



# Thomas J. Watson, Sr. and the People that Impacted Him

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# Tom Watson in a Nutshell

- Born in Feb 17, 1874 in Campbell, NY
- Died in June 19, 1956 (age 82)
- Grew IBM to be the most dominant Technology Company in the world
- Complex Man
  - Great salesperson, despite a short temper
  - Extremely confident, yet, pained at times
  - Not technical, but possessing great comprehension skills
  - Family Culture that extended to the business





# Early Days

- Youngest of five children born to Thomas and Jane Watson, and the only son
- Father works a farm and lumber business
  - Hard worker, yet not overly successful
- Attends one room school house as a child
- Family home burns down when he was seven (1881)
- Goes to Addison Academy as a teenager, in Addison NY

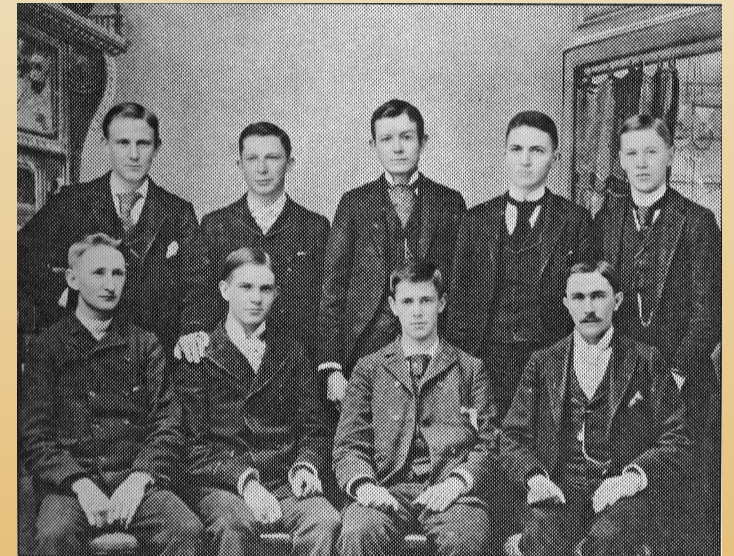


District School Number 5



# Highs and Lows

- Becomes a Teacher
- Quits after one day
- Attends Miller School of Commerce in Elmira, NY
- Works as a bookkeeper for Clarence Risley's Market in Painted Post, NY
- Finds it boring



Miller School – Watson center back row.



# Highs and Lows ... in Sales

- Meets George Cornwell, a peddler, at Sunday School Picnic and starts to sell organs and pianos for William Bronson
- Quits!



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William Bronson Store



# Higher Highs and Lower Lows

- 1893: Off to Buffalo, NY and starts selling sewing machines for Wheeler & Wilson
  - Huge Mistake - Let go and actually owes the company money
- Two new ideas:
  - Opens a butcher shop
  - Working for C.B. Barron selling Buffalo Building & Loan Co. shares
- C.B. Barron takes off with the money and the shares
- Butcher shop fails





# One Door Closes, Another Opens

- Meets John J. Range of NCR
  - In returning his NCR cash register from butcher shop
  - Repeatedly asks for a job
- Joins NCR in October/November 1895 as apprentice to Range
  - Learns a lot from Range and the NCR methodologies
  - Fulltime salesman in 1896
- Is promoted to run a floundering Rochester office in 1899
  - More success
  - Is noticed by John Patterson, president of NCR



# The Bigger You Are...

- Patterson gives Watson a special assignment
  - Success
- 1907 moves to Dayton, Ohio and becomes Head of Sales in 1910
  - More Success
- 1910 American Cash Register Company sues NCR for violating the Sherman Antitrust Act
  - Federal investigation begins





# ...The Harder You Fall

- 1913 Watson is convicted
  - Sentence of one year in jail and \$5000 fine
  - Appeals filed right away
- Early 1914, Patterson fires Watson
- Watson is now:
  - Jobless
  - Facing jail time and a hefty fine
  - A new father (Junior was born in January 1914)



# Meanwhile



Charles R. Flint

- Charles R. Flint orchestrates a merger
- June 16, 1911: Computing-Tabulating-Recording Co. is formed from:
  - Tabulating Machine Company
  - Computing Scale Company of America
  - Bundy Manufacturing Company
    - International Time Recorder (ITR) Company.





