

QUARTZ MEMBERSHIP



Everything you need to know about Elon Musk's plans to change everything

Member exclusive by



Dasia Moore

Elon, Inc.

Elon Musk is an iconic and controversial tech titan whose ideas, for better or worse, are shaping our world. His companies build cars, rockets, and more—all part of his plan to remake everything from the energy we use to the planet(s) we inhabit. Musk, 48, is estimated to be worth \$24.2 billion. He started his empire early.

Musk's early achievements

- 1983** As a 12-year-old living in South Africa, Musk **sold his first software**, a game called Blaster, for \$500.
- 1995** At 24, he completed studies in physics and economics at the University of Pennsylvania. He and his brother, Kimbal, **launched Zip2**, which sold city travel guides to news sites.
- 1999** At 27, Musk **became a millionaire** after selling Zip2 to Compaq for \$307 million and \$34 million in stock options. He also **founded X.com**, a payments site, with his brother. X.com later merged with Confinity to become **PayPal**.
- 2002** At 31, Musk **made \$165 million** when eBay acquired PayPal for \$1.5 billion. This payout allowed Musk to **found SpaceX** the same year.

The modern Musk empire

- 2003** Martin Eberhard and Marc Tarpenning founded Tesla Motors. Soon after, Musk **joined Tesla's team**, first as a fundraiser and investor, then as chairman of the board.
- 2006** Musk's cousins Peter and Lyndon Rive started **SolarCity**, a solar energy startup. Musk provided the seed money.
- 2008** Eberhard and Tarpenning left Tesla. Musk **became Tesla's CEO** a few months later.
- 2010** **Tesla went public** and raised \$226 million in its IPO.
- 2016** Tesla **acquired the cash-strapped SolarCity** and took on \$2.9 billion in related debt. At the time, Musk was the chair and top shareholder of both companies. Musk **founded Neuralink and The Boring Company**.

Musk's business empire

Musk is currently at the helm of four companies: SpaceX, Tesla, The Boring Company, and Neuralink. Through these, he has a hand in industries ranging from aerospace to infrastructure. Musk's true reach extends even further through the companies he invests in and advises. He also heads The Musk Foundation with his brother.

Founder and CEO

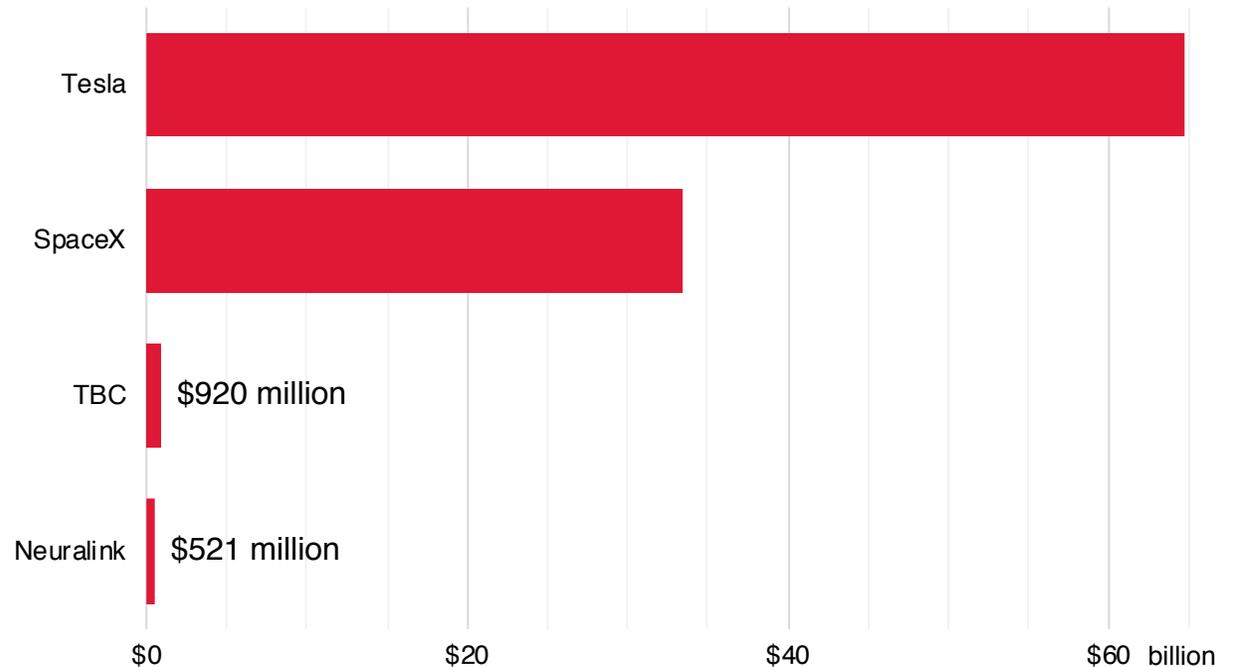
- **Tesla**, automobiles and energy
- **SpaceX**, aerospace and transit
- **The Boring Company**, infrastructure
- **Neuralink**, neurotechnology

