



AN EXECUTIVE SUMMARY OF

ELON MUSK

TESLA, SPACEX, AND THE QUEST FOR A FANTASTIC FUTURE

by Ashlee Vance

Who is Elon Musk?

Elon Reeve Musk is a Canadian investor, businessman, inventor, and engineer. Born on June 28, 1971, in South Africa, Elon had a troubled childhood, but that didn't deter him from becoming the CEO of one of the most technologically advanced companies in the world. Elon serves as the CEO for not only Tesla Motors, but also SpaceX. He also works as the chairman in Solar City and is also the cofounder for various companies including Paypal and Zip2. If you want to know a lot more about the brain behind these companies, read the book: [Elon Musk](#).

Preston and Stig's General Thoughts on the Book

This was a really fun and interesting book. Although Hollywood has compared Musk to the Tony Stark character in Iron Man, the reality of the situation is he's quite different. For example, Musk isn't one to drink alcohol or participate in anything outside of his precious work.

While reading the book I got the impression that money was never the key driver for Musk. Money was more of a by-product of his actions and determination to change the world. For me, Elon Musk doesn't come across as a sympathetic person or someone I would ever want to work for. Although his accomplishments are very impressive, his laser focus and self-interest of accomplishing major goals, seem to interfere with his ability to treat people humanly and personally. Elon Musk is a person that has set out to change the world, and I think he's going to succeed. If you're looking for a very interesting book full of fun stories, you'll definitely enjoy this one.

Chapter 1: Elon's World

In this section, Ashlee Vance introduces the readers to Elon Musk. He talks about how Elon has gained a reputation and is respected by some of the most successful CEOs, including Larry Page. According to Elon Musk, innovation is necessary but since some of the best minds in the business are occupied in law, finance and online businesses, innovation is hindered. Elon thrived while applying his brains behind technology that could prove to be some of the biggest breakthroughs we have ever seen.

Ashlee talks about Musk's career where he founded Zip2, when he was just fresh out of college in 1995. Zip2 was extremely successful and was sold to Compaq for about \$307 million in 1999. With \$22 million as Musk's share, he used most of it to start the next venture that morphed into Paypal. The company was acquired by eBay for a

staggering \$1.5 billion. While other entrepreneurs focused mostly on online businesses, Musk invested about \$70 million in Tesla, \$10 million in SolarCity and \$100 million in SpaceX.

Chapter 2: Africa

In this section, Ashlee describes how Musk's family settled in Africa after traveling from Canada. Musk excelled in sci-fi even as a 12 year old. He was introduced to the public in 1984 when he invented a sci-fi game named Blaster, which was published in PC and Office Technology, South Africa. Musk was a boy who often blended reality and fantasy in his mind to such a point that it was hard to be separated. He was often inspired by stories that spoke about changing the world.

Musk, as a kid, was brilliant and precocious. He would often go into a state of trance and his parents wondered if the kid was deaf. His mind worked in a visual manner and blocked everything else while focusing on a single task. As a voracious reader, Musk often devoured sci-fi books and it went on to such an extent that he had run out of books to read when he was just in the 4th grade! Known as a kid who knew it all, Musk failed to make friends and was very isolated. In fact, he wasn't even close to his own parents. Later, as he grew up, Musk flew back to Canada to pursue his dreams and left his home.

Chapter 3: Canada

Musk's experiences in Canada are described vividly here. It's rather interesting to note that Musk associated himself with people who could respond to his fantasies. His dating life, the odd jobs he took up, and the perseverance with which he pursued everything shows the kind of man he is. After spending two years at the Queen's University, Musk joined the University of Pennsylvania through a scholarship. His hunger for knowledge made him pursue dual degrees – bachelor's degree in Physics and economics degree at Wharton School.

Musk also considered a career in videogames because of his obsession with them ever since he was a child. Once he realized that it wasn't all that grand, he constantly daydreamed about pursuing projects in three areas including the Internet, space and renewable energy. He felt that these areas would undergo a lot of changes in the future, making significant impacts on the market. Musk wasn't chasing money, but he was forming a master plan that would let the world know that he wasn't just an ordinary entrepreneur.

