

INTELLIGENCE UPDATE

Investments signal a heated liquid cooling race



Daniel Bizo

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Although it is challenging to accurately measure (let alone forecast) global spending on data center infrastructure, current levels are undoubtedly highly buoyant by historical standards. Gargantuan investments in AI compute account for the bulk of current and forecast spending growth, and the broader view also indicates solid baseline demand for generic compute. Server CPU shipments are a useful proxy for the overall health of the data center industry — and processor sales are seeing record levels. Both AMD and Intel report robust demand and expect further growth across all segments due to an ongoing cycle of server technology refresh and capacity expansion.

In such a hot market environment, more businesses are emboldened to buy or invest in other companies as they place bets on continued growth. Transaction activity in the past year is a testament to this: specifically, the surge in mergers and acquisitions (M&A) in cooling systems and services. Uptime Intelligence identified at least 14 transactions (either investment or M&A) in the data center cooling segment from November 2024 to the start of November 2025, with six transactions made since September. Between October 2023 and October 2024, Uptime Intelligence recorded only two similar deals.

This activity is likely at an all-time high — not only in cooling, but also in all data center facility equipment, encompassing both activity and total value. This suggests a consensus (at least in boardrooms) that the current boom will likely endure — even as investments into infrastructure supporting large generative AI workloads grow to unprecedented levels with often unclear returns. The fear of missing out appears to outweigh the financial risk of overpaying, should there be a market correction within the next couple of years.

A year of acquisitions

Of the 14 transactions Uptime tracked over the past year, the deal that dwarfs all others is Eaton's acquisition of Boyd Thermal (part of California, US-based Boyd Corporation), which was announced at the start of November 2025. Boyd Thermal is a major manufacturer of direct liquid cooling (DLC) systems and components, from CDUs to tubes and fittings to cold plates. The \$9.5 billion transaction value is 5.6 times Eaton's projected 2026 revenues — a multiple that

indicates further expectations for steep growth.

IT and cooling manufacturers expect stronger DLC adoption with the latest and next generation of AI compute clusters, as rack power densities now often surpass 100 kW. The revenue multiple and deal value of the Boyd Thermal acquisition reflect the company's exceptionally strong order book, most likely due to winning hyperscale projects. Eaton also expects to be able to reap additional cross-selling benefits of having a more comprehensive portfolio of power distribution and thermal management products, and to challenge Schneider Electric and Vertiv as a major data center equipment vendor.

In little over 12 months earlier (in October 2024), Schneider Electric announced it had bought 75% of cooling specialist Motivair for \$850 million in a similar bid to capture the expected spending growth in liquid cooling data center infrastructure. Both the acquired companies had an already strong DLC product portfolio that centers on CDUs. Vertiv started scaling up its own CDU supply capacities in 2023 after the purchase of UK-based CDU manufacturer CoolTera.

On the same day as the Eaton-Boyd Thermal transaction, Vertiv announced the acquisition of Texas-based PurgeRite in a transaction worth up to \$1.25 billion to bolster its services offering with specialist cleaning (flushing) of fluid networks. Operators typically engage these services ahead of commissioning, or for remediation when coolant quality issues may cause cooling equipment to underperform.

Days later, Daikin Applied Americas (a subsidiary of Japanese conglomerate Daikin Industries) purchased the startup Chillydyne for an undisclosed (relatively small) amount to facilitate commercialization of its DLC equipment. Chillydyne specializes in negative pressure systems (operating at less than atmospheric pressure) to address leakage concerns. This transaction followed Daikin Applied's August purchase of DDC Solutions, a manufacturer of self-contained rack systems with integrated high-density cooling. DDC Solutions racks include close-coupled cooling (fans and coils) for up to 100 kW, or optional DLC system upgrades, supported by the facility water system.

Table 1 Cooling M&A and investment activity (November 2024 to November 2025)

