**Xerox Alto**

**The Xerox Alto** is the first computer designed from its inception to support an operating system based on a graphical user interface (GUI), later using the desktop metaphor. The first machines were introduced on 1 March 1973, a decade before mass-market GUI machines became available.

The Alto was the first system to have all of the contemporary Graphical User Interface components (GUI). It was the first to use the LAN technology known as Ethernet. The Alto also received the first WYSIWYG word processor

**The Xerox Alto Computer Specs:**

The original Altos incorporated:

* 128KB of memory (at the cost of $4000)
* 2.5MB removable cartridge hard drive
* 5.8 MHz CPU
* 64-key keyboard and a 5-finger key set
* Bit-mapped black and white display sized 606 × 808 (the same dimensions as a regular (8.5″x11″) sheet of paper, aligned vertically)
* Three-button mouse

**Why did Xerox Alto fail?**

Despite being such a revolutionary piece of technology, Xerox Alto failed due to the lack of a proper commercial aspect. While the developers at Xerox came up with a world of new ideas, they could not turn them into profit-making ventures due to a lack of a commercial business model

in December 1979, when Steve Jobs made his first visit to Xerox PARC. As part of a deal that allowed Xerox to buy one hundred thousand shares of Apple, Jobs was given permission to see the inventions that PARC engineers were working on. Jobs was blown away by what he saw at PARC. The commercial value of the technology was clear to him. So while the Xerox’s own personal computer the Alto was a commercial flop, Apple’s Macintosh became a legendary success that kickstarted a revolution.

Xerox’s failure to commercialize its own inventions was partly due to the disconnect between those ideas and its core business making copiers. Executives within the main business were disparagingly referred to as “toner heads” because of their failure to see the commercial value in new inventions that were not directly related to photocopying or printing. As such, even as their team made great technologies, Xerox failed to combine this innovation with sustainably profitable business models

**Lesson Learned:**

Business Model Do Matter