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Information Classification: General

OCP Impact Study 2022

The impact of the OCP community is changing

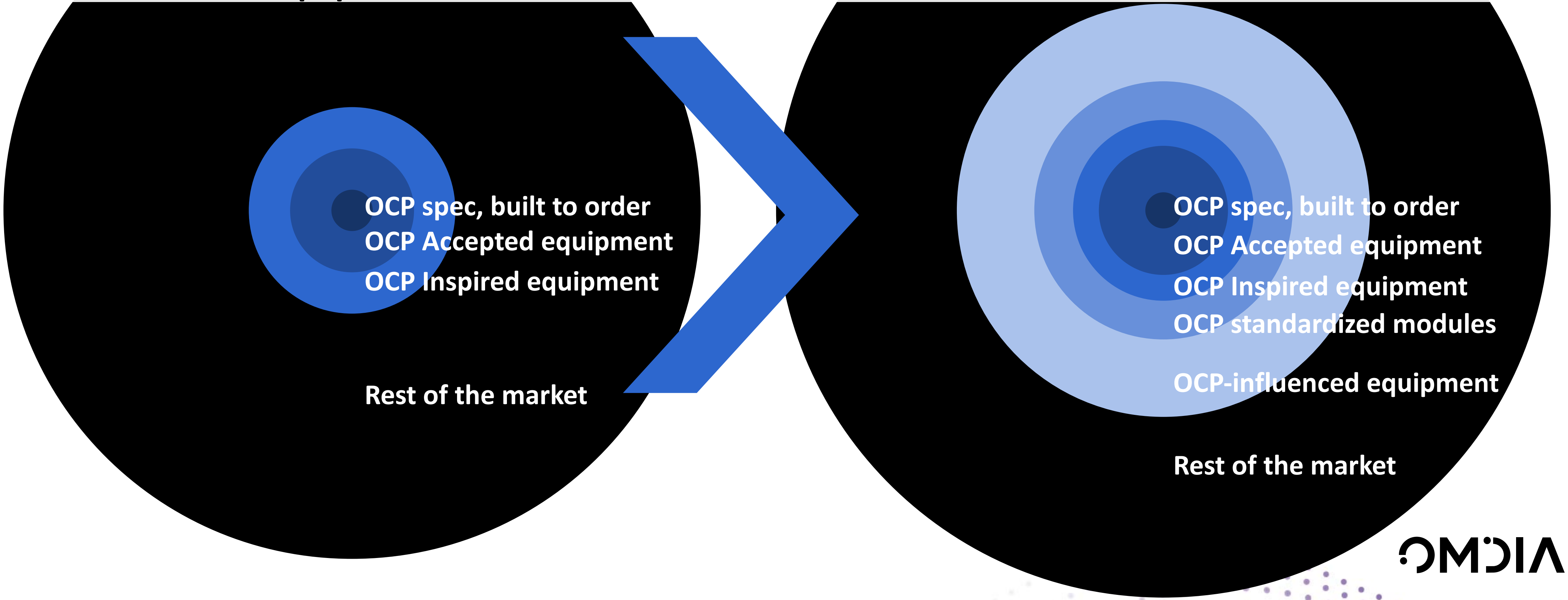
Vlad Galabov, Research Director

1. What is the market impact of the OCP?
2. What is the vendor and end-user ecosystem seeing?
3. Q&A with the Omdia team

The impact of the OCP community is changing

In the past the impact of the OCP community could be measured in number of adopted OCP-recognized equipment

The work of the OCP community has become broader than just equipment specification with OCP-standardized modules, including best practices & advice, increasing its impact in the industry



