



Confluent Acquires WarpStream to Advance Next-Gen BYOC Data Streaming

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Confluent now enables customers to get real-time data however and wherever they need it—on prem, in the cloud or BYOC

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)--Sep. 9, 2024-- [Confluent, Inc.](#) (NASDAQ:CFLT), the data streaming pioneer, today announced it has acquired WarpStream, an Apache Kafka®-compatible data streaming platform. WarpStream's Bring Your Own Cloud ("BYOC") data streaming architecture is designed for organizations running large scale workloads with relaxed latency requirements in their own cloud environment, perfect for logging, observability, and feeding data lakes. With the acquisition of WarpStream, Confluent now has a data streaming offering for every company no matter the need—whether that's fully managed with Confluent Cloud, self-managed with Confluent Platform, or BYOC with WarpStream.

A third offering for data streaming deployment

Many organizations find that unlocking the full value of data needed for today's most important business use cases is much harder than it should be, due to the fractured and siloed nature of the data estate. According to Confluent's latest [data streaming report](#), 91% of IT leaders are banking on data streaming platforms to drive their organization's data goals forward. Confluent's mission is to build a data streaming platform for everyone so they can set their data in motion, regardless of their configurations and workloads.

Currently, Confluent achieves that with Confluent Cloud, its fully managed service, and Confluent Platform, its self-managed offering. Both are complete data streaming platforms that stream, connect, process and govern data, but they sit at opposite ends of the spectrum of operational burden and flexibility. Confluent Cloud eliminates the operational burden with the trade-off of control. Confluent Platform provides greater flexibility at the cost of a higher operational burden. The choice between the two depends on the specific needs and capabilities of an organization.

BYOC has emerged as a third option that falls in between fully managed and self-managed data streaming. BYOC uses a shared responsibility framework where the customer and the vendor are jointly responsible for the operations and health of the system. This joint responsibility gives customers more deployment flexibility, albeit at the cost of some operational overhead. This model benefits instances when regulatory or contractual barriers prevent a customer from using a fully managed solution. WarpStream's next-gen BYOC brings a cloud offering to Confluent's product portfolio for these customers who have high scale workloads with relaxed latency requirements such as logging, observability, and feeding data lakes.

"Confluent wants to offer data streaming to all customers with all requirements and workloads," said Jay Kreps, co-founder and CEO, Confluent. "I've been deeply impressed with WarpStream—it's BYOC done right. With this acquisition, we have a data streaming offering for everyone."

A novel approach to BYOC

WarpStream co-founders Richard Artoul and Ryan Worl realized that if they could separate compute and storage to reduce the operational burden at the database layer, the same could also be done for the data streaming layer. WarpStream's BYOC approach is built directly on object storage, just like Confluent's Kora engine, and brings managed data streaming benefits into the customer's cloud.

Under Confluent's product umbrella, WarpStream will continue its mission to deliver customers a seamless BYOC experience while pushing forward an ambitious roadmap. In time, features like processing and governance will be added to WarpStream BYOC to provide a complete data streaming platform solution for high-volume logging and observability workloads.

"We're excited that the leader in the data streaming space has acquired WarpStream to offer next-gen BYOC to customers," said Richard Artoul, co-founder and CEO, WarpStream. "Together with Confluent, we will continue to ensure that Kafka-compatible data streaming is accessible to every organization."

Confluent does not expect the acquisition to have a material impact on its financial results for the remainder of 2024.

To learn more about how Confluent and WarpStream are delivering value to customers, register to attend Current 2024, taking place in Austin from September 17-18: <https://current.confluent.io/>

Additional Resources

- Read Confluent CEO Jay Kreps' blog post: <https://www.confluent.io/blog/confluent-acquires-warpstream/>
- Read WarpStream CEO Richard Artoul's blog post: <https://www.warpstream.com/blog/warpstream-is-dead-long-live-warpstream>
- Learn more about Confluent: <https://www.confluent.io>
- See how Confluent is helping its customers transform their businesses: <https://www.confluent.io/customers/>

- Join Confluent and apply for one of its open positions: <https://www.confluent.io/careers/>

Cooley LLP acted as legal advisor to Confluent and Wilson Sonsini Goodrich & Rosati, P.C. acted as legal advisor to WarpStream.

Forward-Looking Statements

This press release contains forward-looking statements including, among other things, statements regarding Confluent's data streaming technology, the expected timing of and benefits from Confluent's acquisition of WarpStream, the expected impacts to Confluent's financial results (including timing of such impacts), the timing for launching new product offerings, capabilities and accessibility of new product offerings, the expected benefits and necessity of data streaming, performance of new product offerings compared to open source alternatives, and expected benefits of product offerings for Confluent's customers. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "plan," "project," "target," "look to," and similar expressions are intended to identify forward-looking statements. Forward-looking statements represent Confluent's current beliefs, estimates and assumptions only as of the date of this press release, and information contained in this press release should not be relied upon as representing Confluent's estimates as of any subsequent date. These forward-looking statements are subject to risks, uncertainties, and assumptions. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. Risks include, but are not limited to: (i) Confluent's limited operating history, including in uncertain macroeconomic environments, (ii) Confluent's ability to consummate the WarpStream acquisition and to integrate WarpStream following the acquisition; (iii) Confluent's ability to sustain and manage its rapid growth, (iv) Confluent's ability to attract new customers and retain and sell additional features and services to existing customers, (v) inflationary conditions, economic uncertainty, recessionary risks, and exchange rate fluctuations, which may result in customer pullback in information technology spending, lengthening of sales cycles, reduced contract sizes, reduced consumption of Confluent Cloud or customer preference for open source alternatives, (vi) Confluent's ability to increase consumption of its offering, including by existing customers and through the acquisition of new customers, and successfully add new features and functionality to its offering, (vii) Confluent's ability to achieve or sustain profitability and improve margins annually or at all, (viii) the estimated addressable market opportunity for Confluent's offering, (ix) Confluent's ability to compete effectively in an increasingly competitive market, including achieving market acceptance over competitors and open source alternatives, (x) Confluent's ability to successfully execute its go-to-market strategy and initiatives, (xi) Confluent's ability to attract and retain highly qualified personnel, (xii) breaches in Confluent's security measures or unauthorized access to its platform, data, or customers' or other users' personal data, (xiii) Confluent's reliance on third-party cloud-based infrastructure to host Confluent Cloud, and (xiv) general market, political, economic, and business conditions. These risks are not exhaustive. Further information on these and other risks that could affect Confluent's results is included in its filings with the Securities and Exchange Commission ("SEC"), including Confluent's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, and its future reports that it may file from time to time with the SEC. Confluent assumes no obligation to, and does not currently intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

About Confluent

Confluent is the data streaming platform that is pioneering a fundamentally new category of data infrastructure that sets data in motion. Confluent's cloud-native offering is the foundational platform for data in motion – designed to be the intelligent connective tissue enabling real-time data, from multiple sources, to constantly stream across the organization. With Confluent, organizations can meet the new business imperative of delivering rich, digital front-end customer experiences and transitioning to sophisticated, real-time, software-driven backend operations.

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