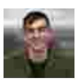
# Elon Musk loses court battle against Sam Altman and OpenAI after 3-week trial



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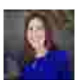

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## Key Points

- **A jury in Oakland, California, ruled against Elon Musk in his dramatic court battle with Sam Altman and OpenAI.**
- **Musk sued Altman and OpenAI in 2024, alleging they violated their promise to keep the AI company a nonprofit.**
- **The verdict lands days before Elon Musk's SpaceX is expected to disclose its IPO prospectus.**

After less than two hours of deliberations, a jury on Monday rejected Elon Musk's claims against OpenAI CEO Sam Altman, ending a dramatic chapter in the bitter rivalry between the two tech billionaires, who were once close friends.

The court, led by U.S. District Judge Yvonne Gonzalez Rogers, agreed with the advisory jury's determination that Altman and OpenAI were not liable, and that "claims of breach of charitable trust and unjust enrichment are dismissed as untimely." Gonzales Rogers said she was prepared to dismiss Musk's claims "on the spot."

"There's a substantial amount of evidence to support the jury's finding," the judge said in wrapping up the three-week trial in Oakland, California.

Addressing Gonzales Rogers, Musk lead counsel Steven Molo reserved his client's right to appeal.

Musk sued Altman and OpenAI in 2024, alleging they violated their commitment to keep the artificial intelligence lab as a nonprofit. Musk helped start OpenAI in 2015, but left the board three years later.

Microsoft, which invested in OpenAI as early as 2019, was also named as a defendant in the suit, with Musk claiming the software giant aided and abetted the AI startup in its alleged breach of charitable trust. The court said the claim against Microsoft was also dismissed.

Counsel for OpenAI and Microsoft celebrated with hugs and back slaps as they departed the courtroom in downtown Oakland.

Musk's team wanted the court to force OpenAI and Microsoft to give up as much as $134 billion in "ill-gotten gains," to remove Altman and OpenAI President Greg Brockman from leadership, and to unwind the company's 2025 restructuring that enabled the growth of its for-profit arm. Musk said any money should be returned to "the OpenAI charity" rather than to him personally.

**OpenAI CEO Sam Altman arrives to court at the Ronald V. Dellums Federal Building on May 12, 2026 in Oakland, California.**

*Benjamin Fanjoy | Getty Images*

At the heart of the case was Musk's claim that OpenAI executives "stole a charity," with Altman and Brockman abandoning OpenAI's founding charitable mission in pursuit of their own personal profit. Musk testified he gave roughly $38 million to OpenAI on the understanding it would develop AI "for the benefit of humanity," not enrich any one person.

Lawyers for OpenAI argued that Musk's donations were not restricted in any way, and that restructuring the business was the only way to compete in a costly race against Google DeepMind. They also showed Musk had floated a for-profit structure on the condition that he retain control, even pushing the company at one point to fold into Tesla.

In 2023, Musk started his own competing AI lab, xAI, which is now part of SpaceX. OpenAI's lawyers portrayed the lawsuit as Musk's attempt to kneecap a rival after he failed to gain control of it.

During the weeks of testimony, jurors heard from Altman, Brockman, Microsoft CEO Satya Nadella, and Musk himself.

The verdict comes at a critical time for Altman and Musk, as the two tech magnates push their respective companies toward the public markets in what are expected to be record offerings.

In late March, OpenAI raised $122 billion at a valuation of over $850 billion. The ChatGPT maker is racing to advance its models and continue building out consumer services while also trying to keep pace with Anthropic in the enterprise AI market.

Musk, meanwhile, is expected to start meeting with investors very soon ahead of an IPO for SpaceX, which was valued at $1.25 trillion after merging with xAI in February. SpaceX confidentially filed for an IPO in April, and could make its prospectus public this week.