'Psycho' Musk Hung Up on NTSB Chief in Testy April Ca About Tesla Probe

By Alan Levin

Tesla CEO had angry telephone exchange with NTSB chief
Stock fell after Musk's combative call this week with analysts

Elon Musk Photographer: Yuriko Nakao/Bloomberg

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Just weeks before Elon Musk held his fractious conference call with Wall Street analysts, he hung up on Washington's top transportation accident investigator.



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LUV SOUTHWEST AIR 52.78 USD +0.54 +1.03% Robert Sumwalt, the chairman of the National Transportation Safety Board, called the feisty builder of new-age cars and rockets on April 11 to tell him that blog posts by <u>Tesla Inc.</u> casting blame on the driver of a Model X for a fatal crash had gone too far. The NTSB had earlier warned Tesla not to make statements about the accident while it was being investigated by the board.

Sumwalt then said he was taking the unusual step of kicking the company's representatives off the investigation.

"Best I remember, he hung up on us," Sumwalt told attendees of the International Society of Air Safety Investigators' Mid-Atlantic Regional Chapter dinner Thursday. It was his first public comments on the exchange.

In the speech, Sumwalt had been discussing the NTSB's long-time practice of enlisting companies and other government agencies to assist its investigations and praised the cooperation it received from <u>Southwest</u> <u>Airlines Co.</u>following an engine failure that killed a passenger on April 17.

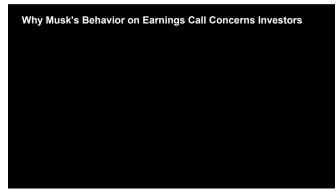
After the conversation between Sumwalt and Musk, the company took the initiative and issued a statement saying it "withdrew" from the probe. Only later on April 12 did the NTSB issue a release saying it had actually removed the car manufacturer.

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The <u>NTSB is looking</u> at why the battery on the Model X caught fire after the car struck a highway barrier in Mountain View, California, on March 23. After NTSB opened the investigation, Tesla announced that the car was being guided by the semi-autonomous driving feature known as Autopilot and the driver's hands hadn't been detected on the wheel for six seconds. NTSB then expanded the probe to look at the autonomous driving issues.

The NTSB, which is also investigating a January Tesla crash near Los Angeles, hasn't released a preliminary report yet on the Mountain View crash.

After its removal, Tesla accused NTSB of being "more concerned with press headlines than actually promoting safety" and defended its right to warn other drivers to remain engaged while using Autopilot. The company didn't immediately respond to a request for comment on Sumwalt's latest speech.



Toni Sacconaghi, senior research analyst at Sanford Bernstein, discusses Elon Musk's earnings call. (Source: Bloomberg)

The outspoken Musk generated headlines this week, as well as a tumble in his company's share price, by <u>rejecting questions</u> from financial analysts during a call to release financial earnings. He called inquiries "boneheaded" and "absurd."

He cut off analysts and got defensive about probing questions pertaining to the company's finances.