Fibre Channel Host Bus Adapter Market Records Second Consecutive Quarter of 30% Growth, Reports Crehan Research
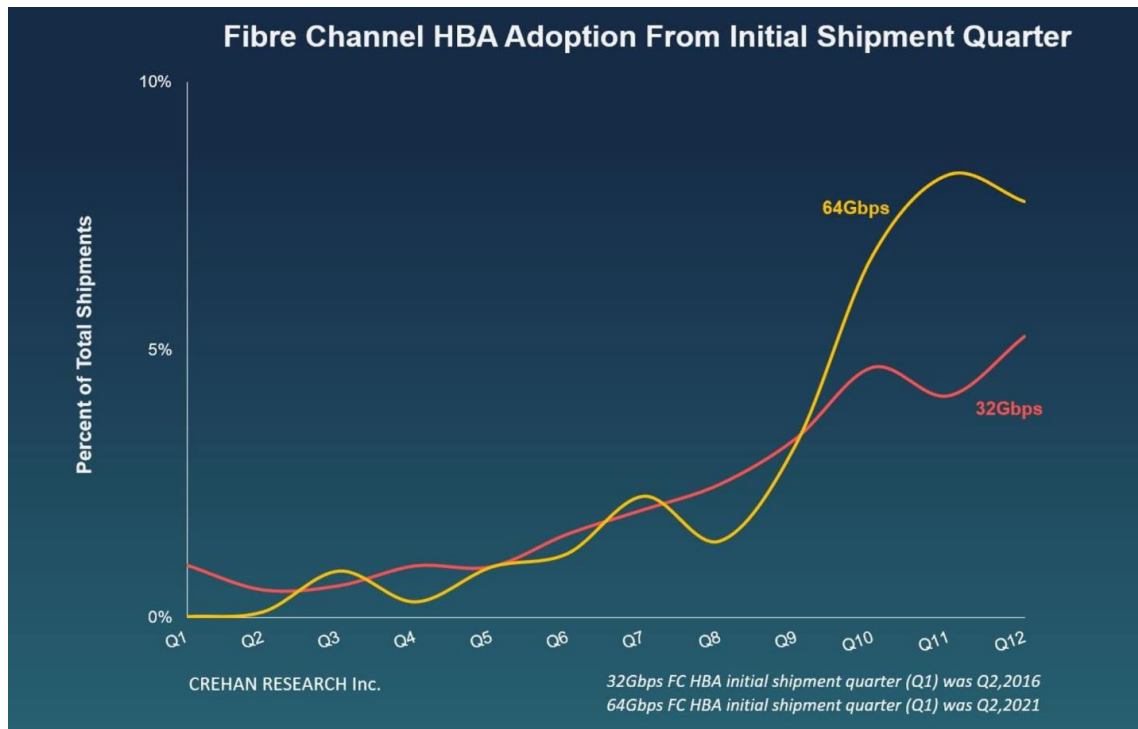
64Gbps Adoption Accelerating

SAN FRANCISCO, CA, June 20, 2024 — As the supply-constraint-driven enterprise server and storage inventory levels have started to normalize, the demand for Fibre Channel Host Bus Adapters (HBAs) – which provide the mission-critical networking for these devices – has rebounded strongly. During the first calendar quarter of 2024, the Fibre Channel HBA market posted its second consecutive quarter of close to 30% revenue growth, according to the most recent report from Crehan Research.

The Fibre Channel networking market has been bolstered by the recent strong customer adoption of 64Gbps HBAs. In fact, 64Gbps HBAs have recently started to see better customer adoption than that of 32Gbps HBAs at a similar point in time (see accompanying chart).

Stronger 64Gbps HBA adoption has been helped by the arrival of Intel's Sapphire Rapids server-class CPUs, with these scalable processor platforms placing more bandwidth demands on data center storage networks. Moreover, some enterprise customers are looking to incorporate high-speed Fibre Channel HBAs into AI-optimized servers, in order to access their more-valuable and proprietary data residing on Fibre Channel storage arrays.

Crehan's report also notes that Broadcom has been the main beneficiary of the stronger 64Gbps Fibre Channel HBA adoption as a result of its first-to-market Emulex product introductions and the incorporation of key security features within these. As a result, Broadcom accounted for the majority share of the 64Gbps Fibre Channel HBA market, as well as the overall Fibre Channel HBA market.

"As enterprise storage networking demand has increased, Fibre Channel has shown that it is still a vital technology in this realm, with robust market growth," said Seamus Crehan, president of Crehan Research. "In correlation with the HBAs, Fibre Channel switching revenue has also grown strongly over the past couple of quarters, with a year-over-year increase in excess of 25%."

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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