

Tesla and SpaceX Board of Directors
AI, the Future of Public Transportation, and
the Space Race



Peter Wells
Crisis Director

GWCIA XXV

Hi everyone,

My name is Peter Wells, and I am thrilled to welcome you to our committee! I am very excited to welcome new delegates to GWCIA and to our returning delegates, I want to extend my deepest gratitude. I had the honor of serving as Secretary General for GWCIA XXIV, GWCIA XXIII's Executive Director, a crisis staffer at XXII, and could not pass up the opportunity to staff one more GWCIA! I have also staffed many crisis committees for our sister high school conference WAMUNC.

I am a double major in Political Science and Economics at GW's College of Arts and Sciences. I am from Worcester, Massachusetts and am considering either staying in D.C. or relocating to Boston after I graduate. During the last school year I had the incredible experience to intern at Swanee Hunt Alternatives, a nonprofit devoted to gender inclusivity in peacemaking strategies, gender parity in US politics, and ending the illegal sex trade in America.

Albeit a controversial figure, Elon Musk and his enterprises are undoubtedly major players in global industry and culture, particularly in pioneering sustainability as a designer good. Musk's long-term success, however, has never been steadily increasing, as his heightened profile has caused backlashes in uniquely Muskian fashion. I am confident that you will all take very interesting tacks with this subject, and I'm looking forward to meeting everyone at GWCIA!

- Peter Wells

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Guidelines for Committee

Committee Mechanics

This committee will function as a typical crisis committee with division of front room and back room. The front room will consist of members of the board of SpaceX and Tesla, but members will be expected to work together to help Elon Musk's dreams come to fruition. The chair will look very favorably on working together in committee, and suggests the delegates focus on diplomacy and compromise. The chair looks favorably on a casual style of debate, and prefers to see moderated and unmoderated caucuses. Awards in this committee will be decided based on the following factors: $\frac{1}{3}$ will be committee speaking, ideas, and diplomacy, $\frac{1}{3}$ will be directives and leadership in committee, and $\frac{1}{3}$ will be effective utilization of crisis. Delegates should manage their time well and take advantage of all their resources to achieve collective and personal goals.

Backroom Structure & Crisis Expectations

Boardroom scenarios offer delegates a chance to conduct a more calculated approach to debate than traditional crisis committees. Corporate culture is inherently cutthroat, with seemingly close allies often falling out over the deployment of cloak and dagger tactics. In this committee, delegates are encouraged to develop a comprehensive backroom strategy which, if done with vision and discretion, can lead to major shake ups that will translate into the committee itself.

As members of the boards of SpaceX and Tesla, delegates have broad authority to take discreet action within the corporate apparatus of their respective company. While the actions

taken by delegates in backroom may affect their corporate counterpart, delegates may NOT simply direct actions within the opposing company. For instance, a SpaceX board member may not (without reasonably established means) order a Tesla employee to do anything, regardless of intent.

While various tropes of crisis committees have come to define a large part of the standard crisis experience, this committee will instead reward creative and realistic behavior. To expound on what this means in practice, delegates should consider what a character driven by profit and influence would do in a contemporary business environment. An arc that involves assassinating a major corporate figure may not be seen as favorable by the crisis staff. The best arcs (meaning, the arcs that will be woven into updates) will likely cause certain market effects that the committee will be forced to respond to.

Delegates should keep in constant consideration that they are on the board of a major corporate entity. As such, they are responsive to a variety of different benefactors including shareholders, the consumer base, and Elon Musk himself. Whether or not delegates choose to remain loyal to one or all of these benefactors is at their discretion, however it should be noted that actions taken by delegates will be scrutinized by more than just fellow board members. The reputations of both the company and board members are at stake with every action that is made. Thus, delegates should act with discretion if they choose to embark on a path that could be considered less than above board.

Committee History

Origin of Tesla

Tesla Motors was started in 2003 by Martin Eberhard and Marc Tarpenning. The goal of Tesla was to commercialize electric cars, beginning with sportscars and then moving into lower priced, mainstream vehicles. Elon Musk first got involved in the company in 2004 when he joined the Board as Chairman. Musk, having made his fortune from the early success of PayPal, invested \$6.35mm into the company. By becoming board chairman of Tesla, Musk gained the authority to oversee much of the operations of the company, as well as becoming the public face of the company. By 2009, Musk had major partnerships with industry titans such as Google, and had secured a \$465mm loan from the US Department of Energy.

