



News Release

Teradata Expands Sovereign AI Across On-Premises and Air-Gapped Cloud Environments

2026-10-20

New Teradata Factory and Teradata Sovereign Cloud on Google Distributed Cloud capabilities give enterprises greater control over where their most sensitive data and AI operate

SAN DIEGO, Oct. 20, 2026 /PRNewswire/ -- **Teradata** (NYSE: TDC) today announced a portfolio of deployment and platform capabilities designed to give governments and enterprises greater control over the data, AI, and technology that power their most critical operations. This includes expanded capabilities for Teradata Factory with AI Studio and the availability of Teradata Sovereign Cloud on Google Distributed Cloud air-gapped environment.

What's New

Teradata's portfolio spans two complementary deployment models designed to address different sovereignty requirements.

The expanded capabilities for Teradata Factory with AI Studio bring a unified AI environment to operate on data, vectors, models, and agents directly into customer-controlled on-premises infrastructure. These capabilities include:

- **Tera**, the agentic coworker for enterprise data work, including Tera Harness and Tera Context Engine
- AgentStack, the complete AI agent development capabilities to build, manage, observe and operate agents through natural language, pro-code, low-code, and Model Context Protocol (MCP) interfaces
- Model services, which provide machine learning operations and AI model management with pre-integrated model and bring-your-own-model support
- Data pipelines for ingesting multimodal unstructured data, vector embeddings, vector storage and hybrid search for RAG
- Analytics, native notebooks backed by in-database analytics and Teradata's Elastic Python Compute, built on Ray and Arrow, bring AI to where data lives

Teradata Sovereign Cloud on Google Distributed Cloud air-gapped brings Teradata's high-performance enterprise-scale analytics into fully isolated environments. Key benefits of running Teradata Sovereign Cloud on Google Distributed Cloud air-gapped include:

- Full isolation: Deploy Teradata in an air-gapped environment with no external connectivity— keeping classified and regulated data fully contained
- Security and compliance: Meet stringent regulatory requirements while maintaining complete audit trails and governance
- High-performance analytics and AI at scale: Run complex queries across billions of rows and petabytes of data with predictable performance

Why it Matters

Research points to growing urgency. According to a **2026 BARC global study** of 320 business and IT decision-makers, 62 percent of organizations cite data and AI in core business processes as a key driver of sovereignty requirements. A separate **IBM study** found that 91 percent of executives say they do not fully understand their organization's dependencies across AI vendors, models and infrastructure. And **Gartner predicts** that by 2030, more than 75 percent of enterprises outside the United States will have a digital sovereignty strategy, supported by a sovereign cloud strategy.

As AI moves into mission-critical operations, sovereignty is no longer only about where data resides. Organizations must also consider where AI runs, which models are used, how enterprise information is accessed, who operates the environment, and which external technologies their AI depends on.

This is particularly relevant for governments, defense organizations, regulated industries and critical infrastructure, where data residency, privacy, jurisdiction, operational continuity or national-security requirements can limit the use of traditional public-cloud AI services.

Teradata frames sovereignty across three dimensions: data sovereignty (where data lives and who can access it), operational sovereignty (who controls the environment and whether it can operate independently), and digital sovereignty (which technologies and AI models the organization depends on). An organization can satisfy data residency requirements and still lack full sovereignty if AI processing occurs externally, external administrators can access the environment, or operations stop when public connectivity is unavailable.

Teradata's sovereign portfolio is designed to address these requirements, bringing enterprise analytics and AI inside the boundaries that organizations control.

The Deployment Portfolio

Teradata Factory and Teradata Sovereign Cloud on Google Distributed Cloud air-gapped address different sovereignty requirements.

Teradata Factory is an integrated hardware and software rack that brings a private enterprise data and AI environment into customer-controlled on-premises infrastructure. It is designed for organizations that require direct physical control over their infrastructure and AI execution.

Teradata Sovereign Cloud on Google Distributed Cloud air-gapped provides a cloud operating model inside a sovereign boundary. The environment has no connection to the public internet and is operated by the customer. It is designed for organizations that need the operational model of cloud within a fully isolated, sovereign environment. Teradata provides the enterprise analytics layer within the air-gapped boundary, enabling organizations to support use cases such as operational reporting, mission analysis, intelligence fusion, training and simulation analytics, and defense logistics and sustainment inside the sovereign boundary.

Together, Teradata Factory and Teradata Sovereign Cloud on Google Distributed Cloud air-gapped support a hybrid approach to sovereign deployment, giving organizations the flexibility to run enterprise analytics and AI inside whichever boundary their requirements demand.

Executive Perspectives

"As AI becomes embedded in mission-critical decisions, organizations can no longer treat sovereignty as a data-location requirement. They need control over where AI runs, which models are used, who can operate the environment, and whether critical workloads can continue if external connectivity disappears. And increasingly, sovereignty is not a single location. It is an architecture that spans public cloud, sovereign cloud, and on-premises infrastructure. Teradata is uniquely built for that reality. We can run in all of those environments, connect them through Teradata Fabric without requiring data to move, and give organizations the freedom to choose the AI models and infrastructure that work for them."

— Sumeet Arora, Chief Product Officer, Teradata

"Google Distributed Cloud is purpose-built, air-gapped infrastructure that delivers complete technical, operational and software sovereignty. By combining Google Distributed Cloud's sovereign infrastructure with Teradata's AI and knowledge capabilities, we are giving enterprise customers in regulated industries the ability to innovate without sacrificing control over their data."

— Muninder Singh Sambi, VP of Product Management, Google Distributed Cloud

Availability

The expanded Teradata sovereign capabilities for Teradata Factory with AI Studio will be available in Q1 2027. Teradata Sovereign Cloud on Google Distributed Cloud air-gapped is available in Private Preview.

About Teradata

Teradata empowers enterprises to turn intelligence into autonomous action, grounding AI agents in deep business context and trusted data. As AI agents multiply, Teradata is the context foundation, governance layer, and performance backbone that companies need now. The Teradata Autonomous Knowledge Platform puts AI into production across cloud, on-premises, and hybrid environments.

Teradata Forward-Looking Statements

This press release contains "forward-looking statements" about the expectations, beliefs, plans, and intentions relating to Teradata's sovereign portfolio. Such statements include statements regarding future product availability, capabilities, and offerings, and expected benefits to Teradata customers. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, Teradata's results could differ materially from the results expressed or implied by the forward-looking statements made. Teradata undertakes no obligation, and does not intend to update the forward-looking statements. Factors that may cause actual results to differ materially from those in any forward-looking statements include: (i) delays and unexpected difficulties and expenses in executing the planned product capabilities and offerings, (ii) changes in the regulatory landscape related to AI and (iii) uncertainty as to whether customer adoption will justify the investments in the product capabilities and offerings. Further information on factors that could affect Teradata's financial and other results is included in the filings Teradata makes with the Securities and Exchange Commission from time to time.

The Teradata logo is a trademark, and Teradata is a registered trademark of Teradata Corporation and/or its affiliates in the U.S. and worldwide.

MEDIA CONTACT

January Machold

January.Machold@Teradata.com

View original content:<https://www.prnewswire.com/news-releases/teradata-expands-sovereign-ai-across-on-premises-and-air-gapped-cloud-environments-302913587.html>

SOURCE Teradata Corporation