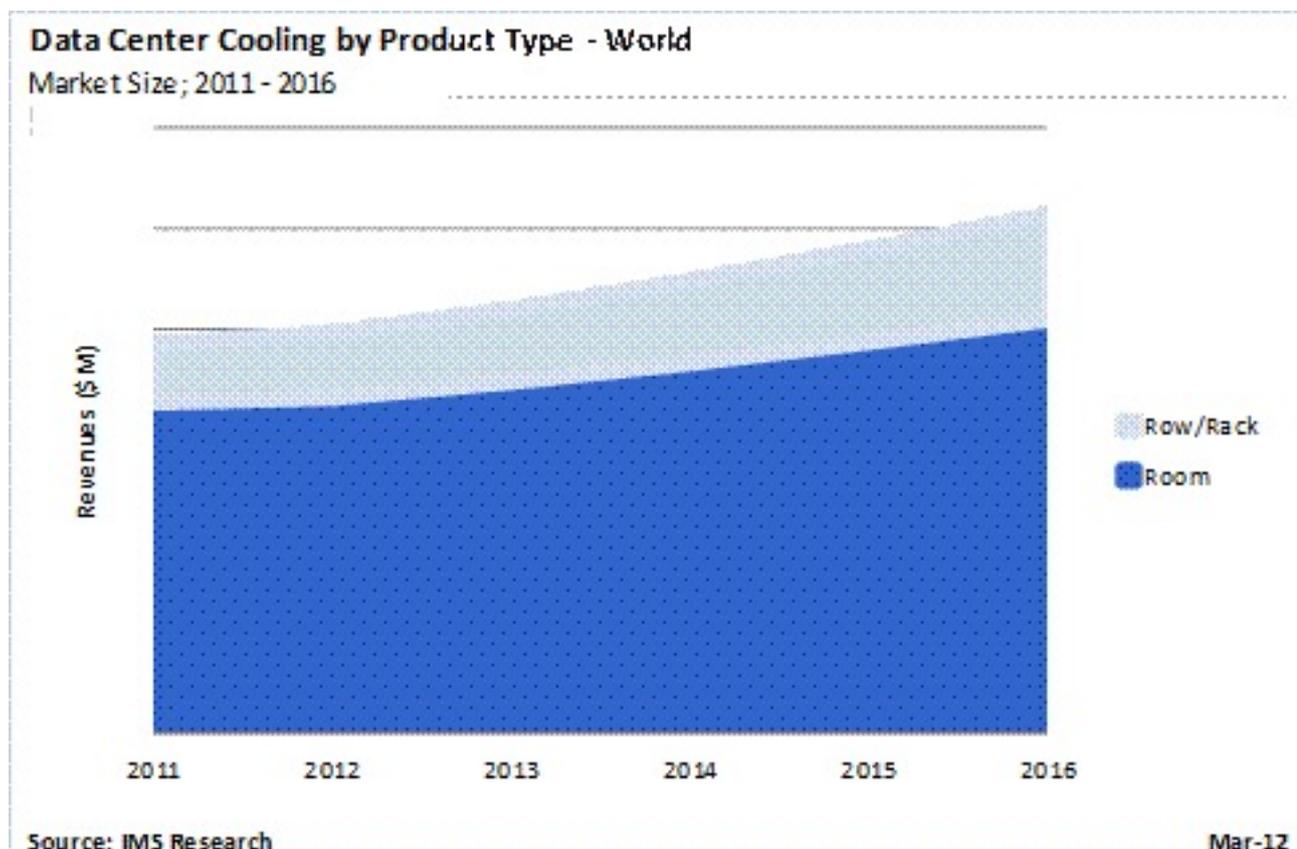


Rack-level cooling to grow twice as fast as room-cooling for data center equipment

According to IMS Research's recent study, "The World Market for Data Center Cooling - 2012 Edition," revenues from rack-level cooling solutions will grow at a CAGR of 12% from 2011 to 2016 accounting for over half a billion USD in 2016. The fastest growing national markets for rack-level cooling equipment are forecast to grow at CAGR of over 20% over this five-year period.

Data centers require specialized cooling to handle the heating load from IT equipment. The increasing computing capacity of new servers of greater power density has created the need to cool "hot-spots" in the data center more efficiently. Rack and row level cooling is the most suitable solution.

According to IMS Research analyst Andrés Gallardo, "Unlike in the early years of data centers, when the only objective was to maintain general room temperature inside the data center, efficiency has become a major concern for data center operators because of the increasing cost of operating the cooling equipment. Further, this equipment has also become more crucial to a company's operation; and technology has enabled facilities with increasing densities. For these reasons, the growth of rack-level solutions continues to outpace that of room-cooling products as these products offer efficient cooling for high-density loads." \



While the room-cooling market is dominated by Emerson, the rack-level market has three companies closely competing for market leadership. The Asian market is the most competitive with six companies each holding double-digit share; in the American market, the top three companies account for 90% of revenues.

"The strongest companies in the rack-level market are not necessarily ones specializing in cooling, but are rather ones specializing in data-center infrastructure. They can offer a complete data-center package including rack-level cooling. This creates a new level of competition for traditional cooling-only companies" commented Gallardo.

Despite the high growth of rack based cooling, room cooling will remain the largest part of the market over the next five years as most data center designs still call for room cooling. Moreover, new builds in emerging markets are often lower density and do not require supplemental cooling.

IMS Research regularly analyses all aspects of the data center infrastructure market. More information regarding these detailed reports can be found [here](#) [1].

<http://imsresearch.com> [2]

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[1] <http://info.imsresearch.com/lz/Instances/lz/documents/UPS/Portfolio/Data%20Center%20Infrastructure%20Portfolio%20-%20IMS%20Research%20-%20Jan%202012.pdf>

[2] <http://imsresearch.com>