down July 1](#)

Product: [Stockwell](#)

AI-powered vending machine startup Stockwell announced its plans to shut down in June 2020, as the Covid-19 pandemic made its business model of in-office and in-apartment building vending machines nonviable. In August, [365 Retail Markets](#) announced its acquisition of Stockwell’s tech platform, which it intends to integrate into its point-of-sale systems. CEO Paul McDonald told TechCrunch,

“Regretfully, the current landscape has created a situation in which we can no longer continue our operations and will be winding down the company on July 1st,” co-founder and CEO Paul McDonald wrote in an email to TechCrunch. “We are deeply grateful to our talented team, incredible partners and investors, and our amazing shoppers that made this possible. While this wasn’t the way we wanted to

end this journey, we are confident that our vision of bringing the store to where people live, work and play will live on through other amazing companies, products and services.”

Pillow and ApartmentJet

Title: [Expedia Shuts a Short-Term Rental Biz It Created From 2 Acquisitions](#)

Product: [Pillow](#) and [ApartmentJet](#)

In 2018, Expedia acquired rental management software startups Pillow and ApartmentJet in an approximate \$54M deal. [Expedia](#) combined the startups to form a platform to help landlords and tenants offer short-term rentals. According to Skift, Expedia shut down the platform in May 2020 as Covid-19 decimated the demand for its services,

Expedia Group CEO Peter Kern and senior executive Barry Diller have been reorganizing the online travel agency for several months, cutting costs, consolidating teams, and trying to simplify what they agree has been a less-than-efficient and complex web of businesses.

The Expedia Group spokeswoman said factors that led to the demise of its multifamily business grew out of the Covid-19 crisis, which hurt urban demand and complicated investment in supply.

Mixer

Title: [Microsoft is shutting down Mixer and partnering with Facebook Gaming](#)

Product: [Mixer](#)

Acquired in 2016 by [Microsoft](#), the interactive game streaming service Mixer let viewers interact with streamers via crowd-sourced controls. After failing to scale Mixer to compete with Twitch and YouTube, Microsoft announced in June 2020 that it would shut down the platform and partner with Facebook Gaming. According to [The Verge](#),

“We started pretty far behind, in terms of where Mixer’s monthly active viewers were compared to some of the big players out there,” says Phil Spencer, Microsoft’s head of gaming, in an interview with *The Verge*. “I think the Mixer community is really going to benefit from the broad audience that Facebook has through their properties, and the abilities to reach gamers in a very seamless way through the social platform Facebook has.”

Lasso

Title: [Facebook is dumping its failed TikTok clone Lasso to make way for its other TikTok clone on Instagram](#)

Product: Lasso

As Facebook prepared the launch of Instagram’s Reels, it shut down its other TikTok clone, Lasso. The app, which was only available in select markets, never gained traction in the US and was shut down by Facebook in July 2020. [Business Insider](#) reported,

“We place multiple bets across our family of apps to test and learn how people want to express themselves,” a Facebook spokesperson said in a statement to [Business Insider](#). “One of these tests was Lasso, our stand-alone short-form video app, which we have decided to shut down. We thank everyone who shared their creativity and

feedback with us, which we'll look to incorporate in our other video experiences.”

Trover

Title: [Photo-sharing startup Trover, started by Rich Barton and acquired by Expedia, is closing down](#)

Product: [Trover](#)

Another Expedia acquisition felled by the pandemic is photo sharing platform Trover. Founded in 2011 by Rich Barton and Jason Karas, Trover aimed to connect travelers through images and experiences shared on the site, which shut down in August 2020. The startup raised \$12M before being acquired in 2016 by Expedia. According to GeekWire,

“I’m really proud of what Jason and the team built with Trover,” Barton told GeekWire in an email Wednesday afternoon. “Exploring the world seems even more important now that we are living our lives in such close proximity to our homes, longing for adventure. Of course, I fully respect and understand Expedia’s decision, given the hurricane that has hit the travel industry.”

Sienna Biopharmaceuticals

Title: [Sienna Biopharmaceuticals to shut down by end of week](#)

Product: [Sienna Biopharmaceuticals](#)

California-based Sienna Biopharmaceuticals had raked in \$86M in venture funding before going public at a valuation near \$300M in 2017. It ultimately filed for bankruptcy after several pipeline drug flops. According to Becker’s Hospital Review,

The company, founded in 2010, had hoped to sell itself and restructure but didn’t receive any bids for the whole

company. It sold its topical photoparticle therapy assets to Sebacia, a dermatology company, for \$1.7 million.

Vicis

Title: [The N.F.L.'s Favorite Helmet Maker Is in Financial Trouble](#)

Product: [Vicis](#)

Football helmet maker Vicis entered receivership after struggling to turn a profit, despite praise for its high-tech helmets. It had raised more than \$74M in disclosed funding from investors, but failed to gain market share in a highly complex and competitive industry. According to the New York Times,

“We were more successful than most at raising capital, but it took a tremendous amount of time and effort, effort that could have been applied to growing and running the business,” [co-founder and ex-CEO Dave] Marver said.

Stratoscale

Title: [Stratoscale closes down, lays off 60](#)

Product: [Stratoscale](#)

Once valued at nearly \$90M, Stratoscale developed data center infrastructure software. The Israel-based software company had accumulated funding from big-name investors such as [Cisco Investments](#), [Bessemer Venture Partners](#), [Intel Capital](#), and [Qualcomm Ventures](#), among others, but shuttered after a failed acquisition. As CEO Ariel Maislos told Globes,

We built something amazing but the merger was not successful. The product that we developed was great and

right, if it will be part of a larger organization. We think there has been a technological switch in which the giants dictate the direction of the market and we gave more power to the traditional players. We had an amazing team but we decided that the time had come to move on.

Hipmunk

Title: [Four years after being acquired, Hipmunk is shutting down](#)

Product: [Hipmunk](#)

Founded by Adam Goldstein and Reddit co-founder Steve Huffman, Hipmunk was one of the first metasearch travel sites that allowed users to compare flights, hotels, and car rentals from multiple websites. It gathered \$55M in funding before being acquired by [SAP Concur](#) in 2016, which struggled to integrate the search engine. Its co-founders made a bid to take over the startup before it shuttered but were rejected. As SAP Concur spokesperson Alex Vaught told Skift,

We carefully considered all potential avenues for Hipmunk and Concur Hipmunk and determined that it was in the best interests of our travelers, customers, our people and SAP Concur to terminate the service and retain all of the intellectual property.

IgnitionOne

Title: [How IgnitionOne, an adtech company that holding company Dentsu bought for \\$275 million, wound up selling in a fire sale](#)

Product: [IgnitionOne](#)

Once a pioneering adtech firm, IgnitionOne fell from glory after failing to renew its line of credit. A notable problem ex-employees lamented was that management was too personally invested in the startup, hindering growth and adaptability. Zeta Global ultimately purchased the company. In a letter to shareholders, CEO Will Margiloff wrote,

While the business had turned the corner this year and had the best year to date for % growth, revenue and EBITDA, our liquidity was severely hampered by our inability to renew our line of credit from existing lenders. The underlying cause of this was client concentration and that we operate in an industry where we are required to pay for inventory from suppliers long before our customers remit payment to the Company.

Omni

Title: [Omni storage & rentals fails, shuts, sells engineers to Coinbase](#)

Product: [Omni](#)

Storage and rental startup Omni folded after failing to scale and generate revenue, with Coinbase reportedly agreeing to hire 10 of its engineers. Omni had gathered \$35M in funding from [Highland Capital](#) and Ripple, among others. According to TechCrunch,

They realized that the core business was just challenging as architected. The service was really great for the consumer but when they looked at what it would take to scale, that would be difficult and expensive.

Miaoshenghou

Title: [Miaoshenghou closes all 80 stores; another fresh food e-commerce company folds](#)

Product: [Miaoshenghou](#)

Fresh food delivery market Miaoshenghou shuttered in December 2019, quietly closing its 80 Shanghai-based stores. The founder noted that low profit margins, as low as 10% to 20% for fresh goods, ultimately led to the chain's demise. As the founder told China Economic Net,

The rent for a shop of more than 100 square meters is about 35,000 RMB [~5,088 USD] on average in Shanghai; with other costs, approximately 70,000 to 80,000 RMB [10,176 USD to 11,630 USD]. Even if we automate, such a premium is not enough to offset the sensitivity of consumers to prices.

Juno

Title: [Gett Announces Closure of Juno and Strategic Partnership With Lyft](#)

Product: [Juno](#)

New York ride-hailing app Juno was shut down by parent company Gett in November. The company had long struggled with profitability, and reportedly lost \$1M a day. It had previously raised \$30M from [Jordache Ventures](#) and [Rakuten](#) before getting acquired by [Gett](#) in 2017. According to the press release,

Juno is shutting down in New York today as a result of both Gett's increased focus on the corporate transportation sector and the enactment of misguided regulations in New York City earlier this year.

CrediFi

Title: [RE data startup CrediFi to shut down following failed sale](#)

Product: [CrediFi](#)

Commercial real estate loans data startup CrediFi shut down in December 2019, after failing to find footing in a competitive space that featured incumbents like [CoStar Group](#). It had earlier raised \$29M from a host of investors including [Battery Ventures](#), [Viola Ventures](#), and [Liberty Media Corporation](#). The Real Deal writes,

The company, led by CEO Ely Razin, had been in talks to sell to firms including Moody's — which has been ramping up its real-estate data business — but no deal ever went through, according to a senior employee, whose account was later confirmed by sources familiar with the talks.

Kettlebell Kitchen

Title: [Kettlebell Kitchen Shuts Down Its Prepared Meal Delivery Service](#)

Product: [Kettlebell Kitchen](#)

Meal kit startup Kettlebell Kitchen, which focused on tailored meal kits for specific diets, closed shop in November 2019. It reportedly lost \$12M a year, struggling to turn a profit amid a crowded meal kit delivery market, with numerous rivals like HelloFresh and BlueApron competing for the same demographic. The Spoon writes,

The prepared meal delivery business is tough to scale, given all the supply chain, safety requirements, and logistics. Now we have to see if Kettlebell Kitchen is a canary in the prepared meal delivery coalmine.

Vaniday

Title: [Rocket-Internet backed salon booking service Vaniday Singapore shuts shop](#)

Product: [Vaniday](#)

Beauty booking platform Vaniday shut down in December 2019, despite raising a reported 7-figure round in June. In an interview, CEO Saurabh Chauhan said that the company hadn't been profitable since its first investment in 2015. According to DealStreetAsia,

Vaniday's financial troubles began surfacing this year. According to a Tech in Asia article in June, Vaniday was reported to have pivoted its business to focus solely Southeast Asia, after cutting its operations in Australia, Italy, the UAE, Russia and Brazil. Vaniday was reported to have raised funds at that time, and was planning to raise additional capital by end-2019 to support its market expansion plans.

Planswell

Title: [Planswell CEO attributes company downfall to social media storm in investor email](#)

Product: [Planswell](#)

Toronto-based fintech startup Planswell was unable to recover after a publicized sexual harassment case led to the loss of much-needed financing. According to an investor note obtained by BetaKit,

Our revenue was up sharply, our culture was fantastic. We had a ton of investors ready to put together a \$20M round and several international expansions had just signed. That's

when an ex-employee caused a social media storm around a situation that happened over a year ago.

Coollest Cooler

Title: [Crowdfunding disaster Coollest Cooler is shutting down and blaming tariffs for its downfall](#)

Product: [Coollest Cooler](#)

Widely regarded as one of Kickstarter's greatest failures, Coollest Cooler finally ceased operations in December after floundering for 5 years. The initial project, which promised a cooler that featured a blender and a bluetooth speaker, raised more than \$13M, but ultimately failed to deliver its coolers to more than 20,000 people. In a project update, the team blamed the trade war,

As you may know, late last year the U.S. government imposed 10% tariffs on many products imported from China. ... However, as of early summer, the "trade war" continued, and the tariff was increased to 25% which affected our entire Coollest product line.

Inboard Technology

Title: [Electric skateboard startup Inboard is for sale and all employees have been laid off](#)

Product: [Inboard Technology](#)

Santa Cruz-based Inboard Technology began as a Kickstarter project that raised more than \$400K to develop a popular electric skateboard. But its failed pivot to electric scooters sank the startup. In a memo posted on its website, the CEO writes,

Inboard had a very large order it was ready to fulfill to one of the largest European scooter operators, but in the time it took to bring the ruggedized version of the G1 to market, coupled with dynamic and changing vehicle regulations in Europe, our product development timeline outstretched our financial runway. Throughout this process we had received multiple assurances from our key investors that they would lead a bridge financing if we hit key goals. Inboard hit those goals, but in the end the investors decided they would rather seek the liquidation value of the company rather than take the risk on funding the bridge.

Spacious

Title: [WeWork is shutting down a restaurant coworking startup it acquired only 4 months ago](#)

Product: [Spacious](#)

WeWork shuttered restaurant-based coworking subsidiary Spacious after acquiring it just 4 months earlier. Spacious is just one of many startups, such as Managed by Q and Meetup, that have become collateral in WeWork's implosion of an IPO. According to Recode,

“As part of WeWork’s renewed focus on its core workspace business, Spacious will close its doors on December 31, 2019. We regret any disruption that this may cause to you or your business,” reads an email sent to Spacious customers on Thursday.

8tracks

Title: [To everything there is a reason](#)

Product: [8tracks](#)

After 11 years, music streaming platform 8tracks shuttered, citing lack of revenue and increased competition from big players. It had previously raised nearly \$7.5M from Andreessen Horowitz, [Uncork Capital](#), [Index Ventures](#), and more. In a blog post, the founder wrote,

We lost listenership, in large part, because Spotify was able to satisfactorily address listener needs for music discovery and activity- and mood-based listening over time, as it improved its offering, reducing the relative appeal of 8tracks' early lead in delivering on its unique value propositions through a crowd-curated model.

Tink Labs

Title: [Inside the Unraveling of Tink Labs](#)

Product: [Tink Labs](#) (aka Hi Inc.)

In one of the largest startup deaths this year, Hong Kong-based Tink Labs, which provided free-to-use smartphones in hotel rooms, ended its services in over 600,000 hotel rooms across 82 countries. According to the Financial Times,

Interviews conducted by the FT with several former employees have painted a picture of an organisation that pursued growth too aggressively, falling back to earth when its profits did not meet its vision. [Founder] Terence Kwok

declined to comment on “potential ongoing labour disputes” or “business transaction details” in terms of outstanding bills. “I am trying to do what I can, but a lot of things are now out of my hands,” he said.

uBiome

Title: [Health Testing Startup uBiome Files for Chapter 7 With Plans To Shut Down](#)

Product: [uBiome](#)

Medical diagnostics startup uBiome was unable to weather an FBI investigation and related fallout from the reveal of the company’s predatory billing practices. According to a Forbes article about the shutdown,

“uBiome was routinely billing patients... multiple times without their consent, prompting insurance plans to start rejecting these claims. The company also pressured its doctors to approve tests with minimal oversight... The practices were in service of an aggressive growth plan that focused on increasing the number of billable tests served...

The company’s cofounders have resigned, it faces law enforcement scrutiny over its billing practices, it’s currently in bankruptcy proceedings, and it filed a motion Tuesday to move from Chapter 11 to Chapter 7 bankruptcy, which would mean liquidating its assets and shutting down.”

Singulex

Title: [East Bay blood testing company closes, laying off 71](#)

Product: [Singulex](#)

Medical testing startup Singulex closed in the wake of a whistleblower suit that claimed it was billing federal health programs for unnecessary blood tests that it pressured upon healthcare providers. Singulex paid a \$1.25M fine in August 2018 and shuttered in July 2019.

The Defense Criminal Investigative Service's Special Agent in Charge Chris D. Hendrickson said,

Today's result resolves serious allegations of fraud against Singulex and is a victory for the U.S. taxpayer. DCIS and its law enforcement partners will aggressively pursue those who attempt to defraud the U.S. military's health care program and other health care programs in order to ensure the health care system works for U.S. military personnel and their families.

DAQRI

Title: [Another high-flying, heavily funded AR headset startup is shutting down](#)

Product: [DAQRI](#)

DAQRI, a Los Angeles-based AR startup, found itself floundering after burning through investments in excess of \$250M and acquiring 4 other entities. Internal sources cited difficulties common among forerunners in emerging industries, including competitors with extensive corporate backing and difficulties training users to use the technology. According to TechCrunch,

Daqri's shutdown is only the latest among heavily funded augmented reality startups seeking to court enterprise customers...

Daqri faced substantial challenges from competing headset makers, including Magic Leap and Microsoft, which were backed by more expansive war chests and institutional partnerships. While the headset company struggled to compete for enterprise customers, Daqri benefited from investor excitement surrounding the broader space. That is, until the investment climate for AR startups cooled.

Vreal

Title: [Moving on to new realities...](#)

Product: [Vreal](#)

Vreal, a VR platform where video game streamers could share their virtual environment with viewers who could then interact in that VR space, called it quits after raising almost \$12M in a Series A round in Q1'18. According to a statement from the company:

Unfortunately, the VR market never developed as quickly as we all had hoped, and we were definitely ahead of our time. As a result, Vreal is shutting down operations and our wonderful team members are moving on to other opportunities.

Reach Robotics

Title: [Reach Robotics – End of the Road](#)

Product: [Reach Robotics](#)

Reach Robotics, the startup behind gaming robot MekaMon, shut down after being unable to make it in the hypercompetitive consumer hardware industry. Both co-founders weighed in with their thoughts around the life and challenges of Reach Robotics.

[Co-founder Silas Adekunle:](#)

The consumer robotics sector is an inherently challenging space – especially for a start-up. Over the past six years, we have taken on this challenge with consistent passion and ingenuity. From the first trials of development to accelerators and funding rounds, we have fought to bring MekaMon to life and into the hands of the next generation of tech pioneers. Unfortunately, for Reach Robotics, in its current form at least, today marks the end of that journey.

[Co-founder John Rees:](#)

I'm immensely proud of what we were able to achieve as a team. Despite this final outcome, I'm certain we have touched a few lives in a positive way and hopefully inspired some of the next generation of scientists, engineers and artists. [...] I'm still taking stock of it all but the short version is that it is true what they say – that "hardware is hard" and consumer hardware is even harder due to the reliance on the Christmas sales period.

Oryx Vision

Title: [Low-Cost LiDAR Startup Oryx Vision Shuts Down](#)

Product: [Oryx Vision](#)

Israel-based lidar startup Oryx Vision made the unusual move this year to preemptively shut down its operations – not due to running out of funds, as is frequently the case, but because the founders saw the roadblocks ahead of them in the autonomous vehicle space and decided that Oryx was not equipped to survive into the future. Oryx Vision will be returning approximately \$40M to investors as part of this decision.

Per co-founder Ran Wellingstein:

Currently, the architecture of the autonomous vehicle is simply not converging, so a venture-backed company will not be able to justify the investment that will still be needed... There was a lot of deliberation and investors were prepared to keep going, but we saw that LIDAR was becoming a game of giants and as a small company, it would be difficult to continue operating and return investments.

