Tesla opens Chinese preorders for cheaper Model 3s made in China

Tesla has started taking preorders of Model 3 cars produced at its new Gigafactory in Shanghai, China. *Bloomberg* reports that the cars, which are available to order exclusively in China, will have a base price of 328,000 yuan ($47,510), 13 percent cheaper than the model imported from the US for a price 377,000 yuan ($54,616). The Model 3s being produced in China are the Standard Plus versions of the vehicle with a range of 460km (286 miles). Tesla says that it expects to start making deliveries from the Shanghai factory in the next six to 10 months.

Tesla started making Model 3 deliveries in China back in March. These locally produced cars will allow the company to avoid import duties, which are becoming more of a problem as the Trump administration's trade war with China intensifies. The company has also said shifting production will allow it to make deliveries faster. CEO Elon Musk described the challenge of shipping its cars globally from the company's single Nevada factory as "the most difficult logistics problem [he's] ever seen," during the company's last earnings call.

Tesla Model 3 now available for preorder in six more countries
Alongside its Chinese ambitions, the company also announced that it's now accepting preorders for the Model 3 in six more markets; Australia, Hong Kong, Japan, New Zealand, Irelend, and Macau.

Tesla is working hard to ramp up deliveries after a difficult period for the company that saw deliveries drop from 90,000 to

63,000 in a single quarter. As a result, the company broke its profitable run to post a loss of $702 million. Earlier this month, Musk said the company will run out of money in 10 months if it doesn’t make “hardcore” changes.

Tesla only started construction of the Shanghai Gigafactory at the beginning of January which makes the six to 10 month delivery schedule aggressive, even for Tesla. Longer range versions of the Model 3 and Tesla’s other vehicles will continue to be imported from the US rather than being produced in China.

https://www.theverge.com/2019/5/31/18646986/tesla-model-3-made-in-china-chinese-preorders-price-release-date-shanghai-gigafactory