

25. Taking the Wheel

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Chapter 25 of the book delves deeply into the pivotal moments for Tesla between 2007 and 2008, marking significant transitions in leadership, particularly focusing on Martin Eberhard's departure and Elon Musk's increasing involvement.

Eberhard's exit began with a dinner in Palo Alto, where he proposed finding a successor to Musk, acknowledging his own need to step down for Tesla's benefit. Musk was supportive, yet their search for a new CEO faced challenges due to the company's numerous issues, likened by Musk to a house on fire. The tipping point was an August 2007 board meeting where Eberhard's inability to provide satisfactory cost estimates led Musk to believe he was being deceived, a charge Eberhard vehemently denied despite acknowledging underestimations of the pricing.

Shortly after, Eberhard was ousted from his CEO position in an unexpected call from Musk, which Eberhard likened to a shocking blow, leading to his departure along with cofounder Marc Tarpenning. This ouster sparked Eberhard to publicly air his grievances, particularly against Musk, which eventually led to a lawsuit against Musk for libel. The lawsuit concluded in 2009 with an agreement that both Musk and Eberhard would be recognized as cofounders of Tesla, though tensions clearly continued.

The chapter also explores Musk's relationship with Michael Marks, who took on the interim CEO role at Tesla. Their initial rapport eroded as Marks challenged Musk's aggressive timelines and management style, advocating for a more humane approach to leadership and suggesting partnering with experienced automakers for the Roadster's assembly. Marks's resistance to Musk's directives and the confrontation over outsourcing assembly eventually led to his departure.

Throughout, the chapter portrays Musk's intense and uncompromising personality, juxtaposing his visionary goals for Tesla with the interpersonal and managerial conflicts that arose with key figures like Eberhard and Marks. It raises questions about the complexities of leadership and the balance between innovation and the human element within tech companies, highlighting the personal toll of the relentless pursuit of success.