# Article Title: The Cybertruck Must Be Huge—or It Will Dig Tesla’s Grave

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# Article Content:

Stupid. Divisive. Fugly. The Hummer shouldn’t have sold in numbers, but it did. Might Elon Musk pull off a similar trick with the stainless steel [Cybertruck](https://www.wired.com/story/teslas-cybertruck-price-61000-specs/)?

Forty-six months after the official unveiling—when design chief Franz von Holzhausen famously [shattered](https://www.youtube.com/watch?v=dwfaCpWe0zY&t=1s) the prototype’s Armor Glass with the spirited throw of a metal ball—yesterday’s [Cybertruck Delivery Event](https://www.wired.com/live/tesla-cybertruck-delivery-event-live-price-range-specs/) confirmed that Tesla’s Texan Gigafactory is finally now slowly spitting out Cybertrucks.

With an estimated [2 million preorders](https://insideevs.com/news/687142/tesla-cybertruck-2-million-reservations-crowdsourced-data) from self-styled “reservationists,” this Blade Runner–inspired electric pickup could make the world’s most wealthy man even more unfeasibly rich. If half of those $100 refundable deposits stack up, that’s revenue of more than $65 billion, based on a newly [inflated $61,000 price tag](https://www.wired.com/story/teslas-cybertruck-price-61000-specs/)—up $21,000 from what was promised four years ago.

“Just 15 percent of those preorders would equal the annual US truck sales of Toyota,” says Boston University Questrom School of Business professor Tim Simcoe. “But Tesla faces the challenges of scaling up production and achieving a sufficient flow of paying customers.”

On Tesla’s March 1 Investor Day, Musk said demand for the Cybertruck was “so far off the hook, you can’t even see the hook.” But landing even 15 percent of the reservationists seems optimistic because the vehicle is running late and isn’t global—Cybertruck won’t be for sale outside of the US, Canada, and Mexico for some time, and doesn’t appear to meet safety regulations in the European Union and Australia anyway.

The price bump will also be a drag on demand. The vehicles picked up by the 10 or so customers yesterday—likely to be “manufacturing unit” one-offs rather than true retail models, and which will be tethered to Tesla for some time—was $21,000 more expensive than the $39,900 base model promised in November 2019. Crucially, the world has moved on since, with a slew of competitors selling here-now, traditionally-shaped product.

Ford snuck in ahead with its $49,000 [F-150 Lightning](https://www.wired.com/review/f150-lightning-2023/), the battery-powered version of the truck that has dominated the pickup segment for decades. GM will soon roll out its $52,000 electric [Chevy Silverado](https://www.chevrolet.com/trucks/silverado/1500), and Stellantis is readying its $58,000 [RAM 1500 REV](https://www.ramtrucks.com/revolution/ram-1500-rev.html). Extroverts wanting a look-at-me e-candy truck can buy Rivian’s $73,000 [R1T](https://www.wired.com/review/rivian-r1t-and-r1s/).

F-150 Lightning owner Coleson Bruce, a pickup driver for 30 years, might switch from Ford to Tesla. “I put in a reservation [for a Cybertruck] the day after the original reveal,” the tech startup executive told WIRED on a Zoom call. “While I’m not one of the earliest in line, I have the possible advantage of being in Austin,” he says. Historically, Tesla’s new product deliveries have often been weighted toward favored geographies rather than first-come-first-serve, Bruce says.

Bruce’s interest in yesterday’s presentation was, he adds, colored by the knowledge that Tesla’s product promises are “likely to materially change before my order opportunity arrives. There will be time, independent reviews, and improvements to the vehicle before my order comes up—and I’ll be able to make a better-informed cost-benefit decision at that point.”

Not For Traditional Truckers

Americans buy 2 million pickups a year for an average of $59,000 apiece, but, so far, only a smidgen are all-electric. Last year, [Ford estimated](https://www.theverge.com/2022/1/4/22865664/ford-f150-lightning-double-production-150000-annual) it would sell 150,000 Lightnings this year. Many analysts scorn Musk’s estimated 250,000 annual Cybertruck sales, even after a successful ramp through 2024.

“If [Tesla] can build and sell 50,000 a year, it has to be deemed something of a success,” says Gartner automotive analyst Mike Ramsey, calling the Cybertruck “outlandish and outrageous” but also “weirdly cool.” Cool sells—weird, outlandish, and outrageous not so much.

