

STORAGE SWITZERLAND REPORT

SSD DOMINATION ON TARGET



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Solid State Disks (SSD) are predicted by many analysts to replace mechanical disk drives. At Storage Switzerland we predicted that would happen within primary storage first. And in fact it is our belief that this will happen prior to 2015. Based upon the last few quarter results from the various SSD suppliers, it seems that our predictions of SSD Domination are on target.

An underlying challenge in backing up a prediction like this is to find reliable data points and those are now becoming available. For example EMC for the June quarter announced that it had already shipped over a petabyte of SSD and in Q3 stated that they continue to see strong demand. [Texas Memory Systems](#), in business for over 30 years, has seen a record quarter in both units and capacity. In the third quarter they saw a significant revenue growth on a year over year basis. STEC, an OEM supplier to companies like EMC and others, continues to show rapid growth and continued acceptance in the space. SSD sales continue to aggressively grow year on year and in concert, the analysts continue to predict that this pace will continue.

Of these the Texas Memory Systems results turn out to be the most telling. This is not a company that can benefit from being new with the prior years results being easy to

surpass since it was the first year on the market. On the contrary, this is a well structured company that has been delivering enterprise grade SSDs to the market for over 30 years. As such they have been posting SSD results for a long time, the fact that they had their record quarter last quarter is a key indicator of overall SSD growth.

These positive data points for SSD growth are coming against the backdrop of a negative economy. The fact that data centers are buying and implementing Solid State Technology, perceived to be a sometimes more expensive and lower capacity solution when faced with ever tightening IT budgets, means that the performance advantages of SSD easily overcomes any perceived increased cost. The metric of traditional storage being \$/GB, no longer makes sense when assessing the value of an SSD implementation. The market has to look to \$/IOPs and latency factors as the decision points for whether or not an SSD implementation makes sense for a particular storage configuration. It is arguable that the bad economic situation is a key factor in the stimulation of increased SSD success. Performance problems in IT typically cost a company revenue or at a minimum employee productivity. In a down economy a company can neither afford to loss customers nor lower staff productivity.

It is also important to point out that this growth is coming not only against a bad economy but also with decreasing cost and increasing capacity of the product. SSD suppliers are now faced with something that they may not have faced in the recent past. Volume. SSD suppliers now have a real opportunity to sell more volume which counter balances the decreasing cost factor. The fact that the vendors are signaling their ability to scale to meet the demands is also evidence of a robust and growing market.

For the data center, the move to SSD has become easier. There are variable methods and designs for integrating SSD into the enterprise. It can be done with leveraging software as we discussed in "[Integrating SSD and Maintaining Disaster Recovery](#)". Integration and management can also be done through advanced feature set solutions like Texas Memory Systems' upcoming release from its acquisition of storage virtualization provider Incipient's patents and source code.

In the past SSD was the option of last resort to be considered when attempting to address performance issues. With the price points being what they are, the options for integration and the reliability being what it is, SSD should not only be the first option but the storage manager should no longer simply wait for a performance problem to occur. Instead the storage manager, the price and capacity of SSD as well as the improved integration of the technology should send you on an aggressive hunt for areas where the technology could make significant improvements to application performance and user productivity.

About Storage Switzerland

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