

## Slow Demand for 40/100GE

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Despite a global industry with plenty of want for more bandwidth, too high equipment costs dampen demand for Ultra-High-Bandwidth (UHB) 40/100GE, Heavy Reading reports.



The technology has already gained substantial ground through carrier networks, but adoption of corresponding services sold by said carriers remains in its infancy.

"Ethernet has continued to gain momentum as the predominant choice for 'big data' connectivity, giving rise to the start of a move up from now well-established, high-bandwidth 10GE to UHB Ethernet networking," the analyst continues.

The key issue is "cost ratio"-- the relationship between higher-bandwidth (100GE) and lower-bandwidth (10GE) pricing levels. Carriers believe this ratio will reach around 6:1 over the next 2 years, while currently it stands at around 10:1 on a global scale.

Europe appears to be "a bit ahead" of the US in terms of UHB ethernet adaption, as it has generally been with Ethernet services, Heavy Reading concludes.

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