

Velodyne Lidar Price Reduction



David Silver [Follow](#)

Jan 2, 2018 · 2 min read



CNET has breaking news that Velodyne is halving the price of its popular VLP-16 lidar sensor, from \$8,000 to \$4,000.

I haven't seen this reported anywhere else, and even if it's true it's not a huge deal on its own. But it would be a sign of potentially huge changes ahead.

Why?

1. Lidar is a critical sensor for every major autonomous vehicle company (except Tesla).
2. Lidar is by far the most expensive sensor on the vehicle. The VLP-16 is “only” \$8,000, but Velodyne’s top-end HDL-64E retails for about \$100,000. And even at that price, historically there has been a multi-month backlog!
3. Velodyne, the industry’s leading lidar manufacturer, has been ramping up a “megafactory” in San Jose.
4. It’s possible that the VLP price drop is an early sign of a huge increase in the supply of lidar sensors onto the market.
5. If that’s true, then the price of all lidar sensors might drop and keep dropping.
6. Lower lidar prices could lead to safer cars, as it becomes affordable to put more sensors on the vehicle.
7. Lower lidar prices could lead to lower self-driving car prices, challenging the notion that only ridesharing companies can afford these vehicles.

That’s a long string of events, and it starts with an unconfirmed report from CNET. But it’s fun to think about.

As a disclaimer, Udacity uses Velodyne sensors, including the VLP-16, on Carla, Udacity’s self-driving car.

L1 07 L Components Inputs Wrapup



Self Driving Cars

Autonomous Vehicles

Discover Medium

Welcome to a place where words matter. On Medium, smart voices and original ideas take center stage - with no ads in sight. [Watch](#)

Make Medium yours

Follow all the topics you care about, and we'll deliver the best stories for you to your homepage and inbox. [Explore](#)

Become a member

Get unlimited access to the best stories on Medium — and support writers while you're at it. Just \$5/month. [Upgrade](#)

[About](#)

[Help](#)

[Legal](#)