

Boeing shares cloud 'mega-deal' among Big Tech

Article

The news: Aerospace giant **Boeing** struck a shared deal with the top three cloud providers—**Amazon, Microsoft, and Google**. The multi-year agreements are part of Boeing's digital transformation, which entails moving hundreds of applications to the cloud, [per](#) Bloomberg.

- Amazon had reportedly been vying to be Boeing's single cloud provider pick for a deal that would have amounted to **\$1 billion** over several years, according to Bloomberg.

- Boeing intends its cloud migration to address quality control issues, which have increased aircraft development costs.
- “These partnerships will strengthen our ability to test a system—or an aircraft—hundreds of times using digital twin technology before it is deployed,” Boeing **Chief Information Officer Susan Doniz** said in a LinkedIn post.

Cloud spending accelerates: Boeing’s deal is a sign of the digital times as enterprises go on cloud spending sprees.

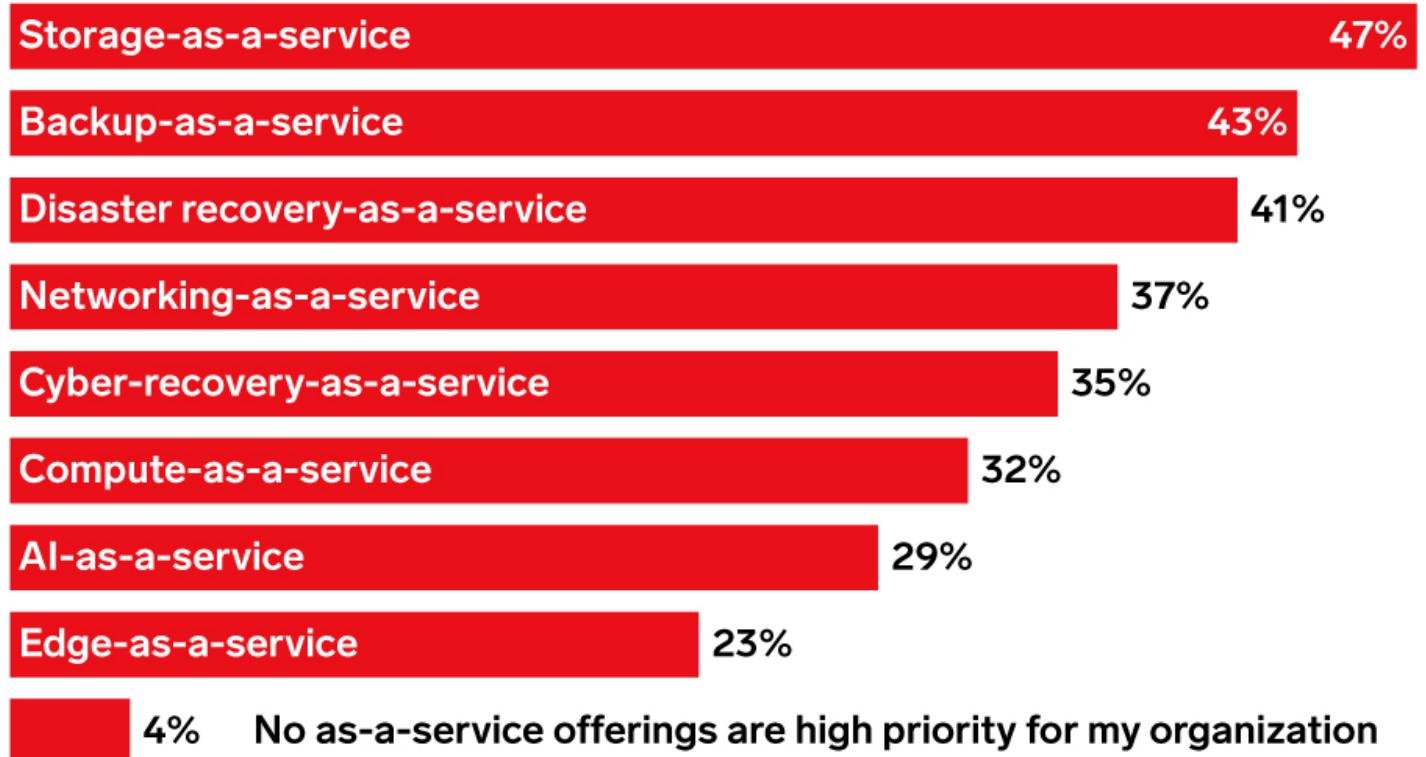
- Globally, businesses spent **\$21.1 billion** on cloud services in Q4 2021, up from **\$18.6 billion** the previous quarter, according to IDC data reported by ZDNet. Spending forecasts show **\$90 billion** being doled out on cloud infrastructure in 2022, for a **21.7%** YOY jump.
- Boeing’s deal follows news of the Pentagon in talks for its multi-cloud Joint Warfighter Cloud Capability project. Google, Amazon, Microsoft, and **Oracle** are in the running for **\$9 billion** in defense contracts.

The three-way race: Amazon Web Services (AWS), Microsoft Azure, and Google Cloud are employing various tactics to further their leads in the cloud. However, Amazon appears to favor an anti-competitive strategy that’s at odds with the more balanced direction the cloud market is heading.

- Boeing’s multi-cloud approach could help shield it from the full effect of cloud disruptions. It’s a way of bolstering digital resiliency adopted by other companies, like financial services firm **BBVA**, which relies on **Oracle Cloud** for marketing and Google Cloud for the rest.
- Google doubling down on multi-cloud integrations could help make its services more useful to companies like Boeing. It recently joined a Data Cloud Alliance, which helps promote data portability. Additionally, it launched BigLake, a data lake storage engine that provides one multi-cloud data access point.
- One potential pitfall for multi-cloud environments is increased cybersecurity vulnerabilities—a significant concern for Boeing. However, last month, Microsoft extended its **Defender for Cloud** security solution so that it now covers Google, AWS, and Azure cloud workloads.

Data Cloud Services Prioritized by Organizations According to IT Decision-Makers Worldwide, April 2021

% of respondents



Source: Dell, "2021 Global Data Protection Index," Sep 9, 2021

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