

Tesla Surprisingly Becomes Luminar's Largest Lidar Customer, Contradicting Musk's Past Criticism

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Tesla Inc. (NASDAQ:TSLA) CEO Elon Musk has described lidar sensors as a “crutch” for autonomous vehicles. Yet Tesla has become the largest customer of lidar manufacturer **Luminar Technologies, Inc.** (NASDAQ:LAZR).

As disclosed in Luminar’s earnings report on Tuesday, in the first quarter of 2024, Tesla contributed over 10% of Luminar’s revenue, totaling more than \$2 million.

Luminar's revenue decreased 5% from the fourth quarter of 2023, primarily due to reduced sensor sales to non-automotive customers. However, this decline was mitigated by increased sales to Tesla, which became Luminar's largest lidar customer in the first quarter, TechCrunch reports.

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The company also reported a 45% increase in revenue year-over-year.

For the first quarter, Luminar reported a net loss of \$(125.7) million, an improvement over last year's \$(146.7) million loss.

Following the announcement of a 20% workforce reduction and plans to outsource much of its lidar sensor production to scale the business, Luminar disclosed these financial details.

Tesla has been observed using lidar and other sensors on some test vehicles and reportedly partnered with Luminar as early as 2021, although specifics of the agreement remain undisclosed.

Luminar noted Tesla in its earnings because it names customers accounting for 10% or more of its revenue, adhering to traditional SEC guidelines. This disclosure precedes Tesla's anticipated robotaxi reveal on August 8.

Musk [has consistently argued](#) that using lidar for autonomous vehicle navigation is a "fool's errand," criticizing the technology during Tesla's "Autonomy Day" in 2019 by comparing it to having multiple unnecessary appendices.

Meanwhile, analysts flagged Luminar Technologies as its [volumes were hit](#) by weaker demand for EVs (electric vehicles) due to affordability and lack of adequate charging infrastructure.

Luminar Technologies stock lost over 74% in the last 12 months. Investors can gain exposure to the stock via **Direxion Moonshot Innovators ETF** (NYSE:[MOON](#)) and **First Trust Nasdaq Artificial Intelligence And Robotics ETF** (NASDAQ:[ROBT](#)).

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