How Canada Could Make Elon Musk Billions

Elon Musk's newest adventures are leading him to the land of great hospitality and cold weather up north of the border. This might just make him even richer after very recently being named the richest in the world. The Québec government and Tesla have been in talks about battery production in the province and since Québec is rich with the resources to do so – it makes all the more sense for Tesla to venture out.

Crossing The Border

There's been a steep uproar of electric vehicles in the past few years and Tesla is definitely a prominent figure when it comes to that. Québec is trying to capitalize on this situation and is heftily funding the extraction of key minerals for these productions such as lithium, nickel, and graphite.

From recent reports by electrek.co, the local governments revealed a proposition to invest between \$1.6 to \$2.4 billion towards production that would include extraction of minerals all the way to producing these battery cells.

The Canadian government has been looking for private partners to develop the sector, and now Tesla is looking like a predominant player there. The auto giants have already been proactive with their investments in Québec's lithium resources, after investing in Piedmont Lithium from Sayonna Mining, a top company that's responsible for their lithium project in Quebec's Abitibi region.

Pierre Fitzgibbon, Québec's economy minister, confirmed that an official meet between him and Tesla had happened last month, which means that Musk's billion-dollar plans have already started to take shape.

Tesla aptly named the whole scenario – "machines that build the machine" when they released a rare look into their growing presence in Canada. Tesla has over 100,000 employees worldwide, most of them stationed in the US, their base for operations, but are rapidly channeling their growth globally. This new project could spike an undisputed opportunity for Canadian jobs in Tesla. Their presence in Germany and China is already quite known, considering that they already have started building two of their largest factories in those regions, but that's just the icing of the cake, Tesla is now is also expanding to other markets as well. In Canada though, Tesla has been slowly growing its presence and now it's becoming more significant.

Canada as an Auto market is pretty small compared to several others worldwide, but it's always been important to Tesla, for its strong incentives for electric vehicle sales. The Government of Canada offers point-of-sale incentives of \$2,500 to \$5,000 (CAD) for consumers who buy or lease an EV and if this wasn't a good enough reason, Tesla's future involvement with Canada will play a substantial role.

They currently have 25 retail and service locations in the country, but what a lot of people don't know is that Tesla also has been growing a manufacturing and research presence in Canada. Does this mean you'll get a see a Tesla joint as frequently as a Starbucks... Not yet, but you never know.

Journey To Markham - Tesla 4680 Program

TeslaRati.com recently revealed that the company has been prepping the machines to manufacture its 4680 battery cell on a much larger scale. Tesla's motives are to push forward plans to build a manufacturing unit in the City of Markham, Canada that's solely meant for battery production equipment which will eventually be provided to their Gigafactories worldwide.

Mayor Frank Scarpitti of Markham announced quite descriptively Tesla's new manufacturing unit to the city in his Review publication writing, - "I'm delighted to share that Tesla Canada is joining our already robust automotive and technology ecosystem by locating a manufacturing facility in the City of Markham,".

'He went on to confirm that the facility will be the first branded Tesla Canada manufacturing facility in Canada and will produce state-of-the-art manufacturing equipment to be used at the Gigafactories located around the world.'

Mayor Scarpitti's notes had put forward that sites like Giga Shanghai and others would potentially receive battery production equipment from the Markham unit, opening up several employment opportunities in the city. The facility will most likely produce equipment for Tesla's long-awaited 4680 battery cells and from these reports, we know that the company has plans of building this production line in Markham's Kato Road near Fremont. Tesla also seems to be working on production lines in Giga Berlin and Texas.

Batteries From The North

Recent drone footage from the Giga Texas site showed battery equipment being delivered from Tesla's pilot line in California. This would hint that Tesla is on the move with its 4680 cells, being manufactured in California and now with the advances across the border, we could see a whole lot of developments. Drew Baglino, Tesla's Senior VP of Powertrain and Energy Engineering mentioned that tests of the 4680 cells are up to date and Tesla expects the first vehicles with 4680 cells to be out sometime next year.

Baglino's take on a question by a shareholder who had asked of the expected delivery date of these cells was- "Early next year, from a non-cell perspective, structural, battery, crash, range, and reliability testing are on track to be complete this quarter. Testing — to date has gone well, and the Fremont manufacturing line is on track to support,". Huge positive for the Markham unit.

Baglino, later on, mentioned that Tesla's timeline could change if unexpected challenges come up as the company is still dealing with several global supply chain challenges and it would be quite difficult to set an expectation that can't be matched. The companies top priority is ensuring quality when they deliver and from that perspective, there's a need for design maturity and manufacturing readiness that match the timeline of the production and research unit. The companies first few cars to use the 4680 battery cells will be the Model Y, followed by the Cybertruck or the Semi that both Giga Texas and Berlin will start operations with.

