

# Musk's AI startup seeks to raise \$1 bn

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Elon Musk is seeking to raise a billion dollars for his xAI artificial intelligence company that he hopes will compete with ChatGPT's Open AI.

An official filing to the US Securities and Exchange Commission on Tuesday said the [company](#) that Musk created earlier this year had already gathered \$134.7 million and plans to raise \$1 billion overall.

The filing added that there was a firm agreement to raise the full funds needed to meet the target, indicating that Musk may have deals in place for the full billion.

Musk last month offered a preview of his company's ChatGPT-like chatbot, called "Grok," which he said was trained on data from X, formerly Twitter, that Musk bought for \$44 billion a year ago.

The wealthy entrepreneur and founder of electric carmaker Tesla started xAI in July after hiring researchers from OpenAI, Google DeepMind, Tesla and the University of Toronto.

He said that the company was missioned to "understand the true nature of the universe."

Since OpenAI's generative AI tool ChatGPT exploded on the scene a year ago, the technology has been an area of fierce competition between tech giants Microsoft and Google, as well as Meta and [start-ups](#) like Anthropic and Stability AI.

OpenAI reportedly secured commitments of \$13 billion from Microsoft earlier this year.

Musk's funding round comes as OpenAI suffered a chaotic few days last month that saw CEO Sam Altman return as the strong man of the

company after being dismissed for a few days.

According to reports, OpenAI was planning an imminent share sale that valued the company between \$80 and \$90 billion, but that sale has been delayed because of the boardroom chaos.

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