

The Mission of Tesla

(The Secret Master Plan)

Founded in 2003 by a group of engineers, Tesla aimed to prove that people didn't need to compromise to drive electric, and that electric vehicles can be better, quicker and more fun to drive than gasoline cars. Today, Tesla builds not only all-electric vehicles but also infinitely scalable clean energy generation and storage products. Tesla believes the faster the world stop relying on fossil fuels and moves towards a zero-emission future, the better.

Tesla's Vision Statement: "to create the most compelling car company of the 21st century by driving the world's transition to electric vehicles."

Tesla's Mission Statement: "to accelerate the world's transition to sustainable energy".

The initial product of Tesla Motors is a high performance electric sports car called the Tesla Roadster. However, some readers may not know that our long-term plan is to build a wide range of models, including affordably priced family cars. This is because the overarching purpose of Tesla Motors is to help expedite the move from a mine-and-burn hydrocarbon economy towards a solar electric economy, which I believe to be the primary, but not exclusive, sustainable solution.

Critical to making that happen is an electric car without compromises, which is why the Tesla Roadster is designed to beat a gasoline sports car like a Porsche or Ferrari in a head to head showdown. Then, over and above that fact, it has twice the energy efficiency of a Prius. Even so, some may question whether this actually does any good for the world. Are we really in need of another high-performance sports car? Will it actually make a difference to global carbon emissions?

Well, the answers are no and not much. However, that misses the point, unless you understand the secret master plan alluded to above. Almost any new technology initially has high unit cost before it can be optimized and this is no less true for electric cars. The strategy of Tesla is to enter at the high end of the market, where customers are prepared to pay a premium, and then drive down market as fast as possible to higher unit volume and lower prices with each successive model.

So, in short, the master plan is:

- Build sports car
- Use that money to build an affordable car
- Use *that* money to build an even more affordable car
- While doing above, also provide zero emission electric power generation options.

Text extracted/adapted from www.tesla.com/about, and "The secret Tesla Motors Master Plan (just between you and me)" published on August 2nd, 2006 (<https://www.tesla.com/blog/secret-tesla-motors-master-plan-just-between-you-and-me>)

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Questions

1. Based on the group's opinion, select three (3) Principles to help Tesla implements its strategic initiatives. Please write the selected Principles below.

2. Based on the group's collective experience, what actions (practices) can be adopted to implement these Principles? Describe at least 2 actions for each Principle.