Pellion Technologies

Title: [The death of a promising battery startup exposes harsh market realities](#)

Product: [Pellion Technologies](#)

Rechargeable battery startup Pellion shuttered due to rising concerns around its ability to yield profit in the autonomous vehicle industry. The company developed a lithium-metal battery which could support drones, but not a mass market of electric vehicles. Quartz reports,

According to former employees, all of whom requested anonymity, Khosla Ventures lost confidence that Pellion

could make enough money serving a niche market. The lithium-metal technology worked for products like drones, but the big money in the battery world is in the automotive sector. Investors weren't willing to sink the money needed to develop the battery for electric vehicles.

Phytelligence

Title: [Ag tech startup Phytelligence shuts down after losing dispute over Cosmic Crisp apple variety](#)

Product: [Phytelligence](#)

After losing the rights to its key product (a new strain of apples named Cosmic Crisps) in a legal battle with Washington State University, agtech startup Phytelligence closed its doors for good. Geekwire writes,

In its lawsuit, Phytelligence claimed that WSU [Washington State University] wrongly blocked the company from commercializing Cosmic Crisp. In its own counter-lawsuit, WSU alleged that Phytelligence improperly sold thousands of Cosmic Crisp trees to a grower.

In his message to shareholders, [Phytelligence CEO] Glen Donald wrote that the board “has concluded that it is in the best interests of the company to make a general assignment of its assets for the benefit of creditors and to file a petition to appoint a general receiver to administer and liquidate such assets.”

DocTalk

Title: [Matrix Partners-backed health-tech startup DocTalk winds up operations](#)

Product: [DocTalk](#)

DocTalk, an India-based startup backed by [Y Combinator](#) and [Matrix Partners](#), folded after trying to pivot from being a mobile communications platform between doctors and patients to an electronic medical record (EMR) solutions entity. According to people privy to the shutdown:

The planned transition into the electronic medical record solution (EMR) business from the existing business model didn't yield the acceleration that it needed. Subsequently, the company has shuttered the entire health-tech concept and laid off a majority of its employees.

Homepolish

Title: [Instagram Versus Reality at Failed Interior-Design Start-up Homepolish](#)

Product: [Homepolish](#)

Homepolish, a customizable interior design startup, built a business around sparkling marketing and promises of highly vetted designers that it ultimately couldn't follow through on. After high-profile denunciations of Homepolish and documentation of the shoddy work done by the startup, the company fell apart — but not before CEO Noa Santos announced that designers would not be paid owed wages and customers would not be able to get refunds. The New York Magazine writes,

The Homepolish name was tarnished in recent months, notably after Ilana Wiles, an Instagram influencer known as [@MommyShorts](#), started posting to her 160,000 followers

about her “absolutely awful home renovation experience” with the company earlier in 2019.

“We frankly don’t have the funding left to run the business on an ongoing basis,” [CEO] Noa Santos said in a video conference call on Wednesday with the company’s remaining employees, according to a recording provided to Intelligencer... Santos said that designers will not be paid any owed earnings and customers will not be receiving refunds. Santos urged the more than 200 people on the call to “think intelligently ... as opposed to jumping to legal action which could work very much against all of us.”

Mac & Mia

Title: [Kids' Clothing Startup Mac & Mia Shuts Down](#)

Product: [Mac & Mia](#)

Kids’ apparel delivery service Mac & Mia announced it would cease operations after a short-lived run that began in 2018. The company was unable to carve out its desired niche and had to close shop in late August 2019. According to ChicagoInno,

Mac & Mia faced a host of competitors in the children’s delivery box space, including the aforementioned Stitch Fix, which launched its kids clothing service in 2018. Stitch Fix went public in 2017 and has a market cap around \$2.7 billion. At least 20 other upstarts have launched similar delivery services for children’s clothes.

Anki

Title: [Robotics startup Anki shuts down after burning through almost \\$200 million](#)

Product: [Anki](#)

Consumer AI robotics company Anki had raised over \$200M from prominent investors but the company wasn't able to stay afloat after reportedly failing to attract a new round of investment or an acquirer. Anki posted a statement on its website:

It is with a heavy heart to inform you that Anki has ceased product development and we are no longer manufacturing robots. To our partners and customers, thank you for all your support and joining us on this journey to bring robotics and AI out of research labs and into your homes.

Stratolaunch

Title: [Space firm founded by billionaire Paul Allen closing operations](#)

Product: [Stratolaunch](#)

Stratolaunch was founded by late Microsoft co-founder Paul Allen and aimed to launch satellites from planes. The Reuters report of its shuttering came just weeks after it had completed its first test flight:

The decision to set an exit strategy was made late last year by Allen's sister, Jody Allen, chair of Vulcan Inc and trustee of the Paul G. Allen Trust, one of the four people and the fifth industry source said.

Jody Allen decided to let the carrier aircraft fly to honor her brother's wishes and also to prove the vehicle and concept worked, one of the four people said.

Wow Air

Title: [Iceland's Wow Air Shuts Down After Failing to Raise New Cash](#)

Product: [Wow Air](#)

Low-cost airline Wow Air abruptly shut down in March after being unable to secure additional funding. Bloomberg's report included part of a letter its Chairman Skuli Mogensen sent to Wow Air staff:

“We have run out of time and have unfortunately not been able to secure funding for the company,” Chairman Skuli Mogensen said in a letter to employees. “I will never be able to forgive myself for not taking action sooner.”

Panda TV

Title: [Panda TV Officially Shuts Down its Service](#)

Product: [Panda TV](#)

The Esports Observer reported on Chinese video streaming service Panda TV shutting down:

On March 8, Panda TV announced that the company was in a potential bankruptcy, posting an image of its panda mascot facing a sunset, alongside the word “Bye.” The reasons behind this bankruptcy have not yet been officially published.

Roadstar.ai

Title: [Roadstar.ai: The Rise and Fall of a Self-Driving Startup](#)

Product: [Roadstar.ai](#)

Autonomous vehicle startup Roadstar.ai was developing autonomous vehicles and had raised around \$128M in 2018, but its co-founder was mired by allegations of fraud. Synced Review described the situation in its coverage:

Things however quickly turned ugly for the promising startup. In an announcement published on WeChat in late January, Tong and Heng announced they had fired Zhou, accusing him of receiving kickbacks during fundraising, deliberately hiding codes, and putting false data into a government regulatory report.

Seven Dreamers Laboratories

Title: [Laundroid company folds before its giant robot does](#)

Product: [Seven Dreamers Laboratories](#)

Panasonic-backed Seven Dreamers Laboratories offered a laundry machine which aimed to act as a combined washer, dryer, and clothes folder. Engadget thought that the machine was trying to do too much:

Clearly, the product was too ambitious. Seven Dreamers had planned a simpler, but still potentially-impressive version that merely folded and sorted clothes. The first-gen model still required a complex combination of robotics, image analysis and artificial intelligence to achieve its goals, however.

Lesara

Title: [No investor found: Lesara's online store is now offline](#)

Product: [Lesara](#)

The German online fashion retailer couldn't keep operations going after failing to find an investor or a buyer, according to [neuhandeln.de](#):

At the beginning of February, BBL announced that a planned investor solution for the insolvent online retailer had “burst at the last minute.” Thus, the provisional insolvency administrator Christian Graf Brockdorff had negotiated the final details of a purchase agreement with a strategic investor. Shortly before the signature, the investor had “pulled back unexpectedly late at night.”

Crazy Teacher

Title: [“Crazy Teacher” announced that it will stop operating](#)

Product: [Crazy Teacher](#)

Chinese home tutoring app Crazy Teacher — which included [Tencent](#) as one of its investors — closed in April, as reported by [Pencil News](#):

The crazy teacher app page displays the words “Goodbye” and writes: “The madness has ended, thank you for the past.”

Arivale

Title: [Scientific wellness startup Arivale closes abruptly in 'tragic' end to vision to transform personal health](#)

Product: [Arivale](#)

Geekwire reported that genetic testing startup Arivale shut down suddenly:

The decision was a surprise to many Arivale employees and customers. In a message to Arivale customers this afternoon, the company attributed the decision to “the simple fact that the cost of providing the service exceeds what our customers can pay for it.”

Aria Insights

Title: [Drone maker Aria Insights, formerly CyPhy Works, shuts down](#)

Product: [Aria Insights](#)

Aria Insights — backed by high-profile investors such as [Lux Capital](#) and Bessemer Venture Partners — offered drones which were designed to gather data from challenging environments. The Robot Report says that Aria Insights was in the middle of rebrand when it closed:

CyPhy Works rebranded as Aria Insights in January 2019 to focus more on using artificial intelligence and machine learning to help analyze data collected by drones. “A number of our partners were collecting and housing massive amounts of information with our drones, but there was no service in the industry to quickly and efficiently turn that data into actionable insights,” Lance Vanden Brook,

former CyPhy and current Aria CEO said at the time of the rebranding.

Shoes of Prey

Title: [The Shoes of Prey Journey Ends](#)

Product: [Shoes of Prey](#)

Co-founder Michael Fox announced in a blog post that the brand was shutting down, citing a lack of demand for their customization approach:

We learnt the hard way that mass market customers don't want to create, they want to be inspired and shown what to wear. They want to see the latest trends, what celebrities and Instagram influencers are wearing and they want to wear exactly that – both the style and the brand.

HomeShare

Title: [HomeShare Closing Its Doors](#)

Product: [Homeshare](#)

HomeShare aimed to help users find affordable accommodation but, after failing to secure new financing, the company announced it was closing in a post on its website:

HomeShare encountered unexpected financial constraints arising from a financing that did not materialize. In response, we cut costs by changing our service and significantly reducing staff. Unfortunately, these measures

were insufficient and HomeShare no longer has the capital to continue to operate.

Fabric

Title: [Sunsetting the Fabric App](#)

Product: [Fabric](#)

In a blog post, the Y-Combinator graduate said it couldn't make its memory curation app a sustainable product:

We've devoted all our time and energy into making the product we think should exist in the world. In the process, we believe we've pushed the boundaries on what technology should accomplish for users, and the experiences that personal data is capable of powering. However, we have been pushing against headwinds in the industry which make it unsustainable to stay afloat while standing by our principles.

Aiwujiwu

Title: [Chinese Online Property 'Unicorn' Aiwujiwu Shuts Down](#)

Product: [Aiwujiwu](#)

While no official statement has been made, the former unicorn's website appears to be inactive:

Aiwujiwu, the Chinese online property listings platform and "unicorn," had ceased regular operations as of the end of January 2019, according to mainland news reports. The

company is in a liquidation phase, and services are no longer available on its website (www.iwjw.com) and app.

Arrivo

Title: [Hyperloop startup Arrivo is shutting down](#)

Product: [Arrivo](#)

The company hasn't announced its shutdown, but *The Verge* shared some information:

Futuristic transportation startup Arrivo shut down its operations this week, *The Verge* has learned. All of the company's 30 or so employees were furloughed in late November, with about half being completely laid off at the end of that month ... Now, the Los Angeles startup is shutting down because it hasn't been able to secure new funding, these people say. Remaining employees were informed Friday via text messages seen by *The Verge*, or by phone.

Chariot

Title: [Important Update from Chariot](#)

Product: [Chariot](#)

The Ford-owned shuttle transportation company announced its decision to cease operations in a blog post:

Following significant consideration, we have decided to close the Chariot operation. Friday, January 25th is the last day we will offer service on commuter routes in the U.K., and Friday, February 1 will be the last day we will offer service on our commuter routes in the U.S. We will cease all operations across the US and in the UK by the end of March.

Fifth Dimension

Title: [Predictive Analytics Company Fifth Dimension Shuts Down](#)

Product: [Fifth Dimension](#)

According to Israel's CTech:

Tel Aviv-based predictive analytics company Fifth Dimension Holdings Ltd. has shut down, selling its operations and letting all employees go.

Former deputy head of the Mossad Ram Ben-Barak, the company's president for the past two years, confirmed the move to Calcalist Saturday. "The company is pivoting," he said. "We sold our products, and we did let all employees go, but everything was done in an orderly fashion and without drama. We had problems with investors, and decided to change direction. The employees and suppliers received what they were owed."

Lighthouse AI

Title: [Lights out](#)

Product: [Lighthouse AI](#)

Lighthouse AI's CEO Alex Teichman shared a farewell message on the company's website:

I am incredibly proud of the groundbreaking work the Lighthouse team accomplished – delivering useful and accessible intelligence for our homes via advanced AI and 3D sensing. Unfortunately, we did not achieve the commercial success we were looking for and will be shutting down operations in the near future.

Munchery

Title: [Thank you for making a place for us at your table](#)

Product: [Munchery](#)

As a player in the increasingly crowded food delivery space, Munchery writes:

Today, with heavy heart, we're announcing that Munchery is closing its doors and ending operations effective immediately. Any outstanding orders with Munchery will be cancelled and refunded. Please allow 2-3 business days for these refunds to process.

Naya Health

Title: [Breast pump start-up Naya Health shuts down after failing to raise money](#)

Product: [Naya Health](#)

The women's health company emailed its users explaining its decision to shut down (per CNBC):

We are sorry to have stayed silent for so long. We have been working behind the scenes to either find a way to raise enough capital to face the increase in manufacturing costs or find the company a new home where our technology could benefit from more resources. During this process, we were unable to share Naya's status publically for legal reasons. Ultimately, it has become clear that the only course of action for Naya Health is to close its doors.

Onavo

Title: [Apple removed Facebook's Onavo from the App Store for gathering app data](#)

Product: [Onavo](#)

The Facebook-owned app was pulled from the App Store for violating data collection policies, according to Apple (via TechCrunch):

We work hard to protect user privacy and data security throughout the Apple ecosystem. With the latest update to our guidelines, we made it explicitly clear that apps should not collect information about which other apps are installed on a user's device for the purposes of analytics or advertising/marketing and must make it clear what user data will be collected and how it will be used.

Poppy Care Company

Title: [With Heavy Hearts, Poppy is Discontinuing its Services](#)

Product: [Poppy Care Company](#)

The platform connecting families and caregivers addresses its shortcomings in a blog post:

Turns out it IS possible to build a delightful, trustworthy, and convenient experience connecting caregivers and families. The challenge has been the underlying business model that would enable such a community of families and caregivers to grow at scale. While there are many important complexities, it really boils down to the core economics of what it costs to deliver this end-to-end experience.

SCHAFT

Title: [Google parent to pull plug on bipedal robot development](#)

Product: [SCHAFT](#)

The [Google-owned](#) robotics unit has been shut down:

Following Softbank's decision not to move forward with the Schaft acquisition," an Alphabet spokesperson told Nikkei, "we explored many options but ultimately decided to wind down Schaft. We're working with employees to help them find jobs elsewhere within or outside of Alphabet.

Sophia

Title: [Sophia has closed](#)

Product: [Sophia](#)

The company, which sought to match people with life counselors, now redirects users to other platforms seeking mental wellness resources:

We have closed our business as of November 2018 and are no longer matching new customers to life counselors.

Airware

Title: [Drone startup Airware crashes, shuts down after burning \\$118M](#)

Product: [Airware](#)

In a statement, drone company Airware confirmed its shutdown:

History has taught us how hard it can be to call the timing of a market transition. We have seen this play out first hand in the commercial drone marketplace. We were the pioneers in this market and one of the first to see the power drones could have in the commercial sector. Unfortunately, the market took longer to mature than we expected. As we worked through the various required pivots to position ourselves for long term success, we ran out of financial runway. As a result, it is with a heavy heart that we notified our team, customers, and partners that we will wind down the business.

Alta Motors

Title: [Alta Motors reportedly shutting down production of \[its\] electric motorcycles](#)

Product: [Alta Motors](#)

The company hasn't announced its shutdown, but Electrek shared some information:

According to multiple independent sources, Alta Motors is winding down business operations and shuttering [its] electric motorbike production line. The award-winning startup has recently faced issues securing enough funding to continue operations after several investment and partnership deals fell through.

CanadaDrugs.com

Title: [Fake meds draw concerns from online pharmacy users](#)

Product: [CanadaDrugs.com](#)

The circumstances of the online Canadian pharmacy's shutdown by the FDA were reported as follows:

According to the indictment in this case, Canada Drugs and some of its subsidiaries misled customers about the safety of the drugs it sold saying the medicine was manufactured in 'FDA-approved' facilities overseas. But the indictment states the online pharmacy really '...did not know where the drugs it purchased were being manufactured, or who had been handling the drugs'

CloudMine

Title: [Center City's CloudMine, \\$6M in debt, files for bankruptcy](#)

Product: [CloudMine](#)

An email statement from healthcare data platform CloudMine details its Chapter 7 bankruptcy filing:

The company's Board of Directors reached this decision following recent actions taken by the company's senior secured lender and the inability of the company to close funding through alternative sources. As part of the Chapter 7 process, oversight of the company will transfer to a trustee. Prior to the commencement of its Chapter 7 proceeding, the company has taken steps to maintain the confidentiality, integrity and availability of customer data pending the appointment of the trustee.

Defy Media

Title: [Defy Media, home of YouTube superstars Smosh, is shutting down](#)

Product: [Defy Media](#)

The digital media company released the following statement:

Regretfully, Defy Media has ceased operations today ... We are extremely proud of what we accomplished here at Defy and in particular want to thank all the employees who worked here. We deeply regret the impact that this has had

on them today... Unfortunately, market conditions got in the way of us completing our mission.

Driver

Title: ['We ran out of money'](#)

Product: [Driver](#)

The company, which sought to match patients with clinical trials, shut down just two months after its launch:

The company let go of all of its approximately 85 employees on Oct. 16 ... About 60 percent of those employees worked at Driver's headquarters in San Francisco; the rest were based in Shanghai, New York, and Boise, Idaho.

Driver had been trying to raise another round of funding this fall, but it wasn't making money fast enough to convince investors to give it the capital it needed, Driver CEO and co-founder Dr. William Polkinghorn said.

Eleven James

Title: [What's Happening to Subscription Watch Club Eleven James?](#)

Product: [Eleven James](#)

Reports describe the quiet shutdown of the watch company:

According to Robi Cai, the company's former head of corporate strategy and development from September 2016

through June 2018, earlier this year Eleven James tried to raise additional funds to allow them to continue operating. When the company was unable to raise said funds, the company's main lender pulled its existing line of credit, causing the company's management and board to begin winding down operations around the middle of June 2018. This process involves reclaiming lent watches that are currently with members. Cai's understanding is that members who have returned all watches would no longer be charged their membership fees. At present, he says that he understands there to only be a handful of employees remaining at the company.

Fastbee

Title: [I'd do it all over again, says founder of failed start-up Fastbee](#)

Product: [Fastbee](#)

Fastbee founder describes his experience with the food delivery startup:

Founder Khoo Kar Kiat stayed positive despite his company's shutdown:

Unfortunately, it could not withstand a double whammy of competition from new players and fundraising difficulties that soon came along. The start-up had its last day on Aug 14.

But nothing ventured, nothing gained, said Mr Khoo.

‘Maybe I should be happy that I lasted for about two years ... After all, statistics out there say about 90% of start-ups fail in a year.’

Halo+ Smoke Alarm

Title: [Dear Halo customers](#)

Product: [Halo+ Smoke Alarm](#)

Halo said goodbye to customers in a post:

It is with our sincere apologies that we must let you know that Halo Smart Labs is closing its doors. You may have noticed a lack of available product and support responses, and we apologize for taking so long to let you know what is going on. While we are proud to have created a best in class product, it takes more than a great product to make a great business. Despite the best efforts of our team, ultimately the resources required to continue making and supporting Halo products were beyond our reach.

