

Commonwealth of Massachusetts

Essex, ss

Superior Court

CA# 2377CV00887

Mercedes Owolabi

Plaintiff(s)

vs.

Tesla, Inc. (TeslaMotors)

Defendant(s)

COMPLAINT

FILED  
ESSEX SUPERIOR COURT  
2023 SEP 18 PM 2:49

**Statement**

Plaintiff, Mercedes Owolabi, states that Defendant, Tesla Motors, Inc. (Tesla Inc.) has willingly and knowingly has committed Intellectual Property theft against Mercedes Owolabi directly and against 5 of Mercedes Owolabi's classmates at Babson College, who will currently be named on a first-name basis in this case until further notice, for safety reasons.

**Legal Parties**

Mercedes Owolabi, Plaintiff, resides in Essex County in the town of Andover, MA, 01810.

Tesla, Inc., Defendant, is a registered corporation in Texas, with the address of 1 Tesla Road, Austin, TX 78725. The Defendant legal service address for MA is c/o CT Corporation System, 155 Federal Street, Suite 200, Boston, MA 02110.

**Facts**

In 2023, Plaintiff Mercedes Owolabi realized while at home in Andover, MA, 01810 that Tesla, Inc. has committed Intellectual Property Theft against the Plaintiff and 5 of her classmates at Babson College. This is regarding an extensive student- initiated research project and strategy development by Mercedes Owolabi after the conclusion of the research initiative. Plaintiff Mercedes Owolabi was in contact with Tesla, Inc. in 2012-2013 with an early employee of the company. At that time, Plaintiff Mercedes Owolabi, discovered the Babson Alumni member who is an early stage employee at Tesla Motors, Inc. / Tesla Inc. She communicated with this man that she had an interest in working at Tesla. She also stated that she had developed an extensive research project and strategy with her classmates, and afterwards on her own.

However, she states that she did not share the report with the early stage Tesla employee who is also a Babson Alumni member. What she remembers is that the man suddenly "ghosted" her, or ceased communications. Since then Plaintiff, Mercedes Owolabi, states that she has had countless issues with hacking, and invasion of privacy regarding several if not all of her email accounts, cloud databases, and social media accounts. This has persisted for several years with most recent hacking occurring in 2023 of her verified blue check Instagram / Meta and Facebook / Meta pages.

In addition, in 9/2023 Plaintiff, Mercedes Owolabi, logged into her Google cloud database and noticed that some if not all documents pertaining her Tesla research and intellectual property and strategy was shown as recently viewed at the top of the queue. However, she did not actually view these items herself. She believes that this is pertaining to the early stage Tesla employee that also attended Babson College, and was an alumni member when she was in contact with him.

For this reason, Plaintiff states that Tesla has knowingly and willingly committed Intellectual Property theft.

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## Exhibits

The Plaintiff Mercedes Owolabi, has attached a few items of reference as an exhibit for this case. This includes: a copy of the original report that Mercedes Owolabi has not willingly shared with Tesla. A printout of Tesla stock market value as of 9/2023.

## Damages

In terms of damages, the Plaintiff requests:

- ✓ 50% market value in equity of Tesla as of 9/2023, 50% of 800 billion
  - 400 billion to be divided amongst Plaintiff and her 5 classmates equally
- ✓ A negotiable amount of damages to account for Plaintiff's losses from the theft, Defendants Profits to date, negotiable Royalties for future profits and valuation.
- ✓ Board seats or Junior Board seats for Plaintiff Mercedes Owolabi and her 5 classmates
- ✓ A modest donation to the Posse Foundation, Girl Scouts, and / or Babson College to encourage diversity in STEM fields and equality in leadership within the industry.
- ✓ Plaintiff is open to negotiating damages and quantifying damages after further discussion
- ✓ Plaintiff is open to settlement negotiation prior to and / or during trial.

Date: 9/18/2023

Name: Mercedes Owolabi

Phone: (978) 533-0188

Address: 700 Bulfinch Dr # 604,  
Andover, MA 01810

Email: mowolabi1@babson.edu

Signature: Mercedes Owolabi

# Exhibit 1 (Report)

Tesla Motors, Inc.

Summer 2012 ASM3300

Team 5:

Kuna [REDACTED]

Kathryn [REDACTED]

Mercedes [REDACTED]

Chris Dong Woo [REDACTED]

David [REDACTED]

Bessy [REDACTED]

(Mercedes Owolabi)

## Executive Summary

**Overall Strategic Goals:** Contrary to other EV car manufacturers, Tesla states that it is not a company that exists solely to sell electric cars. Rather, it strives to change the industry's current emphasis on the use of petroleum-based combustion engines to one that utilize exhaust-free electricity to power their vehicles and to be competitive with the global auto giants. Presently, their strategic plan is to build a sports car and then use the funds from this initiative to produce a more affordable car. It is the hope that added revenues will then be deployed to manufacture an even less expensive vehicle. Throughout the period, the company will continue to innovate to generate zero-emission electric power generation options.

**Situation:** Although it is anticipated that the industry, as has Tesla, will inevitably convert to the use of the lithium ion battery to power their vehicles, it is uncertain when this will come to fruition. Consequently, a primary concern is the long-term financial viability of Tesla as the industry transitions from its current infrastructure to one that supports fully electric cars.

