



Worldwide Enterprise External OEM Storage Systems Market Revenue Grew 1.3% During the Third Quarter of 2019, According to IDC

FRAMINGHAM, Mass., December 5, 2019 – According to the International Data Corporation (IDC) [Worldwide Quarterly Enterprise Storage Systems Tracker](#), global spending on enterprise external OEM storage systems grew 1.3% year over year to \$6.6 billion during the third quarter of 2019 (3Q19). Total external OEM storage capacity shipments were up 6.8% year over year to 17.3 exabytes during the quarter. Revenue generated by the group of original design manufacturers (ODMs) selling directly to hyperscale datacenters declined 6.8% year over year in 3Q19 to \$5.8 billion. Total market capacity shipments (External OEM + ODM Direct + Server-Based Storage) declined 13.9% to 98.8 exabytes.

"While market growth of any kind is always a welcomed sight, we see mixed results this quarter," said [Greg Macatee](#), research analyst, Infrastructure Platforms and Technologies. "Strong double-digit annual growth of All Flash Array (AFA) sales was required to offset declines in the Hybrid Flash Array (HFA) and HDD-Only markets. Geographic results were also mixed with strong revenue increases in Asia/Pacific offset by declining revenues in the Americas and EMEA markets."

Enterprise External OEM Storage Systems Results, by Company

Dell Technologies was the largest enterprise external OEM storage systems supplier during the quarter, accounting for 31.5% of worldwide revenue. NetApp and HPE/New H3C Group tied* for second with 9.9% and 9.6% of the market, respectively. Huawei, Hitachi, and IBM tied* for the fourth position with revenue shares of 7.0%, 6.2%, and 6.0%, respectively. Despite growing and gaining market share during the third quarter, Pure Storage and Lenovo did not finish among the top 5 companies.

Top 5 Companies, Worldwide Enterprise External OEM Storage Systems Market, Third Quarter of 2019 (Revenues are in US\$ millions)					
Company	3Q19 Revenue	3Q19 Market Share	3Q18 Revenue	3Q18 Market Share	3Q19/3Q18 Revenue Growth
1. Dell Technologies ^a	\$2,075.8	31.5%	\$2,095.1	32.1%	-0.9%
T2. NetApp*	\$651.7	9.9%	\$808.2	12.4%	-19.4%
T2. HPE/New H3C Group ^b *	\$632.2	9.6%	\$662.4	10.2%	-4.6%
T4. Huawei*	\$463.5	7.0%	\$309.9	4.8%	49.6%
T4. Hitachi*	\$407.1	6.2%	\$408.8	6.3%	-0.4%
T4. IBM*	\$398.4	6.0%	\$391.1	6.0%	1.8%
Rest of Market	\$1,971.7	29.9%	\$1,842.7	28.3%	7.0%
Total	\$6,600.4	100.0%	\$6,518.2	100.0%	1.3%
Source: IDC Worldwide Quarterly Enterprise Storage Systems Tracker, December 5, 2019.					

Notes:

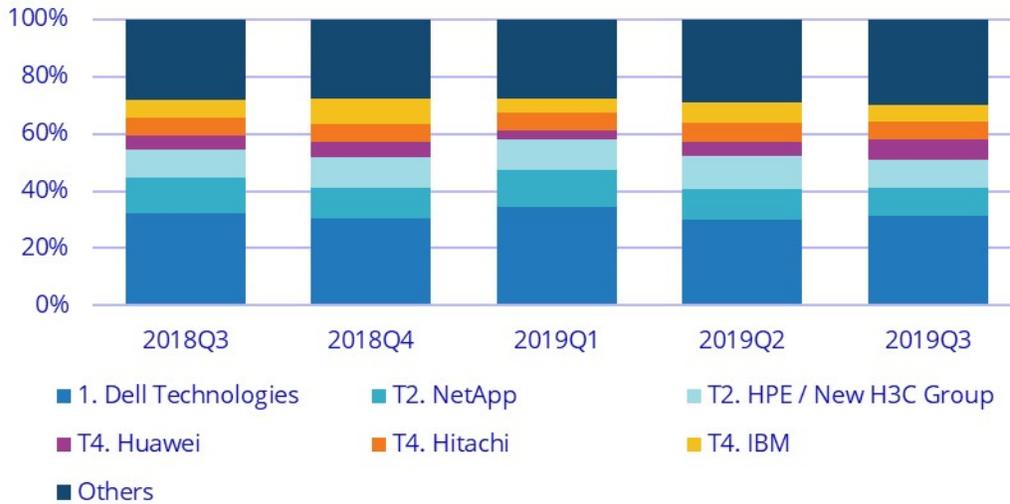
* IDC declares a statistical tie in the worldwide enterprise external OEM storage systems market when there is a difference of one percent or less in the share of revenues or unit shipments among two or more vendors.

^a Dell Technologies represents the combined revenues for Dell and EMC.

^b Due to the existing joint venture between HPE and the New H3C Group, IDC will be reporting market share on a global level for HPE as "HPE/New H3C Group" starting from Q2 2016.

Figure 1

Worldwide Top 5 Enterprise External Storage Systems Companies, 2019Q3 Vendor Revenue Market Share



Source: IDC 2019

Flash-Based Storage Systems Highlights

The total All Flash Array (AFA) market generated \$2.58 billion in revenue during the quarter, up 11.7% year over year. The Hybrid Flash Array (HFA) market was worth slightly less than \$2.54 billion in revenue, down 1.7% from 3Q18.

Regional External Storage System Highlights

On a geographic basis, Asia/Pacific (excluding Japan) grew the fastest of any region, up 12.5% year over year. Japan grew 2.5%; Europe, the Middle East, and Africa (EMEA) was down 1.0%; and the Americas declined 2.7%. China as a standalone country grew 20.4% year over year in 3Q19.

Taxonomy Notes

IDC defines an Enterprise Storage System as a set of storage elements, including controllers, cables, and (in some instances) host bus adapters, associated with three or more disks. A system may be located outside of or within a server cabinet and the average cost of the disk storage

systems does not include infrastructure storage hardware (i.e. switches) and non-bundled storage software.

The information in this quantitative study is based on a branded view of the enterprise storage systems sale. Revenue associated with the products to the end user is attributed to the seller (brand) of the product, not the manufacturer. Original equipment manufacturer (OEM) sales are not included in this study.

IDC's is a quantitative tool for analyzing the global disk storage market on a quarterly basis. The Tracker includes quarterly shipments and revenues (both customer and factory), Terabytes, \$/Gigabyte, Gigabyte/Unit, and Average Selling Value. Each criteria can be segmented by location, installation base, operating system, company, family, model, and region.

For more information about IDC's Worldwide Enterprise Storage Systems Quarterly Tracker, please contact Lidice Fernandez at 305-351-3051 or lfernandez@idc.com.

About IDC Trackers

[IDC Tracker](#) products provide accurate and timely market size, vendor share, and forecasts for hundreds of technology markets from more than 100 countries around the globe. Using proprietary tools and research processes, IDC's Trackers are updated on a semiannual, quarterly, and monthly basis. Tracker results are delivered to clients in user-friendly Excel deliverables and on-line query tools.

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