Chapter 4: Elon's First Start-up

As Musk began to settle, he started working at the Pinnacle Research Institute where he learned a lot. With various scientists conducting experiments on ultracapacitors that could be used as fuel for hybrid and electric vehicles, Musk used his time in Pinnacle as the basis for his business. Musk, along with Kimbal, also started exploring the arena of internet businesses and they formed Global Link Information Network. Later, they named it as Zip2, and it was successful because it helped to create a directory for businesses where they could search locations.

With a small office in Palo Alto, the brothers set up their business. While Kimball handled the marketing and sales aspect of the business, Musk managed the coding. A company named Navteq that was into creating directions and digital maps to be used in GPS navigation helped Musk merge both the databases and set up a system. With some funds in hand, Musk and Kimbal contacted newspapers to sell their service. Some of the employees at Zip2 were unhappy because of Musk's interference in their work. As the CEO of the company, Musk made it a little hard for other people to work around him.

Chapter 5: PayPal Mafia Boss

Musk wasn't a man who just copied and followed what everyone else was doing. When he was working in Pinnacle, he approached his seniors to pitch his idea about how they could make billions of dollars for free because they were protected by the government; however, the bankers refused it and Musk launched himself into developing X.com and invested \$12 million into it. It was a financial start-up company and although everybody felt that he was crazy to take up such an insane risk with his personal money, Musk continued with it undaunted.

PayPal, another company led by Peter Thiel was X.com's main competitor and although both the companies merged to conduct business, they fell out later and Thiel was named the CEO. Some employees from X.com made it clear to the board that they had no confidence in the company and Musk was replaced by Thiel. Although many loyal employees felt that Musk was cheated, he took it in his stride and left the company once he felt that it was managed by brilliant people who knew how to handle such companies.

Chapter 6: Mice in Space

After the fiasco of X.com being ripped off from Musk's hands, he decided to travel to Los Angeles and settle down there with this wife, Justine. He picked Los Angeles because that's where all the action was. Additionally, the idea that it gave more access to the space industry was more appealing to him. He associated himself with the Mars Society and donated a whopping \$100,000 for their research station. Along the way, he began pursuing a project called "Mars Oasis" where he would purchase a rocket and use it to create a robotic greenhouse in Mars. The Musk team also met the Russians so that they could buy a rocket, but once Musk figured that the Russians weren't serious about his proposal, he stormed out of their meeting in anger.

Although disappointed, Musk didn't give up and began thinking about making his own rocket that was even cheaper than what the Russians offered. In 2002, he founded SpaceX where they would focus on building their own engines. SpaceX started small, but within a year, it was a full-fledged rocket factory and they also unveiled Falcon1's prototype in December 2003. Although it was a failure when it was launched again later, Musk didn't stop dreaming about his ambition to change the world.

Chapter 7: All Electric

J.B Straubel, a tinkerer and a genius, was working on electric cars. Although Musk was interested had diverted his attention to ultracapacitors mostly, he found Straubel's ideas brilliant and promised to help him with money. At the same time, two other individuals named Marc Tarpenning and Martin Eberhard who had founded NuvoMedia, were also working on electric cars. In 2003, they incorporated a new company named Tesla Motors to pay homage to Nicola Tesla. They came up with the idea of developing cars and selling it directly to consumers, instead of relying on partners.

Since they needed an investor to fund their operation and since Musk was looking for brilliant projects that were into electric cars, all the three men met and the Tesla team merged with Musk. With Musk's \$6.5 million investment in Tesla, he was made the chairman and was the largest shareholder in the company. A year later, Tesla had more than a hundred employees and was going strong. They also built EP1 (engineering prototype 1) from Roadster and this allowed them to get more investors. It became so famous that they had investors signing checks to buy their cars. Eventually, they began to face too many problems in the company and Eberhard who was the CEO, quit the company altogether.