“Cybertruck is likely too form-over-function to do many of the tasks American pickup customers expect of a truck,” says Ed Kim of the specialist market research firm AutoPacific, “and I don’t expect there to be much cross-shop between Cybertruck and traditional pickup trucks in the US market.”

The pickup is an American institution, Kim acknowledges, and it makes perfect sense for Tesla to go get “a piece of that market.” Still, he says, the Cybertruck “seems more of a love letter to Tesla’s fanboys than a serious attempt at disrupting the truck market.” Pickups, Kim adds, “are all about function, even to the many casual truck owners in America who don’t do ‘truck things’ with their vehicles.”

If, instead, Cybertrucks mostly appeal to extroverts rather than traditional pickup buyers, there are far fewer of them, and it’s more likely Tesla will be able to satisfy this smaller demand, albeit at a huge and unrecoverable R&D cost.

On a recent earnings call, Musk signaled the potential for production snafus. “We have dug our own grave with the Cybertruck,” the billionaire entrepreneur warned, predicting “enormous challenges in getting to volume production.”

Optimistically, Musk estimated Tesla’s “best product ever” would “take 12 to 18 months to be a significant positive contributor to cash flow.”

The Cybertruck is an “inherently high-cost product with its stainless steel body panels and unconventional construction,” says Kim. Olav Sorenson, a professor of entrepreneurial studies at UCLA Anderson School of Management, agrees. “Tesla has invested a lot into the R&D behind the Cybertruck," he says. "The company has also most likely been investing a lot more into figuring out the manufacturing equipment and processes for producing it at scale. So, whether they end up making money on the vehicle will depend on whether they sell enough units.”

Higher-than-promised prices will dampen demand, warns Simcoe. “It is a law of nature that demand curves slope down, so a higher price will certainly mean fewer sales. The basic economics Henry Ford figured out—higher volume means lower cost—are no different in the electric truck market.”

A Frankenstein DeLorean?

If Tesla can’t make enough Cybertrucks to marry with Musk’s optimism, or if critical problems with the first batch of trucks get widely reported, then selling 250,000 units will be a “tough challenge,” agrees AutoPacific’s Kim, querying whether “there are that many people who want to drive such an extroverted vehicle. Vehicles that sell in volume tend to be much more palatable to mainstream tastes.”

There’s no way of confirming Tesla’s breakeven point, but “even a traditional car might need 200,000 units per year to cover the design costs,” says Sorenson, estimating that the initial costs of Cybertruck’s groundbreaking manufacturing might require as many as 300,000 sales per year.

Sell many fewer, and Cybertruck will be an almighty flop. If so, this won’t come as a surprise to industry insiders. Toy industry insiders, that is. Lego reacted to Cybertruck’s 2019 launch by [tweeting a picture](https://twitter.com/LEGO_Group/status/1199644074866888706) of a single plastic brick on wheels, riffing that “the evolution of the truck is here. Guaranteed shatterproof.”

British car designer [Adrian Clarke](https://www.theautopian.com/author/aclarke/) has described the Cybertruck as “a low polygon joke that only exists in the fever dreams of Tesla fans that stand high on the smell of Elon Musk’s flatulence.” On social media, the Cybertruck is frequently criticized as a Frankenstein DeLorean or like a 4-year-old’s drawing of a car.

Auto journalist Daniel Golson recently saw Holzhausen park a preproduction model at a Malibu car event and [told Jalopnik](https://jalopnik.com/tesla-cybertruck-looks-like-crap-matte-black-prototype-1850996467) he was “baffled” with the car’s shoddy build: “I’ve been around hundreds of prototype cars in my career, ranging from early test mules to near-production prototypes, and I’ve never seen an automaker proudly present something of this poor quality, especially not this late in development.”

A bog standard car promo video aired at Thursday’s delivery event—featuring the $100,000 highest performance variant—but there were no product close-ups. Aside from a mumbling Musk speaking from a Cybertruck bed, his face shrouded in darkness, the event’s other lowlight was a petrified Holzhausen, former design director at Mazda North America, soft-throwing a baseball that somehow didn’t shatter the Cybertruck’s side window.

