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Lambda LABS

Company Summary

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# Introduction

Lambda Labs is a prominent player in the field of GPU cloud computing and hardware solutions, particularly catering to AI developers and machine learning practitioners. The company provides a range of services and products focused on high-performance computing.

# Products and Pricing

|  |  |  |  |
| --- | --- | --- | --- |
| Name | Features | Pricing Structure | Use Cases |
| 1-Click Clusters | 1. On-Demand Access 2. Flexible Reservations 3. Pre-Installed Software | 1. $4.49 per GPU per hour 2. $0.20 per GB per month | 1. AI Startups 2. Research Institutions |
| On-Demand Cloud | 1. GPU Options 2. Flexible Instances 3. User-Friendly API 4. Pre-Configured Environments 5. One-Click Jupyter Access | 1. $2.49 per hour per instance | 1. AI Research Teams 2. Startups |
| Private Cloud | 1. Dedicated GPU Clusters 2. High-Speed Networking 3. Custom Configurations 4. Integrated Software Stack 5. Storage Options | 1. 3 years -> $1.84 per GPU per hour 2. 2 years -> $2.09 per GPU per hour 3. 1 year -> $2.29 per GPU per hour | 1. Large Enterprises 2. Research Institutions |
| NVIDIA DGX Systems | 1. High-Performance Hardware 2. Scalability 3. Integrated Software Stack 4. Lifecycle Management Services | 1. NVIDIA DGX B200, NVIDIA DGX H100, NVIDIA SuperPOD -> Contact for pricing 2. On-Demand Access -> $2.49 per GPU per hour 3. Reserved Pricing ->  $1.84 per GPU per hour | 1. Healthcare 2. Finance 3. Automotive |
| Scalar Servers | 1. GPU Options 2. High Performance 3. Scalability 4. Integrated Software Stack 5. Networking and Storage 6. Premium Support | 1. NVIDIA H100 GPUs -> $1.89 per GPU per hour 2. NVIDIA A100 GPUs -> $1.10 per GPU per hour 3. Reserved Pricing -> Contact for pricing 4. Additional Costs – depending on addons | 1. AI Research Teams 2. Enterprise Applications |
| Lambda Vector Pro GPU Workstation | 1. GPU Options 2. Processor Options 3. Memory and Storage 4. Pre-Installed Software 5. Cooling and Design | 1. $7,000 to $12,000, depending on the selected GPUs | 1. AI Research Teams 2. Small to Medium Enterprises |
| Vector GPU Desktop | 1. GPU Options 2. Processor Options 3. Memory and Storage 4. Zero Configuration Required 5. Optimized for AI Workloads | 1. $4,000 to $8,000, depending on the selected components and GPUs | 1. AI Developers 2. Research Institutions |
| Lambda Vector One | 1. GPU 2. Processor 3. Memory 4. Storage 5. Networking 6. Design and Cooling 7. Pre-installed Software | 1. $4,400 to $5,500 | 1. AI Researchers and Developers 2. Educational Institutions |

# Partnerships with Lambda Labs

**Quantiphi** - This collaboration aims to provide tailored AI solutions across various industries, including banking, healthcare, and telecommunications.

**Weights & Biases** - This strategic partnership integrates Weights & Biases' MLOps platform with Lambda's NVIDIA-accelerated systems.

**NVIDIA** - This partnership allows Lambda to leverage NVIDIA’s technology to deliver advanced GPU cloud services and infrastructure for AI workloads.

**VAST Data** - Lambda selected VAST Data’s technology as the storage backbone for its offerings, enhancing data management capabilities essential for AI applications.

**SK Telecom** - This recent partnership aims to expand Lambda's AI Cloud services in South Korea, enabling local enterprises and research labs to access GPU cloud services through SK Telecom's infrastructure

# Company Value

Lambda Labs has achieved a valuation of $1.5 billion following its recent funding round, where it raised $320 million in Series C financing. This investment was led by the US Innovative Technology Fund, with participation from various notable investors, including B Capital and T. Rowe Price Associates, among others.

The company has experienced significant growth, with revenues increasing from $30 million in 2022 to over $500 million in 2023, and projections of nearly $600 million for 2024.

# Pricing Strategy

**Tiered Pricing Models** - Lambda offers tiered pricing based on the number of GPUs and the level of service required.

**Usage-Based Pricing** - The company has adopted a usage-based pricing model for its cloud services, where customers pay based on actual GPU usage.

**Subscription Discounts** - Lambda provides discounts for long-term commitments and subscriptions, incentivizing customers to commit to longer contracts.

**Bundled Services** - By offering bundled services that combine hardware and software solutions (like workstations with pre-installed AI frameworks), Lambda encourages customers to purchase more comprehensive packages at a discounted rate compared to buying components separately.

**Freemium Options** - Implementing a freemium model for certain services can attract new users who may later convert to paid plans as they require more features or higher performance.

**Custom Configurations** - Lambda allows for custom configurations in its workstations and servers, enabling customers to tailor their purchases according to specific needs

**Enhanced Support Packages** - Offering premium support packages for an additional fee can generate extra revenue while providing customers with peace of mind regarding technical assistance.

**Value-Based Pricing** - Lambda may employ value-based pricing strategies, where prices reflect the perceived value delivered to customers rather than just the cost of production.