

Musk's latest gamble: Tesla Cybertruck set for debut

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Tesla is scheduled to begin commercial deliveries on Thursday of the Cybertruck, its long-awaited answer to the pickup truck.

Four years after startling the car world with designs for the Cybertruck, Elon Musk is set Thursday to mark the arrival of Tesla's iconoclastic

take on the American pickup.

Musk has scheduled an event at Tesla's Austin headquarters to mark the first deliveries to customers of the Cybertruck, whose design to some has evoked a futuristic, sometimes dystopian future akin to "Blade Runner" or "Mad Max."

The belated debut comes as other automakers have delayed capital investments due to sluggish demand for [electric vehicles](#). Tesla itself has undertaken numerous price cuts, even as its [share price](#) has stayed lofty.

"This is an important launch for Musk and the Tesla brand," said Wedbush Securities analyst Daniel Ives in an email to AFP.

The omnipresent Musk has faced even more scrutiny than usual following criticism that the billionaire entrepreneur and his social media platform X, formerly Twitter, have promoted a growing wave of anti-Semitism.

"We do not believe the Tesla brand has been negatively impacted, but it's a careful balance for Elon he is trying to tightrope," said Ives, who praised Musk's recent trip to Israel after the latest X controversy.

Challenging design

Musk caused a stir in November 2019 when the prototype of the angular, uniformly gray Cybertruck generated much curiosity and buzz even if it wasn't universally loved.

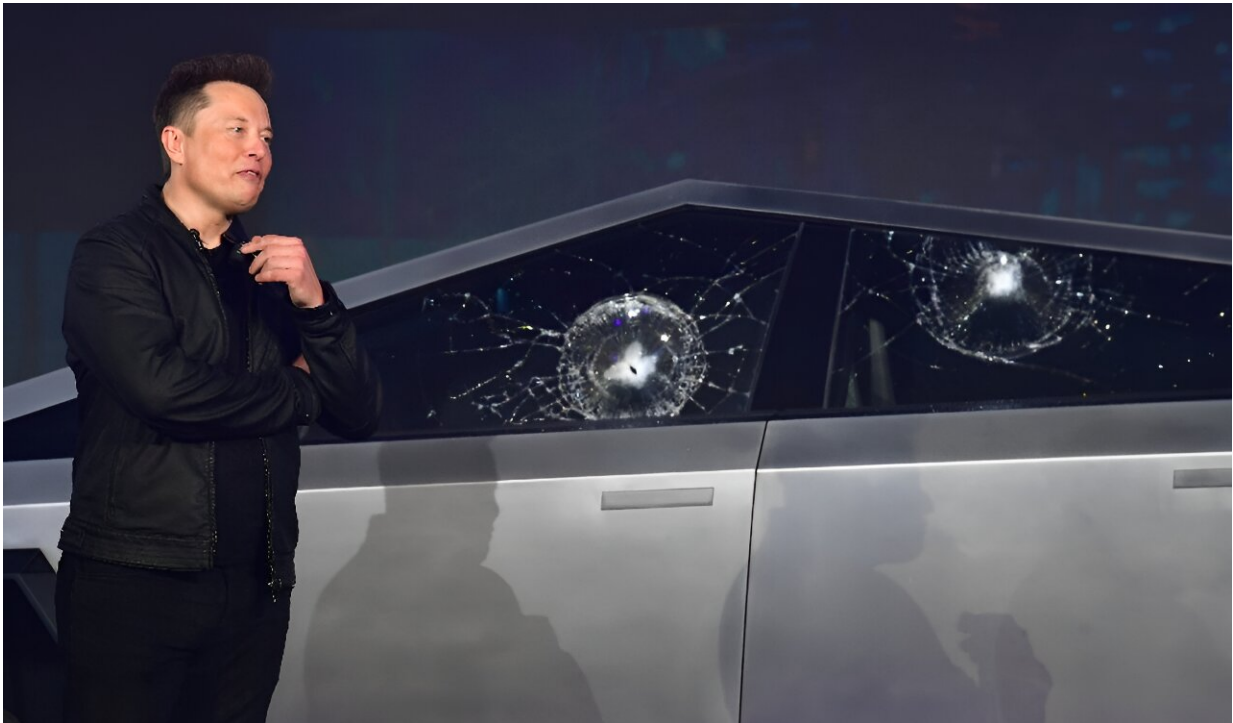
"It doesn't look like anything else," said Musk.

The launch event included a demo conducted by a vehicle designer intended to highlight the truck's toughness. Its body emerged unscathed

from an encounter with a sledgehammer but the window cracked when struck with a metal ball.

But the vehicle's unusual styling, which employs large flat plates of unbent [stainless steel](#), poses challenges in manufacturing, said Art Wheaton, an expert on transportation industries at Cornell University's School of Industrial and Labor Relations.

"It may look cool, but it's extremely difficult to manufacture successfully," Wheaton said.



Tesla co-founder and CEO Elon Musk verbally reacts in front of the newly unveiled all-electric battery-powered Tesla Cybertruck with broken glass on windows following a demonstration that did not go as planned on November 21, 2019 at Tesla Design Center in Hawthorne, California.

The vehicle was originally billed with a starting price of \$39,900 and first production to come in 2021.

Musk has stayed effusive on the design but has sought to limit expectations as to the vehicle's commercial potential, saying, "we dug our own grave with Cybertruck" last month.

"Cybertruck is one of those special products that comes along only once in a long while," he said. "And special products that come along once in a long while are just incredibly difficult to bring to market, to reach volume, to be prosperous."

With more than one million Cybertruck orders, demand is not an issue, Musk said. But making it affordable will be "insanely difficult," said Musk, who expects to reach an output of 250,000 probably some time in 2025.

'Attention-grabber'

Though less prominent in several areas outside the United States, pickup trucks occupy a distinct and dominant place on American roads, generating huge sales volumes from consumers who appreciate their image of rugged self-sufficiency.

Once again last year, the three top-selling models in the US were pickups, led by Ford's F series with more than 650,000 trucks sold, followed by General Motors and Ram (Stellantis) models, according to Car & Driver.

The biggest question surrounding Thursday's event will be updated retail pricing of the vehicle, said CFRA equity analyst Garrett Nelson, who expects the price to have risen to about \$50,000 given supply chain pressures and higher material costs.

Nelson called the Cybertruck a "much higher-risk" product compared with Tesla's current fleet of autos, but noted that Musk "has done a good job of lowering expectations."

Wheaton, the expert at Cornell, is skeptical the Cybertruck will be a big seller in part because of the "polarizing" design.

But Cybertruck could still succeed for Musk even if it turns out to be a niche product if it lures customers to the brand. Wheaton likened the effect to the Chevrolet Corvette, which does not account for huge sales but draws in buyers to other GM vehicles.

"I don't think it's going to be a massive success in terms of selling big numbers," Wheaton predicted. "It works as a kind of attention-grabber."

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