

U.S. Army Enlists IBM for \$62 Million Cloud Deal

IBM Cloud solution, services to improve Army's IT flexibility, efficiency and performance

ARMONK, N.Y., Jan. 18, 2017 /PRNewswire/ -- IBM (NYSE: [IBM](#)) today announced that the U.S. Army has signed a five-year, multi-million dollar contract with IBM to build, manage and operate a cloud solution for greater IT flexibility, efficiency and performance.

Designed for the Army's Redstone Arsenal, near Huntsville, Ala., the solution is part of the Army Private Cloud Enterprise (APCE) program, a one-year task order with four additional one-year options under the Army Private Cloud 2 (APC2) contract.* If the Army exercises all options, the contract would be worth approximately \$62 million over the five years.

In addition to building the infrastructure, IBM will provide the Army with Infrastructure-as-a-Service (IaaS) services, enabling it to provision computing power on an as-needed basis for the most efficient and cost-effective IT. The Army also will begin migrating applications to the private cloud, moving up to 35 applications to the private cloud in the first year.

"With this project, we're beginning to bring the IT infrastructure of the U.S. Army into the 21st century," said Lt. Gen. Robert Ferrell, U.S. Army CIO. "Cloud computing is a game-changing architecture that provides improved performance with high efficiency, all in a secure environment."

This project required Defense Information Systems Agency (DISA) Impact Level 5 (IL-5) Provisional Authorization. Information impact levels consider the potential impact of information being compromised. IL-5 gives the cloud provider the authority to manage controlled, unclassified information.

IBM is the only company to be authorized by DISA at IL-5 to run Infrastructure-as-a-Service solutions on government premises. IBM [announced the accreditation](#) in February which included a condition limiting the initial number of tenants in the cloud; that condition was removed in September.

The distinction renders IBM an ideal partner for the Army as it undertakes this on-premise private cloud initiative. The Army expects IBM to achieve DISA IL-6 – the agency's highest level – within one year, which would certify IBM to work with classified information up to "secret."

"Clients today are increasingly looking at the cloud as a pathway to innovation," said Sam Gordy, general manager, IBM U.S. Federal. "This IBM Cloud solution will provide the Army with greater flexibility and will go a long way toward mitigating, and, in some cases eliminating, the security challenges inherent with multiple ingress and egress points."

Today's news builds on IBM's strong relationship with the Army, which last year [adopted an IBM hybrid cloud solution](#) for its Logistics Support Activity. Through the solution, the Army connected its on-premises environment to the IBM Cloud for greater performance, scalability and security.

*APC2 is an indefinite delivery/indefinite quantity (IDIQ) contract that the Army awarded Dec. 28, 2011, to seven companies. On Sept. 21, the Army extended the IDIQ – which expired Dec. 31, 2016 – to Dec. 31, 2021.

About IBM

For more about IBM Cloud, visit www.ibm.com/cloud-computing.

About the U.S. Army

For more about the U.S. Army, visit www.army.mil.

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