Future From the Past

“The future should look like the future,” demanded a chyron on the delivery event video. However, the Cybertruck isn’t as futuristic as usually portrayed. It’s partly based on Italian concept cars of the late 1960s and early 1970s, as evidenced by a [photo tweeted](https://twitter.com/WalterIsaacson/status/1681304525767086085) by Musk’s authorized biographer Walter Isaacson. In the photo, Musk, Holzhausen, and an unnamed man are shown in front of mood boards dotted not just with screenshots of RoboCop and Tron but also archive snapshots of so-called wedge cars that closely resemble the Cybertruck.

Angular cars such as the [Alfa Romeo Carabo](https://www.motorsportimages.com/photos/?race_type_id=202&search=Carabo+%22%20data-type=%22link%22%20data-id=%22https://www.motorsportimages.com/photos/?race_type_id=202&search=Carabo+) of 1968 inspired the Pininfarina/Paolo Martin–designed [Ferrari 512S Modulo](https://www.motorsportimages.com/photos/?race_type_id=202&search=Modulo%22%20data-type=%22link%22%20data-id=%22https://www.motorsportimages.com/photos/?race_type_id=202&search=Modulo) that bamboozled many at the 1970 Geneva Motor Show.

These were iconic cars, loved by auto aficionados. Still, there were sound financial reasons they didn’t ever get to retail: They would have been fiendishly difficult to craft, and not enough would have been bought to recoup the development and manufacturing costs.

Elements of their design went on to influence the Lotus Esprit and the DMC DeLorean. These were small sellers. Made in England between 1976 and 2004, only 10,675 Espirits were sold. Even fewer gull-wing-doored DeLorean’s were sold in the early 1980s before John DeLorean’s once feted company went pop.

Minuscule in sales, perhaps, but these wedge-like cars nevertheless inspired Musk and Tesla’s design team via movie incarnations. Musk has said James Bond’s Lotus Esprit 1 Series submarine car from The Spy Who Loved Me was one of his design touchpoints. And the time machine featured in the Back to the Future films was a DMC DeLorean. Again, a Musk touchpoint.

According to Isaacson, Musk projected a photo of a Ford truck in a Tesla design meeting six years ago, complaining the vehicle was yawnville. “He puts up things from movies, from sci-fi, from video games, and everybody is pushing back on him at this meeting,” Isaacson said [in a podcast interview](https://podcasts.apple.com/gb/podcast/hollywoods-drama-twitters-balance-sheet-7-17-23/id1480890290?i=1000621413283) in July. “He finally says stop it, we’re going to do it. We’re going to make it edgy.”

Reservationist Bruce, a Lightning driver, feels the look of a Ford F-150 is boring compared to the edginess of a Cybertruck. “[Ford] market it as the best looking truck; they don’t mean that. It’s intentionally bland. It isn’t designed to be divisive—that’s not the fat part of the bell curve.”

Musk—derided as “Space Karen” on the social media platform he’s seemingly [running into the ground](https://www.wired.com/story/elon-musk-x-advertisers-interview/#intcid=_wired-verso-hp-trending_58e8fd3e-c8cd-46be-81bd-9d40e04e81f5_popular4-1)—has said that the Cybertruck’s design anticipates life on Mars: ready for roll-out once he manages to establish his promised colony on the red planet. In yesterday’s presentation, a drone shot of a Cybertruck drifting through red sand was a color-graded nod to this vision.

Another company wooing would-be Mars colonists is British adventure-techwear brand [Vollebak](https://www.wired.co.uk/article/vollebak-invisibility-cloak), which uses advanced fabrics and fillings to create what it claims is clothing “that feels like you’re buying from the future.”

“Our [Mars Jacket](https://vollebak.com/products/mars-jacket-light-edition?variant=39514655031385) has a 3D-printed vomit pocket with a bright orange sick bag,” company cofounder Steve Tidball stated earlier this year. “You might call it provocative, but for us, it isn’t—it’s experimental.” Vollebak is a niche brand, however, and marketing a postapocalyptic future as somehow desirable is far from mainstream.

Where Are the Copycats?

Perhaps the number of design copycats will be the best test of whether Musk is on to something and that he’ll confound his critics and make billions from his head-turning pickup. But in the four years since its launch, not a single automaker has made a Cybertruck clone.

