# Tesla chair dismisses board coup rumours as Musk focuses on political activism and business challenges



Tesla's Chair Robyn Denholm has publicly refuted reports claiming the company’s board sought to replace Chief Executive Elon Musk amid declining sales and controversy surrounding his political affiliations. Early on Thursday morning, Denholm took to Tesla’s official account on social media platform X to state, “Earlier today, there was a media report erroneously claiming that the Tesla Board had contacted recruitment firms to initiate a CEO search at the company. This is absolutely false... The CEO of Tesla is Elon Musk and the Board is highly confident in his ability to continue executing on the exciting growth plan ahead.”

This statement addresses a report published by the Wall Street Journal the previous day, which alleged that Tesla’s board had engaged headhunters to find a successor for Musk due to concerns over the significant amount of time he was dedicating to his activities in Washington, D.C.

Musk’s intense involvement in political activism, including his support for conservative causes in the United States and globally, has had tangible impacts on Tesla’s business. The automaker has experienced a decline in sales in important markets and faced protests at its dealerships, alongside incidents of car vandalism attributed to the backlash.

Financially, Tesla has seen a sharp drop in profits, with first-quarter earnings plunging 71 percent, falling short of even the most cautious forecasts. The company was also overtaken by Chinese rival BYD as the world's largest electric vehicle manufacturer. Tesla’s stock has declined by approximately 30 percent since the beginning of the year, resulting in a market capitalisation reduction exceeding $800 billion.

In response to shareholder pressure, Musk recently pledged to scale back his involvement in his role as head of the Department of Government Efficiency (Doge), a position he initially intended to hold until 2026. He committed to “significantly” reallocating his time back to Tesla’s core business. Musk, who holds the title of the world’s richest individual, currently divides his efforts among several ventures, including social media platform X—which he recently merged with his AI company xAI—as well as SpaceX and Neuralink.

Musk’s outspoken style has caused friction, including with members of former President Donald Trump's cabinet. According to a source familiar with the situation, Musk has substantially vacated his physical office near the White House and now advises on Doge remotely.

Susie Wiles, former chief of staff to Trump, told the New York Post on Wednesday, “Musk hasn’t been [at the White House] physically, but it really doesn’t matter much,” adding that she maintains regular phone contact with the billionaire.

The Financial Times is reporting these developments, highlighting the ongoing complexities surrounding Elon Musk's leadership of Tesla amid shifting political and market dynamics.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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3. <https://www.axios.com/local/phoenix/2025/04/30/arizona-tesla-vandalism-trump-ties> - This Axios report highlights increased public backlash against Tesla, including incidents like the arson of a Cybertruck in Arizona, linked to the company's association with President Trump.
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