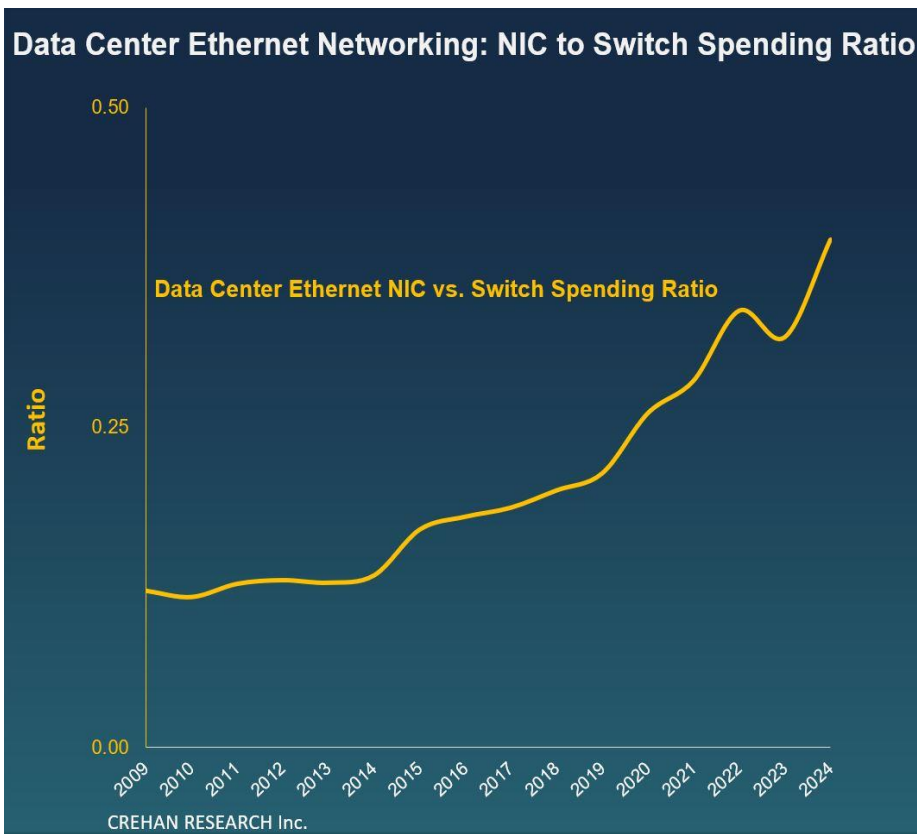


Server-Class Ethernet NIC Market Increased by \$2 Billion in 2024, Reports Crehan Research

Data Center Customers Spending a Greater Portion of Networking Budgets on Ethernet NICs

SAN FRANCISCO, CA, March 4, 2025 — Server-Class Ethernet NIC revenues increased by \$2 billion in calendar-year 2024, according to the latest report from [Crehan Research](#). The increase reflects a continuation in the trend of strong investment in server-class Ethernet NICs, resulting in a doubling of market revenues in just three years — despite one of those years having seen relatively weak



performance due to a general market inventory correction. Analysis of the strong growth also reveals that data center customers are spending a greater portion of networking budgets on Ethernet NICs (see accompanying chart).

“Data Center Ethernet NICs have gone from low-cost commodity chips soldered down on volume server motherboards to high-performance, differentiated, add-in cards that provide a multitude of high-value network functions, including ones formerly handled by CPUs,” said Seamus Crehan, president of Crehan Research.

"As a result, Ethernet NICs have seen an upward trend in share of data center networking budgets, even as those budgets grew robustly."

Crehan also reported a strong surge in demand for the highest speed NICs during the year, with combined 100GbE, 200GbE and 400GbE NICs increasing more than 50% in both shipment and revenues. "Although generative AI was a driver of the high-speed Ethernet NIC demand surge," Crehan said, "there were numerous other areas contributing to the growth, including general cloud compute and storage."

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 about Crehan Research Inc., phone 650-273-8400, or visit www.CrehanResearch.com.

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