Adviser or Trustee

- **Future of Life Institute**
- **OpenAI** (also a co-founder)
- **X Prize Foundation**

Musk's companies are worth nearly \$100 billion

Based on Tesla's market capitalization and private companies' valuations



A history of hype

Though Musk has accomplished a great deal, he has promised even more. To fans, his habit of saying he'll deliver huge technological advances in impossibly short periods of time proves he is a visionary. To critics, it suggests Musk is in the business of fiction, not science.

Elon Musk's goals for the future:

-
- 2020** Tesla will release **fully autonomous cars**. Big Falcon Rocket—capable of **commercial travel to Mars** and the moon—will take its first trip. (Musk originally predicted both of these would happen in 2017.)
 - 2024** Global, **satellite-based broadband** will debut.
 - 2025** First **human colonists** will land on Mars.
 - 2027** Healthy humans will opt for **machine-enhanced brains**. The US will transition fully to **driverless cars**.
 - TBD** Musk himself will **retire on Mars**, where he plans on spending the remaining years of his life.

120 hours per week. \$0 per hour.

Musk is known for his eccentric leadership style. He reportedly works 120 hours a week, rarely takes vacations, and engages in few hobbies. Despite his relentless work, Musk refuses to cash his paychecks from Tesla and SpaceX. In January of 2018, Tesla announced it would officially eliminate his annual salary as CEO and instead compensate him in equity—if he increases Tesla's value by \$50 billion every 10 months for 10 years.

\$0

What Musk is slated to be paid in 2028 if Tesla fails to meet the board's targets for value and revenue

\$2.6 billion

Tesla's estimate of what the stock options outlined in Musk's compensation plan are worth

