

formats of the P.C. which lie with us even today. However the I.B.M. P.C. did not emerge from I.B.M. like the Ten Commandments from the Lord at Mount Sinai. The P.C. did evolve from precursors. Generally it is accepted that the direct historical origins of the P.C. began with MITS Altair first introduced in 1975 - 11 years earlier. These Altair kits were just that, nothing more than a kit of parts for the electronics enthusiast to assemble themselves. The Altair setup was a kit for hobbyists to assemble. Indeed the product was little more than a set of flashing lights. There was basically nothing in the way of product support. Many of the Altair kits were never even assembled.

The significance of the I.B.M. project was that the computer market leader- the marketing behemoth of the time - I.B.M. both set the standards for a small Personal Computer and gave it stamp of approval. Previously IBM's emphasis was on large mainframe computers. This is where I.B.M. emphasis and most importantly its profit lay. Some would even say the real purpose of the I.B.M. P.C. development project was not to create a Personal Computer product and set standards for the P.C. to come, but rather to prove that this rigid, top down management Style Company could devise a product in less than a year and ½.

Previously all IBM products were devised exclusively in house by IBM, with only IBM designing and manufacturing the products and with large profit margins. What made this situation different were the time frames. In order to complete the project the IBM team went outside of IBM, outsourcing in today's terms. Off the shelf products, which met the I.B.M. PC specs and standards were utilized. Furthermore third party software - such as the operating system dos was utilized rather than proprietary IBM software. This was the first step towards the open source software of today.

Previously the small business and computer software market was fragmented into many small different pieces. There may have been a market for software but for which computer type - Commodore, Apple, Sinclair etc etc etc. Because of the stamp of approval given by I.B.M. to personal computer and the resulting standardization and volumes of IBM PCs software developers could now write and sell product to a large identifiable market.

The reality is that IBM clearly designed and created the first PC in 1981 and controlled the development and evolution of the PC standard for several years afterwards that IBM lost control of the PC standards by 1987 when they introduced their PS/2 line computer systems. The IBM PS/2 line was an attempt by IBM head office to reign in the computer market back to IBM with a somewhat proprietary IBM hardware computer rather than more open standards.

Up until the point the industry had shared standards with I.B.M. The many

companies that produced P.C.'s literally copied IBM's systems right down to the chips, connections and shapes (form factors) of the computers, cases and circuit boards.

For the most part what was in that I.B.M? P.C. could be readily purchased as parts from 3rd party or even original manufacturers. Even though the prices for parts may have been higher than what I.B.M. paid when they bought hundreds of thousands there was a good profit margin and profits to be made even by small time computer assemblers. I.B.M., had stuck to their standard profit margins when releasing the I.B.M. PC. Even people like Michael Dell (originator of the now market leader Dell Computers) , could start out screwing together and setting up computers in his college dorm room and still make a good profit while selling his clone computers at a hefty price reduction compared to the real I.B.M. P.Cs. IBM's marketing response to the nattering disturbance of these small time P.C. clone makers was the message which was especially directed at the most lucrative business end of the market 'You Can Never Go Wrong Purchasing I.B.M"

What changed the equation was when IBM released this I.B.M. PS/2 line and tried to change the market back to its profitable control. By now there was more than enough inertia - both in the personal computer market, market size, profit, computer component suppliers and manufacturers. The die was set and the market could not even be swayed by the giant I.B.M. Corporation.

The term "P.C" or "Personal Computers " refers not to just any small personal computer but the computer models which a descendant and direct line from the original IBM Personal Computer which was developed and sold by I.B.M..