

*TABOO-GRAPHY OF*

# **Startup Failure Post-Mortems**

*In this VERY BORING Collection of  
178 businesses...*

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*Thanks to CBIinsights & James Altucher  
the typical business advice bloggers*

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I am bombarded with in your face (literally) Vloggs and Live Vids on how successful you are. The...

*I don't and haven't and won't show you the tight rope of failure I am currently walking on, GOD created me on his day off and other BS BS BS..."*

Yet, everyday,

I am surrounded by individuals who inspire me because of bravery and the defiance they show when faced with barriers and failures.

Your daily actions are inspired...

The reason I am putting the list of Positives from 178 Start-Up failures (from CBInsights) is because of you, the girl whom I haven't messaged back in two days (one of my little failure I guess) to tell you to not give up, please keep trying.

You have an amazing idea. Go and smash it!

I have had a superhero theme, it is more Batman than Superman. Superman just shows up where as Batman, he had to train and work his arse off defend his city....

So, when owning your idea and consistently having to make sure it stays alive. You have to work your backend off. You have to work for your survival.

Yet, statistics say you are bound to face failure here there and somewhere at some point.

Only two themes in the book (yes, this is the content section too. Why in hell not. Might as well fail at following the traditional book structure...)

**Go to the following Themes:**

**[Startup Failure Post-Mortem, No 1 – 178](#)**

**[Suicide and 13 Other Ways to Deal with Failure](#)**

## Startup Failure Post-Mortem, No 1 – 178

Yet, no survivorship bias here. Just a compilation of startup failure post-mortems by founders and investors.

On his many failed experiments, Thomas Edison once said, *I have learned fifty thousand ways it cannot be done and therefore I am fifty thousand times nearer the final successful experiment.*

Elsewhere, we have dug into the data on startups that died (as well as those acquired) and found they usually die 20 months after raising financing and after having raised about \$1.3 million. So we thought it would be useful to see how startup founders and investors describe their failures. While not exactly “50,000 ways it cannot be done,” below is a compilation of startup post-mortems that describe the factors that drove a startup’s demise.

Most of the failures have been told by the company’s founders, but in a few cases, we did find a couple from competitors, early employees, or investors including Roger Ehrenberg (now of IA Ventures) and Bruce Booth (Atlas Venture). They are in no particular order, and there is something to learn from each and every one of them.

**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.

**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.

**Title: Bye, Drugstore.com. What price, Beauty.com? Walgreens pays for dot-com lesson**

**Product: Drugstore.com**

At the end of the day, it's about getting new customers, increasing the frequency of transactions and increasing transaction sizes. When I see the retirement of these two domain names, I see a play (for Walgreens.com) in all those spaces.

**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.

**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.

**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.

**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.

**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.

**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.

**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.

**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."

**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.

**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.

\*2016 Update 2 (7/28/2016)

We rounded up 10 more startups whose lessons ranged from fraud and investor dropouts, to logistics issues and product problems. A recurring element in this cohort was running out of runway and being unable to raise more financing.

## **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.

## **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.

## **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.

## **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.

**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.

## **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.

## **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.

**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”.

**Title: After laying off most of its staff, clothing resale startup Fashion Project regroup**

**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.

### **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”:

\*2016 Update 1 (2/15/2016)

The funding and deal activity pullback in Q4’15 was a reality check for venture, and there is more of a focus on business fundamentals. We rounded up 10 startups deserving of an autopsy from the tail-end of 2015. From Rdio to the massive KiOR (that raised \$403M in total funding), there were a variety of lessons to be learned: hiring problems, inability to compete, legal issues, and many more.

### **Title: Why Rdio died**

#### **Product: Rdio**

“Rdio, I guess, made the mistake of trying to be sustainable too early,” says [early employee Wilson] Miner. “That classic startup mistake of worrying about being profitable and having a business

that makes any sense before you've reached this astronomical growth curve. Which is partly the trap of the business model itself — because of the content licensing deals, the margins for the business were so incredibly thin. No matter what we did, the labels made the lion's share of the revenue. You have to make it up with extreme volume, which is why you see Spotify going after every human being in the world.”