Around the same time an executive dispute led to Eberhard and Tarpenning's departure from the company, Musk's singular vision for Tesla became clearer. In a "secret" company plan, Musk defined Tesla's long-term goals: "Build a sports car. Use that money to build an affordable car. Use that money to build an even more affordable car. While doing the above, also provide zero emission electric power generation options". Through acquiring outsized revenues early on from luxury models such as the Roadster and Model X, Musk aims to, in effect, single handedly make zero-emission automobiles a commonality in the market. As the threat of climate change becomes an increasingly discussed topic in business and political circles, Musk seems to have predicted the direction of the market. However, the rise of Tesla was not always defined by upward momentum.

Controversies

In Tesla's early years, setbacks such as a series of fires breaking out in vehicles prompted the company to make significant adjustments to its products. In the case of the fires in early 2015, extra support was needed for the chassis of the vehicles, along with continued upgrades to the batteries powering the vehicles. While no one was ever hurt in the fires, other issues would land Tesla into larger and larger legal trouble.

Since 2016, there have been three fatal crashes involving Tesla vehicles in the United States where autopilot features were engaged. Concerns have been raised over how Tesla markets its semi-autonomous driving capabilities. It has been argued that the use of the term autopilot for features that require the driver to remain attentive with their hands on the wheel of the car is misleading to drivers. Software on third party devices may also be able to trick the autopilot system, though Tesla argues that this would not be possible for an entire trip. Around this same time, Tesla reportedly earned the first ever perfect safety rating from the Highway Safety Traffic Administration for its Model X crossover. These incidents have caught the eye of the federal government, with Senator Ed Markey (D-MA) recently urging Tesla to rebrand the autopilot feature to prevent further incidents.

Musk himself has also thrown Tesla into legal controversy by his own doing. Tweeting that he was considering taking the company private at \$420 a share, Musk created market buzz generating a 10% increase in Tesla stock prices. Tweets such as this one have landed Musk and Tesla into multiple fines, lawsuits, and Department of Justice investigations. As a result of an SEC lawsuit, Musk was forced to step down as chairman of Tesla, though he still remains a majority shareholder. As recently as 2019, the SEC has requested a federal judge to hold Musk in

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contempt for another tweet that allegedly violated a previous agreement in which all of Musk's company communications were to be vetted.

Innovations

Since releasing their initial Roadster, Tesla has developed and produced a full fleet of cars. Models such as the Model X, 3, and S have come to define the brand in recent years. Other models include the Semi-truck and newly released Cybertruck, which highlight an intent by Tesla to enter the commercial market. The cars run on rechargeable batteries specially designed by the company, making Tesla the first automaker to offer a full fleet of zero-emissions cars. Other features introduced by Tesla include the autopilot feature, which relies heavily on automated intelligence technology. While the technology is not yet capable of providing full self-driving features, it can perform basic autopilot features such as steering and summons. As of now, AI features of Tesla vehicles do not make the vehicle autonomous.

Origin of SpaceX

In 2001, Elon Musk first had his dream to put an experimental greenhouse on Mars. For this vision, Musk secured funding from completely private capital to produce the first Falcon rocket for SpaceX. Since the first launch, Musk has secured funding from NASA worth around \$440 billion. While catering to the consumer audience, Elon Musk has had many conversations with the US government due to the nature of rocket regulation as weaponry. At the 2017 International Astronautical Congress, Elon Musk announced his plan to build a spaceship equipped to reach Mars. His goal is to land two cargo ships to Mars in 2022, and by 2024 to

bring the first people to Mars. From there, Musk hopes to establish the first colonial settlement on Mars, thus extending the boundaries of where human life has lived. This bold acquisition will ultimately involve many International political and economic factors. However, SpaceX is a private company which means they are not accountable to any government and are free to act and function as they please, though remaining under the jurisdiction of whatever countries they operate within.

Much like his vision for Tesla, Musk intends to utilize SpaceX in order to reduce the cost and increase the accessibility to space. From a market perspective, this relationship can be represented in the form of cost per pound being launched into space. Musk's current goal is to reduce the cost to around \$500 per pound (\$1,100/kg). While this figure is still reasonably expensive, the intent is to build a market for space travel, albeit at a price most could not afford. Areas in which SpaceX has addressed the issue of costs has been to develop reusable launch systems when testing new hardware. Having a string of successful launches since 2017, SpaceX is poised to, with the proper resources, begin to break farther into the depths of the final frontier than at any other point in human history.