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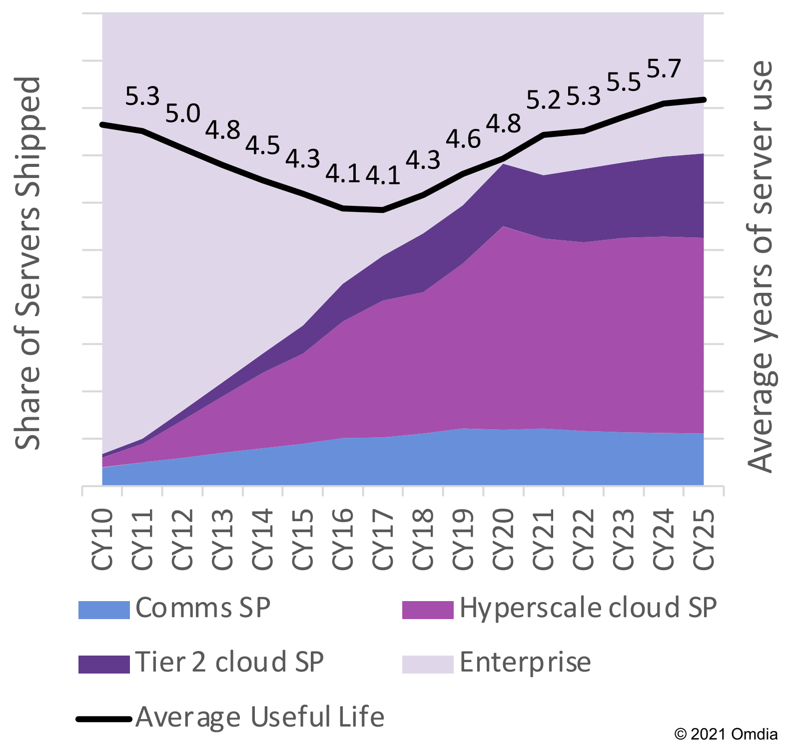
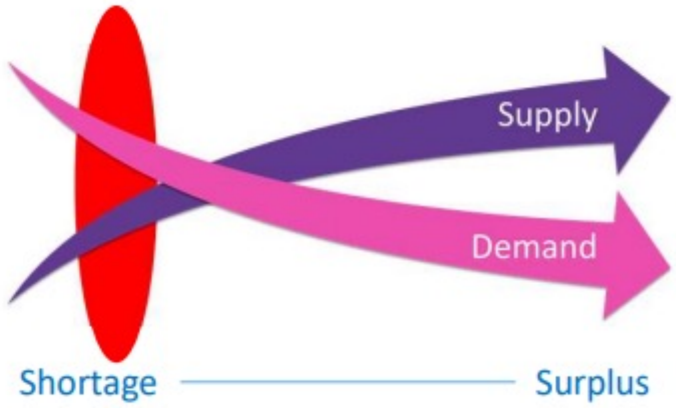
A set of new market fundamentals

Lifecycle



Supply chain

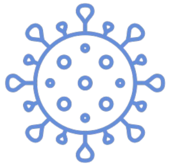
Semiconductor supply chain issues 2021 continued for longer than expected. Switch silicon and power semiconductors had the longest lead-times with the latter still having an impact on manufacturing today. Switch silicon supply and manufacturing began a sharp recovery in 2Q22.



Macroeconomy

COVID-19 impacted revenue growth across industries, driving a huge reduction in IT budgets. 26% of 5000 companies reported reduced IT budgets during our 2021 IT Enterprises Insights Survey (October 2021).

Recovery slower than expected due to resurging pandemic, infection rate only reached a peak between 4Q21 and 1Q22.



We've baked in prolonged macroeconomic uncertainty in our new forecast.

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Top Takeaways

- The global supply chain issues and macroeconomic conditions have impacted the investment in OCP-recognized products in 2021.
- Networking is a bright spot for the OCP with the adoption of OCP-recognized switches, NICs and routers continuing to soar.
- We expect component-level collaboration to result in broad adoption of the technologies and standards developed by the OAI and ODSA subgroups.
- The Open Edge server design appeals to a broad set of end users – from communication SPs to retailers.
- The Yosemite v2 and v3 servers are not seeing broad market demand in the same way as the Tioga Pass design.