### **Title: How Tech Billionaire Vinod Khosla's Biofuel Dream Went Bad**

#### **Product: KiOR**

Different parties disagree about which side was responsible—Khosla Ventures or [chemical engineer Paul] O'Connor and the CEO—but most agree that KiOR made poor hiring decisions as it staffed up. The result was a relative preponderance of lab researchers with Ph.D.s and a dearth of people with technical, operational experience running energy facilities. The lack of people with real operational experience “hurt KiOR a lot,” says O'Connor.

### **Title: Why We Sold to GM**

#### **Product: SideCar**

In short, we were forced to shut down operations and sell. We were unable to compete against Uber, a company that raised more capital than any other in history and is infamous for its anti-competitive behavior. The legacy of Sidecar is that we out-innovated Uber but still failed to win the market. We failed – for the most part – because

Uber is willing to win at any cost and they have practically limitless capital to do it.

## **Title: Why did HealthSpot fail? The telemedicine industry weighs in**

### **Product: Healthspot**

Jason Gorevic, CEO of telemedicine company Teladoc, expressed his belief that there are three critical elements to success in this industry segment: the technology platform, clinical capabilities and consumer engagement. “Consumer engagement is hard to do,” Gorevic said. This is where HealthSpot may have fallen down. Teladoc has two revenue streams: a per-member, per-month fee it charges its partners, plus a per-visit fee. “Because we have both of those revenue sources, we can pour that money back into our customers.” ... Also, Teladoc is purely a software company, so it doesn’t have the overhead associated with building and delivering kiosks ... A bigger issue, according to [CEO of American Well Roy] Schoenberg, is that HealthSpot required patients and providers to pre-arrange appointments; it was not truly telemedicine on demand. “You actually have to build a lot of administration around it,” he said.

## **Title: The Beginning of the End**

### **Product: Flytenow**

On Friday, December 18, 2015 the U.S. Court of Appeals for the District of Columbia denied our request to overturn the Federal Aviation Administration’s ban on Flytenow and other online flight-sharing websites...We started Flytenow over two years ago to share

the joy of flying by allowing aviation enthusiasts to meet pilots and go flying together...Unfortunately, we are left with no choice but to shut down Flytenow. However, we are still fighting as pilots to make this happen.

**Title: Dehli-based ogistics startup Delivree King shuts down**

**Product: Delivree King**

“We had scaled to about 15 cities but it was becoming very difficult to sustain operations at that level with no funds. This business requires money to scale up and without funds it’s very difficult to break even,” said [co-founder Akash] Sharma.

**Title: London hotel ranking startup Top10 raised \$12 million in funding — but now it’s shutting down**

**Product: Top 10**

The hotel industry is particularly challenging given the size, reach and budgets of the big players. At Top10 we did an amazing job innovating in this tough space, but ultimately the competitive landscape made it too expensive for us to scale, and for that reason we decided to close the company.

## **Title: Prismatic is shutting down its news app for iOS, Android, and Web on December 20**

### **Product: Prismatic**

“Four years ago, we set out to build a personalized news reader that would change the way people consume content,” the Prismatic team wrote in a blog post. “For many of you, we did just that. But we also learned content distribution is a tough business and we’ve failed to grow at a rate that justifies continuing to support our Prismatic News products.”

## **Title: AT&T Snaps Up Assets, Talent From Carrier IQ, Phone Monitoring Startup Goes Offline**

### **Product: Carrier IQ**

Knowledge of what (our) software tracked unbeknownst to the average user clearly hit a nerve with a public already skeptical about how private information is regarded by large corporations and other organizations for their own purposes ... And so, unsurprisingly, following the revelations, there was a windfall of announcements about which companies were using it (and were not using it) to collect information; lawsuits over privacy violations and legislation drafted to tighten controls for the future. Some of those class-action suits, it appears, have been settled. As AT&T did not acquire the full company, we understand that it will not be liable for any outstanding litigation or settlements against CIQ.

## **Title: Heart Drug Safety Concerns Prompt Shutdown at Laguna Pharmaceuticals**

### **Product: Laguna Pharmaceuticals**

Two months into its roughly 600-patient initial Phase 3 trial, called Restore SR, researchers started to see side effects that would not have enabled Laguna to market the drug as widely as they had initially anticipated, [Laguna CEO Bob] Baltera said. “We were actually very surprised,” he said. “The [prior] Phase 2 study was robust.” Baltera declined to say much about the side effects, describing them only as “safety signals.” “The normal response in this business is to find a way forward,” Baltera said. “But it just wasn’t going to be commercially viable. Rather than trying to find any path forward, we decided to shut the company down.”

