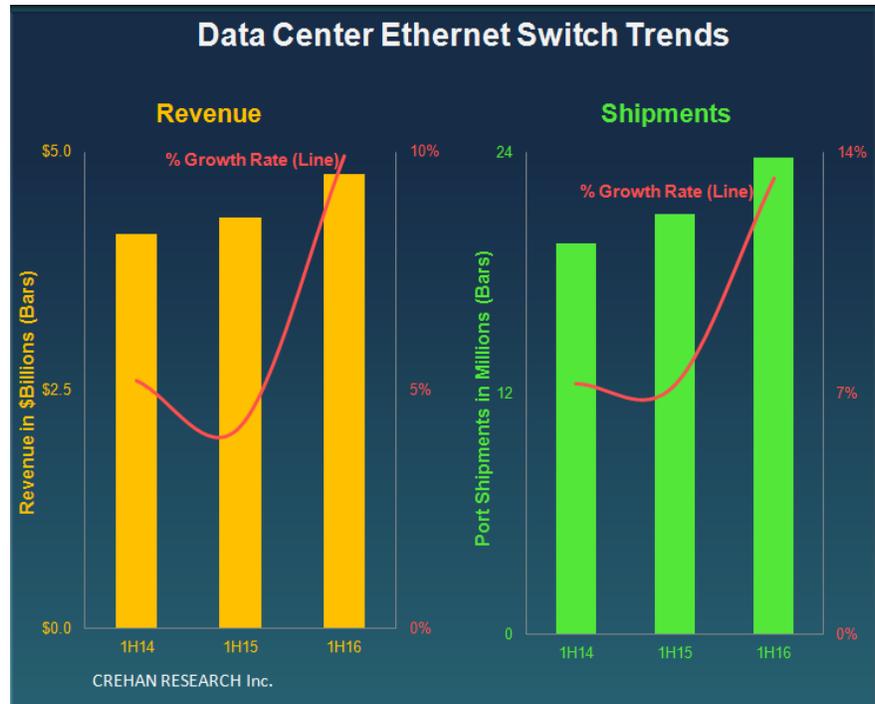


## Spending on Branded Data Center Ethernet Switches Sees Highest Growth in Four Years, According to Crehan Research

*Cisco Accounts for Over Half of all Spending, Arista and Huawei See Strongest Growth*

SAN FRANCISCO, CA, September 7, 2016 — In the first half of 2016, spending on branded data center Ethernet switches saw the strongest growth since the first half of 2012, according to the most recent report from [Crehan Research Inc.](#) Furthermore, the market’s growth rate in the first half of 2016 approximately doubled the rate seen in the previous two years leading to record results, according to the report – see accompanying figure.

“Customer spending and deployments of branded data center Ethernet switches accelerated significantly during the first half of this year due to a number of factors,” said Seamus Crehan, president of Crehan Research. “First, we have seen the recent



introduction of numerous products with compelling features and value propositions including programmability, automation, and telemetry, which help to enable software-defined data center networks. Second, we are seeing the price per gigabit of bandwidth drop significantly, enticing customers to upgrade their existing infrastructure. And lastly, we are seeing a lot of early excitement and interest around 100 gigabit Ethernet switching, where data center shipments have gone from about ten thousand ports in the first half of 2015 to well over one-hundred thousand ports in the first half of 2016."

From a market share perspective, Crehan reports that over half of all spending on branded data center Ethernet switches during the first half of 2016 was on Cisco products, with particularly strong adoption of the company’s Nexus 3000 and 9000 lines. The strongest vendor revenue growth during the same time period was seen by Arista and Huawei, each of which increased revenues by over thirty percent in comparison to the first half of 2015. Juniper Networks’ revenue also had a very healthy increase – in the

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twenty-percent range – as its QFX portfolio of data center Ethernet switches saw strong acceptance within the telco, cable and cloud service provider markets.

“The market for branded data center Ethernet switches looks promising heading into the second half of 2016,” Crehan said. “The second half of the year has historically performed better than the first, and in the second half of 2016 we expect the 100 gigabit Ethernet ramp to really kick in.”

### **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](mailto:info@CrehanResearch.com), phone 650-273-8400, or visit [www.CrehanResearch.com](http://www.CrehanResearch.com).

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