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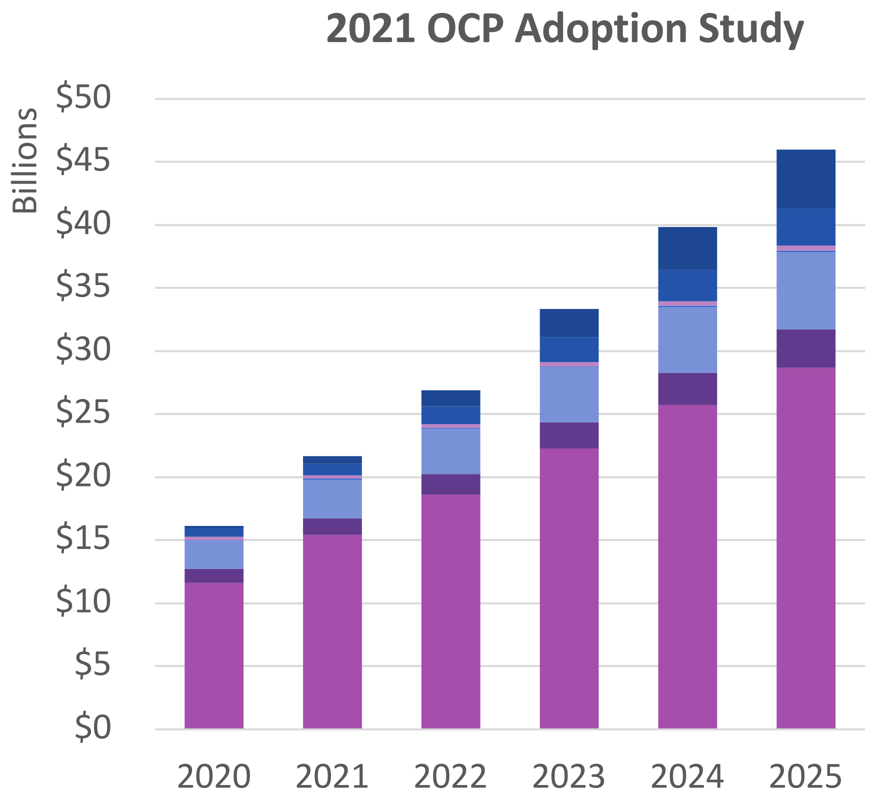
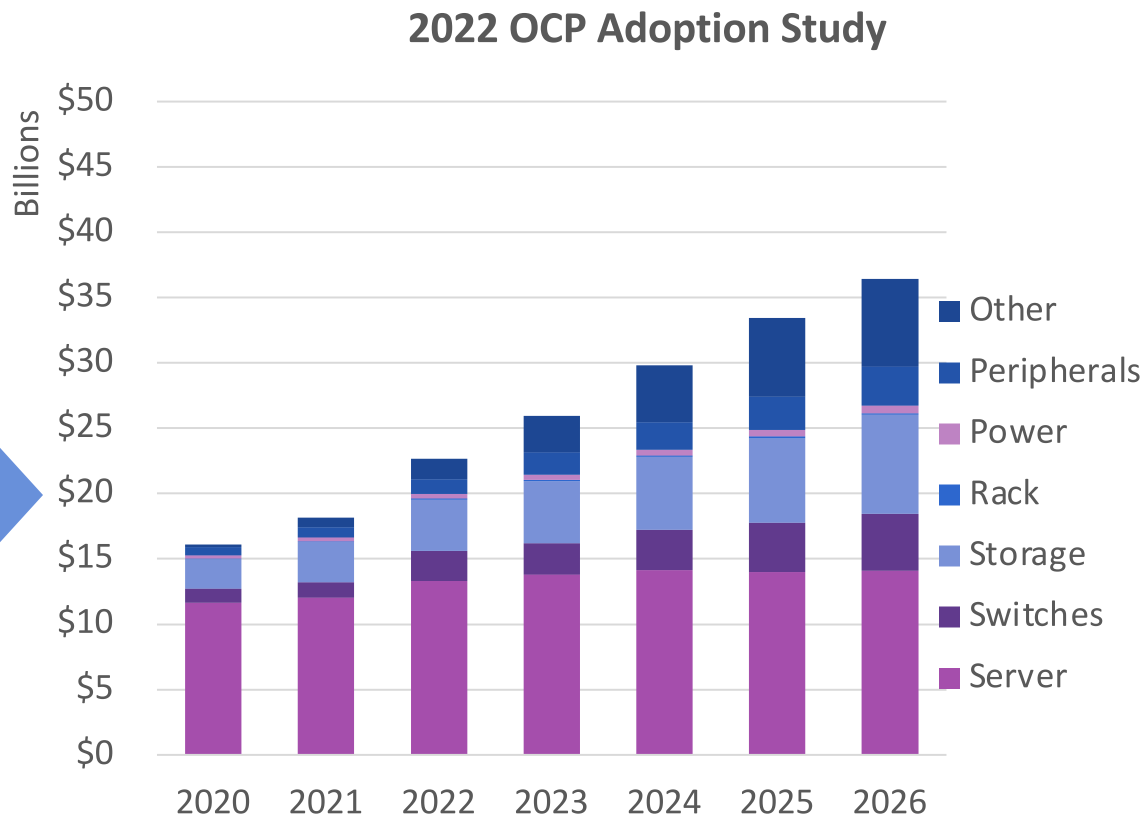
In 2021 OCP-recognized equipment worth $18 billion was deployed





