

Tesla inaugurates huge Texas plant with 'Cyber Rodeo'

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A super-sized cowboy boot arrives onsite at the new Tesla Giga Texas factory in Austin.

Tesla welcomed throngs of electric car lovers to Texas Thursday for a huge party dubbed a "cyber rodeo" to inaugurate a manufacturing plant

the size of 100 soccer fields.

Photos and videos flooded Twitter as guests explored the cavernous factory plant decked out in a distinctive nightclub look.

Visitors mingled under red and blue lights while production machinery and Tesla models were displayed like museum artwork. Outside, cars were parked in the pattern of the Texas flag.

Bulldozers were still at work near the so-called "gigafactory," which signs indicated was constructed with more steel than New York City's famed Empire State Building.

"It's the equivalent to three Pentagons," Tesla's colorful but controversial founder and chief executive Elon Musk proudly told a cheering crowd inside the factory.

"This is the most advanced car factory the Earth has ever seen; raw materials in one side, cars out the other side."

Musk drove on stage in the first production model Tesla ever built and stepped out dressed in black complete with a cowboy hat and sunglasses.

He said ramping up production of existing models was going to be Tesla's priority this year.

"We are going to move to just truly massive scale," Musk said.

"That has to happen in order to transition the world to sustainable energy."

Farewell Silicon Valley

The move to a US state known for conservative Republican politics is seen by some as Musk stepping away from the liberal Silicon Valley culture in which he made his fortune.



A Model Y electric vehicle drives off the production line at Tesla's "Gigafactory" in Berlin, Germany.

The South African-born serial entrepreneur is now ranked the world's richest man. He founded Tesla in Silicon Valley in 2003, but shifted its headquarters to Texas late last year.

Musk has clashed with California regulators, particularly when health precautions mandated at the height of the pandemic closed Tesla's

Fremont plant.

California is also investigating whether discrimination took place at Tesla's plant there.

Musk told the crowd that Tesla was continuing to expand in California, but was running out of room there.

"We needed a place where we could be really big, and there is no place like Texas," Musk said.

It remains to be seen how Musk will navigate conservative policies in Texas, such as the state's restrictive new abortion law and limits on seeking health services for transgender children.

Part of the Texas allure is a lack of corporate or personal income taxes. Tesla received more than \$60 million in tax breaks to build the factory.

While Musk has spoken of a desire for a shift away from climate-wrecking fossil fuels, Texas is known for oil rigs and gas-guzzling cars and trucks.

"I think he is having a bit of an identity crisis and forgotten who his customer is, and it is going to come back to bite him," tech analyst Rob Enderle said of Musk.

"He is drifting to the right; what he doesn't seem to remember is that most of the people who buy electric cars are the liberals."

Cybertruck

Giga Texas, as the plant is also called, has been in operation since late last year. It is the fifth and largest gigafactory cranking out battery packs

and vehicles for Tesla.



Electric car pioneer Elon Musk, the world's richest man, has clashed with California regulators and has moved his Tesla company headquarters to Texas, hoping for a more business-friendly environment.

Since starting with a car plant in Silicon Valley, Tesla has gone global with mega-factories in Berlin and Shanghai as well as in US states New York and Nevada.

The Austin plant will produce Model 3 and Y cars and eventually a Cybertruck pickup and a semi for hauling cargo trailers set to go into production next year, according to Edmunds analyst Jessica Caldwell.

Pickup trucks are a hot item in the United States, and having a winning electric model is seen as key in the market.

Electric truck maker Rivian has already started deliveries.

"Rivian right now is the must-have truck," analyst Enderle said.

"The fact that Rivian was able to get a truck out faster than Tesla points to a problem with Tesla."

Tesla demand is outstripping supply to the point that some Model Y and 3 cars are being delivered months late in parts of the world, according to Wedbush analyst Dan Ives.

"The solution is mainly in Austin and Berlin," Ives said.

Tesla "has a shot" at beginning production of its Optimus humanoid robot in Austin next year, according to Musk.

The robot will do anything people don't want to do, he contended.

"We are also going to make sure it's safe, no 'Terminator' stuff," he quipped, referring to the hit action film about a killer cyborg.

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