


Note on Risk Arbitrage



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Agenda Thecasesolutions.com

- Issue Identification
- Issue Analysis
- Recommendation
- Implementation
- Conclusion



Tesla's Mission
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"To accelerate the world's transition to sustainable energy." - Elon Musk

Recommendation A



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Recommendation B




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Implementation



Question & Answer Period



Thank You!

Note on Risk Arbitrage



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Agenda

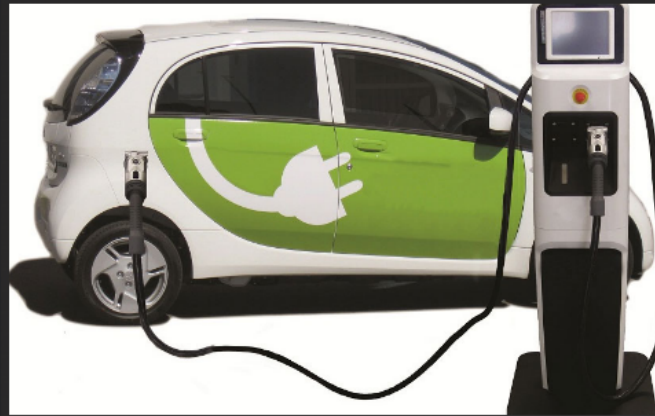
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- Issue Identification
- Issue Analysis
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- Implementation
- Questions



Tesla's Mission

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'To accelerate the advent of sustainable transport by bringing compelling mass market electronic cars to market as soon as possible' - Elon Musk

Decision to be made

Should Tesla expand its operations to China given the experiences gained from the United States and Singapore market?



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Issues

- 1) Inability to Meet Current Market Demand**
- 2) Niche Market**
- 3) Costly Investment**

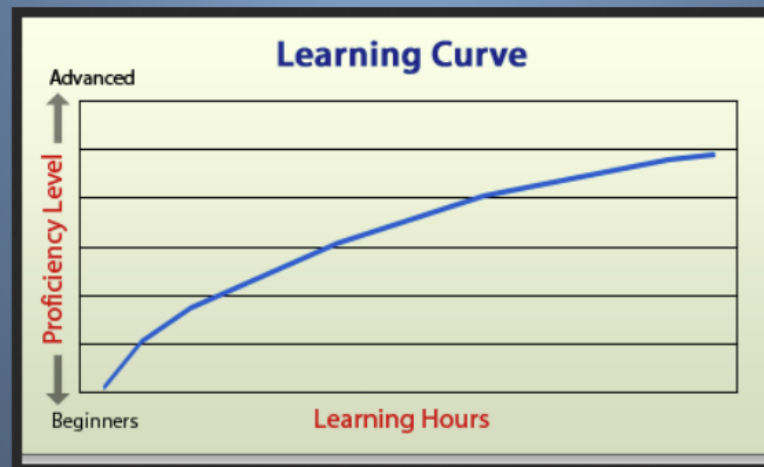
Analysis

Issue #1

Inability to meet current market demand

- - Lack of Skilled Workers
- Need for Specialization in Production Process

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Analysis

Issue #2

- **Niche Market**
 - Lack of Consumer Knowledge on EVs
 - No Reputation in China

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Analysis Issue #3

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Costly Investment

- Income Groups
- Government Subsidies
- Supportive Infrastructure

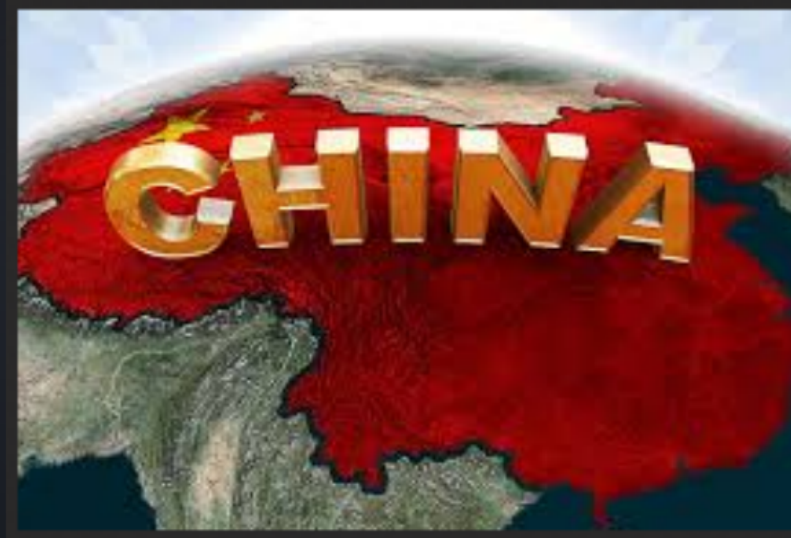


Recommendation A

- Expand to China through Wholly Owned Subsidiary

Opportunities

- Increased Market Size
- Brand Recognition
- Air Pollution
- Obtain Tax Incentives



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