Henri Bendel

Title: [L Brands Takes Action to Increase Shareholder Value – Announces 2019 Closure of Henri Bendel Stores and Henri Bendel E-Commerce](#)

Product: [Henri Bendel](#)

The women's accessories stores will be shutting down by early 2019:

We are committed to improving performance in the business and increasing shareholder value. As part of that effort, we have decided to stop operating Bendel to improve company profitability and focus on our larger brands that have greater growth potential.

This decision is right for the future growth of our company, but not easy because of the impact to our L Brands family. I want to thank our Bendel associates for their dedication to this iconic brand and to our loyal Bendel customers.

Liquavista

Title: [Amazon has shut down Liquavista](#)

Product: [Liquavista](#)

The Digital Reader confirmed the screen tech company's shutdown in an article:

An Amazon rep told me this morning that they 'can confirm that Liquivista is no longer operating.' However, they were unable to tell me whether Amazon still be pursuing this tech, if Liquavista's R&D work been shifted to another unit, or the state of their screen production.

Path

Title: [Goodbye](#)

Product: [Path](#)

Social network company Path posted a goodbye message on Twitter:

It is with deep regret to announce that Path service will be discontinued. It has been a long journey and we sincerely thank each one of you for your years of love and support Path.

Seatwave

Title: [GET ME IN! and Seatwave are shutting down](#)

Product: [Seatwave](#)

Ticketmaster addressed the shutdown of its online ticket marketplace in a blog post:

We're shutting down our sites GET ME IN! and Seatwave.

That's right, we've listened and we hear you: secondary sites just don't cut it anymore and you're tired of seeing others snap up tickets just to resell for a profit.

All we want is you, the fan, to be able to safely buy tickets to the events you love.

Theranos

Title: [Theranos is shutting down](#)

Product: [Theranos](#)

The New York Times wrote about the blood testing company and its plans to shutter operations:

‘We are now out of time,’ David Taylor, the company’s chief executive and general counsel, informed investors in an email first reported on Tuesday by The Wall Street Journal, whose in-depth investigation unraveled the company’s claims. Mr. Taylor declined to comment further, saying the letter spoke for itself.

Treato

Title: [Israeli medical intelligence startup Treato shuts down](#)

Product: [Treato](#)

The Israeli medical intelligence startup shuttered according to court documents:

The Israeli startup, Treato recently filed for liquidation at the Tel Aviv District Court. Launched in 2011, Treato operated a platform designed to gather and analyze user-generated health-related information and offer insights on medical conditions and medication.

In court documents reviewed by Calcalist ([link](#)) the company stated it was unable to secure sufficient funding or get an acquisition offer, and that it is in a state of insolvency. The company reported \$352,716 (NIS 1.3 million) in assets and a debt of \$8.4 million (NIS 31 million).

Wimdu

Title: [Wimdu, Rocket Internet's Airbnb clone, to shut down this year 'facing significant business challenges'](#)

Product: [Wimdu](#)

The vacation rentals marketplace announced that it would be shutting down by the end of 2018 due to "significant financial and business challenges."

"The stakeholders and management are working closely with the staff; primary goals are the fair treatment of employees affected by the closure and the management of forward bookings for our guests and hosts," an announcement on the site reads. "All guests and hosts having 2018 bookings – with a check-in date occurring before or on the 31-December-2018 – will be carried out professionally and reliably. All guests with 2019 bookings – with a check-in date occurring after the 31-December-2018 – will be contacted separately to deal with their respective booking."

Wonga

Title: [Administrator's updates](#)

Product: [Wonga](#)

An update on the payday loan provider's website reads:

Despite efforts to restructure the business, which included an injection of funding by the Group's shareholders the business was unable to be restored to profitability due to

the level of redress claims. As a result, the management team had no alternative but to place the above companies into administration. Following the appointment of Administrators there will be no new lending activity.

Yogome

Title: [Months After Raising \\$27M, Education Startup Yogome Shuts Down Amid Fraud Allegations](#)

Product: [Yogome](#)

In a team meeting, staff members of the edtech startup were reportedly told:

“The conduct by the previous management has compromised finances and integrity of the company by possibly having committed fraud. The board of directors, as well as its investors and financial advisors, have met over the past few days to investigate and analyze the current state of the company as well as possible fraud... Based on an analysis of the economic situation of the company, and the effects of the crime of fraud, the decision has been made to end the operation definitively, since the company is in a situation of no return.”

Apprenda

Title: [Troy-based Apprenda stopping operations, investor says](#)

Product: [Apprenda](#)

Safeguard CEO and president Brian Sisko gave an update during an earnings call:

[The] firm is “disappointed ... that we ultimately weren’t successful with Appenda.”

“It is pretty unusual for a company to gain the level of traction that Appenda did,” but the company did “not successfully market itself for exit,” Sisko said.

Appenda “would have needed ... to continue to develop technology and try to catch back up,” Sisko said. “The collective view around the table (was) that it wasn’t appropriate to plow more capital into this opportunity.”

Chef’d

Title: [Meal-kit company Chef’d suddenly shut down and laid off its hundreds of employees](#)

Product: [Chef’d](#)

In an email sent to employees, founder and CEO Kyle Ransford explained:

We have had some unexpected circumstances with the funding for the business. Due to setbacks with financing, unfortunately, we are ceasing operations for all employees, effective today, July 16, 2018. If we had been successful with these funding efforts, this difficult decision would have been avoided.

Bluesmart

Title: [A Journey Ends, the Travel Evolution Goes On...](#)

Product: [Bluesmart](#)

The connected luggage company shared the following note on its website:

We have bittersweet news to share. The changes in policies announced by several major airlines at the end of last year—the banning of smart luggage with non-removable batteries—put our company in an irreversibly difficult financial and business situation. After exploring all the possible options for pivoting and moving forward, the company was finally forced to wind down its operations and explore disposition options, unable to continue operating as an independent entity.

CareSync

Title: [CareSync shuts down](#)

Product: [CareSync](#)

CareSync posted the following message on its website:

This was a very difficult decision and we know that it will have an impact on our customers and our employees. As a company whose mission is to improve patient care and strengthen the relationships between patients and their family members and caregivers, we are deeply saddened that we were not able to continue in that effort.

Lantern

Title: [Thank You and Farewell](#)

Product: [Lantern](#)

The team at Lantern signed off with this message:

We've spent the past six years working hard to build a product that is engaging for users, reduces symptoms, and has a sustainable business model. After some trial and error in the direct to consumer and employer spaces, we ultimately pursued a strategy of alignment with traditional healthcare insurance companies. Healthcare moves very slowly and we made the mistake of misjudging the time it would take to achieve sustainable revenue through this approach.

StumbleUpon

Title: [SU is moving to Mix](#)

Product: [StumbleUpon](#)

In a post on Medium, co-founder Garret Camp explained the decision to shutter StumbleUpon:

After careful consideration, we've made the decision to focus fully on building Mix and transition StumbleUpon accounts into Mix.com over the next couple months. We have built Mix to work on every browser and smartphone, to make the transition as smooth as possible.

Cambridge Analytica

Title: [Cambridge Analytica and Scl Elections Commence Insolvency Proceedings and Release Results of Independent Investigation into Recent Allegations](#)

Product: [Cambridge Analytica](#)

Cambridge Analytica posted the following press release on its website:

[It] has been determined that it is no longer viable to continue operating the business, which left Cambridge Analytica with no realistic alternative to placing the Company into administration.

OSSIC

Title: [A Very Sad Goodbye](#)

Product: [OSSIC](#)

OSSIC posted a message on its Kickstarter page explaining why the company would not be able to deliver the product:

It is with an extremely heavy heart that we must inform you that OSSIC is shutting down and will be unable to deliver the remaining OSSIC X headphones.

The OSSIC X was an ambitious and expensive product to develop. With funds from the crowdfunding campaign, along with angel investment, we were able to develop the product and ship the initial units. However, the product still

requires significantly more capital to ramp to full mass production, and the company is out of money.

Over the last 18 months, we have explored a myriad of financing options, but given VR's slow start and a number of high profile hardware startup failures, we have been unable to secure the investment required to proceed.

DaWanda

Title: [A Letter From The CEO](#)

Product: [DaWanda](#)

Founder and CEO Claudia Helming shared this message on the website:

In the last quarter of 2017 we reached profitability and have since been working to cover our costs. At the same time, we had to admit that our growth is stagnating and that we can hardly manage by our own efforts to grow the number of sales on our platform to the desired extent – even our restructuring last year could not change this ... Additionally, we haven't managed to implement enough innovative new ideas over the past few years.

DaWanda is not insolvent. However, we have realised that the risk of no longer being able to keep up is simply too big.

Fieldbook

Title: [Fieldbook is Shutting Down](#)

Product: [Fieldbook](#)

In a Medium post, the executive team at Fieldbook explained its decision:

Getting to this decision was gut-wrenching and took months. We still believe in the vision and love the mission. But in the end, we failed to build a sustainable business. Even with a small team, we were never profitable, and we weren't able to grow our revenue fast enough to get there.

Puddle

Title: [Peer to Peer Micro-Credit Site Puddle Shuts Down](#)

Product: [Puddle](#)

The company sent out an email to employees describing the decision:

In an email circulated by the company, Puddle founders stated that after five years of operation the businesses model was “unsustainable.”

DASH Stores

Title: [Closing Our DASH Doors](#)

Product: [DASH Stores](#)

Kim Kardashian West spoke for her sisters (and co-founders) in a note on her website:

We've loved running DASH, but in the last few years, we've all grown so much individually. We've been busy running our own brands, as well as being moms and balancing work with our families. We know in our hearts that it's time to move on.

Ivanka Trump

Title: [Ivanka Trump Closes \\$100 Million Fashion Business](#)

Product: [Ivanka Trump](#)

Ivanka Trump released the following statement about her brand shutting down:

When we first started this brand, no one could have predicted the success that we would achieve. After 17 months in Washington, I do not know when or if I will ever return to the business, but I do know that my focus for the foreseeable future will be the work I am doing here in Washington, so making this decision now is the only fair outcome for my team and partners.

Klout

Title: [Sunsetting Klout](#)

Product: [Klout](#)

CEO of parent company Lithium Peter Hess posted a message on the Lithosphere community forums:

I'm writing to let you know that Lithium has made the decision to sunset the Klout service, effective May 25, 2018.

The Klout acquisition provided Lithium with valuable artificial intelligence (AI) and machinelearning capabilities but Klout as a standalone service is not aligned with our long-term strategy.

Doughbies

Title: [Team Doughbies is moving on](#)

Product: [Doughbies](#)

The team from Doughbies recorded a short video explaining its desire to move on:

Ultimately we shut down because our team is ready to move on to something new.

Weddington Way

Title: [Weddington Way has closed](#)

Product: [Weddington Way](#)

On their website, Weddington Way announced its closure to customers:

We are incredibly disappointed, but also proud of the business that we have worked hard to build over the past seven years. Our mission has been to share joy, which has

served both our customers and employees well. From the bottom of our hearts, thank you for your loyalty and love... and enjoy your upcoming weddings!

Coinprism

Title: [‘Colored coins’ startup Coinprism is shutting down](#)

Product: [Coinprism](#) web wallet

In an email to CoinDesk, Coinprism founder and CEO Flavien Charlon wrote:

We didn’t see a business model that would have been viable long term. Regulators are starting to pay attention to the [cryptocurrency] space, and activities around blockchain assets (tokens exchanges, ICO tools and services, etc.) are likely to become heavily regulated in the next 5 years. That means some of these services will have to shut down or restrict their activities, some might go to prison, and only a small number of well capitalized companies will successfully adapt to the regulator’s demands.

Shyp

Title: [I can’t wait for you to see what we do next](#)

Product: [Shyp](#)

Shyp CEO Kevin Gibbon published a company post-mortem on LinkedIn after the company shuttered in late March.

Consumer growth slowed. People close to me and the business began to warn that chasing consumers was the

wrong strategy. After all, how often do consumers ship things? I didn't listen.

At the time, I approached everything I did as an engineer. Rather than change direction, I tasked the team with expanding geographically and dreaming up innovative features and growth tactics to further penetrate the consumer market... But, growth at all costs is a dangerous trap that many startups fall into, mine included.

... We decided to keep the popular-but-unprofitable parts of our business running, with small teams of their own behind them. This was a mistake — my mistake. While large, established companies have the financial freedom to explore new product categories for the sake of exploring, for startups it can be irresponsible.

Kuvée

Title: [A \\$178 wine bottle that connects to Wi-Fi raised \\$6 million from investors, and now the startup is shutting down](#)

Product: [Kuvée](#) connected wine bottles

[It] became clear that, to properly educate the market, we would need a much louder voice and considerably more capital. The last year's Napa fires affected our ability to scale our customer base over the holiday season and hence

our ability to raise the funds required to continue building awareness of Kuvée.

IntroNet

Title: [An experienced startup founder learns some new lessons](#)

Product: [IntroNet](#)

Mike Krupit, CEO of IntroNet, a service for professionals to make and track introductions, wrote a lengthy post about the factors that contributed to the company's failure:

On the surface, the business didn't succeed in the first two iterations of IntroNet for the same reason that 90% of tech startups fail: we did not find a product-market fit before the end of our cash. It's a math equation that is pretty deterministic. Why didn't we find product-market fit? Perhaps we were solving for a pain (e.g., LinkedIn sucks) instead of a real problem (e.g., I can't find expertise)? Did we try to change user behavior in a way that wasn't tractable? Yes, probably all of that.

Chorus

Title: [Dick Costolo explains why he shut down his fitness startup after 8 months: 'We were up against hard-wired human behavior'](#)

Product: [Chorus](#)

People started using it and then would bail after four weeks or eight weeks. They'd get the flu or they'd travel for work and drop the ball.

...The app triggered a psychological phenom known as the "abstinence violation effect" (AVE).

That's when people hide from their support group when they fail to meet the group's expectations, instead of turning to the group for help.

Chorus tried all sorts of things to overcome AVE: having trainers on the platform that could answer questions, allowing people to do one-day challenges, encouraging chatting, and encouraging posting a weekly plan. But people wallowing in the depths of AVE would turn off the notifications.

In other words, thanks to AVE, Chorus was contributing to the very thing it was trying to solve, and making people hide from their workout buddies.

Sansaire

Title: [High-tech cooking startup Sansaire shutting down, ceasing production of new sous vide device](#)

Product: [Sansaire](#)

We regret to share that Sansaire will be ceasing development of the Delta [cooking device] and the company will ultimately be closing its doors. In short, our relationship with the new production facility broke down and has exhausted available funding and manufacturing routes.

Baroo

Title: [Pet care startup Baroo shuts down as competitors raise hundreds of millions](#)

Product: [Baroo](#)

AmericanInno examined what went wrong at Boston-based pet care app Baroo:

Despite Baroo's efforts to focus on providing dog walking and pet-sitting services to high-end rental buildings, the startup faced steep competition from well-funded companies that serve more cities.

Wag, for instance, was founded the same year as Baroo, but it has expanded to more than 100 cities after raising exorbitant amounts of venture capital. A few weeks [before Baroo shuttered], the Los Angeles-based company raised a \$300 million round from Japanese tech giant SoftBank.

Zoomer

Title: [Confirmed: Zoomer is shutting down](#)

Product: [Zoomer](#) B2B food delivery service

“Many factors contributed to this decision including local delivery competition (UberEats, GrubHub, among others), Independent Contractor competition, and balancing long-term sustainability for Zoomer in Lexington against the service Zoomer provides restaurants and diners.

Otto

Title: [So close.](#)

Product: [Otto](#) digital locks

Smart lock startup Otto CEO Sam Jadallah wrote a Medium post about the closure of his company, after an acquisition deal failed to go through.

On December 11th, [the buyer] called me and stated they would not complete the acquisition nor revisit the investment proposal. I was stunned. The reason is still not understood. We had extended our cash to get to the closing date, and now were left without alternatives.

...I define startups as companies that don't have control of their own destiny because they rely on investor cash infusions to operate. When asked, “How's business?”, I always replied “I don't have a business yet, we're still a startup.” Startups are vulnerable to market financing conditions and events such as what we experienced. This year, 2017, was a particularly harsh year for hardware startups. Additionally each day carried the potential of a

new existential threat, from product to supplier to market to financing to people to regulatory to competitive.

Vidme

Title: **Goodbye for now**

Product: **Vidme** video platform

Many creators with millions of subscribers on YouTube and Facebook were initially attracted to Vidme's model, but faced difficulty transitioning audiences from their home platforms. Convincing people to use (and keep using) a new platform is hard, leaving many creators locked in. Both Facebook and YouTube also actively deprecate content shared from competing platforms (Vidme's social traffic dropped markedly once Facebook began to prioritize its native player).

Without a massive captive audience already on the platform, new channels struggled to find immediate growth. As such, creators didn't remain active long enough for us to achieve sufficient network effects across channels.

Lacking a critical audience size, we struggled to attract direct advertisers to help offset our infrastructure costs, leaving few resources to spend on product innovation and attracting new audience.

Vidme co-founder Warren Shaeffer additionally added in a separate email:

Unfortunately we didn't see a path to sustainability as an independent VOD platform in the face of competition from both Google and Facebook.

Doppler Labs

Title: [Dear customers, Once-Hot, Smart-Earbud Startup Doppler Labs To Shut Down](#)

Product: [Doppler Labs](#)' smart earbuds

A letter on Doppler's website read:

So what happened? To put it simply, over the past months, we took hundreds of meetings in an attempt to secure the necessary capital to continue running our business and build our next product — which would have been a true alternative to traditional hearing aids. However, we couldn't find the needed capital to develop another complex hardware product.

Juicero

Title: [Juicero can't "carry forward the Juicero mission"](#)

Product: The [Juicero](#) Cold-Press Juice "Platform"

In order to fulfill our mission, we announced last month that we would shift our resources to focus on lowering the price of the Press and Produce Packs. We began identifying ways

that we could source, manufacture and distribute at a lower cost to consumers.

During this process, it became clear that creating an effective manufacturing and distribution system for a nationwide customer base requires infrastructure that we cannot achieve on our own as a standalone business.

We are confident that to truly have the long-term impact we want to make, we need to focus on finding an acquirer with an existing national fresh food supply chain who can carry forward the Juicero mission.

Blin.gy

Title: [My Mobile AR Start-Up Died So Yours Doesn't Have To](#)

Product: [Blin.gy](#) App

Blin.gy founder David wrote a 1700-word Medium [post](#) with lessons from his startup's lifecycle. Three notable excerpts:

First Attempts: Blin.gy was a pivot from our earlier app, Chosen, which attempted to gamify the performance competition space.

The Pivot: We came up with a fresh take on the plethora of AR-style apps that create visual effects based on face detection and tracking... [Poor user experience] had a big

impact on our retention metrics. We needed 40% day-one returns and were closer to 25%. The clock kept ticking.

The Maddening Race: We set up 18 VC meetings and hit the road, hard. The feedback was eye-opening and generally the same: “Really great technology and vision. But how does this become a platform?”... We didn’t have a compelling answer.

Teforia

Title: [Dear Teforia Customers and Partners](#)

Product: [Teforia](#) Tea Infuser

In our mission to deliver the best tea experience, we didn’t compromise on the Teforia Infuser technology, quality or the premium tea packaged within our Sips. The glass within the infusion globe and carafe are hand blown by a glass artisan, one at a time. We spent a tremendous amount of time pioneering our Sips tea container to be 90% compostable and completely recyclable. We went to these extraordinary lengths because we believe premium loose leaf tea should be delivered in the most delicate and sustainable way possible....

