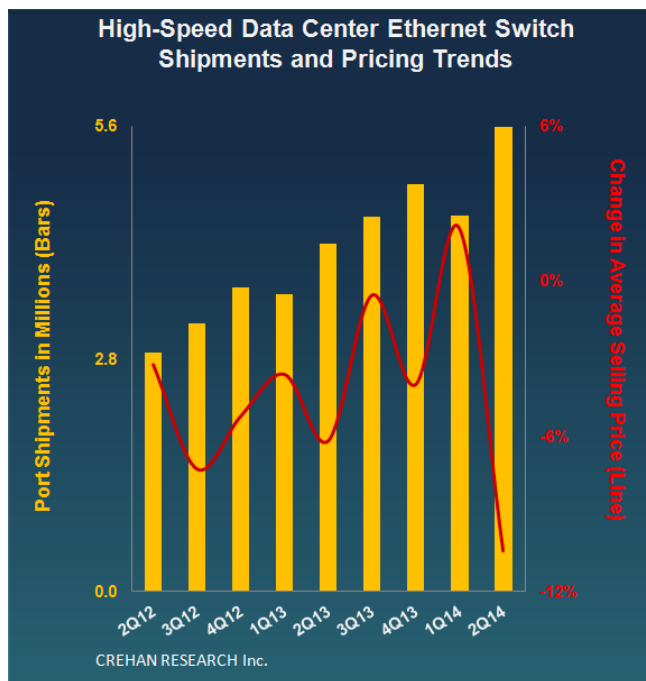


Low-Priced Switches Drive Data Center Ethernet Growth, According to Crehan Research

High-Speed Data Center Ethernet Switch Shipments Grow by One Million Ports in a Single Quarter

SAN FRANCISCO, CA, September 8, 2014 — Low-priced switches helped drive robust market growth in the second quarter of 2014, according to the most recent data center Ethernet switch report from [Crehan Research Inc.](http://www.crehanresearch.com) The report shows that after a particularly weak first quarter, steep price declines helped propel the Ethernet data center switch market to new shipment highs. As shown in the



accompanying figure, the growth was particularly pronounced in the high-speed Ethernet segment, which includes 10, 40 and 100 Gigabit Ethernet data center switches. In that segment, data center switch port shipments increased by one million ports during the single quarter alone. Cisco, which holds a strong leadership position in high-speed Ethernet, was responsible for much of the market growth, gaining share with its Nexus portfolio of data center switches.

“Besides typical seasonality, there were a number of factors that constrained the data center Ethernet switch market in 1Q14,” said Seamus

Crehan, president of Crehan Research. “These included pockets of supply constraints, and possibly some customer buying pause while recently-introduced 10 and 40 Gigabit Ethernet data center switches and line cards with much lower prices were evaluated. As these factors eased and we moved into the seasonally stronger second quarter, the data center Ethernet switch market rebounded strongly,” he explained.

In its previous long-range forecast report, Crehan Research forecast a [stronger migration to higher Ethernet speeds as a result of the arrival of significantly lower-priced data center switches](#). The firm further expects that this migration will also be aided by the arrival of Intel’s Grantley-based server

platforms, where it expects [10 Gigabit Ethernet adapters to be a much more popular server networking option.](#)

About Crehan Research Inc.

Crehan Research Inc. produces reports with very detailed statistics and information on the data center switch and server-class adapter & LOM/controller markets. The company's reports are supported with rich insights and context to deliver increased value. For more information about Crehan Research Inc. visit www.CrehanResearch.com.

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