**Complications and Cause:** (a) The company has less than \$300 million and a negative profit margin. (b) The goal is to sell 20,000 Model S cars per annum but to date, there have been only 8000 preorders. Moreover, this number can change with the company's offer of a fully refundable \$5000 deposit. (c) EV sales are primarily driven by government policy. The average American consumer is not motivated to change to EV. By not actively advertising their product but relying on word of mouth, people who know about Tesla are probably EV enthusiasts who have already placed preorders. Tesla needs to reach out to a broader audience. Exhibit 12 shows that the Tesla brand is not considered when consumers plan to purchase an EV. This represents a significant impediment to Tesla's growth.

**Question:** How can we improve awareness of Tesla's brand (for Model S and future models)?

**Actions:** After an analysis of possibilities listed in Exhibit 2, we recommend Tesla do the following:

- o **Improve on Customer Service:** to be launched June 22, 2012 (when Model S is introduced).
  - o Even after the warranty expires, Tesla should provide a free service for the owners (if the problem is the fault of the manufacturer).
  - o Provide a full tutorial on the proper workings of the Model S when the car is delivered
  - o Continue providing a hotline service
- o **Marketing:** In addition to Vimeo, Twitter, Mashable, and Engadget, include the following starting December 2012 to track the performance of the Model S
  - o Blogs: increase traffic by commenting/asking for reviews from automobile, technology, and environmental blogs
  - o YouTube: make YouTube account and post videos on the product (not YouTube ads)
- o **Guerrilla Marketing:** launch June 22, 2013

- o Times Square, NY and Sunset Blvd. in LA: drift racing to showcase cars; billboard in Times Square, offer public examination and experience with cars
- o Strategic Partners: post 2013
  - o Domestic e.g. Zipcar (fleet usage), Stop & Shop (customer awareness with shopping cart)
  - o International: Electric taxis and buses in Asia and Europe

#### Goals, Problems, Causes, & Complications

Tesla describes itself as a company that "designs, develops, manufactures and sell(s) advanced electric vehicle powertrain components" (10K) as well as high-performance fully electric vehicles. Tesla is the first company to sell a federally compliant fully electric vehicle commercially. It aims to convert the industry towards an exhaust-free and therefore a more environmentally friendly product that is priced at approximately \$30,000. The current standard for environmentally friendly cars in the industry is a hybrid vehicle. It is anticipated that Tesla will need to work to educate the skeptical public about the virtues of an unproven all-electric vehicle. It will require a significant investment in marketing to launch and sell these types of products. For example, total sales of hybrid vehicles in 2010 were just around 300,000 units, or a mere 3% of the market (Michaeli). In the short term, as the economy is recovering from a recession and gas prices are decreasing, the demand for electric vehicles will likely remain low. However, sales volume for this category of vehicles is expected to increase in the long term, particularly if gas prices increase. Exhibit 14 shows that \$5 is the tipping point for gasoline automobile consumers to switch to other forms of vehicles, with EVs serving as the primary alternative with a projected 37% market share in 2032.

The long-term viability of Tesla is challenging as projections indicate the hybrids will continue to dominate the EV market in 2015, capturing 55.2% of total sales and with fully electric vehicles holding just 22.9% (Exhibit 1). An examination of the issues raised in Exhibit 2 indicates that Tesla needs a strategy to sustain its viability over the long term. R&D and SG&A expenses over the past two years had increased significantly (Exhibit 4). We project that R&D costs will continue to rise to support the development of the Model X, despite the company's plan to leverage the platform used to manufacture the current Model S for the X. SG&A had increased to support its business expansion that included the opening of new stores, and marketing activities associated with the launch of the Model S. We predict that SG&A will also continue to increase over the next period.

The company has stated that if the extent of the commonality of the components used in Model S and Model X is lower than anticipated, future development and tooling costs for their next models may be higher. The company hopes that the higher incurred costs will be covered by the expected high volume sales of their Model S. Hence, while we would have liked to focus on projecting Tesla's long-term plans,

we believe that Tesla needs to remain financially viable over the immediate term. Tesla needs to gain greater financial stability to support its growth aspirations. In the short term, it needs to work to enhance customer awareness of its Model S and to highlight its product's advantages compared to other EVs (Exhibit 3). Tesla's product is currently ranked 4<sup>th</sup> amongst all EV models in customer awareness (see Exhibit 13). Customers remain hesitant about the performance of EV cars as they utilize a new and unproven technology; they don't know what to expect and wonder if the cars are "good". Moreover, there is also the issue of building additional charging/fueling stations for these vehicles. Given the challenges of an under developed infrastructure and low market share of EV vehicles coupled with Tesla's projected need for increased funds to support the development of its new models, we have elected to focus on its short-term strategic goals and plans. The company seeks to "enhance the customer purchasing experience and generate greater visibility for its products by advertising in areas with high customer foot traffic" (10K). This is why we have elected to focus on the highlighted sections in Exhibit 2.