However, the reality of our business is that it would take a lot more financing and time to educate the market and we

simply couldn't raise the funds required in what is a very difficult time for hardware companies in the smart kitchen space.

Jawbone

Title: [Jawbone to Be Liquidated as Rahman Moves to Health Startup](#)

Product: [Jawbone](#)

The Information broke the news of Jawbone's demise based on insights from a source close to the company.

Jawbone co-founder and CEO Hosain Rahman has founded a new company called Jawbone Health Hub that will make health-related hardware and software services, according to the person. Many employees of Jawbone moved to the new firm earlier this year, the person said. Jawbone Health will service Jawbone's devices going forward, said the person.

A notice sent to creditors said Jawbone entered into insolvency proceedings under California law on June 19. A company has been set up to liquidate Jawbone's assets. Jawbone hired Sherwood Partners to handle the matter. The notice says creditors have 180 days to file a claim.

Hello

Title: [Goodbye, Hello.](#)

Product: [Hello's Sense](#) smart sleep sensor

It's with a heavy heart that I share with you the news that Hello will soon be shutting down. The past few weeks we have been working hard to find the right home for Sense and we are still focused on that.

When we first launched Sense, sleep was one of the most neglected part of our lives. Three years later, for many, it is now rightly recognised as perhaps the most important pillar of our health and wellness, alongside exercise and diet. I am incredibly happy that we were able to play a small part in changing the conversation around sleep.

The past few months have been incredibly tough, especially on the team of Hello. For that I'm incredibly sorry.

Pearl Automation

Title: [Auto startup Pearl shuts down](#)

Product: [Pearl Automation's](#) wireless rear-view camera

Pearl's demise was first reported by Axios.

- What happened: Early product sales disappointed, which was exacerbated by a high burn rate.
- What next? The Pearl Automation team received several "acqui-hire" offers, but opted instead to shut

down and part ways, according to a source close to the situation.

- Background: Pearl was founded in 2014 by three ex-Apple iPod engineers, and hired dozens of other ex-Apple employees. It eventually settled on the wireless rear-view camera as a first step in developing autonomous driving technology – and raised \$50 million in VC funding from Accel, Shasta Ventures, Venrock, and Wellcome Trust.

Wikimart

Title: [How Wikimart.ru went bankrupt after raising dozens of millions](#)

Product: [Wikimart](#)'s B2C e-commerce marketplace

East-West Digital News reported on how international sanctions, mismanagement, and strategic missteps contributed to the failure of this Russian e-commerce platform that had raised \$81M in disclosed funding. Six months prior to Wikimart's July 2017 demise, co-founder Maxim Faldin wrote the following note on the company's Facebook page.

After almost a two-year break, I have spent two days at the company. Majority shareholders abandoned it. The company does not have assets to save and competencies to preserve. Twenty months of my absence have allowed the “professional” top managers to kill the company using the money of rich oligarchs. They have spent (in rubles) twice (!) more than we, Kamil Kurmakaev and I, spent since the

company's inception in 2008 till August 2014. And EVERYTHING has been lost or stolen – mostly lost.”

Fresco News

Title: [When the money runs out](#)

Product: [Fresco News](#)' social reporting platform

The Outline referenced CB Insights' [failure intelligence](#) in an in-depth post-mortem on this digital media startup.

“Quick update: things are currently looking positive for paychecks to go out tomorrow,” Meyer said in a June 29 memo. Fresco's employees spent the next day awaiting news about their paychecks, only to find out that Meyer was having an “emergency meeting with executives” in the afternoon. Around 4 p.m., Fresco's head of community marketing, Johnathan Hamiter, began sending employees private Slack messages saying funding seemed “pretty bleak” and encouraging them to look for other jobs.

At 9 p.m., Meyer laid off the entire company – save for Fresco's executives and anyone who wanted to stay on as a “volunteer” – via Slack.

Doorman

Title: [Package delivery startup Doorman is shutting down](#)

Product: [Doorman](#)

Excerpts from a TechCrunch report:

The startup sent a letter over the weekend letting customers know it would no longer be in business in two weeks....

Doorman admitted nearly one year ago the model was so popular it was [losing money](#) and had to change tack.

The monthly delivery price jumped to a whopping \$89 for the premium subscription, with an additional fee per package....

Unfortunately, it seems the price jump also wasn't enough to save the company. Doorman says it will no longer accept incoming shipments after September 29th and that those who use their Doorman address for online shipments should update their information.

“We deeply apologize for all the inconvenience this causes you,” the letter says. “It has been an honor to work with you in helping us build and improve the Doorman experience and it has been a privilege to serve you.”

Raptr

Title: [Raptr is shutting down this month](#)

Product: [Raptr](#)

Raptr, the online optimization platform founded by former pro gamer Dennis “Thresh” Fong a decade ago, is about to be shuttered.

“We are sad to announce that we will be closing Raptr on September 30th, 2017. We want to start by thanking you for your support over the past 10 years,” Fong announced on September 1.

“The world is different today than when we first launched Raptr. Many companies offer game optimization tools. Having an independent platform to do this is no longer necessary.”

Sprig

Title: [Sprig Couldn't Cut It In Food Delivery Space](#)

Product: [Sprig](#)

“No question, I’m sad that the Sprig model did not work out,” CEO Gagan Biyani said in an email circulated to the app’s users. “The demand for Sprig’s convenient, high-quality food was always incredibly high, but the complexity of owning meal production through delivery at scale was a challenge.”

Sprig had raised \$56.7 million to cook and deliver its own gourmet meals in the San Francisco area, but insiders said it

was losing six figures monthly and could not expand the service into other cities.

Beepi

Title: [Car startup Beepi sold for parts after potential exits to Fair, and then DGDG, broke down](#)

Product: [Beepi](#)

Riding on the hype of transportation startups and marketplaces, Beepi may have raised too much, too soon. “They were running the business to raise money, and then to get someone else to take it on,” was how one person described it.

One investor in the startup said that the founders were too aggressive in pushing for higher valuations. Indeed, co-founder Alejandro Resnik, the CEO, told the WSJ in 2015 that it was looking to raise a “monster round” of \$300 million at a \$2 billion valuation to fuel its national expansion.

Auctionata

Title: [Auctionata Shuttters After No Investor Is Found to Save Company](#)

Product: [Auctionata](#) Paddle8 AG

Auctionata has been in decline since news of serious trade violations perpetrated by co-founder and former CEO Alexander Zacke came to light in March 2016, when Zacke and Auctionata board members were accused of illegally bidding on their own auctions.

Months later, reports of business difficulties at Auctionata emerged after independent evaluations of auction results suggested that the house was making only very few direct sales. At the time, the company insisted that the figures didn't take into account private sales and other revenue streams.

Markafoni

Title: [Naspers e-commerce firm Markafoni to shut down](#)

Product: [Markafoni](#)

Markafoni was an online shopping destination for Turkish consumers, specialising in clothing and fashion accessories.

“Despite initial success, the business is not scaling sufficiently to be sustainable and in a challenging economic environment for this type of business, the decision was taken to close,” the company said in a statement.

Imzy

Title: [Imzy, the nicer Reddit, is shutting down](#)

Product: [Imzy](#)

Imzy was created by former Reddit employees Dan McComas and Jessica Moreno as a safer, friendlier version of the popular community site. This approach doesn't seem to have served Imzy well in the long run:

“We’ve loved getting to know all of you and seeing you build communities and make new friends. Unfortunately, we were not able to find our place in the market. We still feel that the internet deserves better and hope that we see more teams take on this challenge in the future.”

HomeHero

Title: [There's No Magic in Venture-Backed Home Care](#)

Product: [HomeHero](#)

“Almost exactly one year ago, HomeHero lost its core identity when we were effectively forced to terminate our working relationships with 95% of our 1099 caregivers and required to adopt an inferior employment business model. In the process, HomeHero also lost a majority of its competitive differentiators in price, speed and scalability that allowed us to be so disruptive in 2014 and 2015, and it had nothing to do with competition.”

-Kyle Hill, HomeCare CEO

BTCjam

Title: [BTCjam Sets Closing Date. Users May Withdraw Stored Bitcoin until July](#)

Product: [BTCJam](#)

BTCjam, a P2P marketplace launched in 2012 to borrow and lend using bitcoin, announced the company has made “the difficult decision” to close up shop, according to multiple news sources. The platform cited regulatory challenges around bitcoin and said the difficulties introducing bitcoin technology to poor communities around the world were beyond its capacity.

AudienceScience

Title: [AudienceScience Shuts Its Doors Less Than A Month After P&G Client Loss](#)

Product: [AudienceScience](#)

“AudienceScience dedicated most of their energy to servicing P&G, and they jettisoned their media business, which was funding staff and development, to focus on growing their DMP business,” Ramsey McGrory, CRO of Mediaocean, told AdExchanger. “Taken together, it was a high-risk/high-reward strategy that didn’t pan out.”

P&G also refused to allow AudienceScience to do work for other CPG clients or speak publicly about their relationship,

which meant AudienceScience couldn't pitch business based on its most excellent client win.

Stayzilla

Title: [Stayzilla, India's Airbnb for homestays, closes its service](#)

Product: [Stayzilla](#)

Stayzilla CEO and co-founder Yogendra Vasupal was particularly reflective in his post, explaining how, as a founder, his own objectives were altered as the company ramped up.

“The initial 7 years were all about having negative working capital, positive cash flow and a sustained ability to fund our own growth. Those were the only metrics we tracked. In the last 3–4 years, though, I can honestly state that somewhere I lost my path. I started treasuring GMV, room-nights and other ‘vanity’ metrics instead of the fundamentals of cash flow and working capital,” he explained.

Note: Less than a month after the closure announcement, Vasupal was arrested for fraud in a bizarre case involving Stayzilla business dealings. Read more [here](#).

del.icio.us

Title: [Social bookmarking pioneer Delicious heads to the dead pool](#)

Product: [del.icio.us](#)

The once-loved – and much sold – social bookmarking site del.icio.us (or just Delicious, if you prefer), has changed hands for one final time. Rival service Pinboard has snapped up the site for a mere \$35,000, and plans to close it down.

Bridj

Title: [Out of Aces.](#)

Product: [Bridj](#)

“We made the strategic choice to pursue a deal with a major car company who promised a close date for a sizable transaction in lieu of a traditional venture capital funding round. The close date timeline extended from weeks to months, as they sought to gain the appropriate internal approvals that we (and they) thought were already in place. Throughout, we remained convinced of the close strategic fit and both sides had every expectation that the transaction would close. Despite assurances, and all parties acting in the best of faith, that didn’t happen.

With this in mind, we have made the difficult decision to begin winding down.”

-Matt George, Bridj CEO

Quixey

Title: [Quixey closure reportedly due to Alibaba debt deal](#)

Product: [Quixey](#)

Quixey, which revealed last month it was ‘exploring strategic options,’ has reportedly shut down... in part due to its inability to repay a loan provided by a shareholder, e-commerce firm Alibaba.

AOptix Technologies

Title: [It's Lights Out for AOptix](#)

Product: [AOptix Technologies](#)

Long-time Free-Space Optics (FSO) player AOptix has shut up shop and is selling off its assets at auction next week... the company is currently trying to shop around its intellectual property.

A source tells Light Reading that AOptix’s hybrid radio-FSO units were expensive, selling for up to \$80,000 a link. Carriers in the US and beyond are looking at wireless backhaul as alternative to fiber, but the expectation is that it should be cheaper and easier to install as well.

Quidsi

Title: [Amazon Pulls Quidsi Apps After Announcing Plan To Shut Down All Quidsi Sites](#)

Product: [Quidsi](#)

After Amazon announced in March that it was planning to shut down Diapers.com and all the other eCommerce sites operated by Quidsi, the company it acquired in 2010 – the online retailer has pulled all of the Quidsi apps from its app store.

Amazon said that it decided to close down Quidsi because it failed to turn a profit after the acquisition. But one report stated that just a few months before the announcement, execs told Quidsi staff that it was expected to reach profitability this year, leading some to question if Amazon's feud with Quidsi's founder, Marc Lore, was the real reason behind the decision to shut it down.

Regardless of the reason, Tech Crunch points out that none of Quidsi's mobile applications were performing well in app store.

Mobeam

Title: [The "Death of Paper Coupons" Will Have to Wait](#)

Product: [Mobeam](#)

Another company's dreams of changing the way we use coupons have ended in disappointment. Mobeam is no longer promising to "bring consumers one step closer to phasing out paper coupons entirely," as it once did. Instead, it has now sold off its technology to Samsung, and has left the coupon industry trying to make something out of the new mobile couponing standard it helped to create.

Mobeam launched back in 2010, pitching a complex solution to a problem that most couponers didn't know exists: Most retail scanners can't read a barcode off a mobile device.

Guvera

Title: [Australian streaming startup Guvera has shut down after taking \\$185 million from investors](#)

Product: [Guvera](#)

Australian music streaming company Guvera has reportedly stopped operating, with its co-founder and biggest financial backer walking away from the project. The startup, which was established in 2008, privately raised \$185 million before its \$100 million initial public offering was blocked by the Australian Securities Exchange last year.

Guvera's IPO prospectus was widely criticised and the company was forced to issue an updated version with 45

amendments after scrutiny from the Australian Securities and Investments Commission. The company had lost \$81 million in the 2016 financial year with revenue of just \$1.2 million.

snapCard

Title: [Wyre Pivoted Away from Consumer Bitcoin Payments](#)

Product: [snapCard](#)

“We had to look at the writing on the wall,” said Wyre CEO Michael Dunworth. “We had a lot of competitors at the start – we were competing directly with BitPay – and they were very good at what they did. But we just didn’t feel as confident in that market.”

Dunworth added that Snapcard was “doing very well” according to various adoption metrics; however, in regard to the adoption of bitcoin for consumer payments, Dunworth stated, “We kind of bet on that, and it didn’t work.”

Aquion Energy

Title: [Aquion Energy Files For Chapter 11 Bankruptcy](#)

Product: [Aquion Energy](#)

Company CEO, Scott Pearson, commented: “Creating a new electrochemistry and an associated battery platform at commercial scale is extremely complex, time-consuming, and very capital intensive. Despite our best efforts to fund the company and continue to fuel our growth, the Company has been unable to raise the growth capital needed to continue operating as a going concern.

Table8

Title: [Restaurant Reservation Startup Table8 Is Shutting Down](#)

Product: [Table8 \(aka TableNow\)](#)

Table8 posted the following note on its website:

“Nearly three years ago, we set out on a mission to make finding and booking great restaurants easier and more democratic. In creating the Table8 Dining Club, we have enabled simpler dining discovery across the US.

We are saddened to announce that we will be wrapping up operations at Table8 on February 28, as we were not able to secure enough capital to continue to grow the business. We have enjoyed helping you find great restaurants, access tough-to-book reservations and discover local chef events.”

LOYAL3

Title: [Discount Brokerage Loyal3 Shutting Down](#)

Product: [LOYAL3](#)

Loyal3, a commission-free brokerage that initially emphasized IPO shares before transforming into a discount broker, announced Wednesday it will close its doors May 19.

Offering a portfolio of 70 stocks, the firm allowed beginner investors to purchase fractional shares and to engage in transactions as low as \$10 and as high as \$2,500. The strategy relied on batch trading, wherein Loyal3 grouped company trades and executed only once a day.

Plastc

Title: [Fintech 'Plastc' Shuts Down After Cancelling All 80,000 Pre Orders](#)

Product: [Plastc](#)

The single page farewell letter the company website has been reduced to says, “For the past 3 years, our mission here at Plastc was to build and deliver the most technically ambitious smart card on the planet. After making enormous leaps in development, product innovation and progress towards our goal, Plastc has exhausted all of its options to raise the money it needs to continue.”

Going into the specifics of how the business unraveled the letter says, “We were expecting to close a \$3.5 million Series A funding round on February 28, 2017. There are functioning Plastic Cards, which were demonstrated to our investors and our backers, and the capital was to be allocated for the mass production and shipping of Plastic Cards to pre-order customers. At first, the principal investment group postponed their investment and a couple of weeks later the round fell apart.”

Rithmio

Title: [Chicago Startup Rithmio Has Shut Down](#)

Product: [Rithmio](#)

Rithmio, a Chicago startup that developed software for wearable devices, has shut down.

[CEO and co-founder Adam] Tilton wouldn't comment on the specific challenges Rithmio faced or why it shut down. He said he plans to send out a press release in the coming weeks as a “postmortem” on the company, adding that “all the usual startup lessons were learned.”

He said that Rithmio's story “hasn't finished being written yet,” indicating that the company could be looking to sell its

assets or make an additional announcement in the press release.

“I’ll have a lot of stuff to say in a couple of weeks,” he said.

ChaCha

Title: [ChaCha, unable to find financial answers, shuts down operations](#)

Product: [ChaCha](#)

Advertising revenue declined sharply [2016], leaving the company unable to service its debt, and no suitors took a bite. So its secured lender, which [founder Scott] Jones didn’t name, recently emptied ChaCha’s bank accounts.

“We sold some assets, but not enough to sufficiently cover all of our obligations,” Jones said in an email Monday morning. “Unfortunately, our debtholders and shareholders, including me, will be writing off their investment.”

Dealstruck

Title: [Why is Finance for Small Business Still Broken?](#)

Product: [Dealstruck](#)

Dealstruck closed its doors after more than three years in business. It did not close because the customer base isn’t there or due to a lack of demand for its lending products. It closed because a deal fell through.

Shoes.com

Title: [Vancouver's Shoes.com shuts down operations](#)

Product: [Shoes.com](#)

Doug Stephens, founder of consultancy Retail Prophet, said the company suffered from having too few managers from the fashion industry and too many from the technology sector. And customer service “wasn’t where it needed to be to give online customers the level of confidence necessary – especially in such a tricky category ... It seems a matter of biting off way more than they could chew through a spate of acquisitions. Despite all the appearances of growth, market awareness was still quite low.”

Lily Robotics

Title: [The Adventure Comes to an End](#)

Product: [Lily Robotics](#)

In the past year, the Lily family has had many ups and downs. We have been delighted by the steady advancements in the quality of our product and have received great feedback from our Beta program. At the same time, we have been racing against a clock of ever-diminishing funds. Over the past few months, we have

tried to secure financing in order to unlock our manufacturing line and ship our first units – but have been unable to do this. As a result, we are deeply saddened to say that we are planning to wind down the company and offer refunds to customers ...

VidAngel

Title: [VidAngel Just Crowdfunded \\$10M Using Reg A+ & Now Court Orders Video Streaming Business to Shut Down](#)

Product: [VidAngel](#)

The judge has issued a preliminary injunction against VidAngel, requiring that we pull down all the studios' content. We are seeking a stay of this injunction, but if our efforts fail, we will need to take down the movies of all major studios.

App.net

Title: [App.net is shutting down](#)

Product: [App.net](#)

Ultimately, we failed to overcome the chicken-and-egg issue between application developers and user adoption of those applications. We envisioned a pool of differentiated, fast-growing third-party applications would sustain the

numbers needed to make the business work. Our initial developer adoption exceeded expectations, but that initial excitement didn't ultimately translate into a big enough pool of customers for those developers.

