

The 12 Month Server: Planning a Refresh When Lead Times Outlast the Budget Year

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Your next server may not arrive in the fiscal year you pay for it. The 2026 memory shortage, which many buyers call the RAM shortage, pushed some infrastructure lead times to 12 months or longer. On top of that, the quote you received last week may already have expired.

That is a planning problem more than a purchasing problem. The organizations that cope best with the memory shortage are not the ones that find a secret supply of parts. They are the ones that change how they decide, fund and sequence a hardware refresh.

What Changed in 2026

Memory became the bottleneck for everything. Hyperscalers are buying enormous amounts of DRAM and flash storage for AI, and that demand flows down to every server, storage array and network switch. In an August 11, 2026 Network World feature, Gartner VP analyst Jon Forest said memory prices "have risen by 50% to 200%, resulting in PC prices increasing by 35% to 45% and some server prices rising over 125%."

Lead times moved from weeks to months. In the same article, Matt Kimball of Moor Insights and Strategy said companies used to 30 to 45 day lead times "are now looking at 6, 12, or even 18 months," and that he hears it from organizations of every size.

Networking is not exempt. Gartner told Network World that "enterprise network equipment pricing is projected to increase by over 20% in 2026," with a further 3 to 5 percent rise entering 2027 "and no signs of price reduction until the end of 2027."

Quotes are shorter lived. Gartner senior director analyst James Smith told EE Times that "vendors now issue price quotes valid for only a week, and many can raise hardware prices right up until they ship the products." That is a problem for any approval chain that takes longer than that.

Relief will be partial. Phillip Privett of TD SYNNEX gave Network World a blunt rule of thumb: if prices rose 40 percent, "they may come down five." Gartner's earlier forecasts moved upward over the year. In a February 26, 2026 press release, Gartner projected that combined DRAM and SSD prices "will rise by an estimated 130 percent by the end of 2026." So plan around high prices, and do not wait for them to drop.

Federal funding adds a second clock. Fiscal year 2027 began October 1, 2026 under a continuing resolution, Public Law 119-103, signed September 2. It funds agencies at largely current rates through December 11, 2026. Continuing resolutions generally limit new starts, so a refresh that needs new money has to be ready the moment full year funding arrives.

Why Annual Planning Breaks

The traditional cycle runs like this: request a budget, approve a quote, place the order, receive it in a few weeks. That cycle assumes the order and the delivery fall in the same year. When delivery takes 12 months, three things go wrong at once:

1. Quotes expire before approval is complete.
2. The equipment you meant to retire has to keep running for another year.
3. Funds you planned to spend can lapse, or be swept, while the order is stuck in requalification.

A Practical Framework: The 12 Month Refresh Plan

Use these seven steps as a checklist with your engineering, finance and contracting teams.

1. **Inventory and triage.** List every asset with its warranty end, support end and the mission or business service it carries. Sort each one: extend, replace now, or replace later.
2. **Extend on purpose.** Support renewals, spares kits, memory or drive upgrades on existing hosts, and moving workloads around can buy 12 to 24 months where risk allows. Hardware that no longer receives security updates should be replaced or isolated, not extended.
3. **Right size before you order.** Memory is now the expensive part of a server. Counterpoint Research's Neil Shah told Network World that enterprises often waste 30 to 50 percent of memory by provisioning for peaks that rarely occur. Size against measured use, not habit.
4. **Qualify alternates early.** Approve two or three equivalent configurations, ideally from different manufacturers, so one constrained part does not stop the program.
5. **Forecast rolling 12 to 24 months.** Gartner's Forest advises rolling forecasts, early supplier engagement on constrained parts, and quarterly or monthly buys instead of one large annual order.

6. **Match approvals to quote windows.** Delegate authority, stage paperwork in advance and agree a price tolerance, so a requote does not restart the whole approval process.
7. **Align funding with delivery.** Federal teams should work with their contracting officer and comptroller on when funds must be obligated and how delivery timing affects that decision. Commercial teams should model when capital is spent and consider financing to smooth a large purchase.

The Cost of Doing Nothing

Waiting feels safe, but it usually costs more in three ways.

- **Price.** With analysts expecting elevated prices into 2027, a deferred order is likely to cost more, not less.
- **Risk.** Hardware that stays in service past warranty and support is more likely to fail and less likely to receive security fixes.
- **Time.** Every expired quote adds weeks, and each requote can push delivery further into the next budget year.

A simple way to show leadership the cost of waiting: (expected price change over the delay) plus (cost of extended support or emergency spares) plus (cost of one unplanned outage of the affected service, multiplied by its likelihood). Even rough numbers make the trade off visible.

How Norseman Helps

Norseman has delivered technology to the Department of War (DoW), which many readers still know as the Department of Defense, as well as the Intelligence Community and federal civilian agencies since 1992. We now bring the same engineers and standards to commercial enterprises. Our approach starts with what you already own. As our needs first engineering principle puts it: "The cheapest technology is the technology you already own. We extend the life and the ROI of your current platforms wherever they can still meet the need, and only recommend replacement when required and will clearly explain why."

- **Design:** We build the extend or replace plan around your requirements, with vendor neutral alternates drawn from more than 300 technology vendors.
- **Source:** We engage OEM partners early on constrained parts and price through the vehicle you already use, including NASA SEWP VI.
- **Integrate and test:** Systems are racked, configured and tested in our 13,000 square foot integration lab in Annapolis Junction, Maryland, so they arrive ready to install.
- **Deploy:** We ship CONUS and OCONUS with chain of custody documentation.
- **Support:** Cleared engineers, parts in two business days, warranty management and 24/7 monitoring keep extended assets healthy while new ones are in transit.

Commercial teams can also use Norseman financing to spread a large refresh across budget periods.

Book a Lead Time Readiness Review

Get a refresh plan that survives 12 month lead times. In two weeks, our engineers will sort your assets into extend, replace now and replace later. You will also get a tranche buying plan matched to your budget year.

Book my readiness review

Frequently Asked Questions

How long are server lead times in 2026?

Industry analysts quoted by Network World in August 2026 described lead times of six to 12 months, and up to 18 months for some infrastructure. Previously, 30 to 45 days was typical. Actual lead times vary by manufacturer, configuration and buyer.

Will server and memory prices come down in 2027?

Gartner expects network equipment prices to keep rising into 2027 and does not expect reductions before the end of 2027. Distributors expect any decline to be partial. Plan for elevated prices.

How can federal agencies plan a refresh under a continuing resolution?

Prepare requirements, approved alternates and paperwork in advance. Work with your contracting officer and comptroller on obligation timing, and use existing vehicles such as NASA SEWP VI so you can act as soon as full year funds arrive. This article is general information, not legal or fiscal advice.

Related

- **Refresh Planning When Hardware Lead Times Reach 12 Months**
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Sources

- **Network World, "IT infrastructure shortages are real and lasting. Here's how to cope," Paul Desmond, August 11, 2026**
- **Network World, "Switch storm coming: Gartner forecasts price hikes, long lead times for enterprise data center switches," May 5, 2026**
- Gartner press release, "Gartner Says Surging Memory Costs Will Reduce Global PC and Smartphone Shipments in 2026," February 26, 2026
- **EE Times reporting of Gartner on quote validity, 2026, as cited by Astute Group, "AI Memory Shortage Drives Enterprise SSD Prices Up 80%."**

- **Congress.gov, CRS Appropriations Status Table FY2027 (P.L. 119-103, continuing appropriations through December 11, 2026)**

Published at norseman.com/insights/memory-shortage-2026-server-refresh. To talk with Norseman Defense Technologies, call 410.579.8600 or email sales@norseman.com.