

# Amazon appeals \$10B Pentagon contract won by Microsoft

November 15 2019

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This combination of file photos shows the logos for Amazon, top, and Microsoft. . Amazon is protesting the Pentagon's decision to award a huge cloud-computing contract to Microsoft, citing "unmistakable bias" in the decision. Amazon's competitive bid for the "war cloud" drew criticism from President Donald Trump and its business rivals. (AP Photo/Richard Drew and Ted S. Warren, File)

Amazon is protesting the Pentagon's decision to award a \$10 billion cloud-computing contract to Microsoft, citing "unmistakable bias" in the process.

Amazon's competitive bid for the "war cloud" project drew criticism from President Donald Trump and its business rivals. The project, formally called the Joint Enterprise Defense Infrastructure, or JEDI, pitted leading tech titans Microsoft, Amazon, Oracle and IBM against one another

In a statement Thursday, Amazon said that "numerous aspects" of the [bidding process](#) involved "clear deficiencies, errors, and unmistakable bias." It did not elaborate.

Amazon added that "it's important that these matters be examined and rectified."

Microsoft did not immediately respond to a request for comment. A Defense Department spokeswoman would only say that the Pentagon won't speculate on potential litigation.

JEDI will store and process vast amounts of classified data, allowing the U.S. military to use [artificial intelligence](#) to speed up its war planning

and fighting capabilities.

Amazon was long thought to be the front-runner in the competition for the huge military contract. Its Amazon Web Services division is far ahead of second-place Microsoft in cloud computing, and Amazon has experience handling highly classified [government](#) data.



This March 27, 2008, aerial file photo, shows the Pentagon in Washington. Amazon is protesting the Pentagon's decision to award a huge cloud-computing contract to Microsoft, citing "unmistakable bias" in the decision. Amazon's competitive bid for the "war cloud" drew criticism from President Donald Trump and its business rivals. ((AP Photo/Charles Dharapak, File)

It survived earlier [legal challenges](#) after the Defense Department eliminated rival bidders Oracle and IBM and whittled the competition



down to the two Seattle area tech giants before choosing Microsoft in late October.

The Pentagon was preparing to make its final decision when Trump publicly waded into the fray in July, saying he had heard complaints about the process and that the administration would "take a very long look." He said other companies told him that the contract "wasn't competitively bid." Oracle, in particular, had unsuccessfully argued that Pentagon officials unfairly favored Amazon for the winner-take-all contract.

Experts had generally expected Amazon to appeal the award, saying it had little to lose. Steven Schooner, a professor of government procurement law at George Washington University, said Trump's comments were "inappropriate and improvident," but said it would be a challenge for Amazon to prove the White House applied undue pressure in a way that made a difference.

Amazon said it filed its protest in the U.S. Court of Federal Claims, which deals with financial claims against the federal government.

It's not uncommon for losing bidders to file a protest, either with the U.S. Government Accountability Office or in court. Unlike a review by the GAO, Amazon's court filing will enable it to seek documents from the government as evidence for its case.

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