

Tesla Reported Deliveries Don't Seem To Jibe With External Data

Nov. 19, 2014 9:47 AM ET

by: Michael Blair

Summary

- Tesla reported year-to-date deliveries of 21,821 vehicles.
- U.S. registrations total only 9,331.
- Export figures through August 31, 2014 suggest no more than 4,556 vehicles were shipped abroad.
- WSJ estimates put September deliveries at 3,274.
- Total registrations, apparent exports and the WSJ September estimate equals 17,161 vehicles - far short of the 21,821 reported by Tesla.

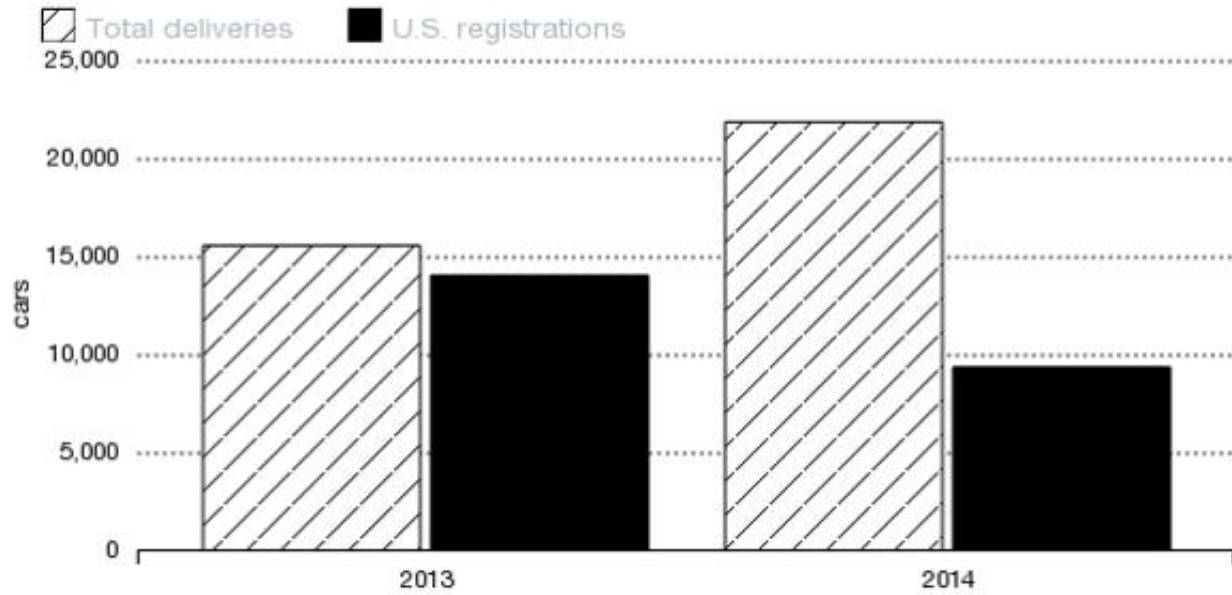
Tesla Motors (NASDAQ:[TSLA](#)) produces gorgeous vehicles that promise a future with less carbon emissions and better performing automobiles. Buying into that vision, investors have rewarded the company, pushing the stock up on promise, not profits. If Tesla can ramp up to somewhere around 50,000 vehicles annually, investors will make out well. I put a *pro forma* of Tesla at that volume in an earlier [article](#) on the company.

In watching Tesla grow, investors seem to focus on deliveries rather than profit and loss since deliveries provide evidence that demand exists to support the growth required to make the stock value sensible. Year to date, Tesla has reported 21,821 deliveries, a gain of 40% over last year. But some enterprising analyst compared the deliveries to U.S. Tesla registrations and found an interesting gap between registrations and deliveries.



