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## Ethernet in Enterprise Working

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Where is the Ethernet today? If you see, the broader enterprise market in 2013 is at \$42.4 billion for IDC's forecast and that includes all enterprise networking technologies combined. You can see from this slide that on the right the table tells you what are the various technologies that are included with enterprise networking. The key aspect of this that I do want to point out is, Ethernet is a core technology for each of one these enterprise networking technologies, so much so that it garners nearly 47% share of the broader worldwide networking market.

In fact some of the other adjacent technologies you might even consider them layered on top of Ethernet, for example, Wireless LAN, we all look and live our lives with Wi-Fi today which certainly rides on top of Ethernet, I would call it sister technology. But nevertheless, the point is that Ethernet is a core technology, just Layer 2/3 Ethernet is a core technology almost to all enterprise [shelves] today.

Having looked at 2013 I want to actually walk you through a little bit of memory lane. I don't have forty years of history here but I do want to share with you, I think we've got data from 1995, so it's surprising that we've still got it. This is end user spending on Ethernet from 1995 to date, to 2013.

You'll see this market has grown in terms of users, end users and IT managers, network managers, spending on that infrastructure and how that market has grown. You'll see a few bumps along the way but generally it's been a great ride for the last twenty-five years or so that we've been able to measure it.

The next part I want to talk about is look at the Ethernet by speed, I thought you might find this data very interesting as well. The red line is Gigabit Ethernet that we all know, that's been the backbone of the enterprise networks, especially larger enterprise networks for many years. In that market, again, you'll see a little bit of a bump in 2009, largely macroeconomic issues but it held its course. The blue line going up all the way it 10-Gig, no question that 10-Gig will actually, we expect at IDC that it will take over by 2016, actually that will be a market size larger than Gigabit Ethernet.

You also see at the bottom right 40-Gig as well, ramping literally like a hockey stick. So that's what are the speeds and feeds. I also wanted to segment the market for you in terms of datacentre versus nondatacentre. So the yellow line is datacentre, no question, we know that's the heart growing market for Ethernet and largely driven by 10-Gig and 40-Gig of late, growing very, very fast. The one in red though is Campus Ethernet largely, there's a little bit of service provider but I really wanted to segment datacentre versus non. So actually, yes, it's a relatively flatter line but a significantly higher market than the datacentre market. I know many of us focus these days on and, especially many industry analysts like myself, and we 'Drink our own Kool-Aid' and say 'It's the datacentre to focus on' but let's not forget the campus.

The next piece that I want to talk about really is what's happening with network workloads, at the end of the day they will determine where we find value in the Ethernet. I've got a long laundry list here, I don't want to go into each one of these, but I want to basically share that these are some of the workloads that we see and end users and IT managers being most concerned about. Some are concerned more about videos, some might be concerned about the virtual desktop, others might be concerned more about security, but at the end of the day they are thinking in terms of the network, specifically the Layer 2/3 network and finding

ways to evangelise and make it work for the needs of the business. The linkage between your business applications and the Ethernet network has never been greater and that's what is driving what's happening today.

By Rohit Mehra, Vice President, Network Infrastructure, IDC