\*2015 Update 2 (12/3/2015)

From Quirky to Homejoy to Zen99, we’ve added 11 startup post-mortems to the 34 we previously added in our first 2015 update. While unicorns continue to be minted and mega rounds continue, there are still many new lessons to be learned from startups facing risks as they navigate the turbulent contract worker economy or failing to acquire customers. The 11 new additions, below.

## **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.

### **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.

### **Title: After Falling Through The Series A Gap, Restaurant Delivery Startup Dine In Shatters**

#### **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.”

### **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.

### **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.

### **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”

### **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.

## **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.

## **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.

## **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".

## **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.  
\*2015 Update 1 (8/15/2015)

From Zirtual to Circa to Secret, we've added 34 startup post-mortems through mid-August 2015. While mega-financings and "unicorns" have dominated the headlines in 2015 YTD, there are still many new lessons to be learned from startups taking on out-of-

control burn rates or failing to monetize properly. The 34 new additions, below.

**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.

**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.

**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.

**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.

**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.

**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.

**Title: Well, We Failed**

**Product: Wattage**

I suppose our failure can be summed up quite easily: An inability to show traction.

**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.

**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.

**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.

**Title: Brawker Shuts Down****Product: Brawker**

However, our growth rate did not meet our expectations, and the service does not scale as we would have expected to.

**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.

## **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.

## **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.

## **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.

## **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.

## **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.

## **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.

## **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.

## **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.

## **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.

**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.

**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.

**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.

## **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.

## **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.

## **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.

**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.

**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.

**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.

## **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.

## **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.

## **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.

## **Title: Story of an Almost Successful French Startup**

### **Product: Allmyapps**

It took us time to realize we had big on-boarding issues...

\*Update 2: (9/24/2014)

An additional 25 startup post-mortems have been added to the top of the post including more recently published additions from this year including 99dresses (Fenox VC), Dinnr, Unifyo (EC1 Capital) and VoterTide (Optimas Group).

## **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.

**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.

**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.

**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.

### **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.

### **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.

**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.

**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.

**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.

**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.

**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**

**Title: Why our startup failed**

**Product: Dijivan**

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.

**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.

## **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.

## **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.

## **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).

### **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.

### **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.

### **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.

### **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.

## **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.

## **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.

## **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.

## **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

## **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.

\*Update 1: (6/3/2014)

We've added 25 additional startup post-mortems, which include many recent additions in the past several months such as Canvas (Union Square Ventures, Andreessen Horowitz), Outbox (Founders Fund, Floodgate), Manilla (Hearst Corp.) and AdMazely (SEED Capital). The newest additions have been added to the top of the post.

**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.

**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.

### **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.

### **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.

## **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.

## **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!

## **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.

**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.

**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.

## **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.

## **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.

## **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.

## **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.

## **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.

**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.

## **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.

## **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.

## **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.

## **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.

## **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.

### **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.

### **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.

**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.

**Title: Epilogue**

**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.

**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.

Original 51 Startup Post-Mortems (Published January 20, 2014)

Had someone told me I was going to work a night audit job, get 4 hours sleep a day, consult, and be part of a startup, I would have told them that they're crazy. I knew I was resilient, but this really pushed me to the next level. NEVER underestimate your capabilities.

**Title: 7 Lessons I've Learned From a Failed Startup, You Are MUCH More Resilient Than You Think**

**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."

## **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.

## **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.

## **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.

## **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 became a distraction to our operations in San Francisco.

## **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.

## **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.

## **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.

**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.

**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.

**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.

**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.”

**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.

**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.

**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).

**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 a early stage startups, 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.

## **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!

## **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.)

**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.

**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 I will play in a space I have lived in before.

**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.”

**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.

**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.

### **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.

### **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)

### **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.

## **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.

## **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.

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.

### **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

## **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.

## **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.

**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.

**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.

## **Title: Lessons Learned: Startup Failure Part 1**

### **Company: Overt**

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.

## **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

### **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.

### **Title: Aftermath**

#### **Company: Duffle**

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.

