Entire Nations Are Quietly **Revolting Against Tesla's Corruption And Lies**

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(Bloomberg) -- After a fender-bender with his Tesla Model S last February, Tor Havard Wiig figured he'd be back on the road within a week or two. Five months on, he's still waiting on parts—and he's ready to sell the two-year-old car.



The delay and scant communication from Tesla Inc. show "there's a lot lacking there," said Wiig, a 43-year-old technology consultant in the Norwegian coastal city of Bergen. "I never expected it to take so long to fix such minor damage."

As Tesla sales boom in Norway, customers are grousing about a dealership network and service operation that have failed to keep pace. Though Chief Executive Officer Elon Musk says the level of output Tesla has reached this summer means it's finally become a real car company, the experience in Norway suggests Tesla's woes don't stop at the assembly line. Musk has struggled to ramp up production of a cheaper sedan, the Model 3, and the company is said to have <u>pressed suppliers</u> to return cash paid for components.

In Norway, where plug-in hybrid and electric vehicles made up more than half of new car sales last year, Tesla is the lowest-ranked automaker on a list of brands for quality of service, and fourth-worst among companies in all sectors.

Tesla has slipped up as sales in Norway for its Model S sedan and Model X SUV—with prices ranging from about \$80,000 to \$130,000 in Norway—more than doubled last year and jumped another 70 percent through June. Its repair staff, by contrast, has grown only by a third highlighting the potential troubles it may face as electric cars become more commonplace.

"You could probably call it growing pains," said Christina Bu, secretary general of the Norwegian Electric Vehicle Association, a group that represents car owners. "They're heading at full speed into a mass market where customers will demand better service. Norway is the first country where this is really happening."

Musk has said Norwegians were <u>right</u> to be upset, but blames authorities for not acting fast enough to greenlight a plan to dispatch repair technicians to customers' homes. While some talks have taken place, Tesla hasn't filed a formal application for mobile service centers, Norwegian officials say.

Norwegians are right to be upset with Tesla. We are having trouble expanding our service facilities in Oslo especially. Can solve quickly with Tesla mobile service vans, but awaiting govt permission to do so. — Elon Musk (@elonmusk) July 5, 2018 Tesla says it's planning to open a new repair shop in Oslo this year and that satisfaction with its service is rising as it has expanded its team of technicians by 30 percent. Norway's leading recruitment website, Finn.no, shows 33 jobs for Tesla parts advisers, technicians, and mechanics posted this month alone. BMW AG and Volkswagen, with top-selling e-cars, show none.

"They've hired many people already," said Satheesh Varadharajan, head of the Tesla Owners Club Norway, which has more than 3,000 members. "It's not like they're standing still. They're pushing like crazy." As Tesla stumbles, traditional automakers with well established service networks—are adding models and boosting output. Jaguar this year introduced its \$80,000 I-Pace crossover, with a driving range of 298 miles, versus 237 miles for a similarly priced Model X. Next year, Mercedes-Benz will unveil the EQ C crossover, and Volkswagen is planning a new electric hatchback to face off with Tesla's Model 3.

Plug-ins and batterypowered cars already play a major role in the nation of 5.3 million people that gets its electricity almost exclusively from hydro plants. But as Norway aims to make all new cars sold in the country batterypowered by 2025—a target it will reach only with lavish subsidies paid for by sales of oil—automakers will need to fix their service hiccups.

A recent survey by the electric vehicles association showed that an increasing number of owners report waiting to get a spot at a charging station. A shortage of charging sockets has become the second-most cited reason for not buying an electric car, after concerns about driving range.

For now, Tesla can rely on the kind of goodwill reserved for underdogs, though this is likely to change as it grows and shifts the balance of its production away from luxury vehicles and toward the mass market.

"If it had been another car brand, you would maybe be a bit less forgiving," said Henrik Eriksen, who had to send his new Tesla S in for repairs almost immediately after he bought it because of a problem with the main fuse. "But it's just like a football team, you want to cheer on the one you believe in."