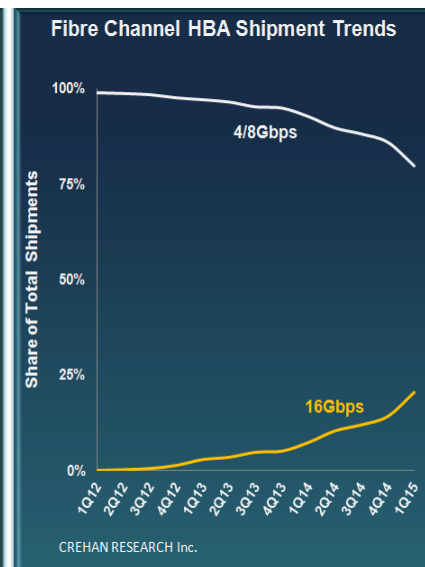
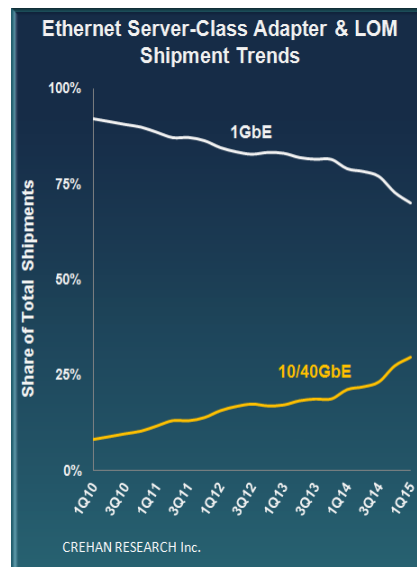


High-Speed Server Networking Adoption Accelerates, Crehan Research Reports

Both Ethernet and Fibre Channel Upgrades Reach Inflection Points

SAN FRANCISCO, CA, June 1, 2015 — Customer transitions to higher-speed server networking are accelerating, according to the most recent server-class adapter and LAN-on-motherboard (LOM) reports from [Crehan Research Inc.](#) Combined 10 Gigabit Ethernet (GbE) and 40GbE shipments have increased more than 30% year-over-year to account for almost 30% of total 1Q15 Ethernet server-class adapter and LOM shipments, according to the reports. Over the same time period, 16 Gigabit per second (Gbps) Fibre Channel Host Bus Adapter (HBA) shipments have seen a two-and-a-half fold increase to comprise 20% of total Fibre Channel shipments. These higher server networking speeds are now at inflection points in terms of adoption – see accompanying figure.

"Customers are more-rapidly upgrading their server networking capabilities to faster speeds to take advantage of the higher bandwidth capabilities of



the most recent server platforms," said Seamus Crehan, president of Crehan Research. "Currently, this is more evident in the hyper-scale, telco and high-performance computing segments, and we expect it to become evident in the general enterprise environment by the second half of this year," he added. "Furthermore, we expect this migration to higher-bandwidth servers to in turn drive more widespread deployments of higher-bandwidth data center switches."

In addition to the onslaught of data center networking traffic, recent factors driving increased demand for higher server networking speeds include:

- The introduction and ramp of Grantley-based servers, Intel's latest micro-architecture platform.
- Much lower data center switch prices, including some high volume top-of-rack switches priced at less than half the price of comparable prior-generation models.

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- More adoption of flash-based solid-state drives which have greater attach rates of faster networking speeds.

In its previous data center switch and server-class adapter and LOM reports (4Q14), Crehan Research noted that [40GbE adoption was particularly strong](#). The company's current reports confirm that this strength continued in 1Q15, with 40GbE server-class adapter and LOM shipments increasing more than twenty-fold year-over-year to approach a one-and-a-half million port annual shipment run-rate.

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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