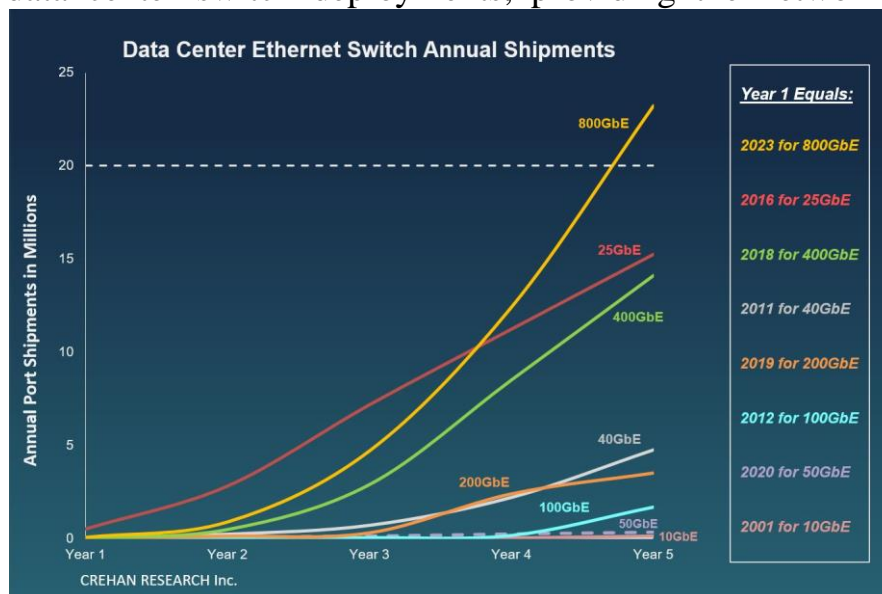


Branded Data Center Ethernet Switch Market Returns to Growth in Q3 2024 as 800GbE AI Deployments Ramp, Reports Crehan Research

Market Posts Record High Revenue Quarter

SAN FRANCISCO, December 6, 2024 — After two consecutive quarters of decline, the branded data center Ethernet switch market returned to growth in calendar Q3 2024. Total market revenues increased 7% year-over-year, reaching the highest quarterly level to-date, according to the latest report from [Crehan Research](#). A key contributor to the growth was a strong ramp of 800 gigabit Ethernet (GbE) data center switch deployments, providing the network fabric for AI compute



clusters. This strong start supports the expectation that 800GbE will see the fastest ever data center Ethernet switch speed ramp (see accompanying chart).

“The data center Ethernet switch market year-over-year revenue growth was particularly impressive, given the backlog order fulfillment that was still happening a year ago following pandemic-related supply constraints,” said Seamus Crehan, president of Crehan Research. “Generative AI networking investments are having a rapid and meaningful market impact as cloud service providers deploy the highest available Ethernet networking speeds to handle the bandwidth demands of these workloads.”

In conjunction with these high-speed data center Ethernet switch deployments in AI clusters, 400GbE NICs – the highest speed Ethernet NICs generally available up to Q3 2024 – also posted very strong results during the quarter, with shipments growing six-fold year-over-year due to large increases in both foundational/performance NIC and DPU/IPU volumes.

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 (NIC) markets. The company's reports are supported with rich insights and context to deliver increased value. For more information visit www.CrehanResearch.com.

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