### **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

## **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.

## **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.

## **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.

## **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.

**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.

**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 rearchitecting of the code, and people just weren't excited about the idea enough anymore to do it right.

## **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.

## **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.”

BS.

## **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.

## **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.

**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.

<https://www.cbinsights.com/blog/startup-failure-post-mortem/>

## Suicide and 13 Other Ways to Deal with Failure

Failure is two arrows. The first arrow is the failure itself. That first arrow is a horrible impact. Knocks you down. Knocks the breath out of you. Makes you bleed. But that arrow won't kill you. The second arrow is how you react to the failure. That arrow will blind you, infect you, and eventually kill you.

Most important for success is to dodge that second arrow. Here's 13 ways you do it:

### **A) Cleanliness**

After a failure, you must bathe, you must clean your work space, you must wear a suit, nice pants, a tie. You are going to WORK. And the work is now your true calling, the whisper of God that demands now to be listened to. Now that you have no more meetings that last for hours that ended up accomplishing nothing. No more bosses, clients, pimps prostitutes. Now you need to clean for the real work in front of you. And if your office is cleaned, clean your house. Clean your breathe. Take deep breaths. Not the short anxious ones that slid you into failure. Don't even curse.

(Years of dirt, inside and out, have to be cleaned out)

### **B) GO to work**

Leave the house in the morning even if you have nowhere to go. In 2013, having nowhere to go in the middle of winter, after losing everything and dignity, I'd at the very least go at 6 a.m. and swing on a swing set. In my suit. Then I'd shoot baskets. Then I'd go for coffee. Bring a pad. Your ideas are more valuable per idea than ever.

It used to be you were a slave, and all of your ideas were owned by someone else. Now, the gift of failure has bestowed on you a weird sort of freedom – your ideas are for nothing now except for yourself. So start generating a lot of them. The first 200 or so will be bad so

you need to get through those quickly. Now, you own them. So they are valuable to you. Create as much value as possible.

### **C) Where is the pain?**

When I fail I feel pain. It might be that I'm shaking. Or that I feel pain in my stomach. Or my chest. My heart. My head. But I definitely feel pain somewhere on my body. Identify that pain. Where is it? What does it feel like? Can you move it around a little by thinking about it? Can it go from your throat to your chest, for instance? Or from your jaw to your stomach? Again, what does it feel like? Talk to it. No joke. Ask it, "how long do you plan to stay?"

If it wants to stay for a long time then say hello to it. Get to know it. Do you remember feeling this physical feeling before? What was that like? Make the pain of failure feel at home in your body. I know when I sit at home doing nothing for long periods of time eventually I get bored and leave. If you make the pain of failure feel at home, eventually it gets tired of you. "Why is he so friendly to me?" it might think. It doesn't like that. So it packs its bags and takes off. This sounds stupid. But its not.

### **D) Mourn.**

Failure is a loss. You're allowed to mourn for that loss. You don't have to pick yourself up the next second, or the next day, or even the next week. But after a week its too long. Something has died. Don't deny it. Get it out of your system.

### **E) Sleep.**

The **only** way to overcome failure is to sleep eight hours a day. Failure wants you to wake up at 2 in the morning and think about it. Its a jealous lover. "We NEED to talk about this RIGHT NOW!" at 2 in the morning is what failure is trying to shout at you. But you need to sleep. You've got more important things to do. Like training for the

Olympics. How do you sleep though when all of this is going on? One way is meditation but that's not practical for 99% of people. Another way is medication.

Go to a psychiatrist and say, "I just failed at something important to me and I can't sleep more than 3 hours a night and need medication until I can sleep again." They will give you medication.

If you want to try meditation here's a real good one that works at 2 in the morning. Its the same meditation your parents told you when you were five years old. Visualize lambs jumping over a fence over and over. Believe it or not this is all the meditation you need to become a Buddha. Which is why it also causes most people to fall asleep. Here's another one, take a deep breath, then exhale. Mid-exhale, hold your breath, then continue the exhale, then hold again. How many times can you do that before you have to inhale again. Repeat. Whatever you do at 2 in the morning, DO NOT turn on the computer. Failure loves looking at that computer screen.