TaskBob

Title: [Home services startup Taskbob shuts shop](#)

Product: [TaskBob](#)

...a solid [home services] business is created only by building scalability and profitability. And to achieve those in a low margin business and in a tough external market proved unexpectedly daunting. More than what anyone could have expected.

ChangeCoin

Title: [ChangeTip Shutting Down](#)

Product: [ChangeCoin](#)

We've explored dozens of options [to stay in business] thoroughly over the past few months, and came up empty. It's time. Among other complications, the monthly costs to maintain the servers, services, and customer support to keep the site running are not insignificant. Furthermore, the

potential legal liabilities that may arise make a volunteer effort unappealing.

Buildzar

Title: [Exclusive: Building materials marketplace Buildzar shuts down](#)

Product: [Buildzar](#)

Buildzar started off as a pure-play B2C ecommerce business. In June, it pivoted to a subscription model. Earlier, we used to generate leads and convert them into transactions ourselves. But, after the pivot, we were just doing lead generation and selling those leads in the market ... When transactions failed to pick up, we decided to wind up operations, which in my opinion was the right decision.

Vinaya

Title: [A lot more wearable woe as Vinaya restructures and seeks pivot to b2b](#)

Product: [Vinaya](#)

Whilst we ended up going by way of the system of founding and creating a buyer electronics corporation, it grew to become apparent that the projected amount of expansion for the B2C company by yourself was unlikely to be ready to maintain the expenses linked with the velocity of

technological innovation necessary ... to continue being aggressive in this space.

Besomebody

Title: [Boston startup Besomebody, once featured on 'Shark Tank,' shuts down app](#)

Product: [Besomebody](#)

Shaikh cited three reasons for the decision. Most importantly, the demand wasn't there, especially when it came to repeat bookings. He said the business would only work if "tens of millions" of people were booking one to two experiences per year, and that just wasn't going to happen. Second, people were using the app to book fun, one-time experiences, not to "truly learn" about their passions. And that led to the third problem, which was that the app only appealed to people who had expendable cash to put toward fun experiences, not to the full "multi-million-member community" that interacts with #besomebody content on Twitter and elsewhere on the web.

BriefMe Media

Title: [Unfortunate News](#)

Product: [BriefMe Media](#)

In short, due to a lack of funding, we are now beginning the process of winding down BriefMe and will be turning off the servers next week ... Our users are extremely passionate, but after pursuing every possible path, we no longer have a sustainable avenue forward for the company. Over recent months we've been developing a significant update however we haven't been able to secure another round of funding to finish and get this work to market. Without sufficient capital to provide BriefMe the energy and attention it deserves we have decided to move forward in the best possible manner for our team, supporters and users.

Angel Sensor

Title: [Open source wearable Angel shuts down](#)

Product: [Angel Sensor](#)

We've been through a really rough patch over these past months. We've experienced engineering and financing difficulties, downsized our R&D and fought many battles to keep the project alive.

Loanbase/BitLendingClub

Title: [BitLendingClub Closing Soon Due to Regulatory Pressure](#)

Product: [Loanbase/BitLendingClub](#)

We've worked extremely hard to build a platform and a community which is uniquely positioned to provide the Bitcoin ecosystem with a greatly needed service. However, over the last year or so, the regulatory pressures has been increasing to the point that it is no longer feasible to maintain the operation of the platform. We are regretfully announcing that we will have to begin terminating the services effective immediately.

Rendeevoo

Title: [Rendeevoo is no more](#)

Product: [Rendeevoo](#)

... we never managed to raise the next round in time so ... the ugly reality slapped us hard. Bills were piling up on the business but also on our personal lives. We had to look for short-term income by taking small jobs as individuals and that's what we did in order to pay our dues for October and November. In the meantime, we started discussing a potential exit with interested parties. Again, nothing fruitful happened on that front.

Now it's time to make it official. Rendeevoo is no more.

Omniref

Title: [Y Combinator-backed Omniref is shutting down on January 31, 2017](#)

Product: [Omniref](#)

This isn't how we hoped things would turn out, but unfortunately, we were never able to find a sustainable business model that justifies the (considerable) expense of running the site. Because of the large number of developers who have come to depend on our services, we've kept things running for as long as we possibly could, but unfortunately, there[']s no practical path forward from here.

Bitphone

Title: [Bitphone closing due to regulatory requirements](#)

Product: [bitphone](#)

After 1.5 years in operation, bitphone.net is shutting down. WE DIDN'T GET HACKED, NOT ONCE! And believe me, they tried! All customer funds are secure and accounted for! (And we are happy to say that!) Unfortunately we've had too many users abuse our phone service! Our underlying carrier service now requires we collect your identification when placing calls. – We won't do it ... This is an unfortunate outcome, we had recently enhanced our service considerably! We don't want to collect your identification, so we have no choice but to close the service.

All Romance eBooks

Title: [All Romance eBooks is Shutting Down](#)

Product: [All Romance eBooks](#)

It is with a great sadness that we announce the closing of All Romance eBooks, LLC. For the first year since opening in 2006, we will be posting a loss. Despite efforts to maintain and grow our market share, sales and profits have declined. The financial forecast for 2017 isn't hopeful. We've accepted that there is not a viable path forward.

Opsh

Title: [A Final Farewell From The Opsh Founders](#)

Product: [Opsh](#)

...ultimately we fell victim to the notoriously difficult investment chasm – the chasm that exists when a sparky start-up needs to move into a global-looking machine. And so, for some of you this won't come as a surprise. There is a distinctly unsexy side to running a start-up that made every effort to push-through almost impossible.

Plain Vanilla Games

Title: [Plain Vanilla Closes Shop, Lays off Staff](#)

Product: [Plain Vanilla Games](#)

In 2015 it was announced that NBC was going to develop a quiz show based on the game, which was supposed to premiere in spring 2017.

“We placed our bets on the extensive collaboration with the television giant NBC. One could say that we placed too many eggs in the NBC basket. We have spent a lot of time and energy on developing the show. When I received the message from NBC that they were canceling the production of the show, it became clear that the conditions for further operation, without substantial changes, were gone,” [CEO Þorsteinn B. Friðriksson] stated.

PixelImage Games

Title: [Hello Hero's Song Players](#)

Product: [PixelImage Games](#)

For the last year, our team has worked tirelessly to make the game we've dreamed about making, and with your support, and the support of our investors, we were able to get the game into Early Access. Unfortunately sales fell short of what we needed to continue development. We knew going in that most startups don't make it, and as an indie game studio we hoped we would be the exception to that rule, but as it turned out we weren't.

Scarf

Title: [Alberta Health Services shuts down innovative meal-sharing system](#)

Product: [Scarf](#)

Alberta Health Services issued a cease-and-desist order to Scarf, shutting down the meal sharing service last month. In a written statement, Alberta Health Services said its duty is to “keep Albertans safe. This includes working with food operators to ensure they are meeting the provincial standards required to serve safe and healthy food to Albertans.” AHS says all kitchens producing food for public consumption must have proper permits. Scarf cooks did not have those permits.

Scarf operator Kian Parseyan [said]: “As individuals we’re going to move on and suffer our losses,” says Parseyan, who estimates that working on this project full-time for a year cost between \$60,000 and \$70,000. “Sometimes that’s what happens in entrepreneurship. It’s big risks and rewards.”

Shelfie

Title: [Shelfie to Shutdown on 31 January – Download Your eBooks NOW](#)

Product: [Shelfie](#)

From their shutdown announcement:

We regret to inform you that Shelfie will be ceasing operations on January 31, 2017 ... We started Shelfie with the idea of connecting books and readers and we have worked hard over the past four years to make that a reality. We are grateful for the support we have received from amazing readers like you, who have been a part of Shelfie.

Founder Peter Hudson [said via] email that:

“In the end the unit economics of ebook sales just don’t make much sense if you don’t own the platform like Apple, Google, or Amazon.”

The Social Radio

Title: [#TheParrot says goodbye!](#)

Product: [The Social Radio](#)

The Social Radio began as a side project ... raised money as a startup, and then became side project again when we couldn’t scale it. We didn’t see it getting big enough to have the impact we had hoped for, so we stopped updating the apps as our lives and jobs became busy, but people kept using them and we believed in the product, so we kept the apps running. But we have reached a point where the cost of running the apps cannot be covered, and we couldn’t get enough support to keep it running.

WhatsOnRent

Title: [Exclusive: Online rental marketplace WhatsOnRent shuts shop; returns 50% funding](#)

Product: [WhatsOnRent](#)

“The shutdown was a conscious business decision. We could not see the next round of funding coming. We had to change the consumer mindset and without that pre-Series A funding of couple of million dollars it was not possible. It was also a business decision that this business might not work.”

Vrideo

Title: [Taking Our Goggles Off](#)

Product: [Vrideo](#)

With only \$2 million raised, we’ve accomplished all this up against competitors that have three to 50 times (!) our funding ... Unfortunately, though, we’ve now stretched this modest funding as far as it could take us, especially in light of the rising costs associated with our growth ...

The past few years have been a wild ride. When we first started working on Vrideo, Facebook hadn’t yet acquired Oculus, Sony hadn’t announced “Project Morpheus,” and

Google wasn't even talking about VR. It's been a privilege to play a role, however small, in the emergence of this new medium. We'll be rooting for all of you who continue to carry it forward.

The Happy Home Company

Title: [The Happy Home Company shuts down, team members move to Google](#)

Product: [The Happy Home Company](#)

The company's website now carries a brief message announcing the shutdown, explaining, "Despite the many great things Happy Home had going for it — supportive customers, a large problem to solve, and great investors — ultimately we weren't able to make the transition from a scrappy startup to self-sustaining company."

Happy Home raised seed funding last year (investors included Lowercase Capital, SV Angel and Box Group), but Ludlow told me the startup was unable to raise a Series A. The problem, he said, was that customers in home improvement turned out to be more price sensitive than he'd expected, while the margins remained low and repeat business was a challenge.

SunEdison

Title: [How SunEdison went from Wall Street star to bankruptcy](#)

Product: [SunEdison](#)

SunEdison at its core is a boring construction company, that earns the trust of its institutional investors by being boring and managing risks ... [but the company's senior executives] didn't want to be boring, they wanted to be a technology company.

Wash.io

Title: [Washio Shuts Down Its On-Demand Dry Cleaning Service](#)

Product: [Wash.io](#)

“We generated millions in revenue and hundreds of thousands of orders, but the nature of startups is being innovative and venturing into uncharted territory: sometimes you make it, sometimes you don't. We are proud of what we accomplished along the way: over one million items of clothing dry cleaned, and over 21,000 tons of laundry washed and folded!

As of Aug 29, Washio will be shutting down its operations. No more orders will be accepted and outstanding orders will be returned promptly to customers. We are not alone in believing in Washio's core business, technology and team, and hope it lives on in some shape or form in the future. But, that story has yet to be told...”

-Company statement

Drugstore.com

Title: [Walgreens to Shut Down Drugstore.com, Focus On Own Website](#)

Product: [Drugstore.com](#)

[Walgreen's wants] to make sure they can invest more of the equity in Walgreens.com. Drugstore.com and Beauty.com are distractions.

Maximum Play

Title: [MaxPlay lays off almost all workers as game engine startup switches to licensing](#)

Product: [Maximum Play](#)

For a variety of reasons, more on the side of the money guys and not because of us, the transaction didn't go through ... We had several groups looking to acquire us, and for a variety of reasons those didn't pan out ... We were building an enterprise software platform. It was a very expensive proposition, with high potential rewards ... There was a high demand and high interest in what we were doing. That is what was so disappointing. I think you will see several companies license our technology ... This has nothing to do with the competition. It has to do with the funding issue. I

think there is huge demand for new approaches with game engine technology.

Maximum Play

Title: [Failed HUD Helmet Maker Skully Spent Funding On Strippers And Exotic Cars: Lawsuit](#)

Product: [Skully Helmets](#)

[The Wellers, Skully’s founders] routinely demanded [that their accountant] engage in fraudulent bookkeeping practices designed to defraud investors in Skully into believing that Skully funds were being used for business purposes, when in fact, the funds were being used to pay the personal expenses of the Wellers ... In hindsight, Skully appeared to be kind of shady for some time. The company continuously pushed back its promised release date while sucking down \$2,446,824 from Indie GoGo backers—that’s 979 percent of the \$250,000 “goal” they “needed” to get running.

Gozoomo

Title: [Millions still in the bank, GoZoomo shuts shop, returns VC money. The whole story](#)

Product: [GoZoomo](#)

We tried to build a fast-scaleable business, but realized that the business model does not work. So it is better that this capital gets deployed elsewhere instead of us hoarding it and hoping that something good happens.

Picturelife

Title: [Photo-storage service Picturelife shuts down 18 months after being acquired](#)

Product: [Picturelife](#)

Nobody is interested in cloud storage anymore. It's been pretty challenging. Google Photos and Amazon—they took a huge chunk of [the cloud photo storage market]. And I think it's going to increase over time ... Is there a business for a small player? I don't think so any more.

Hivebeat

Title: [Why we're shutting down Hivebeat and what we've learned along the way](#)

Product: [Hivebeat](#)

We've tried all the things we wanted to try and we have a pretty good sense of what went wrong:

- We never hit real product/market fit. We built a product that was too generic for a very niche-based industry.

- Our product was great, but it wasn't a 10x product. We had a much prettier product than the competition, but we were always lacking features in every niche.
 - We were trying to do too many things at the same time. Both product-wise and marketing-wise.
 - A transaction-based business model makes it hard to predict revenue, which made our growth curve look like a rollercoaster.
-

Electroloom

Title: [Thanks and farewell](#)

Product: [Electroloom](#)

The bottom line is that we simply do not have the financial ability to continue supporting the company ... The reality is that a lot of events factored into our inability to raise: slow technical progress, significant scientific risk, a lack of an MVP, and a poorly defined market opportunity.

MobileIgniter

Title: [MobileIgniter to Shut Down After Five Years and Multiple Pivots](#)

Product: [MobileIgniter](#)

What we found was that the sales cycle for the market we specifically wanted to go after is just way too long for a small company to absorb. Originally, we estimated that the sales cycle would be somewhere between three and six months. We then adjusted that to say it's nine to 12 months ... We hope to see IoT embraced by manufacturing and ag in the state and in the region. But it's not going to be because of us.

Sonitus Medical

Title: [CMS Killed My \\$80M Venture-Backed Startup](#)

Product: [Sonitus Medical](#)

We took a prevalent surgical treatment into the office where we reduced the cost by half and we significantly impact patient safety because there was no surgery involved and we made it more effective ... They [The Centers for Medicare & Medicaid Services (CMS)] arbitrarily draw a line saying, "No, you are not qualified for coverage because the way we draw a line between what's a prosthetic and what's a hearing aid is whether it involves surgery or not."

Gawker Media

Title: [Gawker Says Goodbye With Emotion and Defiance](#)

Product: [Gawker Media](#)

I wish I'd known how litigious Hulk Hogan was ... I'm kind of glad I didn't [hold back from publishing the tape] because if every publisher and every editor made editorial decisions based on who is scary and well funded and litigious and uses the court system to exercise power, to edit what is out there about them, then the news would look very very different than it does.

Karhoo

Title: [Uber rival Karhoo shuts down after blowing through a reported \\$250M in funding*](#)

Product: [Karhoo](#)

Ultimately, [its] structure ... is based on very large economies of scale ... building out any transport service before it can get to that scale is extremely capital intensive ... Karhoo, however, didn't appear to have the reach with consumers to achieve anything like enough scale. [Its shutdown letter states that the] "Karhoo staff around the world in London, New York, Singapore and Tel Aviv have, over the past 18-months [sic], worked tirelessly to make Karhoo a success. Many of them have worked unpaid for the last six weeks in an effort to get the business to a better place. Unfortunately, by the time the new management

team took control last week, it was clear that the financial situation was pretty dire, and Karhoo was not able to find a backer.”

*Chief executive [Daniel Ishag put the funding amount at \\$52M](#) in a Nov. 10 interview with The Financial Times.

Kitchensurfing

Title: [On-demand chef service Kitchensurfing shuts down](#)

Product: [Kitchensurfing](#)

The startup had originally allowed customers to book chefs days in advance for at-home dinner parties, but last year moved to an on-demand model. Neither version of the service, though, produced enough demand to be sustainable for a venture-backed business. The company was competing in a crowded market, as better-capitalized companies like Blue Apron and Plated pushed the concept of meal-kit delivery while startups like DoorDash, Postmates and Caviar started delivering meals from popular restaurants that didn't offer delivery on their own.

Take Eat Easy

Title: [The right words to say goodbye](#)

Product: [Take Eat Easy](#)

The reasons are that 1) our revenues do not cover our costs, and 2) we are not able to close a third fundraiser In

March 2016, after having been rejected by 114 VC funds, we signed a term sheet with a French, state-owned, logistics group, for a 30M euro investment. Unfortunately, after 3 months of intensive due diligence, their board rejected the deal and they ended up withdrawing their offer. We were negotiating with them under an exclusivity agreement, didn't have a plan B, and only had a couple of weeks of run-way left.

PepperTap

Title: [The PepperTap Journey: our story](#)

Product: [PepperTap](#)

...as we forayed into smaller cities, delivery networks got more fragmented and lethargic. This needed to be researched more and understood better. We found that while tiers 2 and 3 of Indian cities are being served to some extent by new-world logistics providers doing cool things like one-day shipping, there was a whole slew of tier 3.5+ cities which are connected to the world of ecommerce but, in simple terms, have to sometimes wait up to 30 days to receive their orders.

BlackJet

Title: [Celeb-backed BlackJet Is Grounded. Again.](#)

Product: [BlackJet](#)

“We probably did more with less than anyone but it’s a critical mass business... There’s a reason why ‘critical’ is part of ‘critical mass,’” [BlackJet CEO Dean] Rotchin tells *Fortune*. “The members were super supportive, the VCs wanted to see our progress continue over a longer period prior to jumping in. There are some aggressive interesting models out there today, someone will make this work.”

Dinner Lab

Title: [How Dinner Lab Blew Through \\$10 Million On A Failed Restaurant Startup](#)

Product: [Dinner Lab](#)

It’s just a really challenging logistical marketplace. For us, producing unique events presented big challenges.... We were trying to scale a business that was very logistically complicated and we were always screwing up. It was also really challenging to get solid, consistent margins. We stacked the deck against ourselves.... There were a lot of variables that were difficult to manage. We had an ever-changing landscape of staff, sourcing ingredients and everything else. That’s also what made the product very cool....

We weren't able to piece together the necessary funding. It [forseeing Dinner Lab's closure] was pretty clear.

Yeloha

Title: [Lights Out for Yeloha – Why We Shut Down the Solar Sharing Network](#)

Product: Yeloha

While our peer-to-peer model was accepted by hosts and subscribers alike with real excitement, installing “Hosted” solar systems at scale depended on 3rd party project finance by banks or specialized solar funds.... But we couldn't convince traditional project financiers to test our thesis. We were forced to self-finance the first couple of projects as a proof of concept, but did not have the resources or runway to continue....

Eventually Yeloha shut down because we could not raise the financing we needed in order to massively grow our network. Timing hurt. The so called “Venture Capital winter” of 2016 coincided with the turmoil in the solar stock market and the bankruptcy of multi-billion dollar SunEdison, venture investors fled from solar, and strategic investors crystalized their strategy around profitability.

