

# 29. On the Brink

## Chapter 29: On the Brink - Tesla and SpaceX, 2008

In early 2008, amidst a burgeoning global financial crisis, Tesla celebrated a modest yet symbolic victory with the first Tesla Roadster, codenamed "P1", completing its production process and being showcased in Palo Alto. This event marked a small step for Tesla, a company facing monumental challenges. Unlike Ford, the sole American car manufacturer that had flourished without declaring bankruptcy, Tesla's future hung in the balance. The company was grappling with an unstable supply chain and dwindling finances at a time when the entire world was entering a severe recession.

Elon Musk, Tesla's driving force, found himself navigating the company through its most tumultuous period by making controversial decisions, such as using customer deposits for operational expenses. This strategy, while risky and bordering on legal gray areas, was born out of desperation—to keep Tesla afloat amidst increasing financial strain.

As 2008 progressed, Musk's personal and professional crises deepened. His brother Kimbal, along with friends and family including Google's Sergey Brin, invested significant sums into Tesla, showing a blend of loyalty and belief in Musk's vision. This blend of personal sacrifice and communal support underscored the fragile yet unwavering commitment of Musk's circle to Tesla's survival. The chapter illustrates how close Musk and his company were to the brink, with Tesla's existence hanging by a thread, mirrored by the broader collapse of financial institutions during the recession.

This chapter not only reflects on Tesla's nascent stage of grappling with production and financial viability but also portrays Elon Musk's relentless pursuit to keep his dream alive against all odds. It's a testament to Musk's determination, where personal resources, relationships, and sheer will were leveraged in the face of impending failure, setting the stage for the company's future endeavors amidst the chaos of 2008's financial downturn.