

Vicken Khachadourian

The following is a list of failed Oracle projects in the past 10 years, with damages going into billions of dollars. Many of them resulted in total losses.

Don't let your project end up like them.

Failures where Oracle's own consulting team was the implementer:

- President Obama's Cash-For-Clunkers in 2009 had Oracle create a web site called cars.gov. It was an Oracle cloud project. In the 6 weeks it was supposed to be operational, it suffered 80 hours of outage. 80 hours of outage means at least 400 hours-worth of head-banging-against-the-wall trouble shooting by all involved.
- The State of Oregon lost \$300 million on their Cover Oregon healthcare website. The implementer was Oracle. Oracle blamed the state IT staff. They all lost their jobs.
- Montclair College in New Jersey spent \$20 million on an Oracle implementation for a comprehensive solution for their academic activities. After many missed deadlines and budget over-runs, it was a total loss. They sued Oracle.

Failures where Computer Sciences Corp (then named DXC and then, named Perspecta) was the implementer:

- The US Air Force lost \$1 billion on an Oracle based project led by Computer Sciences Corp. The project is called ECSS (Expeditionary Combat Support System). Presidential candidate and Senator John McCain personally complained about it and wanted to find out what happened. There were hearings about it in the United States Senate.
- TAFE NSW is a vocational education and training provider with 400,000 students in Australia, founded in 1833. They hired Red Rock, the Perspecta subsidiary in Australia for their Oracle based project. After spending \$90 million it got terminated in October 2019.

In October 2018, in the middle of the failing project, Oracle awarded Red Rock an Excellence Award as Partner of the Year.

Failures where Deloitte was the implementer:

- The State of California Court Case Management System (CCMS) lost \$500 million on their Oracle based system. The projected budget became \$2 billion before The Judicial Council cancelled it. The implementer was Deloitte. In the following years, Oracle gave Deloitte Excellence Awards.

In 2006, Vicken was ordered in writing by his Oracle superiors to comply with an indefinite gag order in relation to his warnings about Oracle's trace files. On the same day Oracle's marketing department announced the following to the entire company:

"Oracle Technology Ensures Availability and Security of California's Huge Court

Vicken Khachadourian

System”

In March 2011 when Vicken was preparing to save Southwest Traders from going under, a recruiter named Ben Crosby contacted him, and told him about the California Court Case Management System failure by both Deloitte and Oracle. He said that 300 users/testers were sitting idle in Costa Mesa, CA, because the RAC system was not stable enough to make progress on the project.

- The State of California Unemployment System spent about \$153 million to upgrade their Oracle based system, and in 2013 the State admitted that about 50,000 claimants were affected by the failures in the system. The implementer was Deloitte. The California State Assembly held a hearing on the failure.

Failures where Accenture was the implementer:

- The State of California had another project called FI\$CAL with a budget of several hundred million, led by Accenture, which suffered delays and budget over-runs.

Failures where IBM was the implementer:

- The government of Canada had a payroll project called Phoenix. It was based on Oracle’s Database Engine and Peoplesoft. After spending CAN\$1 billion, they decided to scrap it. According to Bloomberg News there were 384,000 cases linked to the program and about 260,000 Canadian government employees were under the fear of not getting paid what they deserved.
- In 2018, the Auditor General of New Zealand released a report about a \$100 million project called National Oracle Solution for healthcare related needs in New Zealand. The New Zealand Health Minister David Clark put a stop to the project.

Failures where TCS was the implementer:

- The TMX Group operates the Toronto, Montreal and several other important stock exchanges in Canada. They selected TCS (Tata Consultancy Services) to implement their trading and other IT operations in relation to the exchanges. A job ad for an application developer for TMX states that Oracle is used for live, real time trading at the exchange. On Friday April 27, 2018, a central storage appliance (we call it a database) for the implementation went down, the redundant failover systems also failed to engage. The Toronto Stock Exchange closed early for trading about 2 hours before the closing bell for that day. They blamed hardware failure for it.