SharpScholar

Title: [We Shut Down Our Edtech Startup. Here's What We Learned.](#)

Product: SharpScholar

The stakeholders in education—students, teachers, administration, and the government (budgets, policy, voters)—operate very interdependently. This means that if a teacher wants to use a tool or software he or she has to keep in mind the students, school policy, budget considerations, and even get approval from the administration....

At SharpScholar we created a highly interdependent product—the usage of the product depended on approval from students and admin which effectively complicated our relationship with the teacher. This resulted in us having different messaging for students, teachers, and admin as well as lack of focus as to who we are tailoring to.

Lesson Learned: Minimize or eliminate layers of approval and interdependence of your product. Teachers prefer not to use tools that require different layers of approval from others.

Backplane

Title: [Lady Gaga's startup Backplane burns out and sells assets](#)

Product: [Backplane](#)

The problem was that [CEO Scott] Harrison says the big-name VC money came with tough liquidation preferences that would give those investors returns first if Backplane had a successful exit.

When the cash recently ran out, the firms wouldn't put more in, and their reluctance and the bad deal terms scared away new investors. Harrison tells me my article on the company's previous stumbles also hurt its fundraising abilities. A Chinese backer was supposed to spearhead a \$2.5 million round to keep the startup alive, but they dropped out last-minute.

Shuddle

Title: [Shuddle shuts down its 'Uber for kids' transportation service](#)

Product: [Shuddle](#)

For over two years, the company touted safe and reliable transportation for children via its family-focused ride-sharing service.

“We worked hard to find the financial resources that would allow us to continue to grow, but ultimately could not raise the funding required to continue operations,” the letter explained.

In 2014, Shuddle received a cease and desist letter from California regulators for failing to register with TrustLine, a company that runs background check for adults working closely with children. Reports surfaced last year that the company had yet to take action, despite CEO Nick Allen's assurances that its own background checks "exceed current requirements."

Jumio

Title: [Identity verification startup Jumio files for bankruptcy, will sell assets to early backer Eduardo Saverin](#)

Product: [Jumio](#)

However, it [Jumio] competed with similar technologies like Card.io, which PayPal purchased, and more recently it was impacted by the launch of Apple Pay which made mobile checkout more seamless....

The company appeared to have been facing troubles for some time – the company last year swapped CEOs after examining its books. Founder and CEO Daniel Mattes was ousted after what may have been possible financial irregularities, Fortune had reported. Jumio also acknowledged the it had hired outside auditors though didn't find anything out of the ordinary.

TrustBuddy

Title: [TrustBuddy Loses Trust. Peer to Peer Platform Closes Following “Suspected Misconduct”, Swedish Police Contacted](#)

Product: [TrustBuddy](#)

According to the board, a 44 Million SEK (\$5.4M) discrepancy was uncovered. The “Company has used lenders’ capital in violation of their instructions, or, without their permission.” Due to the extreme nature of the uncovered misdeeds, Swedish police have been contacted. Members of the previous management team have been placed on suspension during the investigation. The misconduct was said to be “likely in place since the TrustBuddy platform began operation”.

Fashion Project

Title: [After laying off most of its staff, clothing resale startup Fashion Project regroups](#)

Product: [Fashion Project](#)

[CEO Anna] Palmer says that much of the \$7 million the company raised last year “went into the hiring and the systems needed to sort donations and get them up on the site. We were receiving thousands of items daily.”...

Palmer also says that it has proven difficult to compete with better-funded consignment startups when it comes to spending on marketing that brings in shoppers. In the Bay

Area, the RealReal has raised \$83 million, and ThredUp, founded in Cambridge but now based in San Francisco, has raised about \$125 million. The capital pouring into those resale sites made it more difficult for “specialized” clothing consignment startups like Fashion Project to attract investment, Palmer says.

PostGhost

Title: [Post Ghost Shutdown: An Open Letter to Twitter](#)

Product: [PostGhost](#)

On July 6, 2016, PostGhost.com received the following email from Twitter, which says in part that “postghost.com displays deleted Tweets and is currently violating our Developer Agreement and Policy”

Chef Nightly

Title: [Chef Nightly food delivery app shuts down amid intense competition](#)

Product: [Chef Nightly](#)

“We focused on creating more transparency into the existing supply of restaurant food and simplifying the ordering process for users,” CEO Michael Sheeley wrote when the company shut down. “That just wasn’t enough in a crowded marketplace.”

Pixable

Title: [Pixable Closing Up Shop After One Crazy, Awesome Ride](#)

Product: [Pixable](#)

We achieved what we set out to do, even if the final result didn't end up with us becoming the next BuzzFeed. We never wanted to be the next BuzzFeed. We always wanted to be who we were, Pixable. And it was working. Unfortunately, circumstances [despite reaching 9.4M active users and 58M monthly video views] ... made it difficult to raise money and continue on.

Bonafide

Title: [Bitcoin Reputation Startup Bonafide to Shut Down](#)

Product: [Bonafide](#)

In the email, co-founders Karthik Balasubramanian and Brian Moyer stated their belief that the movement of investor interest away from consumer-facing applications for the technology was also a factor. Balasubramanian and Moyer wrote: "While investment and activity continues to occur it is focused on private and alternate chains rather than bitcoin or other public chains where Bonafide operates." As a result, the co-founders said they saw "little chance" that they would be able to generate revenue, pivot their product or secure additional funding.

Dine In

Title: [After Falling Through The Series A Gap, Restaurant Delivery Startup Dine In Shutters](#)

Product: [Dine In](#)

“We knew acquisition was the best course of action,” says [Evan] Graj. That eventually led to Dine In being approached in February by a major Internet company active in the online food space, and it’s my understanding that by April — and significant legal fees later — a sale had been agreed. Then at the eleventh hour the deal unexpectedly fell through, leaving the restaurant delivery startup “high and dry” and its unnamed acquirer a “no-show”. Adds Graj: “They backed out leaving us with a huge legal bill both for Dine In and myself personally, a huge debt to note holders, and no VCs to turn to. A hard lesson to learn and one I’ll be taking into my next venture.”

Quirky

Title: [The Rise and Fall of Quirky — the Start-Up That Bet Big on the Genius of Regular Folks](#)

Product: [Quirky](#)

Steering the ship — handling all of the engineering, manufacturing, marketing, and retailing, even when you’re

taking 90 percent of the subsequent profits — was ultimately too expensive of a proposition, especially in comparison to other, less-handholding-oriented start-ups. “The reason why Kickstarter makes a ton of money is they don’t have to do anything besides put up a website,” Kaufman notes.

Homejoy

Title: [Homejoy Shuts Down After Battling Worker Classification Lawsuits](#)

Product: [Homejoy](#)

CEO Adora Cheung said the “deciding factor” was the four lawsuits it was fighting over whether its workers should be classified as employees or contractors. None of them were class actions yet, but they made fundraising that much harder.

“A lot of this is unfortunate timing. The [California Labor Commission’s] Uber decision ... was only a single claim, but it was blown out of proportion,” she told Re/code.

Selltag

Title: [Selltag has shut down](#)

Product: [Selltag](#)

Escribano said that the company's main problem was user engagement and retention. "In every marketplace you have the chicken-and-egg problem with buyers and sellers. We tried to capture them both organically and via paid marketing, but it wasn't enough. Getting sellers was somewhat easy, but buyers much more complicated"

Zen99

Title: [Why Zen99 Shut Down](#)

Product: [Zen99](#)

We had a user acquisition problem, and the best route involved a competitor...The best acquisition method I saw was tapping into an existing network of people who had filed 1099s: like Intuit's hundreds of millions of tax returns, many with 1099 income. Unfortunately, Intuit released an identical competing product to us. It's not ideal when your best user acquisition strategy is partnering with a company who has a competing product.

QBotix

Title: [RIP QBotix: Robotic Solar Tracking Fails to Reach the Market](#)

Product: [QBotix](#)

Each member of our now pared-down team knew exactly how much runway the company had remaining, the status of our strategic talks, and the acknowledged long odds we faced as a going concern. To their credit, they remained focused, productive and on-task until our final day – a remarkable expression of dedication to the mission and to each other. Sadly, and in spite of the achievements, we simply ran out of time and cash to finish the job.

Vatler

Title: [Inside story of VATLER's shut down](#)

Product: [Vatler](#)

We started VATLER during the summer of 2014 as an on-demand valet service in San Francisco ... We received a phone call from the police department telling us that our permits had not been granted and they gave us a warning because we were operating illegally in most of our locations...In 2 weeks, we lost major accounts and 30% of our revenue streams without any perspective of growth. We tried to make some restaurants pay but it was just not working. Our model was no longer valid and were forced to cease operations in the city on September 7th.

Better

Title: [Lessons From Mayo Clinic-backed Better Shutting Down](#)

Product: [Better](#)

Better had one of the best consumer user experiences out there but that isn't enough. One of my formative Internet experiences was being part of the founding team of Microsoft Sidewalk (later acquired by CitySearch) in 1995...[Sidewalk was] too far ahead of its time with some user experiences only coming into the mainstream now. The Internet audience was too small, the bandwidth too low and the digital advertising too nascent. My hunch is Better faced similar issues. As much as I'd love for healthcare to be a consumer-driven market, I'm afraid we're at least 3-5 years away from it no longer being "too early".

Shopa

Title: [Shopa shuts down just months after raising £7m in growth capital](#)

Product: [Shopa](#)

Shoppers were more tight-lipped about their purchases than originally hoped, and despite attracting 1 million users, the fear that pals might buy the same frocks outweighed the desire for discounts.

Secret

Title: **Sunset**

Product: **Secret**

Unfortunately, Secret does not represent the vision I had when starting the company, so I believe it's the right decision for myself, our investors and our team.

Zirtual

Title: **What Happened and What's Next**

Product: **Zirtual**

So what went wrong? Short answer: burn. Burn is that tricky thing that isn't discussed much in the Silicon Valley community because access to capital, in good times, seems so easy. Burn is the amount of money that goes out the door, over and above what comes in, so if you earn \$100 in a month but pay out \$150, your burn is \$50.

Circa

Title: **Farewell to Circa News**

Product: **Circa**

Our ongoing plan was to monetize Circa News through the building of a strategy we had spent a long time developing

but unfortunately we were unable to close a significant investment prior to becoming resource constrained.

Kato

Title: [‘Slack Ate the World’](#)

Product: [Kato](#)

Slack ate the world and we failed to gain traction. Our SAML- and SCIM-enabled enterprise product had no takers from larger companies.

The Last Guide Company

Title: [One Last Update](#)

Product: [The Last Guide Company](#)

Unfortunately, having failed to execute on our original vision, we recently made the decision to wind down the company.

UDesign

Title: [My Startup Failed and This is How It Went Down](#)

Product: [UDesign](#)

It turns out we underestimated the complexity of the project, and overestimated our ability to complete it on a limited budget should, closer to launch, any complications arise.

Wattage

Title: **Well, We Failed**

Product: Wattage

I suppose our failure can be summed up quite easily: An inability to show traction.

Patterbuzz

Title: **Down, But Not Out**

Product: Patterbuzz

Everything was going good. But we always had one issue. We never had enough money in our bank. and This became the cause of our death. We ran out of money.

Nebula

Title: **Nebula Is Shutting Down**

Product: **Nebula**

At the same time, we are deeply disappointed that the market will likely take another several years to mature. As a venture backed start up, we did not have the resources to wait.

DoneByNone

Title: **DoneByNone Goes Down**

Product: **DoneByNone**

Here's the long story: we're a small start-up, and as you can imagine, life has been quite tough for small e-commerce retailers – and we went to hell and hopefully are on our way back from there. While we were focusing on other things that needed solving, we took our eyes off you and your issues.

Brawler

Title: **Brawler Shuts Down**

Product: **Brawler**

However, our growth rate did not meet our expectations, and the service does not scale as we would have expected to.

ProtoExchange

Title: **Company Update**

Product: **ProtoExchange**

Unfortunately, our attempts to change the face of manufacturing weren't aligning with our original vision. As a result, we've opted to step away from ProtoExchange and re-evaluate our position in the manufacturing sector.

Balanced

Title: **Migrating from Balanced to Stripe**

Product: **Balanced**

Unfortunately, we haven't been able to reach the escape velocity necessary to be a large, innovative, independent player in the payments space and have decided not to continue building Balanced.

Wardrobe Wake-Up

Title: [Wardrobe Wake-Up to Shut Down](#)

Product: [Wardrobe Wake-Up](#)

Ultimately, we were unable to secure outside funding at a time of critical growth and did not have the resources to fulfill demand on our own.

Why Own It

Title: [Verleih App, Shareconomy](#)

Product: [Why Own It](#)

Unfortunately, not everyone who likes an app recommends it to friends and family. And besides that, they got stuck with the chicken-egg-problem.

Melotic

Title: [Melotic Exchange Shutting Down](#)

Product: [Melotic](#)

After much deliberation, we at Melotic have decided to take the unfortunate step of winding down the digital asset exchange. Simply put, we did not experience enough growth in this product to justify the ongoing costs of development,

maintenance, and support. However, we have exciting new products in development, and we will be focusing our resources on that.

Grooveshark

Title: **Grooveshark is Dead**

Product: **Grooveshark**

As part of a settlement agreement with the major record companies, we have agreed to cease operations immediately, wipe clean all the data on our servers and hand over ownership of this website, our mobile apps and intellectual property, including our patents and copyrights.

GigaOm

Title: **A Statement about GigaOm**

Product: **GigaOm**

Business, much like life, is not a movie and not everyone gets to have a story book ending.

Digital Royalty

Title: [Hanging Up the Crown](#)

Product: [Digital Royalty](#)

Some of these shifts were in our control and some were not. In order to honor our core values, which have been the epicenter of our culture, we have decided to hang up our crown.

Ordr.in

Title: [Why This Google-Backed Brooklynite Says Congress Could Have Saved His Business](#)

Product: [Ordr.in](#)

We were living the American Dream. Until a patent troll – a company whose only business is suing legitimate businesses to force expensive settlements – hit us with a frivolous lawsuit.

Talentpad

Title: [Talentpad Is Shutting Down](#)

Product: [Talentpad](#)

We failed to figure out a scalable business for a big enough market. One of the things that our entire team has been

passionate about is making a big impact to a wide ranging audience. We could not figure out a way to achieve that.

This Is My Jam

Title: [Jam Preserves](#)

Product: [This Is My Jam](#)

But as these platforms matured and consolidated, streams moved from the web into apps, and more sophisticated licensing and geographic controls meant “sorry, this cannot be played here” messages became the norm rather than the exception.

37Coins

Title: [Today, We Are Shutting Down 37Coins](#)

Product: [37Coins](#)

The decision to cease operations and to shut down our service was difficult. Despite the best of intentions, we were unable to deliver a quality product that showed product-market fit.

Campus

Title: [Build Campus Is Shutting Down](#)

Product: Campus

Despite continued attempts to alter the company's current business model and explore alternative ones, we were unable to make Campus into an economically viable business.

Lumos

Title: [Five Reasons Why My IoT Startup Failed](#)

Product: [Lumos](#)

We had never used the existing home automation products in our homes. We were not experts in the IoT sector. When you have new at something, you give yourself the famous Dunning Kruger Pass on your decisions.

ratemyspeech

Title: [Let It Go, Let It Go...Sunset of My First Startup](#)

Product: ratemyspeech

Eventually I had to realise that our basic concept was flawed. Most people (95+%) just don't care enough about their presentations.

RewardMe

Title: [Premature Scaling Killed Us](#)

Product: RewardMe

Don't scale until you're ready for it. Cash is king, and you need to extend your runway as long as possible until you've found product market fit.

Poliana

Title: [The Life and Death of a Political Startup](#)

Product: [Poliana](#)

The sad truth is that it's very hard to make money on something that deserves to be free.

Kinly

Title: [The Idea Is Dead...Love Live the Idea](#)

Product: Kinly

By postponing the investor challenge, we also postponed – and thereby ignored – the distribution challenge. And Kinly is dead because of it.

Kolos

Title: [10 Lessons I Learned From Burning Through \\$50,000 on a Hardware Project That Bombed](#)

Product: Kolos

With Kolos, we did a lot of things right, but it was useless because we ignored the single most important aspect every startup should focus on first: the right product.

College Inside View

Title: [Case Study of a Failed Startup](#)

Product: College Inside View

I overestimated the likelihood that I successfully raise money...I underestimated people's distrust and reluctance to try unfamiliar products...I underestimated the importance of design.

ComboCats Studio

Title: [Traps for Friends - Our Attempt at Fair IAP Multiplayer](#)

Product: ComboCats Studio

And maybe it's just me, but I underestimate the work required for UI, even with fully prototyped wireframes, every time. It was hard to build it correctly from the start.

Bitshuva

Title: [My Startup's Dead! 5 Things I Learned](#)

Product: Bitshuva

What I didn't understand was, you charge not for how much work it is for you. You charge how much the service is worth.

Allmyapps

Title: [Story of an Almost Successful French Startup](#)

Product: [Allmyapps](#)

It took us time to realize we had big on-boarding issues...

99dresses

Title: [My startup failed, and this is what it feels like...](#)

Product: [99dresses](#)

And the rest of the conversation explained why they would not be doing that. My stomach dropped. I knew they were our best shot of getting the money, and some of the angels who had previously invested were interested in coming in but only if I could get a VC to lead it, probably for some oversight. We now had very little cash left, and very little time to find someone else.

Dinnr

Title: [Seven lessons I learned from the failure of my first startup, Dinnr](#)

Product: [Dinnr](#)

This turns out to be the original sin of Dinnr – there never was an opportunity. And whatever we did later to try to breathe life into it (iterating on the website, different marketing tactics) was akin to giving aspirin to a deathbed patient.

Seismic Video

Title: [How I Failed Launching Seismic Video](#)

Product: Seismic Video

Sure, it was seven years ago, pre-iPhone and pre-Android, so it was ahead of its time, we had to use Adobe Flash on a browser which sucked in so many ways I can't even start to explain how bad it was. Technology would be so much better and more important all mobile today.

Treehouse Logic

Title: [Thoughts on shutting down Treehouse Logic](#)

Product: Treehouse Logic

Startups fail when they are not solving a market problem. We were not solving a large enough problem that we could universally serve with a scalable solution. We had great technology, great data on shopping behavior, great

reputation as a thought leader, great expertise, great advisors, etc, but what we didn't have was technology or business model that solved a pain point in a scalable way.

Backchat

Title: [The End of a Great Experience](#)

Product: [Backchat](#)

Unfortunately we were not able to adapt fast enough to changing market and product conditions which quickly began to show in usage metrics. With a feed product on the horizon all looked well until our funding began to dry up. Deals fell through leaving me in the difficult position to close Backchat and YouTell.

Patient Communicator

Title: [Why Patient Communicator Failed](#)

Product: [Patient Communicator](#)

I realized that many of the true money-making businesses in healthcare really aren't about optimizing delivery of primary care. This is a longer discussion but I realized, essentially, that we had no customers because no one was really interested in the model we were pitching. Doctors want more patients, not an efficient office.

Twitpic

Title: [Twitpic is shutting down](#)

Product: [Twitpic](#)

Unfortunately we do not have the resources to fend off a large company like Twitter to maintain our mark which we believe whole heartedly is rightfully ours. Therefore, we have decided to shut down Twitpic.