Although Tesla's gross profits have been increasing, 2010 marked the beginning of a doubling in spending for R&D and SG&A. Consequently, net income has been decreasing (Exhibit 4) and, projections of Tesla's profitability returns are not optimistic (Exhibit 6). As operating costs is a major challenge in the industry, we propose Tesla focus on improving customer experience/service and marketing of their products in the short term and engage the support of strategic partners in the long-term. As the performance of lithium-ion battery packs improve, it is anticipated that their costs will be reduced; 35-50% by 2020 and 65% by 2030. With improved cost efficiencies, released monetary resources can then be used to expand other important aspects of the company. They can also be used to pay off the long term debts incurred this year (see Exhibit 5). The full strategic plan can be seen in Exhibit 7.

#### Customer Service

Tesla has stated that a marketing strategy for their products is through the use of "word of mouth" among their targeted clients. For Tesla to succeed, it is imperative the company ensure that their customers are content with their overall experience with the product. As Tesla is a pioneer in the manufacture of electric cars, it is likely that the company will encounter challenges that the industry has not experienced or anticipated. During the growth period of a product's life cycle it is also anticipated that typical challenges ranging from technological failures to consumer dissatisfaction will arise. Hence, it is important that the company is well prepared to react rapidly and efficiently to problems that may arise, particularly when compared to its competitors. Moreover, as Tesla's primary goal is to encourage a greater use of their electric vehicles, it is important they address problems that may arise rapidly. They need to convince the

general public that electric vehicles are as dependable, safe and good as regular gasoline cars. To penetrate and win greater market share of the automobile business, Tesla will need to invest in a strategy that seeks to exceed the expectations of their customers.

Presently, Tesla does not know how much money to put in reserve to cover the warranty for their Model S car. We recommend increasing their reserves by \$17 million. For Tesla's Roadster Model, it had put aside \$5.9 million to cover the 2,100 Roadsters sold which translates to a budget of \$2,810 for each car (10Q). We suggest assigning a similar amount to the 8,000 reserved Model S vehicles that will be delivered to customers starting June 22<sup>nd</sup>, 2012. The recommendation is similar to that for the Roadster despite this being a more expensive vehicle than the Model S. This is because the Model S and Roadster share many design components that may present similar problems.

Currently, Tesla provides three years of warranty coverage or 36,000 miles for their vehicles. We recommend that Tesla extend the warranty to cover problems that may arise after this period if additional design and manufacturing problems arise that is intrinsic to the design and manufacturing of the product. Tesla needs to assure their customers that they will support the launch of this new technology. It is the hope that this commitment will allay some of their concerns and doubts about the long-term viability of electric vehicles. Currently, consumers are hesitant about purchasing electric vehicles (Exhibit 8). There remains significant skepticism about the benefits of such a product as shown in Exhibit 9. Tesla needs to demonstrate to the public that electric vehicles are better or as good as gasoline cars. Importantly, they need to reassure their customers that they will fix any problems that may arise rapidly, enhancing the "Rangers" experience that Tesla used for its Roadster service.

We expect that some of the problems will be due to misuse of the vehicle by the customers. As electric cars require a different maintenance program than gasoline cars, Tesla will need to educate their customers regarding the importance of correct usage and service of their vehicles. A more informed customer is likely to encounter fewer issues and have a better experience with the vehicle. By educating the customers on the proper usage of their vehicles, it is anticipated that fewer breakdowns will occur which in turn should reduce repair costs for the company. It will also serve to enhance the image of the car as a reliable product. We recommend that upon delivery of the vehicles that Tesla provides a more in-depth tutorial on the workings and proper maintenance of their product:

- Each customer will be shown and taught the key activities for proper operation of the vehicle. This may include driving on a designated track with the customer in attendance.
  - This is because some functions in the electric cars are different from those in regular

gasoline cars, e.g. the brake is operated differently.

- Owners will be able to bring friends to the dealership and everyone will be able to drive other car models.
  - This will help market the products to customers who haven't considered purchasing a vehicle from Tesla.
  - New owners of the cars can become better informed about different models.
- The best experience possible will be accorded the customers during the process.

In addition, Tesla will continue to offer its existing service of a hotline to help customers over the phone. It will also continue to offer its road Ranger service where Tesla will physically come to the customers aid to resolve problems that could not be solved by phone. However, Tesla should appreciate that the Ranger service is very costly for the customers; it costs \$1.00 per mile. This may be acceptable to Tesla's current small niche of high-end customers. But, as the company aspires to launch more affordable cars, these new customers might not be as willing to pay for this delivery service. Hopefully, as the company expands and opens new stores, the cost of the service will decrease due to shorter travel distances to the customers ([www.wired.com/autopia/2009/10/tesla-housecalls](http://www.wired.com/autopia/2009/10/tesla-housecalls)). By remaining in close communication with their customers, Tesla will be able to learn about impending problems rapidly as they accrue. This will allow Tesla to anticipate and react quicker to their customers' needs. Tesla's new 1:1 customer service should bring about the best results for the company.

## Marketing

### *YouTube and Blogs*

Presently, Tesla has an active blog on the company's website for the owners, employees, and prospective customers to peruse and communicate with each other. We recommend that Tesla extend this exercise to include external blog platforms. By adding more internet content and conversations about the company may attract new customers as well as increase awareness of their brand. The goal is to reach out to new audiences who are loyal readers of blogs and topics of interest i.e. automotive, technology, and environmental blogs and forums. If these audiences trust the contributing authors and blogs that they visit, the hope is that they will want to learn more about Tesla and its products and thereby further increase word-of-mouth activity. In order to track the progress of this effort, Tesla will need to continually analyze the volume of traffic on their websites (Exhibit 7).

