GRAVEYARD
CHECK

15	10	£0→£22B	90%
Case Studies	Survival Tips	Funding Range	Average Fail Rate

graveyardcheck.com

WHY THIS REPORT EXISTS

90% of startups fail. Most of them fail for the same reasons, over and over again. This report exists so you don't have to make the same mistakes. We've analysed 15 high-profile startup failures — companies that raised anywhere from a few million to over $22 billion — and extracted the core lessons so you can apply them before it's too late.

The patterns are consistent: premature scaling, ignoring unit economics, building for the wrong customer, failing to retain users after the novelty wears off. Read this once. Then read it again when you're about to make a big decision.

CAUSE OF DEATH	% OF FAILURES
No market need / wrong customer	42%
Ran out of cash / bad unit economics	29%
Outcompeted / wrong timing	19%
Legal / regulatory issues	6%
Founder / team issues	4%

THE CASE STUDIES

15 autopsies. 15 lessons. Each one a shortcut past an expensive mistake.

✉ QUIBI

Survival Score: 8/100

Founded: 2018	Died: 2020	Raised: $1.75B	Sector: Streaming / Media

CAUSE OF DEATH: WRONG TIMING & MARKET MISREAD

Quibi bet $1.75B on mobile-only short-form video — then launched during a global pandemic when everyone was at home on big screens. They ignored that users already had YouTube, TikTok and Instagram for free. Lesson: Validate your distribution assumption before raising a billion dollars.

✉ THERANOS

Survival Score: 2/100

Founded: 2003	Died: 2018	Raised: $945M	Sector: HealthTech

CAUSE OF DEATH: FRAUD & NO PRODUCT-MARKET FIT

Built on fabricated technology, Theranos raised nearly $1B promising blood tests from a single drop. The core product never worked. Lesson: No amount of fundraising or PR can substitute for a product that actually does what it claims.

✉ JUICERO

Survival Score: 5/100

Founded: 2013	Died: 2017	Raised: $120M	Sector: FoodTech / Hardware

CAUSE OF DEATH: SOLVING A NON-EXISTENT PROBLEM

A $400 wifi-connected juice press that turned out to be unnecessary — reporters showed you could squeeze the juice packs by hand. Lesson: Make sure your product solves a real problem people actually have, not a problem you invented.

✉ WEWORK

Survival Score: 12/100

Founded: 2010	Died: 2023 (bankruptcy)	Raised: $22B	Sector: PropTech / Co-working

CAUSE OF DEATH: UNSUSTAINABLE UNIT ECONOMICS

WeWork signed long-term leases and rented short-term — the math never worked. At peak, it lost $219,000 per member. Lesson: Growth at all costs without a path to profitability is a death sentence, regardless of how much you raise.

✉ VINE

Survival Score: 20/100

Founded: 2012	Died: 2016	Raised: Acquired by Twitter ($30M)	Sector: Social Media

CAUSE OF DEATH: FAILED TO MONETISE CREATORS

Vine invented the short-form video format but refused to pay its top creators. They left for YouTube and later Instagram. Lesson: Your creators ARE your product. If you don't pay them, your competitors will.

✉ GOOGLE GLASS

Survival Score: 18/100

Founded: 2012	Died: 2015 (consumer)	Raised: Internal (Google)	Sector: Wearables / AR

CAUSE OF DEATH: PRIVACY CONCERNS & SOCIAL STIGMA

People didn't want a camera on someone's face pointed at them. 'Glassholes' became a term. The tech worked but society wasn't ready, and Google didn't understand the social dynamics of wearable cameras. Lesson: Technical capability is not the same as social acceptability.

✉ YIK YAK

Survival Score: 10/100

Founded: 2013   Died: 2017   Raised: $73.5M   Sector: Social Media

CAUSE OF DEATH: TOXIC COMMUNITY & REGULATION

Anonymous location-based posting became a breeding ground for bullying and threats, leading to campus bans and legislative pressure. Lesson: Anonymity without moderation creates communities that destroy themselves.

✉ FAB.COM

Survival Score: 15/100

Founded: 2010   Died: 2015   Raised: $336M   Sector: E-commerce / Design

CAUSE OF DEATH: PREMATURE SCALING

Fab grew from $0 to $100M revenue in a year, then expanded too fast into Europe and manufacturing before solidifying its core. Burned through $336M. Lesson: Scaling before finding a repeatable, profitable model is the fastest way to run out of money.