Berg

Title: [Week 483](#)

Product: [Berg](#)

We've not reached a sustainable business in connected products. But: There's our troop!

Cultural inventions! I'm proud of this British Experimental Rocket Group. Thank you fellow travellers, in your thousands. Behind the mountains, there are more mountains.

Wishberg

Title: [The Final Note](#)

Product: [Wishberg](#)

We set very high goals for us when we raised our first investment in April 2013. As a startup, data is your best friend. Reviewing those goals at the end of the year, we realised that we have trailed behind on few of them. For us a team, we have always believed in chasing bigger dreams and not take up smaller challenges.

GreenGar Studios

Title: [Failure of a success](#)

Product: [GreenGar Studios](#)

If you still remember my pitch: “We already made \$1 million. Let’s talk about \$1 billion.” Maybe one day that statement will come true, and I’m still working very hard on that. However, it will not be with my GreenGar chapter.

Rivet & Sway

Title: [The inside story of Rivet & Sway](#)

Product: [Rivet & Sway](#)

If only running a business were straightforward enough to boil down to one thing I would change to effect a different outcome! Hindsight is 20/20 (no glasses needed), so there are a lot of things I would do differently. Here are a few at the top of my list:

Drive market awareness/dominance regionally: Seattle, NW, West Coast...

Adapt the Home Try On model sooner

Scale only when absolutely necessary (we outsourced to a big-company 3PL way too early)

Focus more on PR

Get more sleep

Dijiwan

Title: [Why our startup failed](#)

Product: Dijiwan

A good product idea and a strong technical team are not a guarantee of a sustainable business.

One should not ignore the business process and issues of a company because *it is not their job*. It can eventually deprive them from any future in that company.

Wantful

Title: [Some news about Wantful](#)

Product: [Wantful](#)

What we did not accomplish yet is the kind of *highly accelerated* growth required to secure later-stage venture capital, despite the enduring enthusiasm around what we've built.

The coming holiday season was shaping up to be pivotal for us, but the loss last week of a planned follow-on investment from a strategic partner leaves us little time to secure an alternate source of capital, or to pursue the other opportunities on the table.

Disruptive Media

Title: [The Disruptive Advantage 3](#)

Product: Disruptive Media

Launching this globally would have required lots of funding in order to get production and logistics to work well internationally. Getting deals with big international companies was hard and plugging into their production pipeline turned out to be technically impossible, since they did not have any APIs. It's hard to tell whether this would have worked, since we were running out of money and had to leave it there. Potential investors were not too crazy about investing in a declining market either. The numbers did not fully work out.

Calxeda

Title: [Low power won't bag ARM the server crown](#)

Product: [Calxeda](#)

In [Calxeda's] case, we moved faster than our customers could move. We moved with tech that wasn't really ready for them – ie, with 32-bit when they wanted 64-bit. We moved when the operating-system environment was still being fleshed out – [Ubuntu Linux maker] Canonical is all right, but where is Red Hat? We were too early.

Turntable.fm

Title: [Shutting down](#)

Product: [Turntable.fm](#)

Ultimately, I didn't heed the lessons of so many failed music startups. It's an incredibly expensive venture to pursue and a hard industry to work with. We spent more than a quarter of our cash on lawyers, royalties and services related to supporting music. It's restrictive. We had to shut down our growth because we couldn't launch internationally. It's a long road. It took years to get label deals in place and it also took months of engineering time to properly support them (time which could have been spent on product).

Tutorspree

Title: [When SEO fails – Single channel dependency and the end of Tutorspree](#)

Product: [Tutorspree](#)

Although we achieved a lot with Tutorspree, we failed to create a scalable business.... Tutorspree didn't scale because we were single channel dependent and that channel shifted on us radically and suddenly. SEO was baked into our model from the start, and it became increasingly important to the business as we grew and evolved. In our early days, and during Y Combinator, we didn't have money to spend on acquisition. SEO was free so we focused on it and got good at it.

Nirvanix

Title: [A Nirvanix Postmortem – Why There's No Replacement For Due Diligence](#)

Product: [Nirvanix](#)

The cloud is great. Outsourcing is great. Unreliable services aren't. The bottom line is that no one cares about your data more than you do – there is no replacement for a robust due diligence process and robust thought about avoiding reliance on any one vendor.

PostRocket

Title: [PostRocket to Shut Down](#)

Product: [PostRocket](#)

When we first started PostRocket, we wanted to not only help marketers like you succeed in Facebook marketing, but do so with an exceptional product and service to back it. We were never able to reach the high bar we set for ourselves. Our product had many issues and even through the down-time and bugs, you stuck with us. We thank you for that.

VoterTide

Title: [VoterTide Postmortem](#)

Product: [VoterTide](#)

We didn't spend enough time talking with customers and were rolling out features that I thought were great, but we didn't gather enough input from clients. We didn't realize it until it was too late. It's easy to get tricked into thinking your thing is cool. You have to pay attention to your customers and adapt to their needs.

SkyRocket

Title: [A Startup Postmortem](#)

Product: SkyRocket

But one day something changed.

Money stopped coming in the door.

In addition to a lag in sales, new product challenges arose and pretty soon I began to question myself. With each pitch following that period of doubt—whether it was to a girl at a party or an interested investor—my enthusiasm and perceived confidence dwindled.

GameLayers

Title: [A Story of GameLayers](#)

Product: [GameLayers](#)

Ultimately I believe PMOG lacked too much core game compulsion to drive enthusiastic mass adoption. The concept of “leave a trail of playful web annotations” was too abstruse for the bulk of folks to take up. Looking back I believe we needed to clear the decks, swallow our pride, and make something that was easier to have fun with, within the first few moments of interaction.

Serendip

Title: [Serendip Is Shutting Down](#)

Product: Serendip

The high costs of processing millions of posts every day, and serving relevant and engaging playlists to our users across our web service and mobile app (yes, no Android, I know...) are really bigger than we can handle, a very challenging position for a small startup to be in.

Unifyo

Title: [Unifyo - Post Mortem](#)

Product: [Unifyo](#)

We aimed to build a great, highly automated user experience first, focusing on the end-users and SMEs with plans to grow into companies from the bottom up (like Skype, Yammer, Dropbox). We couldn't empathize with big corporations and heard only scary things about the long sales cycles. However, every company we have kept track of in the 'relationship management' space has either shut down or moved at least into the B2B space

Lookery

Title: [Couldery Shouldery](#)

Company: [Lookery](#)

We exposed ourselves to a huge single point of failure called Facebook. I've ranted for years about how bad an idea it is for startups to be mobile-carrier dependent. In retrospect, there is no difference between Verizon Wireless and Facebook in this context. To succeed in that kind of environment requires any number of resources. One of them is clearly significant outside financing, which we'd explicitly chosen to do without. We could have and should have used the proceeds of the convertible note to get out from under Facebook's thumb rather to invest further in the Facebook Platform.

Canvas Networks

Title: [Today my startup failed](#)

Company: [Canvas Networks](#)

It may seem surprising that a seemingly successful product could fail, but it happens all the time. Although we arguably found product/market fit, we couldn't quite crack the business side of things. Building any business is hard, but building a business with a single app offering and half of your runway is especially hard.

Blurtt

Title: [Shutting Down Blurtt](#)

Company: [Blurtt](#)

I started to feel burned out. I was Blurtt's fearless leader, but the problem with burnout is that you become hopeless and you lose every aspect of your creativity. I'd go to work feeling tired and exhausted. I was burning the candle at both ends.

Do not launch a startup if you do not have enough funding for multiple iterations. The chances of getting it right the first time are about the equivalent of winning the lotto.

Manilla

Title: [Manilla Is Shutting Down](#)

Company: [Manilla](#)

This was a hard decision given that, over the past three years, Manilla has won many awards and has been well supported by its valued user base but was unable to achieve the scale necessary to make the economics of the business viable.

Pumodo

Title: [A startup postmortem with a happy ending? ..in Thailand](#)

Company: [Pumodo](#)

Our biggest self-realization was that we were not users of our own product. We didn't obsess over it and we didn't love it. We loved the idea of it. That hurt.

Admazely

Title: [Startup Failure: How it feels](#)

Company: [Admazely](#)

My presentation was ok. The mandatory Q&A afterwards was horrible. The only two people in the room that we hadn't gotten prior support from were skeptical to say the least. As I left the room I was shattered. And as my contact didn't call me later on that day I knew where it was going. My chairman didn't either. Not a good sign.

Springpad

Title: [Springpad Says Goodbye](#)

Company: [Springpad](#)

Unfortunately, we were not able to secure additional funding or scale to become a self-sustaining business. Thank you to our loyal users and partners – We couldn't have made Springpad what it was without you!

Exfm

Title: [Changing Tune](#)

Company: [Exfm](#)

The high costs of processing millions of new songs every month while attempting to keep that data relevant and useable is monumental. The technical challenges are compounded by the litigious nature of the music industry, which means every time we have any meaningful growth, it's coupled with the immediate attention of the record labels in the form of takedowns and legal emails.

Samba Mobile

Title: [Samba Closing Down](#)

Company: [Samba Mobile](#)

Samba has had to take the difficult decision to close, primarily due to high and increasing – and therefore unsustainable – data costs. This makes the current model of offering a meaningful value exchange of mobile broadband unsustainable.

inBloom

Title: [inBloom Retiring](#)

Company: [inBloom](#)

It is a shame that the progress of important innovation has been stalled because of generalized public concerns about data misuse.

We stepped up to the occasion and supported our partners with passion, but we have realized that this concept is still new, and building public acceptance for the solution will require more time and resources than anyone could have anticipated.

Findory

Title: [Starting Findory: The end](#)

Company: [Findory](#)

I learned that a cheap is good, but too cheap is bad. It does little good to avoid burning too fast only to starve yourself of what you need.

I re-learned the importance of a team, one that balances the weaknesses of some with the strengths of another. As fun as learning new things might be, trying to do too much yourself costs the startup too much time in silly errors born of inexperience.

I learned the necessity of good advisors, especially angels and lawyers. A startup needs people who can provide

expertise, credibility, and connections. You need advocates to help you.

FindIt

Title: [FindIt is shutting down – Thank you for all the support!](#)

Company: [FindIt](#)

Starting a company and trying to change the world is no easy task. In the process we learned that the majority of our users did not need FindIt often enough to justify our continued time and effort on this problem.

MyFavorites

Title: [The little startup that couldn't \(a postmortem of MyFavorites\)](#)

Company: [MyFavorites](#)

Having a web app being created at the same time was ridiculous too – especially since we still hadn't nailed down the favoriting process or tried it with any users. I was blowing cash – at a ridiculous pace. I had 7 guys working on this thing at once, as we were hustling for SXSW launch deadline. We decided to focus on the iPhone app, which sucked for me and Dan the backend programmer, because we both couldn't even use the app – we both have Droid X phones.

Inq Mobile

Title: [Inq Mobile Shuts Down](#)

Company: [Inq Mobile](#)

Inq has been a really exciting business over the last few years and whilst there have been significant successes, the technology that's been borne out of that work has been identified to have greater application within the wider Group. Consequently, we've taken the hard decision to close the Inq business down.

Outbox

Title: [Outbox is Shutting Down—A Note of Gratitude](#)

Company: [Outbox](#)

Giant, complex systems appear insurmountable, but aren't—they were built by people just like you and me

The main asset the government (and big companies) has is time—which is the resource of which startups have the least.

You may think government organizations are completely, insanely backwards; you are wrong—they are worse.

If you can't find a hardware solution to your needs, build it—it's not that hard.

Doing extraordinary things for customers is time consuming and hard—but very worthwhile.

Life is too short to pursue anything other than what you are most passionate about.

Argyle

Title: [Argyle Social is shutting down our service](#)

Company: [Argyle](#)

We're a very small company based in a great area, but it's definitely not Silicon Valley. It's a double-edged sword, because in the Valley, you'd be paying twice as much for developers and land. But out there, there's a different attitude toward raising money.

Exec

Title: [What I learned about online-to-offline](#)

Company: [Exec](#)

Many new online-to-offline entrepreneurs have asked me about my experience founding Exec.

Unit economics matter a lot more than in pure software businesses.

Turnover of errand runners was very high.

Demand was very spiky.

Customer activation was hard.

We shouldn't have run jobs ourselves.

Bloom.fm

Title: **Close, but no cigar**

Company: **Bloom.fm**

After Bloom.fm was placed into administration we received incredible amount of support from our users and a lot of commercial interest from prospective buyers. One offer stood out in particular, as it would have allowed Bloom to continue in the spirit we originally intended. We have worked furiously on finalising it but unfortunately, due to very tight timelines and complexities associated with the administration process, the deal fell through at the last minute.

Stipple

Title: [Stipple Shuts Down](#)

Company: [Stipple](#)

We had turned on revenue, but did not scale fast enough. We were not yet profitable. Like many companies we got into the Series A crunch and we weren't able to raise more money. We simply weren't able to get dollars flowing from the marketplace to line up with our expense structure.

Zumbox

Title: [Zumbox to Shutter its Operations](#)

Company: [Zumbox](#)

All of us at Zumbox remain committed to the concept of digital postal mail and have great confidence this capability will one day be the way you receive and manage your postal mail. However, at this point, the time and cost required to deliver on the vision is more than the market is prepared to invest.

Delight

Title: [Failed to delight: Post-mortem of my first startup](#)

Company: [Delight](#)

Customers pay for information, not raw data. Customers are willing to pay a lot more for information and most are

not interested in data. Your service should make your customers look intelligent in front of their stakeholders.

Follow up with inactive users. This is especially true when your service does not give intermediate values to your users. Our system should have been smarter about checking up on our users at various stages.

Mochi Media

Title: [Mochi Media Winding Down Services](#)

Company: [Mochi Media](#)

Nobody at Mochi wanted this to happen and there were parties interested in acquiring Mochi from them (including myself) for more than they'd make by dissolving it. They're simply not interested in making a rational decision here, and they certainly don't care about you all like we do (past and present Mochi employees). We've been trying to prevent this from happening for quite some time, but we failed to change their plans.

Salorix

Title: [Salorix Shuts Operations](#)

Company: [Salorix](#)

Unfortunately, all good things must come to an end and this one did, too. It is better to fail fast, than to have a slow death.

HowDo

Title: [The last step](#)

Company: [HowDo](#)

Our goal was now to transform that passion into a sustainable platform. We have failed to make this possible and without the resources needed for development. It has been a difficult decision to close the platform, made with every consideration of alternative ways to continue.

Readmill

Title: [Epiloque](#)

Company: [Readmill](#)

Many challenges in the world of ebooks remain unsolved, and we failed to create a sustainable platform for reading. Unfortunately, it is not possible to sell books on Apple's platform at a competitive price. We also considered the book subscription model but did not find it to be a viable option for us. Finally, even if all users paid for the app, it

would not provide the necessary resources to sustain and develop it.

Plancast

Title: [The Uphill Battle Of Social Event Sharing: A Post-Mortem for Plancast](#)

Company: [Plancast](#)

Social networks (by my general definition and among which I count Plancast) are essentially systems for distributing content among people who care about each other, and the frequency at which its users can share that content on a particular network is critical to how much value it'll provide them on an ongoing basis. Unlike other, more frequent content types such as status updates and photos (which can be shared numerous times per day), plans are suitable for only occasional sharing. Most people simply don't go to that many events, and of those they do attend, many are not anticipated with a high degree of certainty. As a result, users don't tend to develop a strong daily or weekly habit of contributing content.

Intellibank

Title: [7 Things I learned from Startup Failure](#)

Company: [Intellibank](#)

Focus and simplicity are often more difficult to achieve than building features on top of features on top of features. As a result, too many startups are unfocused. The time required to trim back an idea is not insignificant — said best by Mark Twain: “If I had more time, I would have written a shorter letter.”

Teamometer

Title: [Startup Lessons Learned from My First Startup](#)

Company: [Teamometer](#)

(Don't) multiply big numbers

Multiply \$30 times 1.000 clients times 24 months. WOW, we will be rich!

Oh, silly you, you have no idea how hard it is to get 1.000 clients paying anything monthly for 24 months. Here is my advice: get your first client. Then get your first 10. Then get more and more.

Until you have your first 10 clients, you have proved nothing, only that you can multiply numbers.

Standout Jobs

Title: [A Postmortem Analysis of Standout Jobs](#)

Company: [Standout Jobs](#)

I raised too much money, too early for Standout Jobs (~\$1.8M). We didn't have the validation needed to justify raising the money we did. Part of the reason for this is that the founding team couldn't build an MVP on its own. That was a mistake. If the founding team can't put out product on its own (or with a small amount of external help from freelancers) they shouldn't be founding a startup. We could have brought on additional co-founders, who would have been compensated primarily with equity versus cash, but we didn't.

Cusoy

Title: [Cusoy: A postmortem](#)

Company: Cusoy

I didn't want a startup, but an actual business that generates revenue, and Cusoy would not fulfill that personal goal for me without a full-time team, 1-2+ years of funding, multiple years of hard work (3-5+ years at the very least?) trying to answer the if/when questions of whether or not Cusoy could make money (very expensive questions too, might I add — not only in money but time, my most valuable asset).

While I know there might be a possibility I could hustle incredibly hard and try to set up partnerships, the time

investment required far outweighed the already incredibly slim chances of generating revenue.

Flowtab

Title: [Flowtab](#)

Company: [Flowtab](#)

We hired a local operations manager in Denver (Sasha Juliard) and soon launched at Shotgun Willie's (the highest-grossing strip club in CO) and two other bars. We made about \$1,200 on each deal (50% went to DexOne, we spent \$800 on each launch event and we had \$500 in hardware costs), this was the only sales revenue Flowtab ever made. We were tightening up our sales process, but it was hard to market ourselves properly in those bars without being there. It quickly become a distraction to our operations in San Francisco.

Formspring

Title: [Formspring - A Postmortem](#)

Company: [Formspring](#)

Entrepreneurs: build your product, not someone else's. The most successful products execute on a vision that aligns with their product's and users' goals. It's hard to put

blinders on when your stats are slowly coming down and you see other startups skyrocketing around you with various tactics and strategies. For the love of god, put them on. It's the only way to build what you should instead of chasing others' ideas.

Mass-customized Jeans

Title: [Internet Startup: Lessons from Failure](#)

Product: Mass-customized Jeans

We weren't going to draw from the business until we had recouped our (parents') initial investment. That meant continuing to operate 9-5 while earning an income at night, which was fine for the months leading up to launch, but totally unsustainable once orders started coming in.

Parceld

Title: [Lessons from my failed startup](#)

Company: Parceld

No one likes someone who is too aggressive, but looking back, my idea of "too aggressive" could probably fit very nicely into the "persistent" bucket, which, quite frankly, is not enough when raising money. My father told me that, especially as a woman, to never be afraid to ask for what I

want or to remind others of their commitments. People these days are busy, forgetful and over-scheduled; it's quite possible my three emails each got buried, so a fourth or fifth email (not daily, though; maybe weekly) would have served me well. I'll never know.

Saaspire

Title: [Lessons from my failed startup](#)

Company: Saaspire

If you're bootstrapping, cashflow is king. If you want to possibly build a product while your revenue is coming from other sources, you have to get those sources stable before you can focus on the product.