Tesla has made use of the Youtube site for close to a year. The channel, titled "Tesla Motors" gives viewers an inside look at the different stages of the tesla manufacturing. In the comment areas on the

youtube page, fans of Tesla have posted comments. Tesla could make their social media strategy more interactive by linking the twitter and youtube pages together, as well as responding more frequently to comments left by followers. Unlike the vimeo page, the Youtube channel does not feature videos with interviews with designers. One great feature about the Youtube channel is that the videos have better quality editing, cinematography and music. The use of timelapse scenes adds to the Tesla's appeal as a futuristic electric sports car.

Tesla could publish a video for each model that the company releases as well as including people from the largest US cities. Doing this could increase the chances that the Tesla videos show up as one of the first search results. One social media marketing tactic that Tesla has not yet incorporated is enlisting the endorsement of high-profile public figures in the automotive industry. Gaining endorsement by important figures in arts and entertainment will also increase Tesla's reach to customers and potential customers through the internet. Tesla could launch this strategy between Youtube and Twitter.

We recommend that Tesla communicate with the authors of these blogs and send them materials about the company and vehicles. If the authors are located close to a Tesla dealership or factory, Tesla can offer free test drives and tours of the manufacturing facilities. If Tesla can establish positive relationships with the authors, the hope is that in return, they will write positive blog postings about the company and relay information about the Model S and the batteries that Tesla have developed. It is important to find blogs with a loyal following and that receives a large volume of daily traffic to maximize the effectiveness of this strategy (Exhibit X). Tesla understands that the Model S and its derivatives will primarily drive its future financials. Increasing the conversation around the Model S through these blogging websites will improve Tesla's short-term marketing objectives.

#### *Guerilla Marketing Campaign*

To enhance the awareness of Tesla's brand, we recommend executing a guerilla marketing campaign. Guerilla marketing is an unconventional and efficient way to market to consumers as it generates conversation about the company and their products. It will also contribute to Tesla's progressive image. The goal is to create a campaign that will generate a lot of exposure for the company by exposing Tesla to a large number of consumers over a relatively short period of time. We recommend organizing a series of events in city locations that get a lot of foot traffic. The hope is that this will accord Tesla greater media attention and awareness than the company currently receives.

We recommend that the campaign be simultaneously launched in at least two different parts of the country. For example, these events can involve exhibiting a Tesla Model S in the middle of Times Square in New York and on Sunset Blvd. in Los Angeles. Every hour, the company will host drift races between two Model S vehicles on nearby streets in the cities to showcase their products. Furthermore, both the Model S and the Roadster will be displayed in showcases in each of the cities to allow people to become more aware and informed about Tesla's vehicles. These events will attract the attention of the media and general public who will then get to learn about the products.

The event will require the procurement of several Tesla cars (both Model S and the Model X), licenses and permits from the cities and insurance coverage for the cars. The showcase will be mounted 10 feet above the ground to draw attention to the event and to permit facile viewing and filming by news camera..

The events will be managed as follows:

On the morning of June 22, 2013, a set up crew will build the display for the Tesla Model S. Below the display will be a ramp on which will be placed a Tesla Roadster, a Model S and a Model X to allow interested patrons to view and examine the car. A section will also be designated for people to queue to view the car.

Starting at noon, a Model S vehicle driven by a professional driver will arrive to demonstrate the capabilities of the car by drifting the vehicle around street corners. The campaign will prompt consumers with the question "Can your gas powered sedan do this?" The campaign will also highlight the benefits of owning a sporty electric car. The event will serve to inform the public about the performance of the current Tesla models, and what the future Model X will offer. There can also be a video showing the attributes of the Model S zooming around displayed on Times Square for 1 month. Similarly, the video can also be downloaded onto a YouTube video.

After a year, Tesla should mount a similar campaign advertising the Type X and future \$30,000 priced vehicles that they plan to release. Consumers will become excited about the new features of electric cars. The point of the campaign will be to show consumers that electric cars are economical, cool and sustainable. The cost of this event and the billboard advertisement is shown in Exhibit 11. However, Exhibit 4 indicates that Tesla's marketing expenses between 2010 and 2011 decreased. If Tesla cannot afford both the event and billboard, we recommend that Tesla concentrate on the guerilla marketing campaign and forgo the billboard.

increase market share, and sustain the long-term viability of Tesla. For more information see Exhibit 7.

### Strategic Partners

Tesla has stated in its 10K that "our future growth is dependent upon consumers' willingness to adopt electric vehicles". If the EV market develops slower than expected, or doesn't grow in the immediate future, the company will be at risk to fail. By establishing strategic partnerships, Tesla can target B2B sales and through this, hopefully facilitate B2C growth by raising awareness. It is estimated that the Model S will provide increased energy efficiencies that will allow for a lowering of fuel costs by approximately \$1,400 per year (10K). This means that companies who adopt the Model S as their vehicle of choice will incur lower operating costs and claim to be green and environmentally friendly. In return, Tesla can use this opportunity to market the image of the brand for its performance, affordability, and zero exhaust emission.

