

# Running Signal Will Soon Cost \$50 Million a Year

Signal's president reveals the cost of running the privacy-preserving platform—not just to drum up donations, but to call out the for-profit surveillance business models it competes against.

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While Whittaker argues that Signal runs as lean an operation as possible, she also notes that many of its features cost more than they do for other communications platforms, due to the extra cost of [enabling those features in privacy-preserving ways](#). Signal implements encryption, for instance, not just for the content of calls and texts, but for users' contacts, and even for their user profile names and photos, as well as more obscure features, like users'

searches for animated GIFs. That means simple-looking elements of the app often require far more time-consuming and expensive engineering than would be necessary if they were offered without encryption.

Signal was originally founded with money from the US government-funded Open Technology Fund, but the service has since turned to donations to keep afloat. When the Signal Foundation was created in 2018 and WhatsApp cofounder Brian Acton left Facebook to become its president, he [donated \\$50 million](#). But with Signal's growing user base and staff, that donation wouldn't cover much more than a year's current budget for the company. Other major donors continue to cover the foundation's costs, Whittaker says—Twitter cofounder Jack Dorsey, for instance, has pledged \$1 million a year, and others Whittaker declines to name have given similarly large contributions.

But Signal hopes to increasingly rely on donations of as little as \$3 that can be made through the app itself. Monthly donations of \$5 or more are rewarded with a badge for the user's account.

Those small donations, Signal says, now account for 25 percent of its operating costs, up from 18 percent last year, the first full year after Signal enabled in-app contributions. But for Signal to continue to exist and grow without depending on a few wealthy individuals, Whittaker says small user donations will need to ramp up significantly.

With a nearly \$50 million annual budget, can Signal actually survive on those donations? “We have to,” says Whittaker. “Signal needs to find a way to survive in perpetuity because it is *the* tool that we have to ensure meaningfully private communications.”

Whittaker says that charging users has never been an option—Signal would never have grown its network to a degree that could compete with iMessage or WhatsApp if it hadn’t been free all along. Nor can Signal adopt a venture capital-funded business model that would leave the service vulnerable to investors or shareholders demanding a profitable exit. Exhibit one: Elon Musk’s acquisition of Twitter and his decisions that triggered an exodus of its users. “We’re

not going to get leaned on,” says Whittaker. “We’re going to stay myopically focused on our mission, without the kind of pressure to compromise that for-profit tech companies feel. And that pressure is heavy when you recognize the cost to do what we do.”

Given that privacy-focused mission, Whittaker argues that revealing Signal’s costs isn’t just about helping to raise money to keep protecting users’ communications, it also serves to call out the rest of the tech industry’s anti-privacy practices.

“The default for all this is surveillance. That’s the water we swim in. So how do we swim upstream? How do we move against this and build something that can perturb that default?” she asks. “I hope being honest about these costs leads people to ask better questions of other tech organizations, to better understand what’s actually happening and how we got into a situation where a handful of companies have such an outsize power globally based on their

perfecting this surveillance business model.”

*Updated at 11:45 am, November 20, 2023, to clarify that the Open Technology Fund is funded by the US government but is a separate entity.*