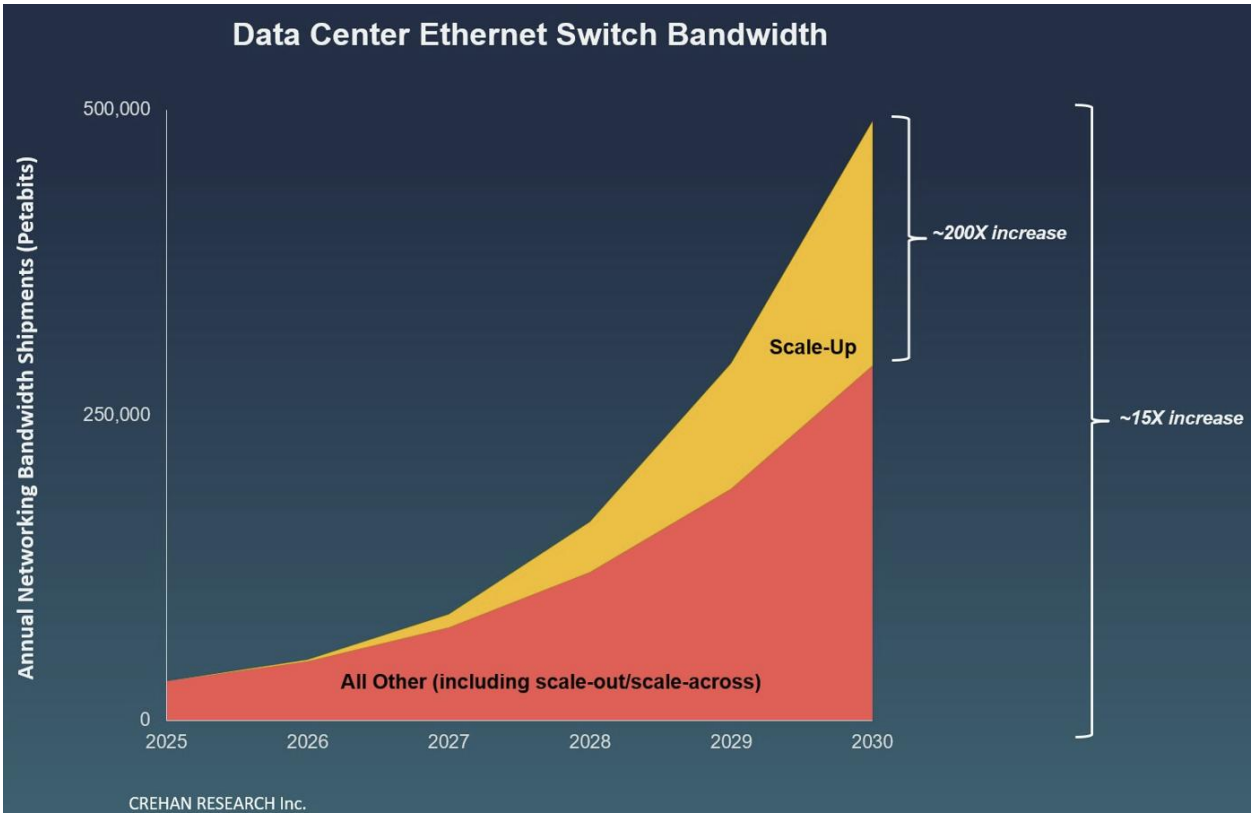
Steep Ramp in Scale-Up Expected to Push Data Center Ethernet Switch TAM Beyond $250 Billion, Forecasts Crehan Research

Bandwidth Also Projected to Increase 15-Fold

SAN FRANCISCO, Jan. 5, 2026 — In its latest Data Center Switch Long-Range Forecast Report, Crehan Research predicts that a steep ramp of Ethernet switch deployments for scale-up in AI rack-systems, when added to the existing scale-out and scale-across Ethernet hypergrowth, will push total sales to surpass $250B over the next five years. Furthermore, Crehan predicts that the ramp in scale-up will have an even more profound impact on total market bandwidth, driving a 15-fold increase in the next five years (see accompanying chart).



"The bandwidth required for scale-up Ethernet in AI racks is about an order of magnitude greater than that required for scale-out, and this difference is likely to

increase," said Seamus Crehan, president of Crehan Research. "We are projecting a 200-fold increase in scale-up Ethernet switching bandwidth alone."

In line with the expected exponential growth in scale-up Ethernet switching, on top of rapidly expanding scale-out and scale across deployments, Crehan's report projects a rapid ramp in 1.6T Ethernet switch ports, starting later this year. "Fueled by generative AI network build-outs, data center 800GbE switch ports have seen the fastest ramp in history, and our latest forecast projects an even faster ramp for the upcoming 1.6T generation," Crehan said.

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. visit www.CrehanResearch.com.

###