They could all be wrong, of course, and, once again, Musk will laugh all the way to the bank, but Tesla’s disruptive genius was all about the drivetrain, not the silhouette.

Now Tesla needs an injection of newness. Its current four-vehicle offering is long in the tooth. The Model Y crossover is three years old, while the Model 3 sedan dates back to 2017, which is dangerously antediluvian in the car world.

“Right now, the EV to own is a [Porsche] Taycan or a Mercedes EQS. 100 percent,” automotive consultant Eric Noble of the [CARLAB](https://www.forbes.com/sites/alanohnsman/2022/12/02/elon-musks-twitter-antics-are-tarnishing-teslajust-as-its-ev-rivals-are-catching-up/?sh=550136862018) told Forbes. “There’s no cachet in a Tesla among the wealthy.”

S&P Global Mobility has reported on Tesla’s shrinking dominance in the US EV market. “Given that consumer choice and consumer interest in EVs are growing, Tesla’s ability to retain a dominant market share will be challenged going forward,” S&P’s report concluded.

“Musk is a polarizing figure with many fans, but a growing number of people are disillusioned with him,” says AutoPacific’s Kim.

“Some liberals, who had been a lot of the early adopters of Tesla cars, have sworn not to buy another,” says UCLA Anderson’s Sorenson. “Interestingly, however, his appeal to conservatives—not the usual buyers of EVs—has grown. That might actually help sales of the Cybertruck, since conservatives more frequently buy pickups and SUVs.”

“Conservatives are not buying gas-powered vehicles just to irritate liberals,” stresses Boston University’s Simcoe. “All kinds of people buy these vehicles because they are useful, and as electric trucks—including Cybertruck—start providing better performance at competitive prices, we will see adoption among all demographics.”

Dialing Down Eco Attitude

Before becoming CEO, Musk introduced his vision for Tesla in a 2006 manifesto: clean the air, starting with pricey premium models and later shifting to affordable family cars. Seventeen years later, that affordable family car is still to appear—it’s believed to be imminent, but then Tesla’s pie-crust promises always are—and the Cybertruck is now the company’s flagship. Gone are the references to environmental benefits.

“Progressives and environmentalists are unlikely to be lining up for the Cybertruck,” states Gartner’s Ramsey. “On top of its gargantuan size and weight, it is not all that useful as a truck. This is a status symbol and attention getter.”

“While Tesla has been a key driver of vehicle electrification, the Cybertruck is big, heavy, and, relatively speaking, a very inefficient use of the finite resources available to decarbonize transport,” biochemist and journalist Simon Evans told WIRED en route to the COP28 climate conference in Dubai. “Yes, it’s electric, and yes, it can run on renewable power—but it’s pretty much the opposite of energy and material efficiency,” says Evans, the senior policy editor at the influential [Carbon Brief](https://www.carbonbrief.org/) newsletter.

“A Cybertruck will have much lower lifecycle emissions than an equivalent combustion-engine model. But if everyone on the planet ends up driving a Cybertruck—or something similar—it’s going to be far more challenging to decarbonize transport at the pace and scale needed to stay below 1.5 [degrees Celsius].”

Climate concerns likely aren’t front of mind when consumers choose a pickup: heft, storage, and looks tend to be far more important.

“The Cybertruck is already doing what it will do best,” says Autotrader senior editor Brian Moody, and that’s “generating headlines and online comments from fans and haters. It’s not particularly attractive, but that’s kind of the beauty of it—it’s different.”

Different can sell, but until broader acceptance, only in small numbers. According to Experian, Rivian sold fewer than 2,000 R1Ts monthly this year through July. Hummer sold 71,524 militaristic SUVs in 2006, its peak year, but the electric version has tanked. In September, GM sold 389 Hummer EVs in the US, but between January and March, it shifted [just one per month](https://gmauthority.com/blog/gm/gmc/gmc-hummer-ev/gmc-hummer-ev-sales-numbers/).

The market for monster electric vehicles seems likely smaller than Musk anticipates. Yet, as Musk has shown with his $44 billion purchase of Twitter, he’s perfectly happy to spend big on vanity projects. For Tesla shareholders, it’s squeaky bum time. Tesla shares fell 1 percent in Nasdaq trading yesterday after closing off 1.7 percent at $240.08.