



# Facebook's blackout cost: about \$20,000 a minute, or the price of a few engineers

Gregory Ferenstein August 1, 2014 11:33 AM Business

facebook

**Sorry, something went wrong.**

We're working on getting this fixed as soon as we can.



Image Credit: Twitter user luca2d

---

Take the latest [VB Survey](#) to share how your company is implementing AI today.

---

Facebook [experienced](#) another global blackout earlier today, with some people experiencing access issues between 8 a.m. and 9 a.m. Pacific. While it's difficult to know how many could not access Facebook over the course of the blackout, it's still fascinating to calculate how much of an issue this is for the public company.

According to their most recent (Q2 2014) earnings report, "revenue from advertising was \$2.68 billion" [\[PDF\]](#). While a portion of its revenue comes from other sources, Facebook makes zero dollars from its largest revenue source when people can't click ads promising them rippling six-pack abs with one weird trick.

This is a simple calculation: \$2,680,000,000 divided by 3 months divided by 30 days, divided by 24 hours, divided by 60 minutes = roughly the ad revenue per minute, \$20,700.

Now, this a drop in the bucket for their wealthy executive team. But what does the loss in revenue mean for Facebook itself? According to salary database, Glassdoor.com, Facebook pays between \$85,000 to \$753,000 for an engineer, with the average of \$173,000.

So, if we assume an entire universe of users could not access the site for 10 minutes over the blackout period, that's roughly \$200,000, or about the cost of an engineer.

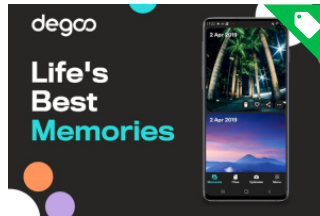
These are rough estimates: 8 a.m. on a Monday isn't Facebook's peak traffic hour. Nor does this factor in how many people just gave up checking Facebook for an extended period of time, the productivity loss at Facebook HQ itself, or a hit to the stock price.

But this is one of the fascinating downsides to an Internet company: all of its eggs are in one digital basket. Ford Motors doesn't suffer a blackout. There is no point in time when *no one* can order a Starbucks coffee during its business hours. But when Facebook doesn't work, the company starts burning money faster than most people will make it in their lifetimes.

Facebook is back up now, so feel free to share this article (*wink*).



**Boost your productivity with these 9 hot deals for... entrepreneurs**



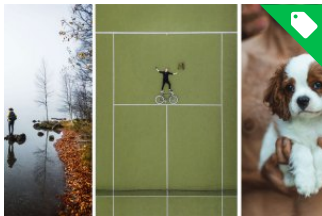
**You can score a lifetime of cloud backup for under \$50... right now**



**This Microsoft Excel training bundle is just \$34 right now**



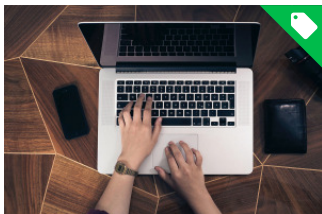
**Store 5TB of data in the cloud for life for just \$80**



**Score lifetime access to this stock image library for only... \$29**



**Learn how to build WordPress sites with this \$30 bundle**



**Get faster, more reliable web hosting with StartHost**



**Mourning the loss of Google Inbox? Try this affordable,... feature-rich alternative**



**9 deals you can save extra on for the 4th of July**

View all deals  
store



SPONSORED DEALS

## Score lifetime access to this stock image library for only \$29

VB Deals July 12, 2020 1:06 PM



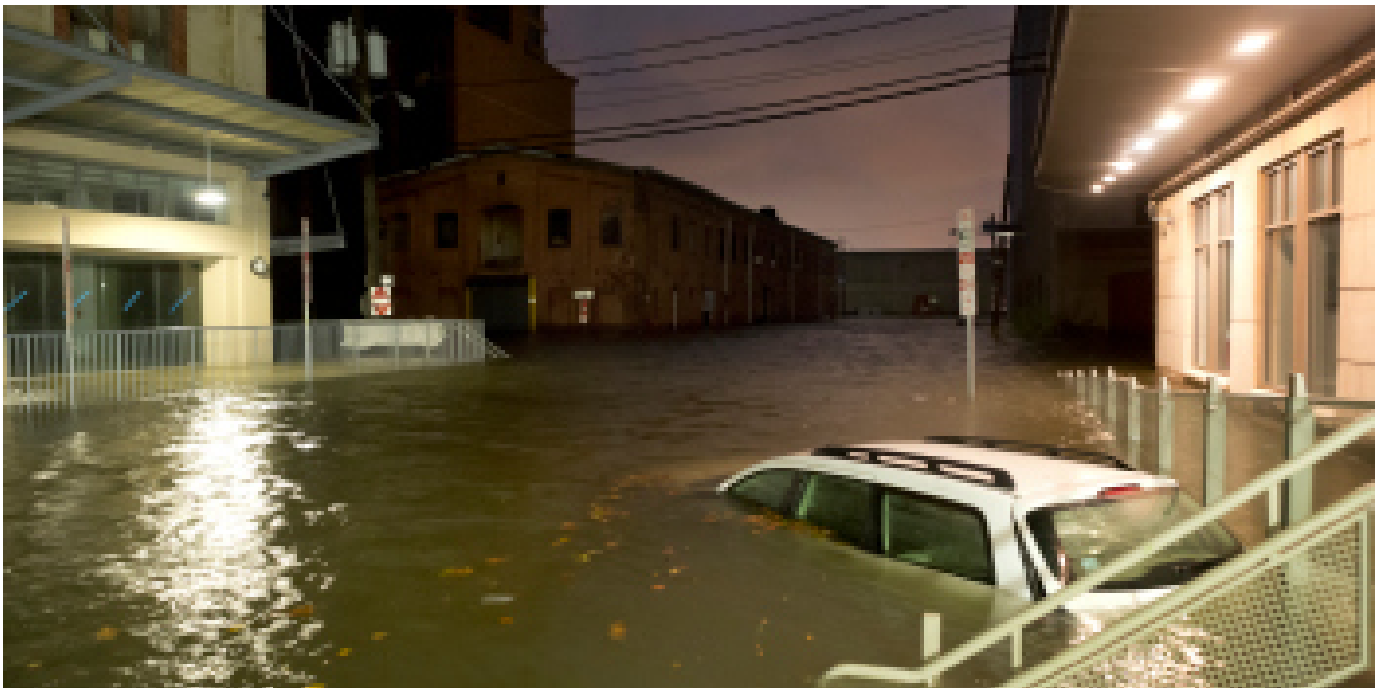
## Ubisoft unveils Far Cry 6 for February 18 launch

Dean Takahashi July 12, 2020 1:01 PM



## Ubisoft chooses not to address sexual misconduct issue during Forward event

Dean Takahashi    July 12, 2020 12:57 PM



GUEST

## Privately funded climate tech isn't enough to save us. Governments must step in.

Carol Hanko, Sun Public Relations    July 12, 2020 10:25 AM


---




About

Contact

Careers

 [Advertise](#)



 020 [VentureBeat](#). All rights reserved. [Privacy Policy](#) [Terms of Service](#)

