CREHAN RESEARCH Inc.
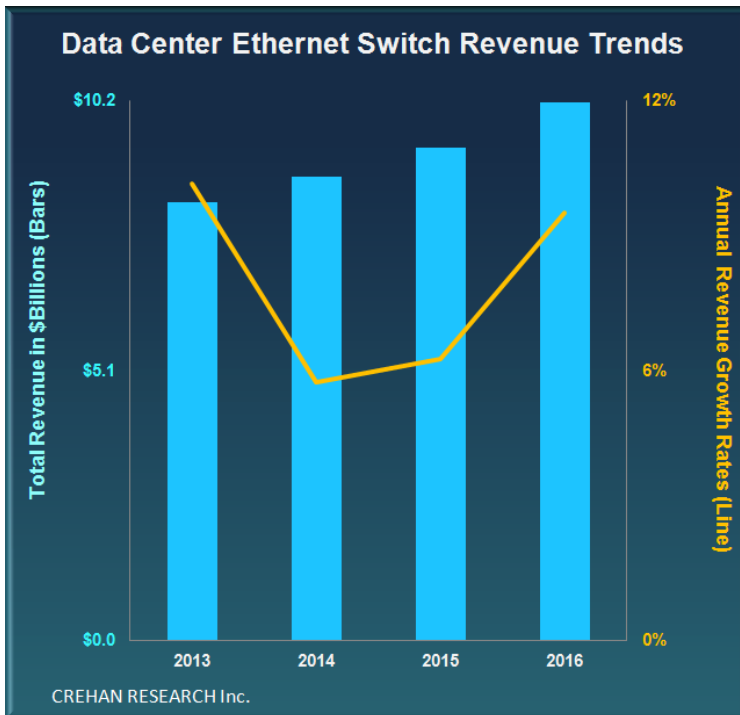*data center networking: statistics analysis insights*

Branded Data Center Ethernet Switch Revenue Surpassed $10 Billion in 2016, With the Strongest Growth Since 2013, Says Crehan Research

Arista, Huawei and Juniper Drove Market Growth, While Cisco Retains Market Share Leadership

SAN FRANCISCO, CA, March 1, 2017 — Branded data center Ethernet switch sales exceeded $10 billion in 2016, according to the latest report from [Crehan Research Inc.](#) The report notes that this revenue level, a record, was accompanied by the strongest market growth rate since 2013 – see accompanying figure.

"2016 was a strong year for data center Ethernet switching, with robust customer spending on public, private and hybrid clouds," said Seamus Crehan, president of Crehan Research. "40GbE and 100GbE switches were the main market drivers, with a total of over one billion dollars in revenue growth. However, 40GbE data center switch spending softened in the second half of the year, while spending on 100GbE continued to increase throughout the year."

In addition to the strong top-level revenue performance, notable results from Crehan's data center switch report include:

- 25GbE shipments ramped exponentially during 2016, exceeding a one-and-a-half million annual port run-rate by 4Q16, driven mostly by Cisco's Cloud Scale Nexus 9000 series
- 100GbE shipments increased dramatically throughout the year, also surpassing a one-and-a-half million annual port run-rate by 4Q16, with data center switches from Arista and Cisco accounting for most of the year's volume
- 10GBASE-T data center switch shipments increased more than 60% for the full year 2016
- Cisco accounted for over half of total branded data center Ethernet switch revenues in 2016

- Arista, Huawei and Juniper all saw data center switch revenue increases in excess of 30% in 2016, resulting in share gains
- The top-line 2016 average selling price per data center switch port was almost identical to that of 2015

"The total market average selling price remained remarkably stable in 2016, despite factors such as intense data center switch competition and the price negotiating power of the large hyper-scale cloud customers," Crehan said. "Migration to higher speeds and strong adoption of modular switching were key factors in the stability."

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.

###