Topics

AI and the Future of Public Transportation

Artificial intelligence is quickly becoming a key component across many different platforms. Many companies are sponsoring competitions for teams to build the first AI system. Meanwhile, the world is becoming more and more weary of the possibility of artificial intelligence taking over. Industry titans such as Tesla share an increasing responsibility to

grapple with the rise of AI as a part of daily life. Part of the broader vision Musk holds for Tesla is to revolutionize the manner in which people travel. Along with ideas for an automated subway system for cars (and a widely mocked idea that reinvents subways themselves), AI is a part of Musk's vision. The board should consider the implications at stake for both the company and the world. Tesla holds a unique advantage in terms of production capability, and with affordable mass market green cars on the horizon, the chance of revolutionizing the auto industry has never been more possible.

Space Race

SpaceX itself has ushered in a new era in humanity's relationship with space in the 21st century. There's both political and market pressure to be the first company or colony in space. Each one of the members of the board has serious political connections and market connections, setting up what could become a clash between government and business. The propensity for power politics to emerge will almost certainly increase. What would come out of being the first in space? And how could each of the members benefit from this? SpaceX is the major company in this industry, which may draw attention from major governments. Certain perspectives may suggest that SpaceX cannot hold such a stranglehold over the market for space travel, while others may see SpaceX as a catalyst for geopolitical clout. The board should consider these factors when making decisions in the interest of the company.

Delegate Profiles

Robyn M. Denholm is an Australian business executive that succeeded Elon Musk as Tesla chairman in 2018. Her past employment history includes 7 years at Toyota, the IT division at Sun Microsystems, 9 years and Juniper Networks as CFO and then in 2014 moved to Tesla as a director. As CEO, Denholm is responsible for the company's long term vision and direction. The reputation of Tesla also rests on her shoulders, even though Musk remains the company's highest profile figure.

Ira Ehrenpreis is a founder and partner of DBL Partners, a top investment capital firm while also serving on the board for Tesla. He is recognized as a pioneer and leader in both the venture capital industry and the energy innovation sector. In addition, Ehrenpreis is the chairman for Western Association of Venture Capitalists, and VCNetwork. He was considered one of the "Top 50 Most Influential Men Under 45" in 2014, and continues to stay involved and lead his field.

Larry Ellison is the Executive chairman and CTO of Oracle Corporation. In 2019 he was listed in Forbes as the 4th wealthiest person in the U.S. and the 6th wealthiest in the world. Ellison has a very broad and extensive resume. Some of his more notable positions include creating the CIA database, working and developing IBM, and of course the board of Tesla. He has many close friends in the technology industry and maintains a large influence over the stock market and innovation.

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Antonio J. Gracias is Valor's CEO and the chairman of the investment committee. In addition, is a founder of MG capital and served as the CEO after working for Goldman Sachs. He is on a number of various boards and international business connections.

Steve Jurvetson is on the board of both SpaceX and Tesla. He is a venture capitalist and was on Forbes list of Top Investors from 2011-2016. He is a board member of various technology companies and holds stock in even more. In 2016 Jurvetson served as the Presidential Ambassador for Global Entrepreneurship under Obama, but has had numerous scandals that have affected his professional life.

James Murdoch is an independent director of the board of Tesla. He is the son of Rupert Murdoch, the former CEO of Fox. Murdoch is on the board of many international companies and companies in different industries. He has been involved in music, technology, energy, television, and has connections in almost any industry you can think of.

Kimbal Musk is the brother of Elon Musk. He is on the board of both SpaceX and Tesla, but has some endeavors of his own. He owns restaurants across the country and is chairman of the nonprofit, Big Green. He was on the board of Chipotle for a time and recently founded and currently helps to run Zip2.

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Kathleen Wilson-Thompson served as Executive Vice President and Global Chief Human Resources Officer for Walgreens Boots Alliance. Wilson-Thompson is on numerous boards of various companies and is another Independent Director of Tesla.

Tim Hughes is the Senior Vice President and General Counsel of SpaceX. Prior to his work at SpaceX he served as Majority Counsel to the Committee on Science and Technology in the US House of Representatives. He was the chief attorney for drafting commercial flight legislation and regulatory framework for spaceflight.