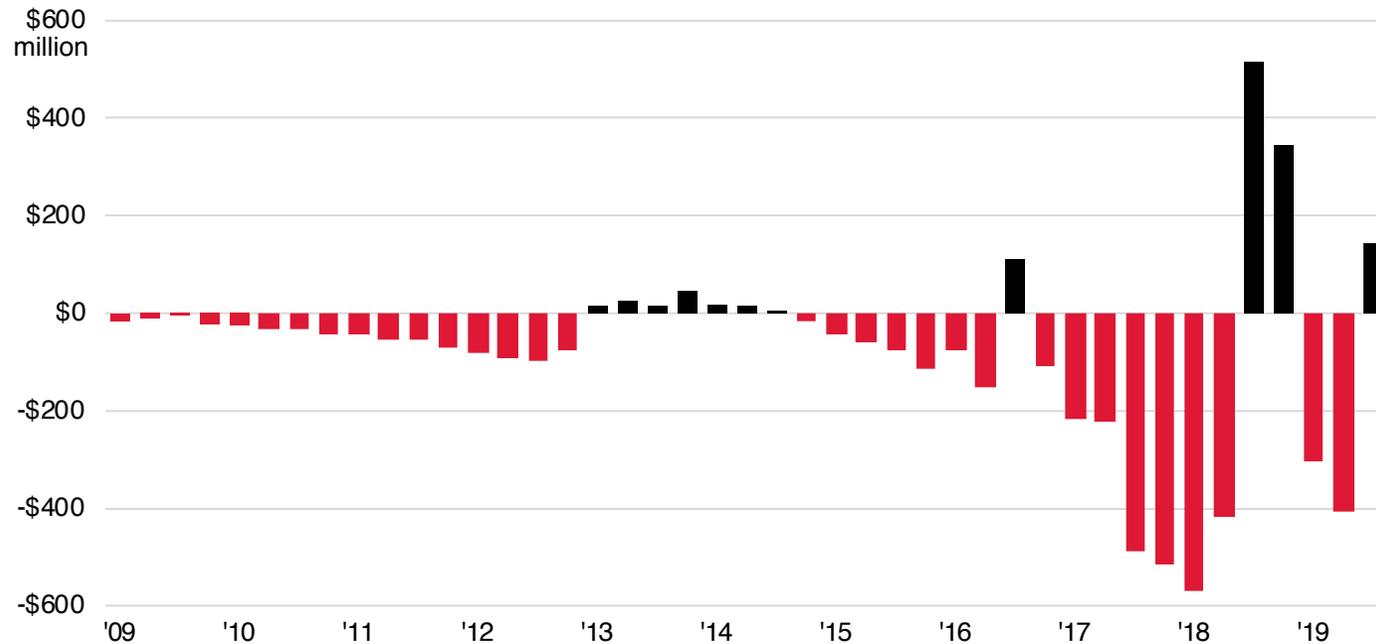
\$55.8 billion

What Bloomberg says Musk will net if he meets all targets to make Tesla worth \$650 billion by 2028

Tesla

Founded in 2003 and listed on the Nasdaq stock exchange since 2010, Tesla is the US's number-one seller of electric vehicles. Musk did not create Tesla, but he quickly became the face of the company and assumed the role of CEO in 2008 after co-founders Martin Eberhard and Marc Tarpinning left. Though Tesla's value has surpassed that of General Motors, its profitability is sporadic.

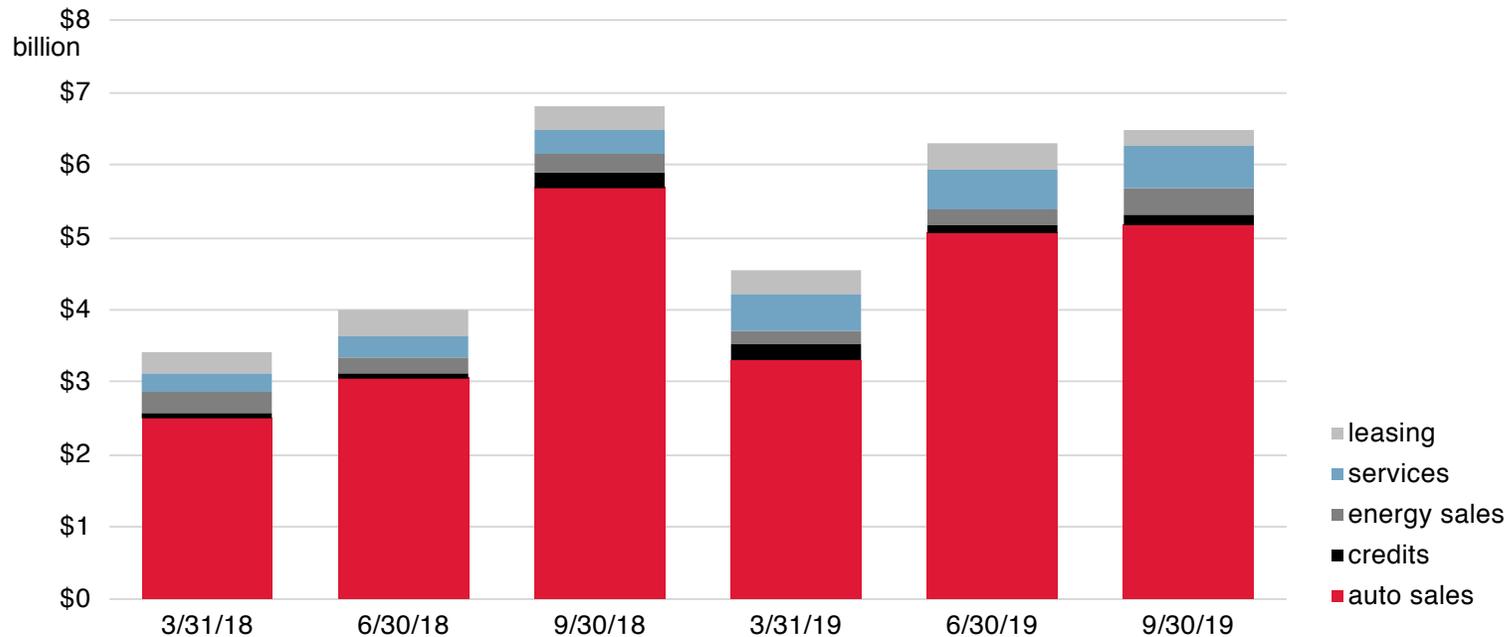
Tesla's quarterly profits show just 11 quarters in the black