We recommend Tesla work with both domestic and international strategic partners when the company becomes more stabilized, probably following the launch of Tesla's Model X. We propose a campaign with a domestic partner such as Stop & Shop because both companies share similar values. Stop & Shop espouses the value of low prices for high quality items. This is similar to Tesla's quest to be viewed as a company that produces high performance but affordable EVs. Tesla will work with Stop & Shop to design shopping carts that are shaped as a Tesla Model S for use by their customers in their grocery stores. This will increase the visibility and awareness about the car and will allow more consumers to notice and learn more about the Model S. They could promote a car giveaway at the end of a 3 months marketing campaign to help promote the vehicle and make people eager to learn more about it. Tesla can also work with Zipcar to use their EV cars as their commercial fleet. This will not only raise awareness but will allow a large number of potential consumers to "test drive" the cars.

The Chinese automobile manufacturer BYD recently produced 50 electric taxis for Shenzhen and plans to add another 250 more in 2012 (TrendWatching). The company will also manufacture 200 electric buses for the community. Tesla anticipates a strong demand for their vehicles in Europe and Asia, and although these are hard markets to penetrate, the upside to a successful launch will be highly rewarding. Exhibit 8 shows 85% or higher consumer interest in EV in China, India, Turkey, Brazil, and Argentina. Tesla will work with governments in Asian countries or other Chinese districts to potentially use Tesla's electric vehicles as taxis. However, these long-term plans will only work if the proposed short-term improvements in brand awareness (through improved service and marketing support) help boost revenue from sales of their current Model S. As Exhibit 2 shows, the involvement of strategic partners will help raise revenues,

### Appendix

#### Exhibit 1



**Figure 3. Electric Vehicle Sales Forecast by Type Based on U.S. Sales for 2015**

EV Type	# of Models	Volumes	% of EV Market
Regular hybrid	57	518,200	55.2%
Full electric	37	215,200	22.9%
Plug-in	18	200,500	21.3%
Fuel cell vehicle	6	5,700	0.6%
<b>All Electric Vehicles</b>	<b>118</b>	<b>939,600</b>	<b>100.0%</b>

Note: Total vehicle sales volume (electric and non-electric) in 2015 is forecast to be 14.8mm  
6.3% electric vehicle market share assumption for 2015

Source: Baum and Associates

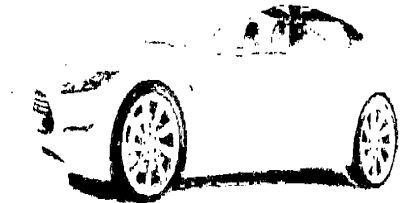
Exhibit 2

Exhibit 3

## TESLA MODEL S: THE DOUBLE THREAT

It's an electric car, competing as a luxury sedan. How does it compare in both worlds?

	PRICE*	0-10-60 TIME	RANGE/MPG EQUIVALENT
TESLA MODEL S	\$49,900	6.5 SECONDS	160 MILES/57.7 MPG**



### Electric vehicles

NISSAN LEAF	\$32,700	10.3 SECONDS	100 MILES/59.4 MPG
CHEVROLET VOLT (HYBRID)	\$31,645	9 SECONDS	35 MILES/91 MPG
BMW PLUG-IN HYBRID	\$71,625	13.4 SECONDS	62 MILES/117 MPG
HONDA KARIYA (HYBRID)	\$95,900	6.3 SECONDS	30 MILES/152.4 MPG

### Luxury sedans

BMW 7	\$59,250	5.4 SECONDS	18 CITY/28 HIGHWAY
CADILLAC CT5-V	\$64,515	3.9 SECONDS	14 CITY/29 HIGHWAY
MBR-1 (MERCEDES-BENZ) E63	\$50,490	6.5 SECONDS	20 CITY/30 HIGHWAY
JAGUAR XJ SEDAN	\$53,000	5.5 SECONDS	16 CITY/27 HIGHWAY

\*MSRP. \*\*EPA ESTIMATED RANGE AND CITY/HIGHWAY FUEL CONSUMPTION. \*\*EPA ESTIMATED RANGE AND CITY/HIGHWAY FUEL CONSUMPTION. \*\*EPA ESTIMATED RANGE AND CITY/HIGHWAY FUEL CONSUMPTION.

