Strong Rebound for Data Center Ethernet Switch Market, Reports Crehan Research

Robust Growth from Forty Gigabit Ethernet and 10GBASE-T

SAN FRANCISCO, CA, August 31, 2015 — The data center Ethernet switch market posted strong growth in the second quarter of 2015, according to a recent report from Crehan Research Inc. The firm reported that revenues and shipments both grew by more than 10 percent, helped by strong increases from 40 gigabit Ethernet (40GbE) and 10GBASE-T (10 gigabit-over-copper) – see accompanying figure.

“We continue to see more 40GbE data center switch deployments, especially from the hyper-scale cloud market segment," said Seamus Crehan, president of Crehan Research. "At the same time, we are also seeing strong adoption of 10GBASE-T from both the enterprise and tier-2 cloud service provider segments," he added.

Besides the robust performance of 40GbE and 10GBASE-T, Crehan’s 2Q15 data center switch report includes these notable results:

- HP Networking saw the strongest quarter-over-quarter data center Ethernet switch revenue growth, while Arista Networks saw the strongest year-over-year growth.
- Cisco maintained its market share leadership position, accounting for almost 60% of total data center Ethernet Switch revenue.
- While all data center Ethernet switch types saw strong shipment growth in 2Q15, the Modular segment had the largest increase.
- Infiniband switch shipments nearly doubled year-over-year, resulting in a record quarter.
- In contrast with Ethernet and Infiniband, Fibre Channel switch revenue and shipments declined, both sequentially and year-over-year.
Although 40GbE data center switching is currently growing at a rapid rate, with shipments more than doubling year-over-year, Crehan’s last long-range forecast report noted that the impending arrival of low-priced 100GbE-capable data center switches could significantly slow down this growth, especially in the hyper-scale cloud segment.

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. email info@CrehanResearch.com, phone 650-273-8400, or visit www.CrehanResearch.com.

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