Musk's master plan

Musk insists that Tesla's purpose goes beyond making luxury cars. His 2006 and 2016 "master plans" for Tesla list goals like "provide solar energy" and "integrate energy generation and storage." Tesla has also acquired seven startups in energy, machinery, and autonomy. The largest—and most controversial—of these was the \$2 billion acquisition of SolarCity, a solar energy startup founded by Musk's cousins.

Tesla revenue by business line

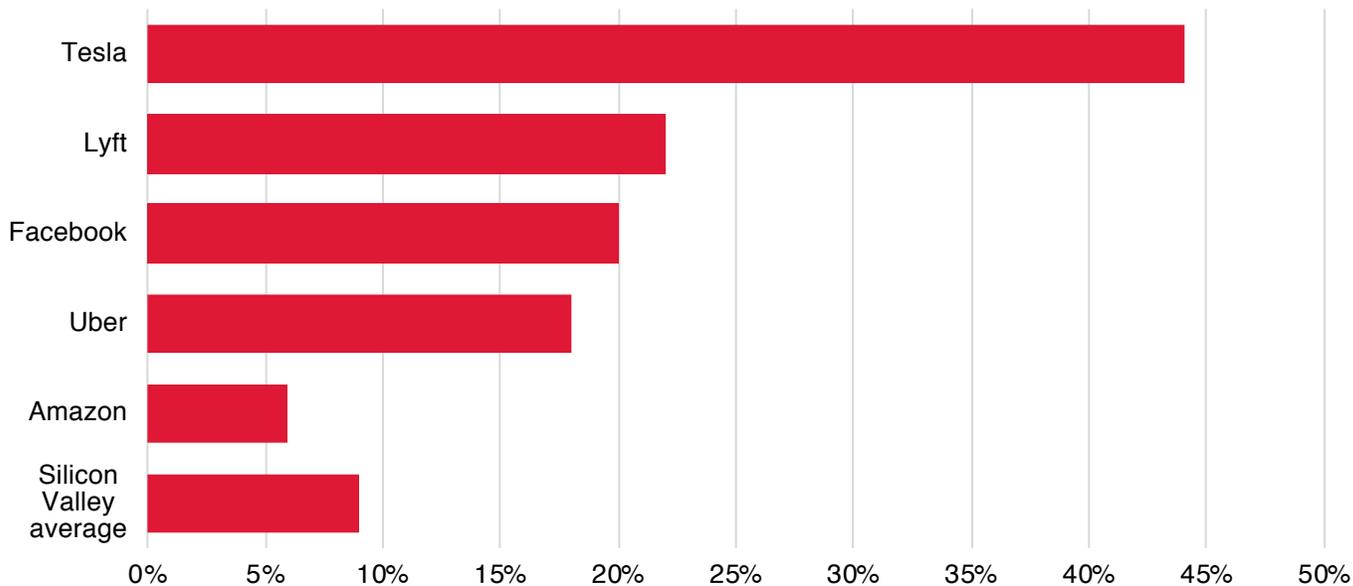


Problems under the hood?

