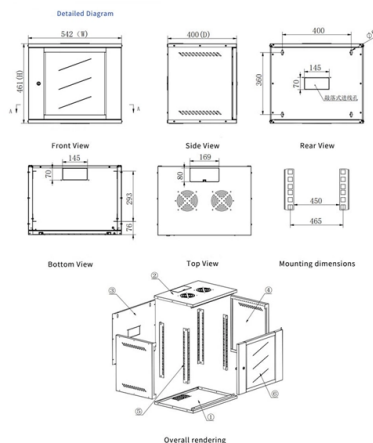


Positive News for CPO Optical Module Industry



Overview

LightCounting shared its latest market forecast for CPO. Currently, CPO R&D activity has reached an all-time high, with large-scale deployment expected in 2027. Meanwhile, LPO deployment is also underway, with millions of LPO modules (including LRO modules) expected to be. That playbook is no longer holding for today's AI systems. As AI clusters push beyond 100 Tb/s per node, the gap between what silicon can generate and what traditional copper interconnects can deliver is widening fast. Three hurdles are now colliding: First, power delivery is nearing practical. In early March 2026, Nvidia injected \$2 billion each into photonics manufacturers Lumentum and Coherent, securing future production capacity and technology rights for advanced optical components with a total investment of \$4 billion. This massive funding, which includes billions in procurement. Co-Packaged Optics (CPO) is an advanced optical interconnect architecture that integrates optical components—such as photonic integrated circuits (PICs) and lasers—directly alongside switching ASICs or processors within the same package. This approach significantly reduces electrical I/O distance. "Standing in the Light: Understanding the Optical Module and CPO Industry Chain" This article analyzes the critical role of optical communication technology, specifically optical modules and Co-Packaged Optics (CPO), as the "nervous system" for modern AI data centers. Yesterday, June 2, 2026, NVIDIA officially announced a major development – NVIDIA Spectrum-X Ethernet silicon photonics technology has officially entered full-scale mass production.

Article Content

Five Key Trends of Co-Packaged Optics (CPO) in 2026

Meeting market expectations and building confidence in co-packaged optics will require more than performance demonstrations. CPO adoption depends on proving robust, multi-vendor

Nvidia Invests \$4 Billion in CPO: The Next Stop for AI Factory ...

The next decade is expected to witness explosive growth for CPO. By 2030, the global CPO market size could exceed \$40 billion. Nvidia's \$4 billion bet this time represents a final confirmation of the CPO

Co-Packaged Optics (CPO) Market Trends 2026: AI Data Center

Explore the future of co-packaged optics (CPO) in AI data centers. Learn how silicon photonics, optical I/O, and high-speed optical interconnect technologies are shaping next-generation

Standing in the Light: A Comprehensive Guide to the Optical Module

With exponential growth in AI computational demands (e.g., NVIDIA's Vera Rubin architecture), traditional electrical interconnects using copper cables face severe bottlenecks in

LightCounting: The CPO industry chain is thriving

LightCounting shared its latest market forecast for CPO. Currently, CPO R&D activity has reached an all-time high, with large-scale deployment expected in 2027. Meanwhile, LPO

Nvidia's official announcement, CPO mass production, and a ...

Yesterday, June 2, 2026, NVIDIA officially announced a major development – NVIDIA Spectrum-X Ethernet silicon photonics technology has officially entered full-scale mass production.

Co-Packaged Optics: Market and Technology Update

This report dives deeper into CPO for insight on the technology and applications, the benefits and issues, its impact on pluggable optics, and Signal AI's predictions for CPO's future.

CPO Emerges as the New Sought-After as JCET and UMC

As artificial intelligence and high-performance computing workloads continue to grow rapidly, system demand for optical interconnect technologies featuring higher bandwidth, lower

Co-Packaged Optics (CPO)Co-Packaged Optics (CPO)

Central to the report is the recognition of advanced semiconductor packaging (2.5D & 3D) as the cornerstone of co-packaged optics technology. IDTechEx places significant emphasis on

Where co-packaged optics (CPO) technology stands in 2026

Find out CPO's 2025 scorecard and what lies ahead for this optical interconnect technology in 2026 and beyond.

Samsung Foundry Reportedly Wins Optical Module Order,

The Elec reports that Samsung will initially target photonic integrated circuits (PICs), used in applications ranging from data center optical modules to optical engines for co-packaged optics

Co-Packaged Optical (CPO) Modules Market: 42.9% CAGR Through

The co-packaged optical (CPO) modules market is heading into an era of transformative growth. Demands from artificial intelligence, high-performance computing (HPC), and green data

Nvidia's official announcement, CPO mass production, and a ...

This is the most profound industrial logic behind CPO-it's not just about replacing a few optical modules, but a fundamental shift in the underlying physical connectivity paradigm from

Traction of embedded optical modules highlighted in Counterpoint report

Embedded or integrated semiconductor optical modules are starting to gain traction, with the shipments of On-Board Optics (OBO), Near-Packaged Optics (NPO) and Co-Packaged Optics

Coherent and Lumentum Positioned for Growth as CPO ...

After months of uncertainty, investors in the optical components industry can finally breathe a sigh of relief. According to recent reports from JPMorgan, the Co-Packaged Optics (CPO)

CPO Technology Nvidia: Death of Optical Modules and the Future of

Analysis of Nvidia's announcement from June 3, 2026: why CPO is killing optical module suppliers, who the beneficiaries are (TSMC, Marvell) and what awaits InnoLight.

Global Market Research Report on Co-Packaged Optics (CPO) Modules

Definition and Market Overview of Co-Packaged Optics (CPO) Modules Co-Packaged Optics (CPO) is an optoelectronic integration technology that aims to achieve high-speed data

Source Photonics to Expand Optical Chip and Module Production

Notably, the Changzhou project is not DSBJ's only investment in the optical communications sector recently. Earlier this month, the company announced plans to build high

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