Source: Omdia

Significant differentiation is occurring in the breadth of OCP community influence
The adoption of non-edge server designs is decelerating in favour of server components/building blocks

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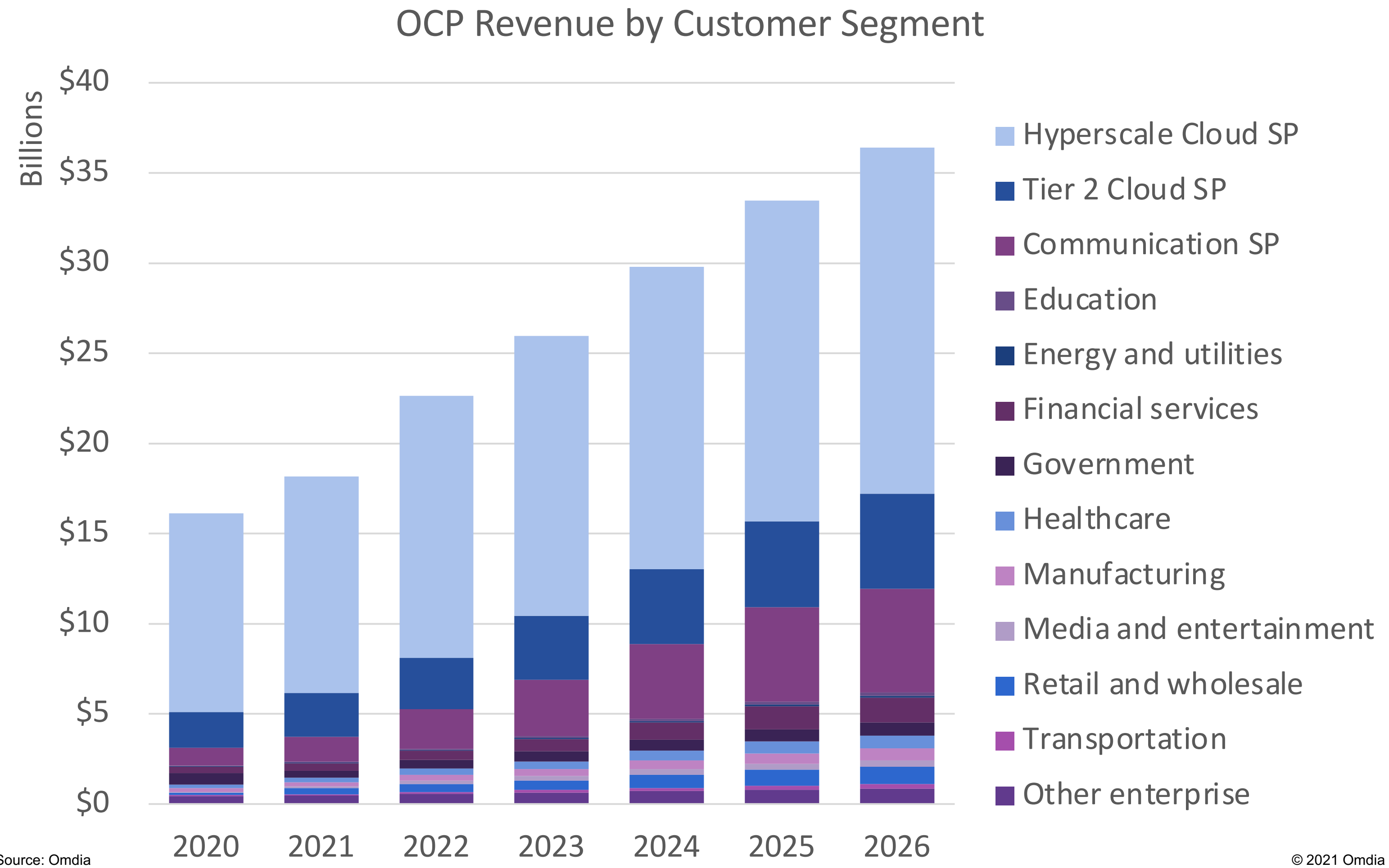
All vertical markets continue to adopt OCP-recognized equipment



