

Musk: Another Big AI Firm Is Needed

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Elon Musk said he sees the need for an AI business to rival Google and Microsoft that could involve different parts of his business empire, including Twitter, which he predicted could stop losing money as soon as next month.

Musk made the comments at The Wall Street Journal CEO Council Summit where he also teased an event on Twitter by Florida governor and presumptive presidential candidate Ron DeSantis due Wednesday. DeSantis is expected to announce his 2024 presidential bid in a Wednesday evening Twitter chat with Musk, people familiar with the move said.

Musk opened the Journal's London event in a virtual appearance and said his efforts to turn around Twitter, which he acquired last year for around \$44 billion, were showing results. He said Twitter isn't quite profitable, but could be cash-flow positive as soon as next month. The company, which no longer publicly reports financial results since Musk took it private, hasn't turned a profit since 2019.

Twitter could be part of his effort to create an AI business, Musk suggested. Tesla has



Elon Musk appeared at The Wall Street Journal CEO Council Summit in London via video chat.

been using AI to improve its advanced driver-assistance features. He said the two companies, Twitter and Tesla, could be partners with an AI company not unlike Microsoft's and OpenAI's relationship. Musk has created a new AI company called X.AI Corp., the Journal previously reported.

"I think there should be a significant third horse in the race," Musk said.

The Twitter and Tesla boss has a long history of trying to steer the development of AI, though at times has found

himself outmaneuvered by others.

Musk has repeatedly expressed concerns about advances being made in artificial intelligence and called for government regulation.

"It's a small likelihood of annihilating humanity, but it's not zero," Musk said Tuesday.

Musk joined the Summit less than two weeks after he disclosed plans to relinquish the role as Twitter's CEO to NBCUniversal's former head of advertising, Linda Yaccarino. Musk said he will remain involved in Twitter as executive

chairman and chief technology officer.

Musk said Tuesday that he hired Yaccarino after they had conversations about advertising over a number of months. Last month, the two appeared in an onstage conversation at a marketing conference in Miami Beach, Fla.

The serial entrepreneur underscored how difficult it is to maintain his corporate juggling act, which involves running Tesla, SpaceX and Twitter. "There's a great deal of context switching," he said, adding that he handles most

of his scheduling himself.

Musk's involvement with Twitter had unnerved some Tesla investors who worried the social-media company was distracting the Tesla chief executive. Musk has said hiring a new Twitter CEO would allow him to devote more time to Tesla, which has been cutting car prices to lure buyers.

Musk indicated he has recommended succession plans for his businesses, adding that company boards may or may not take his advice.

Musk also disclosed that Tesla is likely to pick another factory location by year-end. "We are not currently looking at new locations," he said after saying India was interesting without committing to building there. This would be in addition to a plant in Mexico that Tesla has said it plans to build. The company operates factories in the U.S., Germany and China.

Musk reiterated his belief that it is likely Beijing will make good on a commitment to integrate Taiwan into China, a move he said would have catastrophic global economic consequences. China claims the self-ruled island as its own.

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