

# Dayslong Rackspace outage locks clients out of email

Article

**Locked out of email with no end in sight:** The outage began December 2 and the service remains unavailable at the time of writing.

Rackspace is blaming the issue on an undisclosed “security incident” but **customers are worried that they haven’t heard back on data loss, restore time, or access to email archives.**

- The incident leaves millions of subscribers unable to send or receive email using Microsoft Exchange hosted on Rackspace’s cloud.
- In response, the company shared a workaround for admins to get email up and running on **Microsoft 365** for email services—it is **suggesting customers move to a different service provider altogether.**
- Despite the workaround, archived emails will not be available until Rackspace returns its service, but the company has not indicated if this is even possible.
- **Rackspace customers attempting to contact the company are reportedly left on hold for hours** and then disconnected, per [Data Center Dynamics](#).
- Cybersecurity experts note that the hosted Exchange had several [known unpatched security issues](#).
- Rackspace laid off [10% of its workforce](#), or 700 employees, in July 2021 as a result of restructuring. The company was in talks to sell off part of its business in May 2022.
- Shares of Rackspace Technology fell after the security incident was disclosed Monday. **The company’s shares have lost two-thirds of their value over the past 12 months**, per [MarketWatch](#).

**The problem:** Rackspace created its business model to provide secure and resilient hosting services, especially attractive to smaller businesses with no dedicated IT departments.

- An outage of this magnitude, compounded by a security breach affecting users’ sensitive data, messaging, and calendaring on Exchange, could result in serious backlash.
- Putting the onus on customers to undertake a “self-migration” to maintain email and Exchange service during a weekend could be a dealbreaker for companies that don’t have the staff.

**Why this could backfire:** The increased dependence on hybrid cloud solutions and an overcrowding of services controlled by a handful of providers increases the risk of catastrophic failure at the infrastructure level.

- **The worst-case scenario for Rackspace is that it has lost users’ archived emails, which could mean the loss of billions of dollars of critical data.** This could result in class-action lawsuits against the host.

- Even if it manages to save email archives, it's unlikely that Rackspace will be able to entice users back into its service, especially after the poor customer response stemming from this outage.
- Continued outages of cloud services could drive businesses toward maintaining on-premises or hybrid solutions for better security and control over critical data.

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