Source: Risk of a New Machine

Exhibit 4 Income Sheet

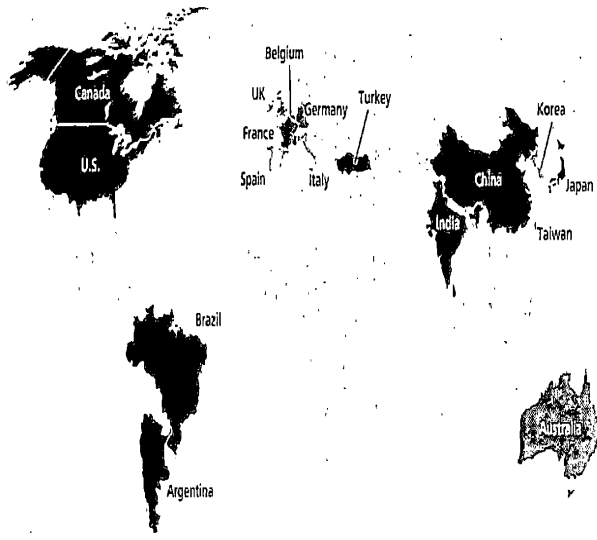


Exhibit 7

Release Date	Launch of Strategic Plan	Resources	Goals	Track Progress
June 22 <sup>nd</sup> , 2012	1. Improve customer service (when Tesla Releases Model S)	1. Sales & Service employees  2. Maintenance tools & equipment	1. To build a reputation on superior service  2. People who receive great service will tell other people (word-of-mouth)	1. Customer reviews & feedback
December 2012	1. Marketing (blogs & YouTube)	1. Technology & Marketing employees who understand web analytics  2. Employees/customers who constantly upload, comment, and drive online discussions  3. Resources regarding free test drivers of & tours of the manufacturing facilities  4. Materials and promotional packets for authors of blogs	1. Increase word-of-mouth by reaching new audiences (loyal readers of blogs and topics of interest)  2. Increase in the amount of content about Tesla on the Internet	1. Increase in traffic on Tesla's website & enthusiasts blog (unique visitors, new members, number of posts, & business analytics)  2. Track: views, comments, Google searches, replies & referrals, & key words relating to Tesla (eg. Tesla, Model S, EV, electric vehicle) shown in blogs & threads
June 22 <sup>nd</sup> , 2013	1. Anniversary of Model S launch  2. Marketing (Gurreilla campaign)	1. Tesla vehicles, licenses from cities, insurance, showcase, & media cameras  2. Security & salesman for Q&A  3. Ramps & construction equipment	1. Gain more public exposure  2. Media  3. Word-of-mouth about brand  4. Word-of-mouth about campaign  5. Brand image, that the brand is cool,	1. Increase in the amount of media coverage

			economical, and sustainable	
After 2015 (long-term)	Strategic Partner (National) -1. Stop & Shop -2. Zipcar	1. Design team  2. Materials for campaign	1. Increase in brand awareness  2. Increase in revenue & market share	1. Increase in revenue & market share  2. Amount of media coverage  3. Increase in consumer car sales
	Strategic Partner (International) -Electric taxis and buses in Chinese districts	1. BYD facility to build taxis	1. Increase brand awareness internationally  2. 1. Increase in revenue & market share	1. Increase in revenue & market share  2. Amount of media coverage  3. Increase in consumer car sales

Exhibit 8  
Consumer interest in pure EV 2012



Consumer interest

- Greater than 85%
- 71% - 85%
- 55% - 70%
- Less than 55%
- Countries not surveyed

Source: <http://green.autoblog.com/2011/10/17/only-4-of-consumers-likely-to-be-satisfied-with-todays-electri/>

**Exhibit 9**

- Consumer's common misbelief about electric cars.
- Electric cars are tiny and not safe in collisions.
  - Electric cars can electrocute drivers.
  - Electric cars are prone to combustion.

Source: <http://www.greenerideal.com/vehicles/0531-are-electric-cars-really-safe/>

**Exhibit 10**

Type of Blog	Web Address	User Traffic (visits per day)	Rating	Domain Age
Automotive	www.carscoop.com	2,170	8.09/10	<9 years

Automotive	www.egmCarTech.com	39,636	7.29/10	<5 years
Automotive	www.autoblog.com	601,300	7.87/10	<1 year
Environmental	www.inhabitat.com	151,843	7.04/10	<11 years
Environmental	www.newscientist.com	231,243	8.74/10	>1 year
Technology	www.techcrunch.com	1,398,660	7.45/10	>1 year
Technology	www.gizmodo.com	1,098,190	7.85/10	<9 years

Source: [www.websiteviewer.com](http://www.websiteviewer.com)

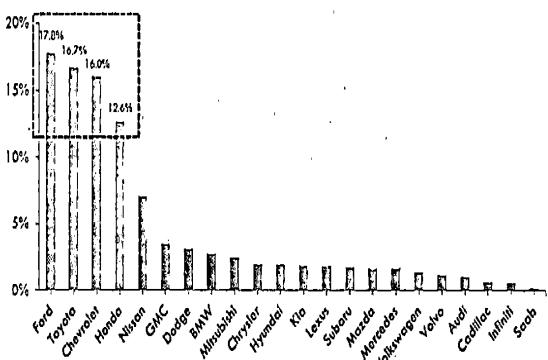
**Exhibit 11**

Item	Cost
Building Ramps	\$20K
City Permits & Police Assistance	\$500K
Billboard in Times Square (1 month)	\$370K
Viral Video Development & Marketing	\$100K
Hiring Professional Drivers	\$10K
<b>Total</b>	<b>\$1M</b>

Source: <http://adage.com/article/news/cost-advertising-times-square/45719/>  
 (Article is from 2005, I budgeted 20K Extra to make up for inflation)

**Exhibit 12 (As of 2011)**

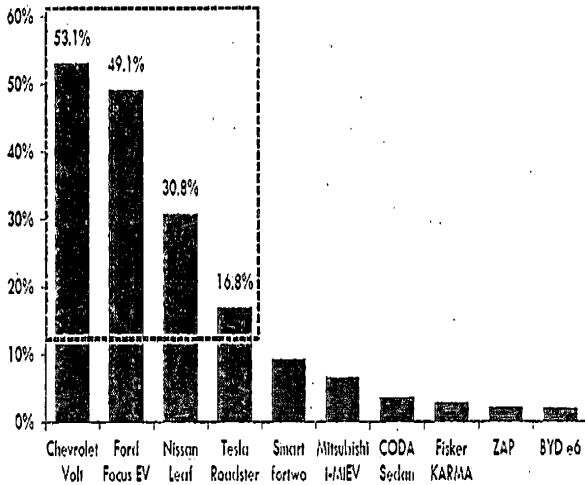
**Top Brands When Considering the Purchase of an EV**



