Tesla beats expectations with strong first-quarter delivery numbers

Enlarge / The Tesla Factory is an automobile manufacturing plant in Fremont, California, and the principal production facility of Tesla Motors. The facility was formerly known as New United Motor Manufacturing, Inc. (NUMMI), a joint venture between General Motors and Toyota. Tesla produces all electric automobiles.

reader comments

48 with 35 posters participating

Share this story

Tesla produced 102,672 vehicles in the first quarter of 2020 and delivered 88,400 vehicles to customers, the company announced to investors on Thursday. While the delivery number is down from the previous quarter, the overall results were better than analysts had expected, sending Tesla's stock up more than 10 percent in after-hours trading.

The fall in deliveries isn't surprising. December 31, 2019 was the deadline for Tesla customers to receive a federal electric vehicle tax credit, so customers thinking about buying a Tesla car had a strong incentive to do it before the end of the year. Tesla saw a similar decline in deliveries between Q4 2018 and Q1 2019. That was due in part to an earlier step in the tax credit's year-long phaseout.

And notably, Tesla's latest results are a big increase over its results a year earlier; the company produced 77,100

vehicles in Q1 2019 and delivered 63,000. The growth partly reflects improved productivity at Tesla's flagship factory in Fremont, California. It also represents Tesla's new manufacturing facility in Shanghai, which began operations in late 2019.

"Our Shanghai factory continued to achieve record levels of production, despite significant setbacks," Tesla said in its Thursday release.

The results are particularly impressive in light of the ongoing coronavirus crisis. Ford, which also announced Q1 sales numbers today, blamed the coronavirus for a 12 percent year-over-year decline in sales. Presumably, economic uncertainty about the coronavirus discouraged some people from buying Tesla vehicles in March. Despite that, Tesla's deliveries for the quarter grew 40 percent from a year earlier.

The strong manufacturing numbers also reflect Musk's stubborn insistence on keeping Tesla's Fremont factory operating despite the economic downturn. Tesla kept running its Fremont plant for a week after county officials ordered all non-essential businesses to shut down. He finally shut the factory down on March 23, about a week before the quarter ended.

https://arstechnica.com/?p=1665403