

Western Digital purchases Hitachi's storage unit for a reported \$4.3bn-- thus combining the world's no. 1 and no. 3 HDD makers.

The move means Western Digital now climbs to the top a somewhat shrinking hard drive market-- one facing continual competition from flash-based storage such as SSDs.

IHS iSuppli says WW HDD shipments will drop by around 4% in Q1 2011, reaching 160.9m units (down from Q4 2010's 167.5m).

Analysts also say the Hitachi purchase will allow Western Digital to challenge Seagate within the still-growing enterprise market, as it brings in Hitachi's enterprise customers.

Go Western Digital Acquires Hitachi Global Storage Technologies

Go Tablets to Eat Into HDD Shipments in Q1