Source: <http://electriccarsreport.com/2011/01/electric-car-survey-reveals-consumer-interests/>

**Exhibit 13 (As of 2011)**

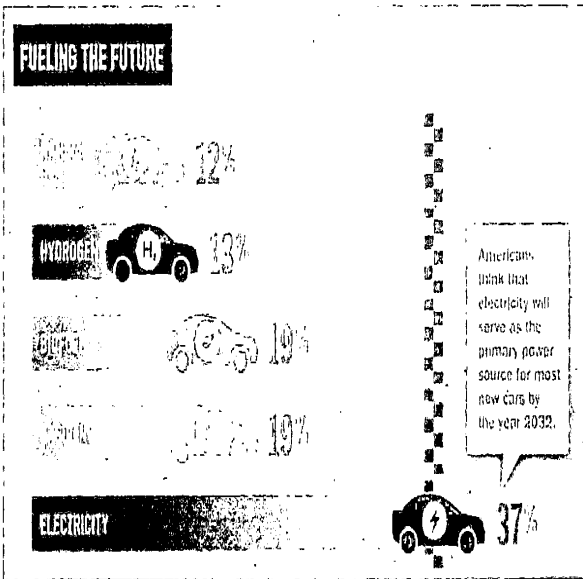
**Awariness of Current EV Models**



Source: <http://electriccarsreport.com/2011/01/electric-car-survey-reveals-consumer-interests/>

**Exhibit 14**

Honda find that \$5-plus gas is 'tipping point'



Source: <http://green.autoblog.com/2012/06/06/honda-finds-that-5-plus-gas-is-tipping-point/>

**Works Cited**

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**Assignment:**  
Read the project guideline

**Overall Strategic Goal**

- Tesla is not really a company that exists to sell electric cars. Rather, Tesla is a company that exists to overturn the entire global automotive infrastructure, an infrastructure that presently functions on petroleum and internal combustion engines but in Musk's belief will eventually, and inevitably, glide forth on exhaust-free electricity. (source EBSCOHOST The Risk of New Machine)
- Design, Develop and Sell high performance electric vehicle (EV) (10K)
- 1, Build sports car
- 2. Use that money to build an affordable car
- 3. Use that money to build an even more affordable car
- 4, While doing above, also provide zero-emission electric-power generation options

**Question of Problem**

- How can we keep Tesla sustainable in the long-run?

**All possible causes and most likely cause**

- Revenue (ST)
- Market Share (LT)

**all possible actions and best action**

- Marketing for LT benefit

realistic and achievable Plan

**More random shit**

Market: Among the non-traditional players, Tesla and Fisker are the leaders, both producing vehicles in limited volume at higher price points. Both companies have committed to reducing vehicle costs and thereby increasing their volumes with more mainstream offerings. (citi investment research and analysis)

- Tesla can't possibly succeed because nobody has succeeded in nearly a century.
- Success of Tesla relies on Sedan Model S
- goal \$30,000 car
- electric vehicle technology more efficient
- Need to use R&D to create better models to fight the old ones, since no new car company has been able to fight for shares against the major car companies. But it has negative income while spending more money on SG&A and R&D. will it last? will the Model S bring it up?
- Instead of compete with other electric car companies in the 2% market of the 13 million cars sold in US, "Models S and X will instead compete with gas-burning BMWs and Lexuses."
- goal is 20,000 sales. producing 6000 model S' this year. if compete with big companies, Toyota sells in a month what Tesla sells in a year
- Average American consumer is happy with gasoline vehicles and is in no rush to change
- What's driving EV sales is government policy (future is less on performance/environment than economy- oil low, lithium ion battery high)
  - roadster to Model S, batteries improved by 40% (4 years)
- 8000 preorders for model S
- stock very iffy (currently falling) how to get people to invest to get more in r&d to create better battery? since Tesla tries to not use outside source for supplies whenever possible
- manufacturing process not a problem (all electric, test drive is inside)

**Meeting discussion**

- sign contract with Mercedes
- brakes- customer service. hard to use

10K -

<http://files.shareholder.com/downloads/ABEA-4CW8X0/Dx0xS1193125-11-54847/1318605/filing.pdf>

10Q - <http://ir.teslamotors.com/secfiling.cfm?filingID=1193125-12-225825&CIK=1318605>

Read the first few pages which describe the EV market..

<http://www.ceres.org/resources/reports/electric-vehicles-report>

Here are my thoughts and suggestions for possible solutions of Tesla maintaining a long term sustainable future -

- Focus on selling more Model S and X which will further establish its brand, which will lead to Tesla as an attractive target for acquisition
- Tesla can also be a future supplier to other automotives. It has technical expertise in technology and electrical properties
- Provide electric batteries – cheaper for companies such as Toyota to buy batteries and motors or seek expertise from Tesla rather than developing it themselves. Tesla could maximize its significant revenue based on making relatively small volumes of its battery packs for several automakers – adopting different kind of technology from different automakers
- Significant partnership with ZipCar so that they can also have electric vehicles and Tesla could be the major supplier of automotive Electric cars.