SolarCity is not the only recent Tesla controversy. The SEC twice accused him of tweeting information that could mislead or improperly influence shareholders, and in a December 2018 interview with CBS, Musk said, "I do not respect the SEC." Internally, Tesla faces a high turnover rate for top executives: There have been more than 30 high-profile departures since 2018.

Annualized turnover rate for employees who report directly to the CEO

According to analysis by Toni Sacconaghi at Bernstein.

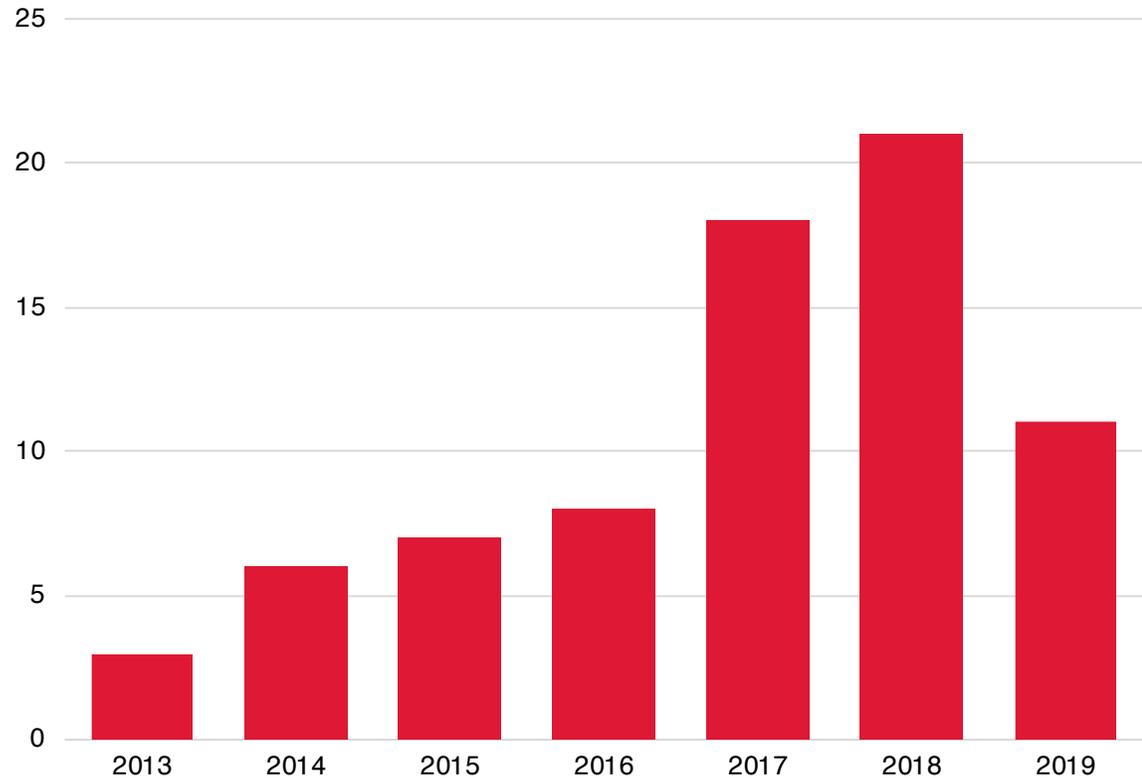


Uncertainty about the company's performance and future are reflected in the widening gap between analysts' high and low targets for Tesla's share price.

SpaceX

Elon Musk founded Space Exploration Technologies Corporation (SpaceX) in 2002. The company builds rockets, but the company says its moonshot goal is “enabling people to live on other planets.” SpaceX has consistently made history— as the first private company to have a liquid fuel rocket reach Earth’s orbit, then as the first private company to safely return a rocket from orbit. SpaceX’s Dragon is the only private spacecraft to have delivered goods to the International Space Station.