## **F) Funny movies.**

There's two aspects of failure. There is surviving RIGHT NOW, and then there is "WHAT NEXT?" The first thing of surviving now is remembering what it feels like to laugh. Watch a funny movie that's going to make you non-stop laugh. Watch two of them. Don't watch Schindler's List! That's depressing! My favourite? "Superbad."

## **G) Anger.**

When you fail there might be reasons external to you. Like a crappy boss. Or family that is harping on your failure. Or partners that screwed you over. Some people will say "feel compassion towards them." This doesn't work. Why feel compassion towards people who suck and just screwed you over? BUT, Anger is the Second Arrow. Your only job right now: feel non-anger towards them. If you feel anger, catch yourself. Go back to non-anger. They set you on fire

and let you burn while they laughed. That feels really bad. So get up and walk away. Don't carry them with you.

The more they stay in your brain, the more they are still doing it to you. No more mental conversations with these evil people! And if you run into them and they bring stuff up then TRAIN THEM. Walk away, or say, "ok, well, I have to go now" and walk away. If you have to stay right with them, then just turn your brain off. Get them out of there. As long as you are the slightest bit angry then you are still in anger mode. You don't need to love them. You're not Jesus. But Anger will kill you. Read my post, how to deal with crappy people.

## **H) Spiritual.**

I hate that word. It has so many negative connotations and I don't even know why. Probably because religion was so boring when we grew up. I remember 2 hour Islamic class after spending 7/8 hours in school, some girl telling me "beggars can't be choosers." I was the beggar in that metaphor. I can't even remember what I was supposed to be choosing. Her? Also, sitting for hours on end while random teachers taught us letters yet not the Arabic to English translation.

All religion is a personal belief. To some it's real and to others, it's science fiction of a guy splitting the red sea. Another guy walked on water. Another guy floated into space and now we set a seat for him at the dinner table. Oh, he needs coffee too to digest. Another guy got every animal in the world to fit on his boat. And then later in life, all of the annoying people who went new age and spiritual on us in rebellion to these science fiction stories. Only the stories kept getting more and more science fiction. So FINE! Lets take it to the max.

Picture your body is a vessel. And *the force* from Star Wars is filling it. Tell the force, "whatever you need, baby, I'll do it for you today." And then everything you do that day keep checking back, is this what the higher power wants you to be doing? The way to overcome failure is steady practice of surrender to this higher power. Has to

be steady and consistent. And it takes a long time of practice to build the communication with that higher power so that you know whatever it is you're doing is in conjunction with what it wants you to do. I bolded steady everywhere. That's the key word. You always have to bring yourself back and ask: am I surrendering. Steadiness will block that second arrow. This is the second most important item on this list of 13. It works. I know because it's worked repeatedly for me.

(Yoda failed BIG TIME in Episode 3. But came back.)

### **I) Write to people.**

Write to your other-half, write to old bosses, professors, childhood friends: tell them how much they mean to you. It's almost like you're writing a suicide note. Tell them why they meant something to you and how that helped you later in life. Write without wanting anything back in return. Be honest. Be so honest that you bruise yourself. Be so honest that they are bruised also with those memories. Not in a bad way, but a way that makes an impression. A raw bruise opened. Return unread emails from 5 years ago.

Apologize to people. Write every day to people who never expected to hear from you again. This is part of the cleansing.

### **J) Worst case scenario analysis.**

At any given point in the past 10 years I've had a worst case scenario: I lose my friends, my pride, my money, my business. I have to scale down, scale out, go to jail (I've never had to go to jail for anything but we're talking possible worst case scenarios). I think my article about Yitz, where he did go to jail for 19 months while he went broke, sums it up. Its never as bad as you think. If you have to move, maybe you move to a place by river. If you have to go to jail, you exercise and read. If the people around you cant handle the worst case scenario, I get it. But they either leave or get more flexible.

Picture very clearly the worst case scenario. 99.99% chance its not going to happen.