#### TIME LINE

June 22: Launch Model S

#### SHORT TERM:

December 2012

Marketing Ideas:

Setting up a marketing campaign with small promotional giveaways that have tesla cars on them (Mugs, shirts, jackets, etc.)

Make small electric remote control tesla cars for people to play with.

Develop a marketing campaign that shows that Tesla is affordable for everyone and usable by all.

Let people test drive the cars at Car Shows and Tradeshows

-SEMA show vegas

Get reviewed as much as possible by high profile car review websites and magazines

- o example
- o example
- o example

Create youtube account (vimeo videos--> youtube)

Get onto blogs (auto, tech, environmental)

June 22: Guerilla Marketing

Inspiration - [Nascar live demonstration](#)

LONG TERM (After 2013)

#### Strategic Partners

Tesla stated in its 10K that "our future growth is dependent upon consumers' willingness to adopt electric vehicles", if the EV market is slower than expected or doesn't develop at all, the company will be at risk. By having strategic partners, Tesla will target B2B sales and through this, we hope to facilitate the B2C growth by raising awareness. The Model S estimates to have energy efficiency capable of lowering fuel costs of approximately \$1,400 per year. This means that companies who adapt Model S will incur lower costs for vehicles as well as promoting their image of being green and environmentally friendly. In return, Tesla will use this opportunity to market the image of the brand for its performance, affordability, and zero exhaust emission.

#### Stop & Shop

Shenzhen EV, other China districts

MARKETS US Europe Asia Currencies Crypto Futures BMO says bull case scenario of S&P 500 at 500 becoming more likely - CNBC

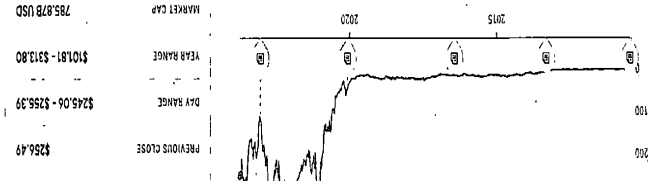
Dow Jones -0.7% 34,937.31 ▲274.66 S&P 500 -0.97% 4,533.34 ▲3.49 Nasdaq -0.97% 13,897.77 ▲83.19 Russell -0.67% 1,067.88 ▲12.57 VIX +0.50% 14.92 ▲0.91

HOME > TSLA - NASDAQ Tesla Inc

\$250.81 ▲19,494.84% ▲249.53 MAX Sep 6, 13:28:00 (UTC-4) USD NASDAQ Disclaimer

1D 5D 1M 6M YTD 1Y 5Y MAX

Key events



East Bay Times - Jul 6, 2010	Vehicle - May 9, 2013	Reuters - Jun 22, 2016
Electric-car lovers already lining up for Tesla's Model S	Tesla stock jumps 31% after record \$52M in sales and first-ever quarterly profit	Musk sees \$1 billion Tesla as shares drop over SolarCity deal
↑16.41% on that day	↓24.46% on that day	↓10.45% on that day

PRIMARY EXCHANGE NASDAQ

Top news



**The Wall Street Journal**  
Tesla, Apple, Nvidia lead Broad Stock Selloff - Elon Musk's dad says he's worried the Tesla CEO might be assassinated following AMC, ReelVivment and...

**Yahoo Finance**  
Stocks making the biggest moves midday: Roku, Tesla, AMC, ReelVivment and...

**CNBC**  
Tesla making the biggest moves midday: Roku, Tesla, AMC, ReelVivment and...

**Tesla stock**  
The Motley Fool  
Tesla stock rises on Tesla stock bounces, needs a further 2.8% rally to surpass the bull market.

**Higher Today**  
21 hours ago  
Tesla stock rises on Tesla stock bounces, needs a further 2.8% rally to surpass the bull market.

**Option**  
Even in the Age of Tesla, European Gasoline Demand Is Booming  
Inc Magazine  
This is the Most Controversial Thing About the New Tesla Model 3. It's...

**About**  
Tesla, Inc. is an American multinational automotive and clean energy company headquartered in Austin, Texas. Tesla designs and manufactures electric vehicles, and energy storage devices from home to grid-scale, solar panels and solar shingles, and related products and services. Tesla is one of the world's most valuable companies and, as of 2023, is the world's most valuable electric vehicle manufacturer with 18% share. Its subsidiary Tesla Energy develops and is a major provider of photovoltaic systems in the United States and is one of the largest global suppliers of battery energy storage systems with 6.5 gigawatt-hours installed in 2022. Tesla was incorporated in July 2003 by Martin Eberhard and Marc Tarpening as Tesla Motors. The company name is a tribute to inventor and electrical engineer Nikola Tesla. In February 2004, via a \$6.5 million investment, Elon Musk became the company's largest shareholder. He became CEO in 2008. Tesla's announced mission is to create products which help "accelerate the world's transition to sustainable energy".

**2. CEO**  
Elon Musk

**FOUNDED**  
Jul 1, 2003

**WEBSITE**  
tesla.com

**22 EMPLOYEES**  
127,855

Exhibit 2 (Tesla Stock)