

Tesla boss sees bumpy road ahead for electric cars

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Tesla founder Elon Musk says electric car makers will have to entice buyers in order to ride out the challenge of plunging oil prices

Electric car manufacturers will have to design futuristic vehicles to entice buyers in order to ride out the challenge of plunging oil prices, Tesla co-founder Elon Musk said Tuesday.

The luxury all-electric US [car maker](#), founded in 2003, rose to

prominence as [oil prices](#) soared and made alternative energy vehicles more tempting.

Now the fledgling industry is under pressure, said Musk. Tesla itself saw shares dive earlier this month after it reported deliveries at the bottom end of its forecast for the 2015 fourth quarter.

"It definitely makes the transition to sustainable energy more difficult," Musk, 44, said when asked at a business conference in Hong Kong about the impact of free-falling oil prices.

"No doubt that is going to dampen interest in electric vehicles in general," Musk told the "StartmeupHK" event.

Tesla is looking to recruit 1,600 software engineers to help develop "Autopilot", its [autonomous car](#) IT system and aims to have a fully self-driving [car](#) by 2018.

The system has capabilities like the "Summon" function so drivers can call the car from the garage to their side at will, like a pet.

The company is taking orders for its new Model X, released this year, which boasts some self-driving facilities and Back To the Future-style "falcon-wing" doors.



Elon Musk demonstrates the falcon wing doors on the Tesla Model X Crossover SUV on September 29, 2015 in Fremont, California

"What we're aspiring to do is to make the cars so compelling that even with lower gas prices, it's still the car you want to buy," said Musk.

He predicted all cars would be autonomous within the next 15 years—with steering wheels eventually just a distant memory as autopilot takes over.

"If you go long, long term my guess is there isn't (going to be) a steering wheel in most cars, it would be something that you're going to have to special order."

Musk said new Tesla cars would have more affordable price tags—the Model Three sedan planned for 2017 will cost an estimated \$35,000,

half the cost of other Teslas.

Financiers are watching as the company aims to increase production tenfold to 500,000 cars a year by 2020, supported by Tesla's own battery plant under construction in Nevada which is crucial to cutting car prices.

Such promises have kept investors firmly behind the California company, even though it has continued to lose money while the big carmakers in Detroit rack up profits in the booming US auto market.

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