

Tesla doesn't need to sell cars in China to succeed there

<p>Notes & Cues:</p>	<p>Article:</p> <p>When Elon Musk broke ground on Tesla Inc.'s Gigafactory in Shanghai earlier this month, he wasn't just thinking about how many Teslas he'll sell in China. He was thinking about how many he might be able to share.</p> <p>Musk isn't alone. Global automobile manufacturers are scrambling to develop services that will allow Chinese car owners to rent out their vehicles when they're not driving them. According to one recent analysis, such services could hire out as many as 2 million cars in 2020, up from roughly 100, 000 in 2017.</p> <p>The real revolution will arrive in a few years, when self-driving cars hit China's roads. At that point, transportation will become truly on-demand: A renter will merely need to notify a car of his or her location, and the vehicle will race over.</p> <p>This isn't science fiction. In 2016, Elon Musk wrote that once regulators approved self-driving cars, owners would only need to "tap a button on the Tesla phone app" to send their cars off to generate income "potentially exceeding the monthly loan or lease cost." He estimated the feature could arrive as early as the end of 2019. Tesla also intends to operate its own network of driverless cars, taking a cut of each ride that could be as high as 30 percent, in line with current ride-sharing practices.</p> <p>In China, Tesla and others will have to compete against cheap taxi fares and abundant public transit. Still, with the transition to autonomous electric vehicles already underway on the mainland, China obviously holds great potential for Tesla's model.</p>
<p>Summary:</p>	