

Tesla, SolarCity planning more than 200 layoffs

BY MARK GLOVER

mglover@sacbee.com

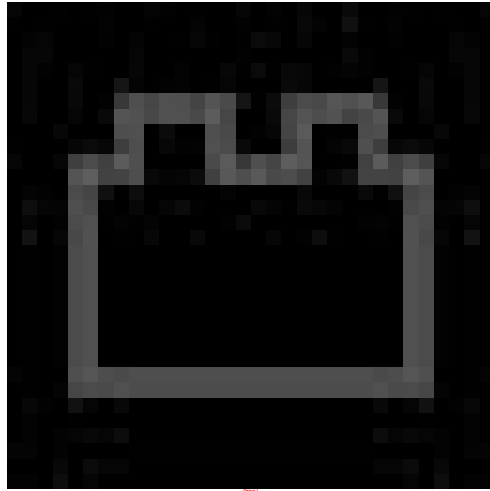
SEPTEMBER 11, 2017 1:19 PM

San Mateo-based SolarCity Corp. and its parent, Tesla Inc., plan to lay off more than 200 employees at their Roseville offices, part of continuing restructuring in the aftermath of Tesla's acquisition of SolarCity last fall.

Confirmation of the layoffs came in the form of two standard "WARN Act" letters received by the California Employment Development Department at the end of August. The Worker Adjustment and Retraining Notification Act requires large businesses to give early warning of layoffs and closures.

Both letters say that, starting Oct. 31, "we will move the Roseville inside sales, customer account management and information technology operations to other company sites. As a result, we are relocating employees to other locations and will be eliminating some positions across the two companies."

The SolarCity letter specifies 141 layoffs; the Tesla Inc. letter lists 63 layoffs.



The letters – signed by Bryan Ellis, identified as vice president of U.S. Energy Sales – said the layoffs were part of “centralizing our Roseville operations as part of the integration of Tesla and SolarCity.”

In an emailed statement sent midafternoon Monday, a Tesla spokesperson said: “Some employees at the Roseville location will remain in their current role or transition to new positions, and we’ve worked to provide as much notice as we can to those employees whose roles are impacted. All employees will continue to receive their normal pay and benefits until the transition takes place at the end of October. We are encouraging impacted employees to apply for open positions in our workforce across the country as the business continues to grow.” The planned layoffs at 1000 Enterprise Way are a sharp contrast from March 2015, when SolarCity announced

plans to hire at least 300 additional employees in Roseville to handle the then-booming solar power business, which included installations of solar panels at numerous locales throughout the region.

At that time, SolarCity, which billed itself as the nation's top solar employer and installer, already had about 475 workers at its new Roseville office in the Vineyard Pointe Business Park.

During the recent solar boom in California, SolarCity's companywide employment swelled to more than 15,000 in 2015, but it cut back its workforce by nearly 20 percent last year.

In August 2016, Tesla announced that it would acquire SolarCity in a stock merger valued at more than \$2.5 billion. Since the deal was approved in November, multiple members of the SolarCity executive team have left the company.

Wall Street analysts have cited Tesla's need to stabilize its cash position as one of the primary reasons for the job cutbacks at Solar City.

Both Tesla and SolarCity have operated under the leadership of Elon Musk, the internationally known executive and proponent of electric/solar power.

Mark Glover: [916-321-1184](tel:916-321-1184), [@markhglover](https://twitter.com/markhglover)