Vicken Khachadourian

Failures where other companies were implementers:

- President's Obama's healthcare.gov website was based on an Oracle database. The implementers, including CGI, relied on Oracle's diagnostics to build the system. The government IT culture got blamed. The Secretary of HHS lost her job. Total cost for the project was about \$1 billion.
- According to Oracle's own marketing material the Department of Treasury – Internal Revenue Service (IRS) systems called Modernized and efile are based on Oracle technology. On April 17, 2018, which was the tax filing and paying deadline day for The United States 2017 tax year, the system went down for about 10 hours. They blamed hardware failure for it. The IRS gave all tax payers a 24 hour extension.
- In 2005, between Feb 28 – Mar 16, the Oracle database that Intuit used to process all Turbo-Tax data, suffered 21 hours of outage in 3 episodes. The case came to Vicken. He solved the problem in his first 90-minute phone call with the Turbo-Tax DBA. They never froze again. They coasted through the April 15 tax deadline without a glitch. Vicken solved the problem without looking at a single trace file. He just listened to the customer's story, and he proved once again to Oracle's managers that Oracle's trace files were misleading all engineers across the globe. Oracle's Founder and CTO, Larry Ellison finally endorsed Vicken's choice in 2017.

The presentations by Clay Magyourk, the head of Oracle Cloud Infrastructure, completely endorse Vicken's approach to observing and managing Oracle databases. Oracle knew Vicken was right from 1996 forward, but delayed the correct moves. We are not confident they will succeed.

- According to Oracle's own marketing material, the British Airways IT system runs on Oracle and is "Unbreakable". In the last weekend of May 2017, the British Airways computer system went down. 70,000 people had their 700 flights cancelled or delayed, and the airline lost \$100 million in 2 days. The CEO of British Airways blamed a single CBRE employee of pulling the power plug of the data center as the cause for the outage. Anybody who believes that explanation, should not employ Vicken. Several months later, according to Stocknewstimes.com, the British Airways Pension Investment Fund sold 70% of their Oracle position.

Within a week or so after Vicken saved the article mentioned above, it vanished from Stocknewstimes.com and the internet.

- The State of Hawaii also had an Oracle based healthcare system. It got scrapped.
- In another public report, the Inspector General of United States Department of Defense stated that they lost \$8 billion on IT projects over 12 years, many of which were based on Oracle. The report blamed government's own IT culture. Oracle walked away blameless.
- Between July 2014 and July 2015, the US Department of State had 2 Oracle Database outages. In both cases, all US embassies across the globe could not issue any visas. In 2014, the system was down globally for 3 days, after then it was on half capacity for 2 weeks. In July 2015 the system was down for 2 weeks or so.

Vicken Khachadourian

- 34 Washington State Community Colleges spent \$100 million on an Oracle solution. They managed to deploy the system to only 2 colleges, because the system was ridden with bugs and failures. The implementer was Ciber of Colorado.
- The Victorian Department of Education and Training in Australia had a \$240 million project called Ultraneet, which failed after a 7-year effort, resulting in a total loss. Their Independent Board-based-Anti-Corruption Commission (IBAC) concluded that it was an "Appalling waste of tax payers' money" and specifically named Oracle's practices in their report.
- The Lockheed Martin F-35 Fighter has had well publicized software failures, which run on Oracle Database Technology called ALIS (Autonomic Logistics Information System). The investigative branch of the U.S. Congress, the Government Accountability Office recommended that the entire fleet be grounded. Senator John McCain called the project a "Scandal and a Tragedy". The Pentagon thinks the problems will be solved. All sides agree that the software project is years behind schedule and way over budget.

In January 2020, the ALIS system was labeled as a total failure, and they started to replace it with a system called ODIN, Operational Data Integrated Network.

In early March 2021, Representative Adam Smith of the United States Congress and The Chairman of The House Armed Services Committee complained that the F-35 Fighter program should be stopped as a total loss, after costing \$1.7 trillion already, so that the disaster will not get worse.