Chapter 8: Pain, Suffering and Survival

Musk was a huge celebrity and was also photographed with various celebrities including Robert Downey Jr. His wife Justine also reveled in their newfound celebrity status and began penning blogs to share their experiences as a couple. This also catapulted Musk's name and the press constantly wrote about this man who was interested in anything related to space. However, when SpaceX's launch failed miserably, and with Justine's blogs hinting that their marriage was rocky, Musk's reputation faltered.

Musk also began to face issues with money and sold his McLaren for cash. Justine continued to blog about him and although they divorced each other, the gossips wouldn't just stop. Musk went on to marry Riley, but the problems in SpaceX continued. Finally, in 2008, SpaceX successfully completed its fourth launch, but people were unaware about its deep financial trouble. Some articles in the press continued to attack Musk and SpaceX and Tesla. The employees lived in a state of fear and also contributed to keep the company going as Musk began rallying around to gather more money to save his company. However, Musk sought solace from the fact that SpaceX had received \$1.6 billion from NASA. Musk, after all his pain and suffering, had survived and was recouping to lead his company.

Chapter 9: Liftoff

As the years have gone by, SpaceX has developed enormously and continues to do so. Although it has several competitors, it continues to satisfy its customers in a way the others can't. As the competitors need to rely on Russia for its machines, SpaceX has an edge because it builds all its machines from scratch. With \$60 million used per launch, the cost is much lesser than what Japan and Europe charge. The company is looking to reduce this cost further to about \$20 million by improving their launch technology.

Of course, there are several negatives that surround any business related to aerospace, but Musk has been able to use them to his advantage. In his words, SpaceX is not just an ordinary aerospace contractor, but is instead a hip place to work where they work on revolutionary techniques that can change the world. While some employees fear Musk, others love him and adapt to the crazy hours they need to put in to work there. After a competition held by NASA, SpaceX will receive \$2.6 billion while Boeing will receive \$4.2 billion in order to develop capsules and shuttle people to ISS.

Chapter 10: The Revenge of the Electric Car

By 2012, Tesla stunned its competitors in the industry when they began shipping the very suave Model S sedan. With the ability to run more than 300 miles with only one charge, it offered a lot of other perks to its customers. Tesla made the entire experience of buying the car a spectacle and before they knew it, it was named the best car of the year. Within a short period of time, the car was owned by several celebrities and other wealthy people, especially from the Silicon Valley.

If any of the customers complained that the car wasn't functioning well, Tesla would also offer a loaner to the customer while they repaired the sedan. If the car owners complained about any glitches, the Tesla team would gain access to the car through their internet connection and download software updates and fix it. It was incredible because the car performed even better after you bought it. Musk had eventually accomplished what he wanted; however the criticisms wouldn't stop. When Ebenhard sued Musk, it was extremely bitter for both the parties, but they settled their differences out of the court. Many people say that Musk is not the original founder of Tesla, but that point is moot because Tesla simply couldn't have been where it is today if it wasn't for the sheer brilliance and intelligence of Musk behind it.

Chapter 11: The Unified Field Theory of Elon Musk

In this final chapter, Ashlee gives some background about how SolarCity was incorporated by the Rive brothers. Through Elon's help, they began their business in the solar industry and installed solar panels to customers while offering excellent service. Pretty soon, the company became extremely popular and Musk Co. included SolarCity, SpaceX and Tesla. By 2014, SolarCity was evaluated at \$7 billion. All the three companies seemed to move in tandem with each other since they exchanged information and came up with the best solutions to any problems.

It also became tougher for competitors to attack SpaceX, Tesla, or SolarCity individually since they worked like one single unit. When the stocks soared for Tesla, the other two companies enjoyed a surge in their stocks too. Musk has been able to prove everyone wrong and has handled the companies admirably. It's no wonder that he's admired by some of the most brilliant CEOs in the world today.

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