



## Gartner Says Worldwide Server Shipments Grew 27 Percent and Revenue Increased 14 Percent in the Second Quarter of

### Worldwide

server shipments grew 27.1 percent year over year in the second quarter of 2010, while revenue climbed 14.3 percent, according to Gartner, Inc.

As in the first quarter, the second quarter again demonstrated strong year-on-year growth, said Jeffrey Hewitt, research vice president at Gartner. There remained some regional variations, but all geographies demonstrated improving market conditions.

"x86-based servers grew 28.9 percent in units in the second quarter and 37.0 percent in revenues. RISC/Itanium Unix servers remained constrained, with declines of 16.5 percent in shipments and decreases of 8.8 percent in vendor revenues, compared to the same quarter last year. The 'other' CPU category, which is primarily mainframes, fell 22.8 percent in revenues for the quarter," Mr. Hewitt said.

From the regional standpoint, Eastern Europe grew the most significantly in server shipments, with a 46.9 percent increase in the second quarter of 2010, as well as the highest vendor revenue growth, at 26.2 percent for the period. Server shipments in Asia Pacific were up 23.7 percent from the same quarter 2009 with a total of 399,940 units, while vendor revenue reached US\$1.93 billion, growing 14.1 percent.

"The server market in Asia Pacific continued to witness healthy demand, with vendors benefiting from business growth and improved economic performance in most countries, which

encouraged spending," said Erica Gadjuli, principle analyst at Gartner. "Besides server consolidation, interest in virtualisation continues to grow and penetration in emerging countries such as China and India started to gain momentum, while it remained a growth engine in mature countries such as Australia, Singapore, Taiwan and Hong Kong.

HP led the worldwide server market based on revenue (see Table 1) the company posted just over \$3.5 billion in server vendor revenue, and accounted for 32 percent of worldwide server revenue for the second quarter of 2010. HP's share was up 3.1 percent year-on-year.

Of the top five global vendors, Dell, Fujitsu and HP all had revenue increases for the second quarter of 2010.

Table 1 Worldwide: Server Vendor Revenue Estimates, 2Q10 (U.S. Dollars)

Company

2Q10  
Revenue

2Q10 Market Share (%)

2Q09  
Revenue

2Q09 Market Share (%)

2Q09-2Q10 Growth (%)

HP

3,542,849,414

32.0

2,797,312,338

28.9

26.7

IBM

3,061,867,209

27.7

3,146,461,258

32.5

-2.7

Dell

1,803,984,658

16.3

1,293,178,966

13.4

39.5

Oracle

928,500,001

8.4

1,041,672,106

10.8

-10.9

Fujitsu

353,605,651

3.2

321,752,146

3.3

9.9

Other Vendors

1,364,187,334

12.3

1,073,112,404

11.1

27.1

Total

11,054,994,266

100.0

9,673,489,219

100.0

14.3

Source: Gartner (August  
2010)

In server shipments, HP remained the worldwide leader in the second quarter of 2010 (see Table 2) with its market share totaling 30 percent, as shipments increased 23.3 percent over the same period last year. This growth was driven by increased production from HP's ProLiant brand.

Of the top five vendors in server shipments worldwide, Dell, Fujitsu, HP and IBM posted increases in units for the second quarter.

As noted above, the primary driver of the market growth for the quarter remained the x86-based server hardware platform, as it was in the first quarter there was a marked difference between x86-based servers and non-x86 server platforms for the quarter, with the latter platforms remaining constrained overall. Blade servers had the strongest growth of any form factor, with an increase of 17.8 percent in units and 32.8 percent in vendor revenue for the first quarter.

Table 2 Worldwide:  
Server Vendor Shipments Estimates, 2Q10 (Units)

Company

2Q10  
Shipments

2Q10 Market Share (%)

2Q09  
Shipments

2Q09 Market Share (%)

2Q09-2Q10 Growth (%)

HP

644,172

30.0

522,447

31.0

23.3

Dell

542,799

25.3

402,187

23.8

35.0

IBM

267,614

12.5

226,570

13.4

18.1

Fujitsu

60,974

2.8

48,819

2.9

24.9

Oracle

47,968

2.2

64,810

3.8

-26.0

Other  
Vendors

581,512

27.1

422,371

25.0

37.7

Total

2,145,039

100.0

1,687,204

100.0

27.1

Source: Gartner (August 2010)

Additional information is available to subscribers of Gartner's Servers Quarterly Statistics Worldwide program. This program provides worldwide market size and share data by vendor revenue and unit shipments. Segments include: region, vendor, vendor brand, sub-brand, CPU type, CPU group, max CPU, platform, price band, operating system and distribution channel.

About  
Gartner

Gartner, Inc. (NYSE: IT) is the world's leading information

technology research and advisory company. Gartner delivers the technology-related insight necessary for its clients to make the right decisions, every day. From CIOs and senior IT leaders in corporations and government agencies, to business leaders in high-tech and telecom enterprises and professional services firms, to technology investors, Gartner is the valuable partner to 60,000 clients in 10,800 distinct organisations. Through the resources of Gartner Research, Gartner Executive Programs, Gartner Consulting and Gartner Events, Gartner works with every client to research, analyse and interpret the business of IT within the context of their individual role. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, U.S.A., and has 4,300 associates, including 1,200 research analysts and consultants, and clients in 80 countries. For more information, visit [www.gartner.com](http://www.gartner.com).

###