	Date	Target company	Buyer	Nature of transaction	Value
2025	Nov 5	Chilldyne	Daikin Applied Americas	Acquisition	Undisclosed
	Nov 3	Boyd Thermal	Eaton	Acquisition	\$9.5 billion (€8.2 billion)
	Nov 5	PurgeRite Intermediate	Vertiv Holdings	Acquisition	\$1 billion (up to \$1.25 billion with earnout)
	Oct 28	GRC	SK Enmove	Investment/ partnership	Undisclosed
	Oct 6	Accelsius	Johnson Controls	Investment	Multi-million dollar (undisclosed)
	Sep 8	Asperitas	Stecon Group, Invest-NL	Investment	Undisclosed
	Aug 13	Kelvion	Apollo Global Management	Acquisition (majority stake)	\$2.3 billion (€2 billion)
	Aug 12	Submer	Planet First Partners (existing shareholders)	Investment (growth round)	\$34 million (€29 million)
	Aug 6	DDC Solutions	Daikin Applied Americas	Acquisition	Undisclosed
	Jun 3	GRC	Samsung Ventures	Investment	Undisclosed
2024	May 14	FläktGroup	Samsung Electronics	Acquisition	\$1.7 billion (€1.5 billion)
	Feb 19	ZutaCore	Carrier Global (via Carrier Ventures)	Investment	Undisclosed
	Dec 18	Crystal Air Holdings Ltd	Mitsubishi Electric Europe	Acquisition	Undisclosed
	Nov 14	JetCool Technologies	Flex Ltd	Acquisition	\$53 million (€46 million)

(Shown in reverse chronological order.)

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There were two other billion-dollar cooling transactions in 2025 that were motivated by booming spending on data center infrastructure. Samsung Electronics bought FläktGroup, primarily known for its air-handling units, to strengthen its global expansion in cooling for data centers and other industries. Kelvion, a specialist in heat exchangers and heat rejection units, was acquired by private equity firm Apollo Global Management for \$2.3 billion. (Uptime Intelligence note that both FläktGroup and Kelvion were sold by private equity firm Triton, marking the company's exit from data center exposure.)

Investments back multiple cooling types

As Uptime Intelligence noted at the time of the Schneider-Motivair acquisition, most of current DLC demand is in water cold plates. These plates typically use a PG25 coolant mix and continue to dominate in the volume of installations and new orders. This is due to the technical maturity

(material compatibility, honed equipment design) and readily available operational (see [Water cold plates lead in the small, but growing, world of DLC](#)).

Several of the transactions highlighted above are strategic moves to challenge the dominance of current water cold plate techniques with alternative cold plates, as well as single-phase immersion techniques.

- **JetCool**, bought by electronic manufacturing services provider Flex in November 2024, uses the jet impingement effect (where coolant hits the heated surface orthogonally at high velocity), as opposed to the traditional convection heat transfer of parallel, ideally laminar flow.
- **ZutaCore** attracted strategic investment from cooling equipment player Carrier Global in February 2025 to develop and market its two-phase (dielectric) pool-boiling cold plates (evaporators). The two-phase coolant has a high latent heat of vaporization, so it can reduce flow needs and offer better hotspot (high heat-flux) management and thermal stability.
- **Accelsius** received similar investment from Johnson Controls in October 2025 for its own two-phase cold plate system, which relies on flow boiling. While flow boiling requires more coolant flow than pool boiling, it is possible to connect multiple cold plates in a serial loop and also extend cold plate coverage to low-power electronics. Tubes and hoses can also be smaller in diameter, as there is a lower volume of vapor.
- **GRC**, single-phase immersion tank vendors (formerly Green Revolution Cooling), Submer and Asperitas have all completed rounds of fresh investments and entered strategic partnerships. These will fund the continued development of engineered fluids and rigorous material compatibility testing with a broader set of IT hardware configurations, as well as manufacturing and business expansion. Notably, Submer completed two rounds of funding (each of which secured tens of millions of dollars) to create an AI as a service platform on immersion-cooled servers.

Uptime Intelligence expects dielectric-based approaches, including immersion, to continue attracting investor and customer interest on the back of the AI infrastructure super-cycle. Cold plates using two-change dielectric coolants address concerns about damage to expensive IT due to leakages in cold plates, and promise more efficient handling of high silicon heat fluxes, while the main selling point of immersion cooling is total heat capture to fully displace air as a coolant. Fresh investments will help developers of dielectric-based systems to demonstrate the maturity of their products (such as performance, reliability, material compatibility, degradation) and will fund further development and industrialization.

Other related reports published by Uptime Institute include:

[Schneider acquisition signals liquid cooling to go mainstream](#)

[Liquid-to-air eases DLC rollout, but mind the setpoints](#)

[Guiding questions for liquid-cooled colocation planning](#)

[Fewer operators cite sustainability as DLC driver](#)

ABOUT THE AUTHOR



Daniel Bizo

Over the past 15 years, Daniel has covered the business and technology of enterprise IT and infrastructure in various roles, including industry analyst and advisor. His research includes sustainability, operations, and energy efficiency within the data center, on topics like emerging battery technologies, thermal operation guidelines, and processor chip technology.

dbizo@uptimeinstitute.com

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