It never really does, which is why waking up at 2 in the morning is so bad because that's where the beast called "worst case scenario" lives. But picture it and realize it's never as bad as you think. People say, "you get what you visualize" but this is new age crap. By practicing awareness of the worst case scenario you build an awareness that it's never as bad as you think. This is a good practice. My worst case scenario is having a stroke like my dad and being locked into my body for three years while the body is dropped on the floor a million times and I have to blow my nose but can't. If that happens to me, my love give me a lot of morphine and let me just die. If somehow I lose everything I own, I'll move to smaller place and get a job in a gas station. I know myself. I'm an idea machine. I'll get out of any bad situation

### **K) Prepare in advance.**

Make a lot of friends. Email people and keep in touch. Help people today so you can be helped tomorrow. One of my first posts on this blog is a philosophy I live by: Give and You will Receive. I always tell people that the only thing I ask in return is that if they seem me in the gutter with a needle in my shoulder than at least help me take the needle out. Have lunch or breakfast with people. Read a lot (see the Summer Reading List, its filled with failures). Exercise every day. You're in training for the Olympics of failure. Every day get rid of one person who brings you down and bring on one person who brings you up. Stop reading the news. Its depressing and filled with failure. Stop watching TV from 8-10 p.m. Its the worst shows and wastes valuable sleeping or idea time.

### **L) Follow the Daily Practice.**

If its too hard, then modify it until it works for you. And keep the idea muscle stretched and flexible so that when you need it most, its

there for you. And part of that includes Surrender. Surrender to the fact that you've done all you can. And so only good things will happen. When an athlete knows they have done all they could to prepare, then they are ready for anything in the Olympics, even failure.

### **M) Read this.**

If you were fired yesterday. It's the quick fix.

One person asked me, "but if I have a track record of failure, how do I go about raising money for the next thing?" I say this with compassion: if you are thinking that way then you aren't ready yet to raise money for the next thing. You need to do the above. Then you will be ready. #12 is most important. Within six months of doing #12 your life will be completely different, almost by definition. #12 is most important on a list of 13 equals.

13 is supposedly an unlucky number. I'm going to look it up on my brain-extension, Wikipedia, so hold on a second...OK, I didn't know this: 13 is the smallest emirp (a prime which is also prime when reversed).

Oh wait, I now have a #14:

### **Analysis.**

The only way to improve is to analyse your failures. Every competitive athlete knows this. Every chess player knows this. Every coach knows this. What went wrong? What could you have done differently? How could you have communicated better? At what point should you have changed directions before things got as bad as they did. The key here is to never blame others. Remember: its your fault. But you have to be a student of your own life. Take responsibility and analyse.

Nine years ago, when I lost my house in the city, I felt like I was forced into a miserable exile. I moved about 70 miles north. It was

like moving to the Arctic Circle. The sound of the train across the river at three in the morning were like the gates of hell opening up to let all the demons out and into my head. The clash of metal against metal, river, motion, the death of night. I couldn't sleep. I couldn't breathe. The first time I travelled back home from Grand Central I was horribly depressed. I had never even been in Grand Central before. Everyone in fake suits pushing, rushing, panicking, hurrying. This was my life.

I'm typing these words. This is my life.

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**PS – Note on Suicide:** Suicide is no good and I'll tell you why. Its really hard. Believe me, I've looked it up in every way. A friend of mine with two kids tried to kill himself once.

He put a rifle in his mouth and fired. He blew out one eye and half the back of his head. He damaged his brain so he can't walk. He's totally disfigured now. And guess what? He married his nurse. He's actually happy! But if he had succeeded, imagine the regret and pain and despair he would've left all around him. Particularly, those two kids. My own family are probably the main thing that has stopped me at my worst moments.

Other ways to kill yourself don't work. Pills can leave you brain damaged. They make pills pretty good now. If you take 1000 of them they don't kill you, they just eat at your brain so its like you're a permanent stroke victim.

What else? Oh yes,

jumping out a window, you can just end up breaking every bone in your body and never walking again. Same for getting hit by a car. Only the lucky can kill themselves. And you're a failure. So don't think your luck is coming back so fast just so you can kill yourself.

What about death by hanging? Here's what can happen: you can break your neck and just sit there suffocating for 20 or 30 minutes.

That's a pretty slow painful death and if someone finds you then you're in big trouble, you might be brain damaged and you can't walk anymore. And your pants might be down if you were masturbating at the same time so that's pretty embarrassing.

Don't be one of those statistics.

Find more info at:

<https://www.cbinsights.com/blog/startup-failure-post-mortem/>

<http://www.jamesaltucher.com/2011/06/suicide-and-13-other-ways-to-deal-with-failure/>

**The End**