Source: Omdia

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- During interviews with us vendors highlighted demand from cloud SPs was the highest, followed by communication SPs.
- Financial/insurance, education and government were the top verticals following this
- We observed large scale deployments across retail, media and entertainment
- At a smaller scale we've seen demand from all other market segments

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Vendor and end-user interviews

- During August and September 2022 we interviewed 25 OCP-vendors, end-users and colocation providers
- We selected the sample so that the respondents would represent the makers of every equipment or end-user category, i.e. both physical infrastructure and IT equipment, both service provider and enterprise verticals
- In the following slides we show the anonymized, cumulative responses.

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Top drivers for adoption

1. Open
2. Cost-effective
3. Energy efficient
4. Fast deployment
5. Software-defined

Top barriers

1. Servicing and support
2. Volume requirement
3. Familiarity
4. Supply chain
5. Integration with existing equipment

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Top technologies being deployed and developed

1. Edge-ready equipment
2. Specialized equipment designed for specific environments
3. Storage
4. Software
5. A tie between liquid cooling, 21-inch racks & parallel computation

Top deployment locations

1. Centralized data center
2. Colocation facility
3. Telco Edge (CO, Cell Tower)
4. Enterprise Edge (Branch, industrial)
5. Outdoors

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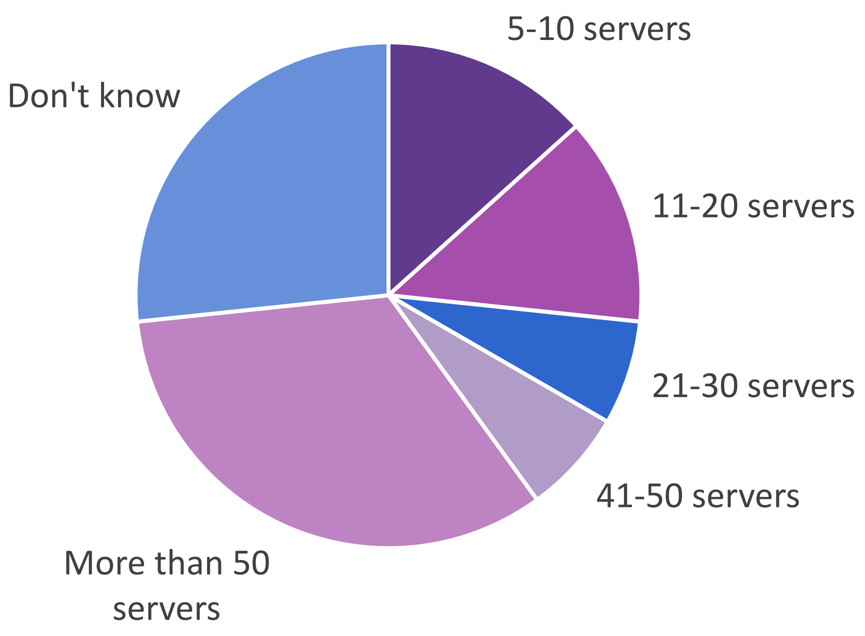
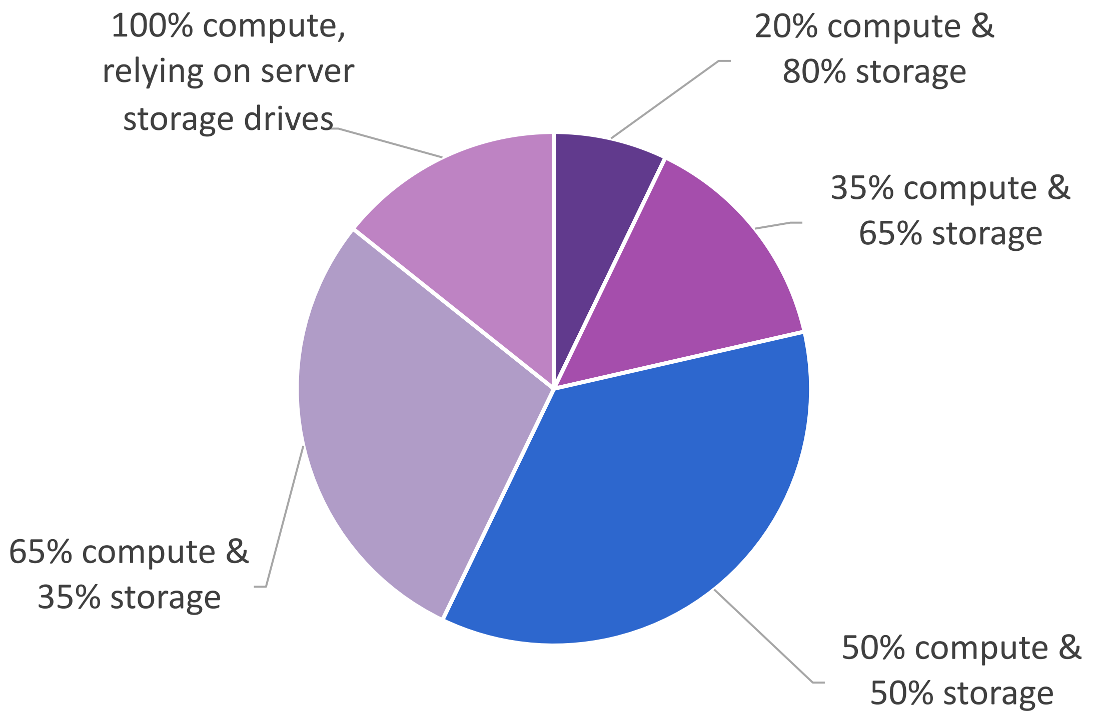
No such a thing as one size fits all

What does a typical OCP deployment look like in terms of size?



What is the typical equipment split compute vs. storage in a typical OCP deployment?



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Get in touch!

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