

Army Re-Ups with IBM for \$135 Million in Cloud Services

Army's Logistics Support Activity signs on with IBM for Watson IoT, predictive analytics and cognitive computing for better visibility into equipment readiness

ARMONK, NY - 06 Sep 2017: IBM (NYSE:[IBM](#)) announced today that the U.S. Army's Logistics Support Activity (LOGSA) awarded IBM a contract to continue providing cloud services, software development and cognitive computing, constituting the technical infrastructure for one of the U.S. federal government's biggest logistics systems.

The 33-month, \$135 million contract represents a successful re-compete of work that LOGSA signed with IBM in September 2012. Under that managed services agreement, the Army pays only for cloud services that it actually consumes. The efficiencies created by this arrangement have enabled the Army to avoid about \$15 million per year in operational costs – a significant yield for the Army and taxpayers.

In addition to continuing to provide managed services as part of this new contract, IBM also will help the Army focus on:

- **improving cybersecurity** by applying the risk management framework (RMF) security controls to LOGSA's IT enterprise. RMF is the unified information security framework for the entire U.S. federal government; it replaces legacy IT security standards;
- **incorporating cognitive computing** that enhances readiness by anticipating needs, and
- **speeding application modernization.**

As part of this new contract, IBM also will help the Army predict vehicle maintenance failures from more than 5 billion data points of on-board sensors that will be stored within this environment. In addition, the Army is adopting Watson IoT services and a new Watson IoT Equipment Advisor solution that analyzes unstructured, structured and sensor data directly from military assets.

The solution, part of the IBM Watson IoT for Manufacturing and Industrial Products product suite, includes IBM Predictive Maintenance and Quality System, an integrated solution that monitors, analyzes, and reports on information gathered from devices and equipment and recommends maintenance procedures. It also includes Watson Explorer, a cognitive exploration and content analysis platform that enables users to securely capture and analyze both structured and unstructured data. With the platform, the Army will look to extract enhanced insights from its vehicle data and recommend optimal repair methods and procedures. By combining tactical vehicle sensor and maintenance data, the Army better understands the health of its vehicles and can take proactive repair measures.

IBM recently completed a [proof of concept](#) that demonstrated the effectiveness of Watson cognitive computing for 10 percent of the Army's Stryker vehicle fleet. Under this new contract, LOGSA will increase its ability to provide that predictive and prescriptive maintenance information to the Army.

LOGSA provides on-time integrated logistics support of worldwide Army operations, impacting every soldier,

every day. As the Army's authoritative source for logistics data, LOGSA provides logistics intelligence, life cycle support, technical advice, and assistance to the current and future force; integrates logistics information (force structure, readiness, and other logistics data) for worldwide equipment readiness and distribution analysis; and provides asset visibility for timely and proactive decision-making.

"LOGSA and the Army can now take advantage of the technological innovation that cloud offers – especially cognitive computing and analytics – so that the Army can continue to reap cost savings, further streamline its operations and deliver services to its clients," said Lisa Mascolo, managing director, U.S. Public Service, IBM's Global Business Services. "We're pleased to continue our work with the Army to demonstrate the viability of cloud for mission applications and the promised benefits of efficiency and taxpayer savings."

"Over the past four and a half years, LOGSA has benefitted from the business and technical advantages of the cloud," said LOGSA Commander Col. John D. Kuenzli. "Now, we're moving beyond infrastructure as-a-service and embracing both platform and software as-a service, adopting commercial cloud capabilities to further enhance Army readiness."

"When Gen. Perna took command of the Army Materiel Command, he said we cannot conduct tomorrow's operations using yesterday's processes and procedures," Kuenzli added. "He has since emphasized understanding the leading indicators to readiness, and getting in front of the Army's logistics challenges. The services we have received from IBM and the potential of IBM Watson IoT truly enable LOGSA to deliver cutting-edge business intelligence and tools to give the Army unprecedented logistics support at efficient and affordable means."

In addition to private cloud deployments, IBM manages five dedicated federal cloud data centers, including a cloud environment accredited up to impact* level 5 (IL-5). These were built to meet Federal Risk and Authorization Management Program ([FedRAMP](#)) and Federal Information Security Management Act ([FISMA](#)) requirements for government workloads.

*The Defense Information System Agency's (DISA's) information impact levels consider the potential impact of information being compromised. IL-5 gives the cloud provider the authority to manage controlled, unclassified information. For IBM's work with the [Army's private cloud](#) at Redstone Arsenal in Huntsville, Ala., the Army expects the company to achieve DISA's IL-6 – the agency's highest level – by early 2018, which would certify IBM to work with classified information up to "secret." Presently, IBM is the only company authorized at IL-5 to run IaaS solutions on government premises.

About IBM Cloud

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

More about LOGSA

LOGSA is the U.S. Army's leader for achieving the service's top priority – readiness – and is home to the Logistics Information Warehouse (LIW), the Army's official storehouse for collecting, storing, organizing and delivering logistics data. It provides critical logistics information capabilities through analytics tools and business intelligence solutions to acquire, manage, equip and sustain the Army's materiel needs. LIW provides

services to more than 65,000 users and 150 direct trading partners worldwide.

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