- U.S. Customs and Border Protection's (CBP) officers rely on information technology systems to screen arriving international passengers and prevent terrorists and known criminals from entering the country. On August 16, 2019, a CBP system outage disrupted processing of incoming international travelers at airports, nationwide for as long as 2.5 hours, similar to a January 2, 2017 outage previously reported. That means the after the 2017 outage, remedial measures were taken, relying on Oracle's diagnostics, but they were all misled.

The Office of Inspector General blamed the CBP IT staff for the failure, and absolved Oracle. My evidence shows the opposite to be true.

- In the Fall of 2016, Rutgers University's Financial system failed to pay vendors for several months after Cornerstone's Oracle Cloud implementation. The failure was so severe that more than 12,000 invoices were in limbo. Many vendors did not get paid for more than several months. Many vital services to the university were cut because of non-payment.
- London's Ambulance Service (LAS) prides itself with a fault tolerant and highly available database system, using Oracle's Dataguard. On January 1, 2017, between 12:30 am and 5:15 am, local time, the London Ambulance Service suffered a computer outage. Staff members were forced to process emergency requests by hand. One person died because the ambulance couldn't arrive on time. The LAS Chief Executive Dr. Fiona Moore retired within a few days after the failure. The implementer in this case is Northrop Grumman, and the highly available system's name is: CommandPoint.

The CommandPoint system had failed earlier in 2015, forcing the London Ambulance

Vicken Khachadourian

Service to report to pen and paper to respond to emergencies. This means that the remedial actions taken after 2015 were also misled by Oracle's faulty diagnostics.

- Aramark, Mason Companies Inc. and Southwest Traders of Temecula, CA all had failed Oracle implementations by DAZ Systems Integrators (DAZSI) of El Segundo, CA. The disputes resulted in either settlement or civil lawsuits. Oracle granted DAZ a prestigious Excellence Award in September 2016.
- In early 2015, Judge Courtland Geyer of Oregon ordered Oracle to continue hosting Oregon's Medicaid System for another year, because Oracle threatened to deny access to the system due to a dispute. A year later the State of Oregon Medicaid IT team had a champagne celebration, after they completed their migration away from Oracle. Remember that before you lock yourself in with Oracle Cloud.
- The U.S. Department of the Treasury has had a program called Electronic Fraud Detection System (EFDS). As early as 2006, Oracle failures on this system were reported, and according to Fox News, the program will not be in production until 2022. The cost so far is \$331 million.
- In October 2012, Lending Club of San Francisco selected Oracle ERP Cloud Service for their decision-making, workflow and many of their operations. In June 2016, they suffered a 4-hour outage. As it is done on many occasions, they declined to comment on what caused the outage.
- Worth & Company of Pennsylvania spent \$4.5 million on their Oracle implementation. In their lawsuit they claimed that they got nothing for it. The suit settled out of court.
- A bank in Australia called Suncorp has had multiple years of delays and budget overruns with their Oracle implementation. According to ITNews of Australia, the cost of the project has been \$300 million. It was supposed to be up and running in 2016. In 2019 it is still not production. In 2020, Suncorp walked away from the full rollout and took a \$90 million hit in its financials.
- An Australian company called Sadleirs sued Oracle in 2019 claiming the software is so crash prone that they could not run their business as needed.
- Nature's Sunshine sells dietary supplements and meal replacement shakes. Their annual revenue is around \$360 million. In 2017 their Oracle upgrade was so bungled that they missed their Wall Street related earnings targets. Their CEO said that they were having difficulty retaining sales reps. Their system was not stable for a long time. It took them more than a year to recover.
- Westports primarily manages operations dealing with container and conventional cargo in Malaysia. In June 2020 they announced that they are suing Oracle and Bank of America for about \$7 million for their failed Oracle ERP project, which according to Reuters got scrapped in December 2019
- In May 2018 Cerner Corp was awarded a \$10 billion contract to modernize the United States Veterans Administration Electronic Health Records Management EHRM system. It is built on Oracle Database Technology, relying on Oracle's out-of-context assumptions. The Inspector General's report released in May 2021 - #20—3178-116 says that the project is \$1 billion to \$2.6 billion under budget. The report also mentions the delays the project is suffering.