

# LARGER THAN LIFE

A CELEBRATION OF GREATNESS

## Inspiring Innovator

International Business Machines Corporation, abbreviated IBM and nicknamed "Big Blue", is a multinational computer technology and consulting corporation, best known as the world's largest computer company; with over 388,000 employees worldwide.

Headquartered in Armonk, New York, USA, the company is the largest information technology employer in the world and holds more patents than any other U.S. based technology Company.

It has engineers and consultants in over 170 countries and IBM Research has eight laboratories worldwide. **IBM employees have earned three Nobel Prizes, four Turing Awards, five National Medals of Technology, and five National Medals of Science. As a chipmaker, the company has been amongst the Worldwide Top 20 Semiconductor Sales Leaders in past years, and in 2007 IBM ranked second in the list of largest software companies in the world.**

The company is one of the few information technology companies with a continuous history dating back to the 19th century. IBM manufactures and sells computer hardware and software, and offers infrastructure services, hosting services, and consulting services in areas ranging from mainframe computers to nanotechnology.



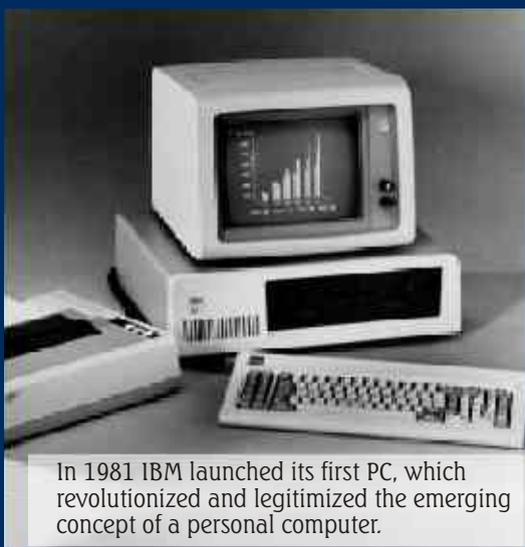
**Founded in 1911**



# History

The company, which became IBM was founded in 1896 as the Tabulating Machine Company by Herman Hollerith, in Broome County, New York. It was incorporated as Computing Tabulating Recording Corporation (CTR) on June 16, 1911, and was listed on the New York Stock Exchange in 1916. **IBM adopted its current name in 1924, when it became a Fortune 500 company.**

In the 1950s, IBM became the dominant vendor in the emerging computer industry with the release of the IBM 701 and other models in the IBM 700/7000 series of mainframes. The company's dominance became even more pronounced in the 1960s and 1970s with the IBM System/360 and IBM System/370 mainframes. In 1981 IBM introduced the IBM Personal Computer, which is the original version and progenitor of the IBM PC compatible hardware platform. IBM sold its PC division to the Chinese company Lenovo on May 1, 2005 for \$655 million in cash and \$600 million in Lenovo stock.



In 1981 IBM launched its first PC, which revolutionized and legitimized the emerging concept of a personal computer.



The IBM 704 Computer (1954). The first mass-produced computer with core memory and floating-point arithmetic

THESE 5 LEADING AIRCRAFT COMPANIES BOEING, CONVAIR, DOUGLAS, LOCKHEED, NORTH AMERICAN, get things done at 14,000 operations a second with giant IBM Electronic Data Processing Machines

**THESE 5 LEADING AIRCRAFT COMPANIES**

**BOEING** 

---

**CONVAIR** 

---

**DOUGLAS** 

---

**LOCKHEED** 

---

**NORTH AMERICAN** 

**GET THINGS DONE**

at 14,000 operations a second with giant IBM Electronic Data Processing Machines



**IBM**

**World's Leading Producer of Electronic Accounting Machines**

International Business Machines Corporation, 1954

Great IBM Data Processing Machines are getting things done in the aircraft industry. They're doing all kinds of work from production planning and job engineering operations to helping engineers design planes and analyze flight conditions.

Getting Data Done is important to every business. That's why the same IBM techniques that speed work in the aircraft industry are being applied to business accounting by leading companies across the country.

Whether you operate a small business or a large one, there's an IBM Electronic Data Processing Machine designed to help you get things done.

## Corporate culture of IBM

---

Big Blue is a nickname for IBM; several theories exist regarding its origin. One theory, substantiated by people who worked for IBM at the time, is that IBM field reps coined the term in the 1960s, referring to the color of the mainframes IBM installed in the 1960s and early 1970s. "All blue" was a term used to describe a loyal IBM customer, and business writers later picked up the term. Another theory suggests that Big Blue simply refers to the Company's logo. A third theory suggests that Big Blue refers to a former company dress code that required many IBM employees to wear only white shirts and many wore blue suits. In any event, IBM keyboards, typewriters, and some other manufactured devices, have played on the "Big Blue" concept, using the color for enter keys and carriage returns.

## Sales-Oriented Business Culture

---

IBM has often been described as having a sales-centric or a sales-oriented business culture. Traditionally, many IBM executives and general managers are chosen from the sales force. **The current CEO, Sam Palmisano, for example, joined the company as a salesman and, unusually for CEOs of major corporations, has no MBA or postgraduate qualification. Middle and top management are often enlisted to give direct support to salesmen when pitching sales to important customers.**



"Blue Cloud," a corporate cloud-computing bundle of services for data centers.

## IBM - values and "Jam"

---

In 2003, IBM embarked on an ambitious project to rewrite company values. Using its Jam technology, the company hosted Intranet-based online discussions on key business issues with 50,000 employees over 3 days. The discussions were analyzed by sophisticated text analysis software (eClassifier) to mine online comments for themes. As a result of the 2003 Jam, the company values were updated to reflect three modern business, marketplace and employee views: **"Dedication to every client's success", "Innovation that matters - for our company and for the world", "Trust and personal responsibility in all relationships"**.

In 2004, another Jam was conducted during which 52,000 employees exchanged best practices for 72 hours. They focused on finding actionable ideas to support implementation of the values previously identified. A new post-Jam Ratings event was developed to allow IBMers to select key ideas that support the values. The board of directors cited this Jam when awarding Palmisano a pay rise in the spring of 2005.

In July and September 2006, Palmisano launched another jam called InnovationJam. InnovationJam was the largest online brainstorming session ever with more than 150,000 participants from 104 countries. The participants were IBM employees, members of IBM employees' families, universities, partners, and customers. InnovationJam was divided in two sessions for 72 hours each and generated more than 46,000 ideas. In November 2006, IBM declared that they will invest \$US 100 million in the 10

## Corporate affairs

---

**IBM's efforts to promote workforce diversity and equal opportunity date back at least to World War I, when the company hired disabled veterans. IBM was the only technology company ranked in Working Mother magazine's Top 10 for 2004, and one of two technology companies in 2005 (the other company being Hewlett-Packard).**

On September 21, 1953, Thomas J. Watson, the CEO at the time, sent out a very controversial letter to all IBM employees stating that IBM needed to hire the best people, regardless of their race, ethnic origin, or gender. In 1984, IBM added sexual preference. He stated that this would give IBM a competitive advantage because IBM would then be able to hire talented people its competitors would turn down.