

Google, Microsoft, Amazon, Oracle named final four in DOD's Joint Warfighter Cloud Capability project

Article

The news: The Department of Defense has released a notice stating that it would solicit bids from **Google Cloud** and **Oracle** in addition to **JEDI** finalists **Microsoft Azure** and **Amazon Web Services (AWS)**, which is in line with a distributed multi-vendor approach, per Protocol.

How we got here: While Google stayed out of the JEDI bid—mostly because of employee fallout on the ethical use of its technology in military operations—the search giant made a case that Microsoft’s dominance in government office software made it harder for competing companies to land contracts.

An Omdia report commissioned by Google revealed that Microsoft has an overwhelming “share of **up to 85% in the US government office productivity software market.**” This led to a culture of familiarity where Microsoft became the government’s preferred provider due to existing contracts.

- The Pentagon anceled the \$10 billion **Joint Enterprise Defense Infrastructure (JEDI)** plan in July, two years after awarding the hotly contested contract to **Microsoft**.
- The Pentagon still needs an enterprise-scale cloud defense contract and announced its new multi-vendor contract will be known as **Joint Warfighter Cloud Capability (JWCC)**.
- Early this month, Google was reportedly “aggressively” working to get the Pentagon’s attention in a bid to be considered for JWCC, which seems to have worked, given its inclusion in the announcement.

The bigger picture: A multi-cloud, multi-vendor approach to a large defense project ensures that various stakeholders are kept in check, with no one company pulling all the strings, and guarantees competition over price and the extent of each provider’s involvement.

- Of all the competitors, AWS and Microsoft “appear to be capable of meeting all of the DOD’s requirements at this time, including providing cloud services at all levels of national security classification,” the DOD said in July.
- A multi-cloud contract is still attractive to companies like Google and Oracle, which can compete for different portions of the pie.

What’s next? The final four companies can now submit proposals and enter the next phase of negotiations with the Pentagon, a process that might take significantly longer to play out.

- Expect each of the cloud giants to provide attractive multi-year proposals as well as various incentives to attain strategic advantage and possibly secure future government contracts.

What's the catch? Managing multiple vendors with similar agendas will be a challenge and could hinder short-term progress, further delaying the military's cloud modernization process.

Why this could succeed: If managed successfully, however, collaboration between the country's largest cloud providers and their technologies could yield a more resilient defense infrastructure solution.

Cloud Providers Used by US Hybrid and Public Cloud Decision-Makers, Aug 2020

% of respondents

Microsoft Azure	62%
Amazon Web Services	61%
Google Cloud	58%

Source: SPR, "2020 Cloud Report," Nov 9, 2020

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