✉ RDIO

Survival Score: 22/100

Founded: 2010   Died: 2015   Raised: $17.5M   Sector: Music Streaming

CAUSE OF DEATH: OUT-COMPETED BY BETTER-FUNDED RIVAL

Rdio had a better product than Spotify by many accounts, but Spotify had more funding and better label deals. Rdio couldn't compete on content or marketing spend. Lesson: Being the best product doesn't guarantee survival if a competitor can outspend you.

✉ MOVIEPASS

Survival Score: 3/100

Founded: 2011   Died: 2019   Raised: $68.7M   Sector: Entertainment / Subscription

CAUSE OF DEATH: BROKEN BUSINESS MODEL

MoviePass charged $9.95/month for unlimited cinema tickets that cost $15 each. They bet on data being worth more than the losses. It wasn't. Lesson: Never build a business where your core unit economics are fundamentally negative.

✉ HOMEJOY

Survival Score: 14/100

Founded: 2012   Died: 2015   Raised: $38M   Sector: HomeServices / Marketplace

CAUSE OF DEATH: LEGAL & WORKER CLASSIFICATION

Rapid growth via underpriced cleaning services, but faced lawsuits from workers seeking employee status. Couldn't survive the legal costs. Lesson: Your workforce classification model is a legal bet — make sure it's solid before scaling.

✉ SECRET

Survival Score: 9/100

Founded: 2013   Died: 2015   Raised: $35M   Sector: Social Media

CAUSE OF DEATH: PRODUCT WITHOUT PURPOSE

Anonymous secret-sharing app that went viral but had no long-term retention. After the novelty wore off, there was nothing to keep users. Lesson: Virality is not a business model. You need a reason for people to come back tomorrow.

✉ BEEPI

Survival Score: 11/100

Founded: 2013   Died: 2017   Raised: $149M   Sector: Automotive / Marketplace

CAUSE OF DEATH: OPERATIONAL COMPLEXITY UNDERESTIMATED

Peer-to-peer used car marketplace that took on too much operational risk — inspecting, insuring, and guaranteeing every vehicle. Costs spiralled out of control. Lesson: Marketplaces that promise quality guarantees must nail unit economics before scaling.

✉ MUNCHERY

Survival Score: 13/100

Founded: 2010   Died: 2019   Raised: $125M   Sector: Food Delivery

CAUSE OF DEATH: LOGISTICS & MARGIN PROBLEM

Premium meal delivery service that couldn't crack the fundamental challenge of food delivery: high costs, low margins, and intense competition from DoorDash and UberEats. Lesson: In logistics businesses, margins matter more than growth.

✉ SOLYNDRA

Survival Score: 16/100

Founded: 2005   Died: 2011   Raised: $1.03B (incl. govt loans)   Sector: CleanTech / Solar

CAUSE OF DEATH: MARKET SHIFT OUTPACED BUSINESS

Innovative cylindrical solar panels — but Chinese manufacturers collapsed the price of traditional panels while Solyndra was still building. The market changed faster than the company could adapt. Lesson: In hardware, always model what happens if your core component becomes 10x cheaper.

10 SURVIVAL STRATEGIES

Extracted from 500+ post-mortems. These are the patterns that separate survivors from the graveyard.

1. Validate before you build

Talk to 50 potential customers before writing a single line of code. Not friends. Not family. Strangers who would actually pay.

2. Nail unit economics early

Know your CAC, LTV, and payback period from day one. If the numbers don't work at small scale, they rarely improve at large scale.

3. Don't raise too much too soon

Overfunding kills more startups than underfunding. Money removes the urgency to find product-market fit and leads to premature scaling.

4. Understand your real competition

Your competition isn't always another startup. It's often the behaviour you're trying to change — doing nothing, using a spreadsheet, the existing habit.

5. Build a moat, not just a feature

If a big tech company can replicate your product in a sprint, you don't have a business — you have a feature. Build network effects, switching costs, or proprietary data.

6. Hire slow, fire fast

Most startup post-mortems mention hiring the wrong people too quickly. Every early hire shapes your culture. Be ruthless about fit.

7. Distribution is the product

The best product doesn't always win. The product with the best distribution does. Know your acquisition channel before you launch.

8. Don't confuse vanity metrics with traction

Downloads, signups, and page views feel good but mean nothing. Focus on retention, revenue, and referrals — the metrics that actually predict survival.

9. Stay close to your users

The moment founders stop talking to customers, the product starts drifting. Talk to a customer every single week, forever.

10. Know when to pivot vs. when to persist

Pivoting too early kills good ideas. Persisting too long kills companies. The signal to pivot: you've genuinely tested your core assumption and it failed repeatedly.

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NOW GO BUILD SOMETHING
THAT DOESN'T END UP HERE.

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Check any startup idea before you commit.