We still aren't too sure when 4680s will push out to the markets, but we're pretty certain that it will be soon considering there's so much development in Canada that's going to take place.

Tesla's Steal Deal

According to reports by electrek.co, Tesla had seemingly snapped up a crucial battery patent for just \$3, but this was along with the acquisition of a Canadian startup. Last year at Tesla's Battery Day, the company presented several new developments in battery technology in hopes of delivering cheaper and cleaner battery cells that have higher energy density and longevity. One problem that Tesla wanted to solve is its water usage in creating a battery cathode and the costs that proceeded.

We now know that Tesla has acquired these improvements from a startup in Canada. An uncovered document reported by Techcrunch.com shows that Tesla acquired a patent for technology from a company called Spring power International based in Ontario Canada. The document revealed that Tesla bought the patent for just \$3, but the actual explanation is that Tesla acquired Spring power. The startup then went on to take down its website and currently doesn't have any publicly drawn presence.

Tesla and Springpower have not mentioned if this transaction had happened, but as the report states – they have found two ex–Springpower employees now listed with positions at Tesla on their social media. Amrit Bhogan worked as a chemical technologist at Springpower and is now listed as a Cell Engineering Technician at Tesla along with Yang Liu, a chemical researcher at Springpower, who now is listed as a Senior Research Engineer with Tesla as well. Both former employees left for Tesla in September 2020, which curiously happens to be the same time Tesla held its Battery Day presentation.

We're not too sure why Tesla has kept this a secret, but we certainly know that it did happen. I mean, if Tesla did acquire a patent for \$3 and didn't buy out the startup, they must have some seriously good negotiators on board.

Canadian Jobs With Tesla

With so much on Tesla's plate right now, it's only a matter of time they started hiring folks in Canada. As mentioned before as well, Tesla's new adventures will put out a lot of employment opportunities from its Canadian units. The company is now looking for Canadians to 'join its growing team in Markham' and that's great news for the citizens of Ontario and from all across. According to reports from the website iphoneincanada, the automakers sent out a call for applications in Markham across several hiring platforms and social media.

The call-out for applications along with a short video showcased Tesla's presence in Canada as well as interviews with employees at its Markham location, who have been busy at work on battery development, factory design, charging infrastructure, and a whole lot more.

Even though Tesla doesn't build any cars in Canada for now, it does research and produces the equipment required to manufacture them. In fact, some of Tesla's biggest advances in battery tech have come from its small Advanced Battery Research unit situated in Halifax, Nova Scotia. For those of you who don't know where that is, it's on the Atlantic side of Canada.

Tesla currently reports having 1,200 employees, 2 manufacturing facilities, 1,200+ Superchargers, along with 3 research and development centers in the country. The automaker also has about 25 retail and service centers in the country and several more that will just show up in the near future.

Tesla's video had a delightful message, showing its future employees empowering and motivational thoughts of "challenging to make the impossible, possible". Strangely, even after the release of the call-out and the video, there are no listings on the Tesla careers page for Markham, but we're sure to see some of them soon enough.

Tesla has also raised the price of its vehicle offerings in Canada as well as the U.S. since the company is facing huge demand, while simultaneously dealing with a shortage of semiconductors and other parts. The company is currently in the works of testing its Full Self-Driving beta in Canada too, of course, in a

limited capacity, but this might just be the beginning of a bright Tesla future in Canada.

Tesla's reach into Canada keeps growing and that's great news for the folks of the country. Out of the seemingly countless things Tesla has planned, only a few really surface, but all this secretly could be a good thing. Eventually, we'll be able to see the eclectic vehicle manufacture travel the globe with its technology that is most certainly going to change the way we look at locomotives and travel, but for now, we'll keep an eye out for anything and everything new that comes out way.

Sources -

<u>Tesla is in talks with the Quebec govt amid multi-billion investment into</u> <u>battery production</u>

<u>Tesla releases look into growing presence in Canada, where it builds 'machines</u> <u>that build the machine'</u>

<u>Tesla taps tiny startup's tech to build cheaper, cleaner batteries</u>

<u>Tesla 4680 program inches forward with Canada-based battery equipment</u> <u>facility</u>

<u>Tesla snaps up battery patent for just \$3 – seemingly as part of a startup</u> <u>acquisition</u>

<u>Tesla Wants Canadians to Join their Team in Markham, Ontario [VIDEO]</u>