

42. Solar

In 2004, while journeying to Burning Man in an RV, Elon Musk inspired his cousin Lyndon Rive to enter the solar industry, a move aimed at addressing climate change and benefiting humanity. Following Musk's advice, Lyndon, together with his brother Peter, founded SolarCity. With Elon providing the initial funding, the company's mission was to scale up quickly to make a significant impact. The Rive cousins, having grown up with Elon and sharing a common entrepreneurial spirit fostered in South Africa, ventured into the solar panel business after realizing the existing market challenges, such as poor consumer experience and high upfront costs. They innovated a business model that simplified solar panel acquisition for consumers, leading to the launch of SolarCity in 2006 with Musk as the chairman.

SolarCity experienced rapid growth but faced financial difficulties by 2015, largely due to a business model that resulted in mounting debt. As SolarCity's practices, particularly its aggressive sales strategy, became a point of contention for Musk, he proposed integrating SolarCity with Tesla to address both companies' challenges and advance his vision of a sustainable energy ecosystem. Despite initial resistance from Tesla's board, the acquisition was approved in 2016, aiming to combine solar and battery technology to reduce dependence on traditional utilities and fossil fuels, aligning with Musk's broader mission for an alternative energy future.

This strategic acquisition was contested by some Tesla shareholders but ultimately upheld by a court, validating Musk's comprehensive approach to energy innovation. The transition wasn't smooth, highlighted by tensions over product aesthetics and the direction of solar technology development. A significant pivot came with Musk's focus on developing a "solar roof" — an integrated roofing solution with embedded solar cells, diverging from the initial solar panel installations. This new direction was showcased in a high-profile unveiling, indicating a leap towards a more integrated and aesthetically pleasing solar energy solution, demonstrating Musk's unyielding commitment to innovation and sustainability despite internal and external challenges.