SpaceX’s successful missions
2019 figures through November 21



Down to Earth

As in the case of Tesla, Elon Musk has ambitious, industry-spanning goals for SpaceX. Besides preparing humanity to move to Mars, SpaceX also houses two Musk projects meant to improve life here on Earth: Starlink, a telecommunications network, and hyperloop, a transit concept.

11,925

The number of satellites SpaceX says it needs to reach its broadband goals

Starlink is SpaceX's satellite internet project. So far, Starlink has launched about 177 satellites—far more than competitors OneWeb and Telesat, which have telecoms expertise but lack the literal rocket power Starlink has thanks to SpaceX. These companies' vision is to provide better broadband than Earth-bound internet networks. What remains unproven is their ability to build space-based networks affordably.

463 kmph

The speed record for a design presented at SpaceX's Hyperloop Pod Competition

In 2013, Musk published a paper describing his concept for a "**hyperloop**," a network of tubes that would transport commuters and cargo via vacuum-powered pods. Rather than launch his own hyperloop business, Musk released his full concept and hosted a design competition through SpaceX. There are now several companies vying to make Musk's idea a reality, including Virgin Hyperloop One.

The Boring Company

Elon Musk founded The Boring Company (TBC) in 2016 as a solution to what he calls “soul-destroying traffic.” TBC believes it can eliminate traffic by taking highways and high-speed mass transit networks (including hyperloop) underground. The company has already begun boring tunnels in Hawthorne, California and Las Vegas, Nevada. Additional projects are planned for Los Angeles, Chicago, and the Washington-Baltimore area.

**\$232.5
million**

Total fundraising.
About \$101 million
came from Musk
himself.

Neuralink

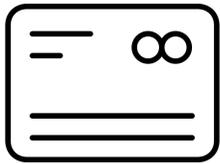
Another new Musk venture is Neuralink, a neurotechnology company that has been developing brain-machine interfaces since 2016. Musk unveiled Neuralink’s research and goals in 2019. The most immediate aim is to help people with brain injuries communicate through computers. Musk has alluded to integration of the human brain and artificial intelligence (AI) and even telepathic communication between humans as long-term goals.

**\$158
million**

Total fundraising.
About \$100 million
came from Musk
himself.

The startups that won Musk's attention

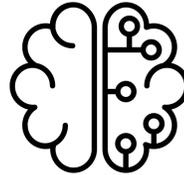
Elon Musk certainly seems to be in his current companies for the long-haul, but that hardly means the magnate isn't exploring new opportunities. Musk's angel investment portfolio suggests he's doubling down on his interest in AI and dabbling in news media. Musk is also an angel investor for Stripe, a fintech unicorn.



Payments

Stripe

Participated in \$150 million late-stage round in 2016, \$2 million seed round in 2011.



AI

OpenAI

Participated in \$1 billion grant in 2015.

NeuroVigil

Participated in late-stage round for an undisclosed amount in 2015.

Vicarious

Participated in a \$40 million early-stage round in 2014.



Media

Inside

Participated in predecessor

Mahalo's

\$16 million early-stage round in 2007.

Want to know more? Read Quartz coverage of Elon Musk and his companies.

- [The days and nights of Elon Musk: How he spends his time at work and play](#) – If you're curious about what it's like to be Elon Musk.
- [Tesla's profitable quarter netted \\$2 billion for Elon Musk](#) – For more on Musk's performance package and what he's earned so far.
- [A year ago today, Elon Musk sent a very expensive tweet](#) – If you want to understand Musk's battle with the SEC.
- [Wall Street is listening to Elon Musk's "internal" Tesla goals and ignoring history](#) – For more on the tricky business of anticipating Tesla's production.
- [Even if Elon Musk doesn't run Tesla, he has a plan. Sorry, 24 plans.](#) – For the long answer to "what's next?"

Have questions about this presentation, or suggestions for us?

Send us a note at members@qz.com.