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Bay Area companies poised to reap benefits of autonomous cars

A burgeoning ecosystem of almost two dozen companies is making self-driving cars the Bay Area's next growth industry

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Giants like Tesla, Waymo and Apple are making headlines for their bids to bring automotive innovation to the Bay Area. But a growing local ecosystem of suppliers further down the production chain may be just as likely to reap the rewards from self-driving and electric vehicles.

That's the hope that led Valeo, a multinational auto supplier headquartered in Paris, to open an office in San Mateo last month, nestled on a block that houses auto repair shops and parts stores.

"We need to have a permanent presence in Silicon Valley," said [Marc Vrecko](#), Valeo's president of comfort and driving assistance systems.

After what he calls a "commando squad" parachuted into the Bay Area in 2014, Valeo's presence has swelled to 30 employees and is slated to grow to 50 by the end of the year. Some of the new hires are local and others relocated from Europe. Their office serves as an R&D testbed, as well as a point of contact for local partners.

The brand's local clients include Tesla, Waymo and Uber, which contract for parts and systems including LiDAR, cameras and other sensors. Valeo also produces integrated antenna modules and passive entry systems. Its demonstration projects include computer systems that feed back-mounted camera data to a rear view mirror and driver monitoring systems that track head and hands.

At this year's Consumer Electronic Show, Valeo showed off a visibility system that sees through the car in front of it. It uses Dedicated Short Range Communications to feed camera data from a car in front to a dashboard mounted display, allowing drivers to see pedestrians, cars, or other obstacles that would normally be blocked by the vehicle ahead. Though only a concept project, the system points to the kind of groundbreaking work that Valeo hopes to do in the Bay Area.

Valeo is one of dozens of automotive parts suppliers in the Bay Area with a stake in Silicon Valley's bid to disrupt the Detroit-centered auto industry.

Major automakers — including BMW, Ford, General Motors, Honda, Hyundai, Nissan and Toyota — have also opened regional offices in Silicon Valley to tap into research conducted at universities like Stanford, as well as to establish business development connections.

Firms that partner with these companies, as well as with Bay Area-based automotive startups, span a wide range. Some work on speculative projects, like San Jose's QuantumScape, which is focused on disruptive battery technology. Others, like Kennerly Spratling Inc. in San Leandro, make the plastic covers that go on batteries.