

RINGING IN 90 YEARS OF INNOVATION

May 8, 2006



When IBM's chairman and chief executive officer Sam Palmisano rang the opening bell of the New York Stock Exchange on May 8th, he also rang in the 90th anniversary of IBM's listing on that exchange. That's a venerable legacy. In fact, IBM is one of the longest continuously-listed companies of more than 2,700 stock issuers.

Much has changed since that initial listing. The company wasn't even called IBM in 1916. It was the Computing-Tabulating-Recording Company (C-T-R). C-T-R manufactured and sold machinery ranging from commercial scales and industrial time recorders to meat and cheese slicers as well as tabulators and punched cards. Based in New York City, the company had 1,300 employees and offices and plants in Endicott and Binghamton, NY; Dayton, Ohio; Detroit, Mich.; Washington, D.C.; and Toronto, Ontario. The International Business Machines moniker wouldn't arrive until 1924.

Although Thomas Watson was already president of the company in 1916, he'd only joined two years before. And his "Think" mantra was already imbedded in the company psyche.

Finances were different then, too. The Dow Jones Industrial Average had passed the 100 mark only 10 years before. (In early May 2006, it was above 11,500.) Stock exchange paperwork was transmitted by pneumatic tubes. And IBM's revenues would go past the \$9 million mark in 1918. Last year, IBM's revenue was more than \$91 billion. One thing did remain the same: the company paid its stockholders a dividend in 1916, just as it has every quarter since.

Today, there are some 330,000 IBMers all around the world, and cheese slicers are no longer in the product line. The modern day IBMer is more likely to be "slicing" customer data, consulting with a client on better ways to do business or researching new technologies. And while our business is no longer centered on punch card tabulators, it still focuses on providing our customers what they need – whether counsel, technology or service – to have their own business thrive.