Bret Johnsen is the Chief Financial Officer for SpaceX. He spent many years working at Broadcom Corporation and then worked for Mindspeed Technologies as CFO. He has many connections from his work in technology companies and knows what it takes to build a company to major success.

Joy Dunn is the Senior Manager of New Product Introduction of SpaceX. She is in charge of everything from innovation to production. She is a Young Global Leader with the World Economic forum and was on the Business Insider's list of Most Powerful Female Engineers in 2017. She has many academic connections from here years at MIT.

Andy Lambert is the Vice President of Quality Assurance and Build Reliability for SpaceX. Lambert spent 13 years working with BMW and served in the Royal Air Force as an aircraft

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engineer. He now resides in California but his international, and military experience make him an invaluable resource.

Umer Khan is the Vice President of Information Technology and Security at SpaceX. Umer has served as an author in many technical publications and is a partner of Mentors Fund, a venture fund investing in startups, so Khan has access to the newest technologies at his fingertips.

Hans Koenigsmann is the Vice President of Mission Assurance for SpaceX. He has a degree in aerospace engineering and spent many years in charge of a satellite for the Center of Applied Space Technology and Microgravity, he then worked for Microcosm, a satellite manufacturer. Koenigsmann was awarded the NASA Distinguished Public Service Medal in 2014.

David Harris

David Harris is the current General Counsel for SpaceX. An experienced lawyer with superior analytical and communication skills, Harris advises SpaceX's leadership on a wide range of legal matters, including government contracts, commercial contracts, human resources issues, real estate transactions, and compliance matters. Prior to joining SpaceX as the company's first ever compliance officer, Harris served as international counsel for Verizon and an intelligence officer in the U.S. Navy Reserve. He also works on regulatory and insurance issues related to spaceflight.

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Gwynn E. Shotwell

Gwynn Shotwell is the President and Chief Operating Officer for SpaceX. She is responsible for the day-to-day operations of the company and overseeing all customer and strategic relations to support its overall growth. Shotwell joined SpaceX as their eleventh employee in 2002, becoming Vice President of business development and was given a seat on the board of directors at the same time. Since becoming President of SpaceX, Shotwell has overseen the first successful launch, orbit, and recovery of a spacecraft done by a private company, and secured a multibillion dollar contract with NASA.

Thomas Mueller

Thomas Mueller is a co-founder of SpaceX and senior advisor to the company. An accomplished engineer, Mueller is best known for his work on the development of the TR-106 rocket engine, which caught the attention of Musk and was the foundation of SpaceX. Mueller is considered one of the foremost experts on spacecraft propulsion and holds multiple United States patents on propulsion technology. Since resigning officially from SpaceX on November 30th, he remains an advisor with close ties to the company and the engineering world.

Brian Gower

Brian Gower is SpaceX's Chief Marketing Officer and has been with the company since 2019. As CMO, Gower is responsible for managing the public perception and reputation of the company. Prior to joining SpaceX, Gower served as Principal Services Architect for Data Protection, Hybrid Cloud and Big Data Portfolios at NetApp, and Senior Manager of Global

Storage Backup and Recovery at Aecom. Gower has both the mechanical know-how and corporate skills that are required to manage the reputation of the emerging company through strategic partnership management, marketing, and communications.

Mathew Dunn

Mathew Dunn has served as SpaceX's Senior Director of Government Affairs since 2017. Prior to his principal role, Dunn served as the company's director of Legislative Affairs and Business Development for ten years. Dunn also served as the Legislative Director at the Government Relations office at the National Marine Manufacturers Association. Dunn is highly involved in the political and business circles that have come to dominate Washington, and can leverage many of these connections to secure major advantages for the company.

Patricia Cooper

Patricia Cooper is the Vice President of Satellite Government Affairs at SpaceX. In that role, she leads the company's satellite regulatory policy and licensing activities in the U.S. and overseas, supporting SpaceX's development of a space-based global broadband network. Cooper also served as Vice President of Government Affairs & Policy at Intelsat, heading up the company's U.S. and international government affairs and lobbying activities and was the president of the Satellite Industry Association from 2007 to 2014. Cooper has extensive connections within the federal government and often testifies before various governmental bodies and agencies in the United States. Holding a Masters Degree in International Economics, Cooper has also served as

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an expert contributor in external affairs such as the North American Free Trade Agreement and World Trade Organization negotiations.