

Statements from David Hall, founder and CEO of Velodyne Acoustics, Inc.

“Velodyne Acoustics is reorganizing and adapting to profound changes that have occurred recently in the business environment. These changes are once in a millennium in magnitude. The first profound change is the movement of manufacturing to Asia and sharing profits with Asia. This demands a new business model that has changed according to a different business model.

The second profound change is the development of the internet and its impact on communication. The new environment for business opens doors of opportunity for Velodyne to reinvent itself as again the most cutting edge and exciting audio company. After careful evaluation of how we get our products to our customers, we determined that we can be more effective in serving the stereo enthusiast by offering products directly from Velodyne. These exciting changes we are making will allow us stay cutting edge and the leader of sound innovation in the industry by increasing research and development. We believe that research and development is the foundation of innovation and a lifeline to the business.

Our customers will see in the very near future a streamlined process for purchasing Velodyne subwoofers online. We will soon launch a new, easy to use e-commerce website where our customers can easily purchase a full-range of our products. We are committed to making these changes as seamless as possible and look forward to further strengthening our valued reputation as the audio company with world famous sound and cutting edge innovation.”

About Velodyne

Velodyne Acoustics, Inc., founded in 1983, is universally recognized as the leading manufacturer of high-performance, low distortion powered subwoofers at all price levels. Headquartered in Silicon Valley, California, the company's technically innovative audio products are available through a select group of authorized dealers, custom installers, and distributors worldwide. For more information visit www.velodyne.com.