GroupSpaces

Title: [Looking back at 7 years with my startup GroupSpaces](#)

Company: [GroupSpaces](#)

...we most definitely committed the all-too-common sin of premature scaling. Driven by the desire to hit significant numbers to prove the road for future fundraising and encouraged by our great initial traction in the student market, we embarked on significant work developing paid marketing channels and distribution channels that we could

use to demonstrate scalable customer acquisition. This all fell flat due to our lack of product/market fit in the new markets, distracted significantly from product work to fix the fit (double fail) and cost a whole bunch of our runway.

Zillionears.com

Title: [My Startup Failed. F@<#.](#)

Company: [Zillionears.com](#)

More importantly though, people really didn't really LIKE anything about our product. No one that used the service thought it was that cool. In fact, some people that participated in the sale didn't even like our "dynamic pricing" system. They were trying to support the artist, so saving a few dollars didn't excite them. They could easily have just gotten his music for free elsewhere.

Everpix

Title: [Out of the Picture: Why the world's best photo startup is going out of business](#) (Editorial)

Company: [Everpix](#)

The founders acknowledge they made mistakes along the way. They spent too much time on the product and not enough time on growth and distribution. The first pitch deck

they put together for investors was mediocre. They began marketing too late. They failed to effectively position themselves against giants like Apple and Google, who offer fairly robust — and mostly free — Everpix alternatives. And while the product wasn't particularly difficult to use, it did have a learning curve and required a commitment to entrust an unknown startup with your life's memories — a hard sell that Everpix never got around to making much easier.

Rimer put it a bit differently: “Having a great product is not the only thing that ultimately makes a company successful.”

HelloParking

Title: [Part Two of the HelloParking postmortem: a look back, and a new perspective](#)

Company: HelloParking

But we never defined clear hypotheses, developed experiments, and we rarely had meaningful conversations with our target end-users. And while we had some wonderful advisors in the parking industry, we should have met with everyone we could get our hands on. Worst, we rarely got out of the building.

Gowalla

Title: [Play By Your Own Rules](#)

Company: [Gowalla](#)

Unfortunately, once your key metric is tied to cash value in the eyes of investors, it sucks to be number two. Your ceiling has been bolted in place. Your future capacity to raise cash or sell has a lid on it now.

We felt that in order to survive we had to get our numbers up. We tried just about everything to juice growth, some ideas being more successful than others.

Sonar

Title: [Postmortem of a Venture-Backed Startup](#)

Company: [Sonar](#)

We received conflicting advice from lots of smart people about which is more important. We focused on engagement, which we improved by orders of magnitude. No one cared.

Lesson learned:

Growth is the only thing that matters if you are building a social network. Period. Engagement is great but you aren't even going to get the meeting unless your top-line numbers reach a certain threshold (which is different for seed vs. series A vs. selling advertising).

Decide.com

Title: [Postmortem of a Venture-Backed, Acquired Startup](#)

Company: [Decide.com](#)

Decide how you want to do things then hire people that want to do things that way. There's value in having a diversity of opinion but in an early stage startup, the benefits (moving fast) of hiring people that generally agree with you outweigh the benefits (diversity of opinion) of hiring people that don't.

If you can't hire anyone that agrees with you, re-evaluate how you want to do things.

Shnergle

Title: [Shnergle Post Mortem](#)

Company: Shnergle

Does your idea only monetise at scale? If your idea can only be monetised at scale, head to San Francisco / Silicon Valley. There isn't enough risk capital, or enough risk appetite, in the UK/EU venture market to pour capital into unproven R&D concepts. If you want to build in the UK, find some way of charging money from day one. You can still use a freemium structure to up-sell later. Shnergle was never going to monetise before it had scaled fairly significantly. Fail!

Tigerbow

Title: [Tis the Season for a Tigerbow Post Mortem](#)

Company: [Tigerbow](#)

Don't raise money from people who don't invest in startups. We raised a (comparatively) small amount of money from friends and family. For the most part they were very supportive, but there were exceptions. Aside from the fact that we got little (non-monetary) value added from these investors, people who are unfamiliar with investing in startups and the risks and challenges of building a company will drive you bananas. (Tempting, but don't / duh.)

Travelllll.com

Title: [Travelllll Post-Mortem](#)

Company: [Travelllll.com](#)

If your monetisation strategy is advertising, you need to be marketing to an *enormous* audience. It's possible to make a little money from a lot of people, or a lot of money from a few people. Making a little money from a few people doesn't add up. If you're not selling something, you better have a LOT of eyeballs. We didn't.

Vitoto

Title: [Vitoto Officially Shutting Down](#)

Company: Vitoto

Product outside area of specialization: Nobody in the team had built a successful consumer product before. We all had experience in the enterprise space, selling to businesses. We had no experience in consumer of video. We were not playing to our strengths.

Next time: Next time I will play in a space I have lived in before.

Flud

Title: [Why Startups Fail: A Postmortem For Flud, The Social Newsreader](#) (Editorial)

Company: [Flud](#)

“We really didn’t test the initial product enough,” Ghoshal says. The team pulled the trigger on its initial launches without a significant beta period and without spending a lot of time running QA, scenario testing, task-based testing and the like. When v1.0 launched, glitches and bugs quickly began rearing their head (as they always do), making for delays and laggy user experiences aplenty — something we even mentioned in our early coverage.

Not giving enough time to stress and load testing or leaving it until the last minute is something startups are known for – especially true of small teams – but it means things tend to get pretty tricky at scale, particularly if you start adding a user every four seconds.”

On-Q-ity

Title: [On-Q-ity, a Cancer Diagnostic Company: R.I.P.](#) (A VC's perspective)

Company: [On-Q-ity](#)

Getting the technology right, but the market-timing wrong, is still wrong, confirming cliché about the challenge of innovating... We may have been right that CTCs are “hot” and will be important in the future, but we certainly didn't have enough capital around the table to fund the story until the market caught up. It will be great in 5-10 years to see CTCs evolve as a routine part of cancer care, though clearly bittersweet for those of us involved with On-Q-ity.

Condom Key Chains

Title: [How My Startup Failed](#)

Product: Condom Key Chains

There was no doubt about it: I had discovered The Next Big Thing. Like Edison and the lightbulb, like Gates and the pc

operating system, I would launch a revolution that would transform society while bringing me wealth and fame. I was about to become the first person in America to sell condom key chains.

Wesabe

Title: [Why Wesabe Lost to Mint](#)

Company: [Wesabe](#)

Between the worse data aggregation method and the much higher amount of work Wesabe made you do, it was far easier to have a good experience on [Mint](#), and that good experience came far more quickly. Everything I've mentioned – not being dependent on a single source provider, preserving users' privacy, helping users actually make positive change in their financial lives – all of those things are great, rational reasons to pursue what we pursued. But none of them matter if the product is harder to use, since most people simply won't care enough or get enough benefit from long-term features if a shorter-term alternative is available.

ArsDigita

Title: [ArsDigita – From Start-up to Bust-up](#)

Company: [ArsDigita](#)

1.spent \$20 million to get back to the same revenue that I had when I was CEO

2.declined Microsoft's offer (summer 2000) to be the first enterprise software company with a .NET product (a Microsoft employee came back from a follow-up meeting with Allen and said "He reminds me of a lot of CEOs of companies that we've worked with... that have gone bankrupt.")

3.deprecated the old feature-complete product (ACS 3.4) before finishing the new product (ACS 4.x); note that this is a well-known way to kill a company among people with software products experience; Informix self-destructed because people couldn't figure out whether to run the old proven version 7 or the new fancy version 9 so they converted to Oracle instead)

RiotVine

Title: [RiotVine Post-Mortem](#)

Company: RiotVine

It's not about good ideas or bad ideas: it's about ideas that make people talk.

And this worked really well for foursquare thanks to the mayorship. If I tell someone I'm the mayor of a spot, I'm in an instant conversation: "What makes you the mayor?" "That's lame, I'm there way more than you" "What do you get for being mayor?". Compare that to talking about Gowalla: "I just swapped this sticker of a bike for a sticker of a six pack of beer! What? Yes, I am still a virgin". See the difference? Make some aspect of your product easy and fun to talk about, and make it unique.

Nouncer

Title: [The Last AnNounce\(r\)ment](#)

Company: Nouncer

A month ago, half way through my angel funds raised from family members, I decided to review the progress I've made and figure out what still needs to happen to make this a viable business. I was also actively pursuing raising VC funds with the help of a very talented and well connected friend. At the end, I asked myself what are the most critical resources I need to be successful and the answer was partners and developers. I've been looking for both for about a year and was unable to find the right people. I realized that money was not the issue.

BricaBox

Title: [BricaBox: Goodbye World!](#)

Company: BricaBox

Go vest yourself.

When a co-founder walks out of a company — as was the case for me — you’ve already been dealt a heavy blow. Don’t exacerbate the issue by needing to figure out how to deal with a large equity deadweight on your hands (investors won’t like that the #2 stakeholder is absent, even estranged, from your company). So, the best way of dealing with this issue is to take a long, long vesting period for all major sweat equity founders.

Boompa.com

Title: [Boompa.com Launch Postmortem, Part 1: Research, Picking a Team, Office Space and Money](#)

Company: Boompa.com

Ethan and I came up with the “Zombie Team” test for figuring out whether or not someone is ready to work on an intense project, be it a start-up or otherwise. The test is this: If zombies suddenly sprung from the earth, could you trust the perspective team member to cover your back? Would they tell you if they got bit? Most importantly would you give them the team’s only gun if you knew they were the

better shot? If the answer is no to any of those questions you need to let them get eaten by the cubicle wasteland of corporate culture, because they aren't ready for this kind of work.

EventVue

Title: [EventVue Post-Mortem](#)

Company: [EventVue](#)

Our Deadly Cultural Mistakes:

- didn't focus on learning & failing fast until it was too late
 - didn't care/focus enough about discovering how to market eventvue
 - made compromises in early hiring decisions - choose expediency over talent/competency
-

YouCastr

Title: [YouCastr - A Post-Mortem](#)

Company: [YouCastr](#)

The market was not there.

The thesis of our current business model (startups are all about testing theses) was that there was a need for video

producers and content owners to make money from their videos, and that they could do that by charging their audience. We found both sides of that equation didn't really work. I validated this in my conversations with companies with more market reach than us, that had tried similar products (ppv video platform), but pulled the plug because they didn't see the demand for it.

Video producers are afraid of charging for content, because they don't think people will pay. And they're largely right. Consumers still don't like paying for stuff, period. We did find some specific industry verticals where the model works (some high schools, some boxing and mixed martial arts events, some exclusive conferences), but not enough to warrant a large market and an independent company.

IonLab

Title: [Leaving IonLab](#)

Company: IonLab

Second, as one of my friends observed, I talked to about 7 people (both acquaintances and friends) whose judgment I trusted. 3 of them sympathized and agreed with my decision and 4 of them admonished me and asked me to "hang in there." You know what was the clincher? The first 3 had done startups themselves and the latter 4 had not. The

latter 4 did not really understand the context, even though they meant well and are intelligent folks.

Devver

Title: [Lessons Learned](#)

Company: [Devver](#)

The most significant drawback to a remote team is the administrative hassle. It's a pain to manage payroll, unemployment, insurance, etc in one state. It's a freaking nightmare to manage in three states (well, two states and a district), even though we paid a payroll service to take care of it. Apparently, once your startup gets larger, there are companies that will manage this with minimal hassle, but for a small team, it was a major annoyance and distraction.

Kiko

Title: [Lessons from Kiko, web 2.0 startup, about Its Failure](#)

Company: [Kiko](#)

Make an environment where you will be productive. Working from home can be convenient, but often times will be much less productive than a separate space. Also its a good idea to have separate spaces so you'll have some work/life balance.

OvertO

Title: [Lessons Learned: Startup Failure Part 1](#)

Company: OvertO

Thin line between life and death of internet service is a number of users. For the initial period of time the numbers were growing systematically. Then we hit the ceiling of what we could achieve effortlessly. It was a time to do some marketing. Unfortunately no one of us was skilled in that area. Even worse, no one had enough time to fill the gap.

Monitor110

Title: [Monitor110: A Post-Mortem](#) (A VC's perspective)

Company: [Monitor110](#)

The Seven Deadly Sins

While we certainly made more than seven mistakes during the nearly four-year life of Monitor110, I think these top the list.

- 1.The lack of a single, “the buck stops here” leader until too late in the game
- 2.No separation between the technology organization and the product organization

3. Too much PR, too early

4. Too much money

5. Not close enough to the customer

6. Slow to adapt to market reality

7. Disagreement on strategy both within the Company and with the Board

NewsTilt

Title: [Why We Shut NewsTilt Down](#)

Company: [NewsTilt](#)

None of these problems should have been unassailable, which leads us to why NewsLabs failed as a company:

- Nathan and I had major communication problems,
 - we weren't intrinsically motivated by news and journalism,
 - making a new product required changes we could not make,
 - our motivation to make a successful company got destroyed by all of the above.
-

Aftermath

Title: [Aftermath](#)

Company: Diffle

For anyone faced with winding down a company, I'd highly recommend taking a while off before making any big decisions, and not just the two and a half weeks that I'd initially tried. You're not thinking straight when your startup dies – your perspective may be a bit different in a few months, as might your preferences for what you want to do next.

The corollary to that is to wind up your startup before you're totally out of money, so that you have options for what to do next and don't have to bargain from a place of total weakness.

Link Management System

Title: [6 reasons why my VC funded startup did fail](#)

Product: Link Management System

So the most important thing is to sell – a fact lots of startups forget. And we did too. After much thought it comes down to these six reasons why we failed (beside the obvious one that the VC market imploded when we needed money and noone was able to get any funding):

- 1.We didn't sell anything
 - 2.We didn't sell anything
 - 3.We didn't sell anything
 - 4.The market window was not yet open
 - 5.We focused too much on technology
 - 6.We had the wrong business model
-

PlayCafe

Title: [10 Lessons from a Failed Startup](#)

Company: [PlayCafe](#)

I would advise any entrepreneur or investor considering content to think twice, as Howard Lindzon from Wallstrip warned us. Content is an order of magnitude harder than technology with an order less upside; no YouTube producer will earn within a hundredth of \$1.65 billion. This will only become more true as DVRs and media-sharing reduce revenues and pay-for-performance ads eliminate inefficient ad spend, of which there is a lot. The main and perhaps only reason to do content should be the love of creating it.

SMSnoodle

Title: [Lessons from our Failed Startup](#)

Company: SMSnoodle

I have been hearing this advise from the time I have been in my mother's womb. Dont take this easily.If you are a techie there are more chances that you won't follow this advise. Your heart doesn't get satisfied with any levels of development.Ignore your heart. Listen to your brain. If you are a web startup , you can take max 6 months to release your first version(for something like mint.com). Simpler websites shouldn't take more than 2-3 months.You can always iterate and extrapolate later. Wet your feet asap.

Untitled Partners

Title: [Untitled Partners Post-Mortem](#)

Company: Untitled Partners

Hiring is hard, and without proper experience, we should have leaned more heavily on our investors to help us with this decision. Hiring was a challenge we found difficult throughout the life of our Company. We made as many bad decisions as we did good ones with regard to hiring full time, part time, and independent contractors/consultants. Biggest takeaway: As soon as the data starts to suggest someone might be the wrong hire, don't wait, immediately start recruiting a replacement, and upgrade as soon as possible.

Cryptine Networks

Title: [Key Lessons from Cryptine Networks' Failure](#)

Company: Cryptine Networks

No matter how close of friends, how much you trust each other or how good your intentions are money comes between people and everyone over estimates their own contributions. Furthermore, founders become highly emotional about their companies. Thus, the process of negotiating taking back stock from founders is not rational and inherently very difficult. However, vesting schedules reduce the difficult negotiation to simply and mechanically exercising the companies pre-agreed right to repurchase stock at the price it was issued. I foolishly let myself fall into the “it won’t happen to me” trap but no startup gets it right on the first try and these hiccups often lead to changes in the team. Believing that any startup won’t have to deal with stock vesting issues is totally unrealistic.

Imercive

Title: [Imercive Post-Mortem](#)

Company: Imercive

For one, we stuck with the wrong strategy for too long. I think this was partly because it was hard to admit the idea

wasn't as good as I originally thought or that we couldn't make it work. If we had been honest with ourselves earlier on we may have been able to pivot sooner and have enough capital left to properly execute the new strategy. I believe the biggest mistake I made as CEO of Imercive was failing to pivot sooner.

Meetro

Title: [Meetro Post Mortem](#)

Company: [Meetro](#) (aka Lefora)

We could have gone about trying to fix Meetro but the team was just ready to move on. Raising money on the flat growth we had was nearly impossible. Plus I knew that in order to keep the tight-knit team we had built together, we needed to shift focus for sanity sake. People (myself included) just felt beat up. We knew that fixing these issues would involve a complete rearchitecturing of the code, and people just weren't excited about the idea enough anymore to do it right.

eCrowds

Title: [Post Mortem on a Failed Product](#)

Company: eCrowds

As the product became more and more complex, the performance degraded. In my mind, speed is a feature for all web apps so this was unacceptable, especially since it was used to run live, public websites. We spent hundreds of hours trying to speed of the app with little success. This taught me that we needed to having benchmarking tools incorporated into the development cycle from the beginning due to the nature of our product.

RealTime Worlds

Title: [Hubris, ambition and mismanagement: the first post-mortem of RealTime Worlds](#) (Editorial)

Company: [RealTime Worlds](#)

Dave Jones made a virtue of having no business model for APB. He said “if a game is built around a business model, that’s a recipe for failure.”

Bullsh1t.

Q&A Service

Title: [A Startup Idea Postmortem: Proof That Good Ideas Aren’t Always Good Business](#)

Company: Q&A Service

But the more we moved down the path, the more I realized the complexities involved with selling answers. Knowledge

is a tricky thing to sell, because even experts disagree on some answers. What's worse, most people think they know more than they really do. Look at how many idiots think they know stocks, or programming, or even business. Nearly everyone thinks they can give good management tips. It is difficult to sell something so... confusing, and we realized it would lead to problems down the road. Yahoo, and most of the other sites, fix this by having people vote on the best answer, but we couldn't post answers in public because that would take away our residual incentives. And anyway, I'm not convinced in the "wisdom of crowds" for anything beyond general knowledge. It doesn't work for domain specific stuff.

Backfence

Title: [Co-Founder Potts Shares Lessons Learned from Backfence Bust](#)

Company: [Backfence](#)

Hyper-local is really hard. Don't kid yourself. You don't just open the doors and hit critical mass. We knew that from the jump. It takes a lot of work to build a community. Look carefully at most hyper-local sites and see just how much posting is really being done, especially by members of the community as opposed to be the sites' operators. Anybody who's run a hyper-local site will tell you that it takes a couple of years just to get to a point where you've truly got

a vibrant online community. It takes even longer to turn that into a viable business. Unfortunately, for a variety of reasons, Backfence was unable to sustain itself long enough to reach that point.

Sedna Wireless

Title: **What an Entrepreneur Learned from His Failed Startup** (Interview)

Company: Sedna Wireless

Finances were just one part of the story. The other part was that we failed to execute our own plans. Both external factors (e.g. the hardware ecosystem in India) and internal reasons (e.g. the expertise of the team) played a role. With money it would have lasted a bit more longer.

Source:

<https://www.cbinsights.com/research/startup-failure-post-mortem/#2023update1>