Vanishing Cars

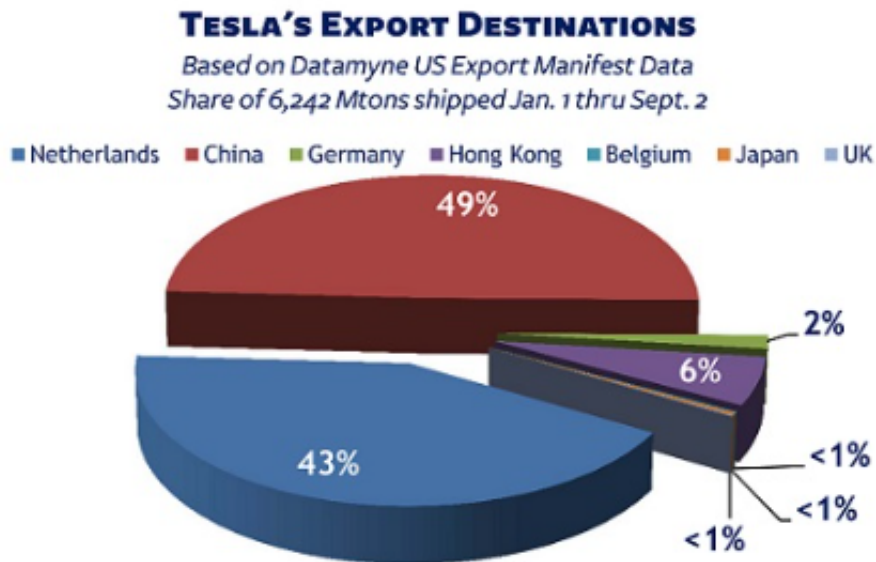
Total Tesla traffic Jan.-Sept.



Source: Tesla, Hedges & Co.

Chart reproduced from [Bloomberg Business Week](#)

Of course, Tesla sells vehicles abroad shipping to Japan, China and Europe. Data from U.S. export records through September 2, 2014, show 49% of Tesla exports went to China, for example.



Source: [Datamyne.com](#)

Having export data in metric tons rather than number of vehicles complicates analysis with the further issue that the exports include not only vehicles but parts. Notwithstanding, if we assume all the tonnage comprises vehicles we can use the data to estimate the maximum number of vehicles exported.

Datamyne.com breaks out the data by month, allowing a more granular look.

Total Annual Exports in Metric Tons

Filters

Company: **TESLA MOTORS, INC. (6622097)**

Months	Metric Tons
SEPTEMBER 2013	18.6
OCTOBER 2013	349.0
NOVEMBER 2013	596.2
DECEMBER 2013	66.9
JANUARY 2014	297.5
FEBRUARY 2014	764.2
MARCH 2014	1,043.0
APRIL 2014	653.7
MAY 2014	984.4
JUNE 2014	669.2
JULY 2014	1,334.6
AUGUST 2014	335.9
Annual Total:	7,113.3

Source: Datamyne.com

The Tesla Model S has a [curb weight](#) of 1,335 Kg. If we divide the metric tons of exports by the 1.335 metric ton curb weight of the Tesla, we get the following table.

Tesla exports by month

	Tonnes	Estimated Vehicles
January	297.5	223
February	764.2	572
March	1043.0	781
April	653.7	490
May	984.4	737
June	669.2	501
July	1334.6	1000
August	335.9	252
		4,556

Tesla's year-to-date "deliveries" include September. I don't have export data for that month. However, The Wall Street Journal published [an article](#) (WSJ subscription required) estimating Tesla September deliveries at 3,274 vehicles. That number includes exports.

There is a clear miss between this external data and Tesla's reported deliveries that requires explanation. Adding U.S. registrations to export data and the WSJ estimate for September puts Tesla's year-to-date "deliveries" at 17,161. I am fairly confident that the Street would see that figure as a negative surprise that might take the wind out of Tesla stock.

I am a big fan of Elon Musk, a visionary who may change the world. But the potential for an overstatement of deliveries seems real and shakes my confidence in the company's report. Accordingly, I am taking a short position in the stock.

Disclosure: The author has no positions in any stocks mentioned, but may initiate a short position in TSLA over the next 72 hours. The author wrote this article themselves, and it expresses their own opinions. The author is not receiving compensation for it (other than from Seeking Alpha). The author has no business relationship with any company whose stock is mentioned in this article.