# Things Turn Around

- Watson is hired as General Manager for C-T-R in May 1914
- Charges dismissed in March 1915
- Watson is promoted to President 1915



Thomas J. Watson, Sr. 1917



# John Henry Patterson

- Born 1844, Died 1922 (age 77)
- Founder of National Cash Register Co.
- Known for firing people
  - And re-hiring in some cases
- Sales Culture
  - Didn't believe Salesmen were born
  - Creates first sales training school





# Charles F. Kettering



Charles F. Kettering

- Born 1876, Died 1958 (age 82)
- Worked with Watson at NCR in Dayton, OH
- American inventor and a big part of General Motor's innovation



# Charles F. Kettering

- Kettering would show Watson the value of technology innovation and impact on sales
- Heavy investment in R&D
- At C-T-R, Watson said he wanted to hire a department of 'Kettering's'

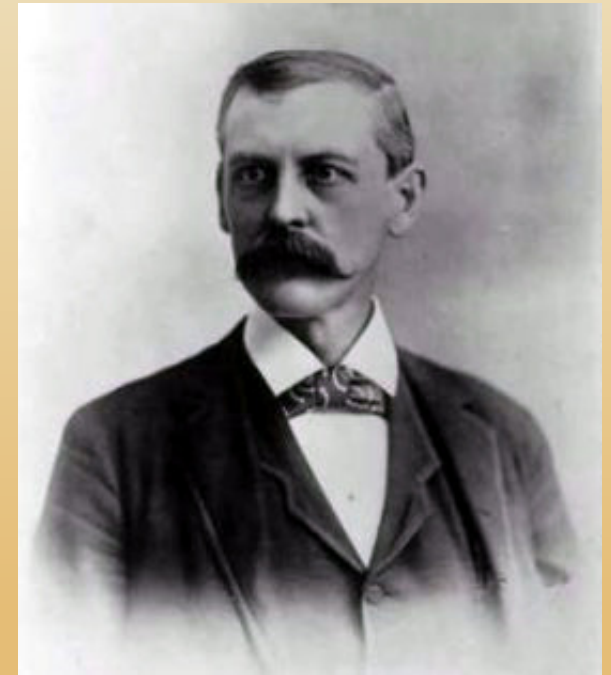


Tom Watson, Maude Hadden, Charles Kettering



# Harlow E. Bundy

- Born 1856, Died 1916 (age 60)
  - Left C-T-R at end of 1914
- Bundy Manufacturing – makers of time recorders
- Lessons passed onto Watson
  - Getting exposure at World's Fair
  - Bring Salesmen to the Inventors

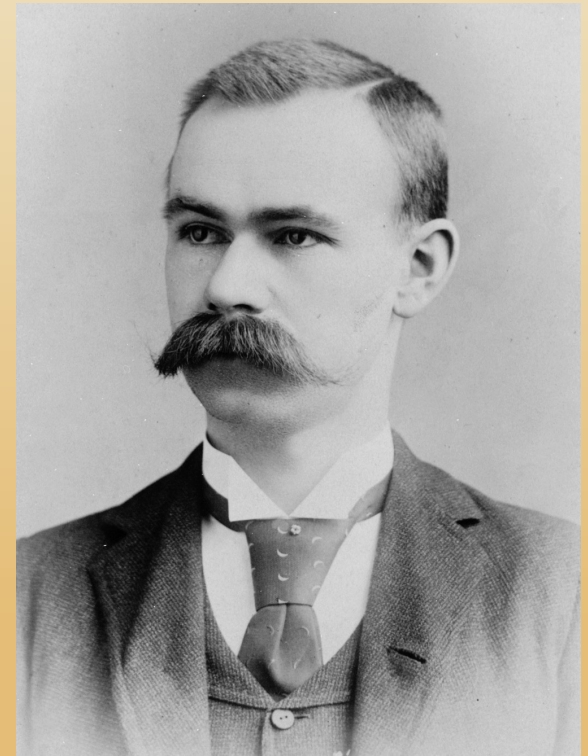


Harlow E. Bundy



# Herman Hollerith

- Born 1860, Died 1929 (Age 69)
- Invented electromechanical tabulating machine for punched cards for US Census, used started in 1890
- Hollerith was the “Consulting Engineer” for C-T-R after the company formed
- Watson recognized the Tabulating Machines were the future
- Hollerith leased machines instead of selling them
- Retired in 1921 to farm in Maryland

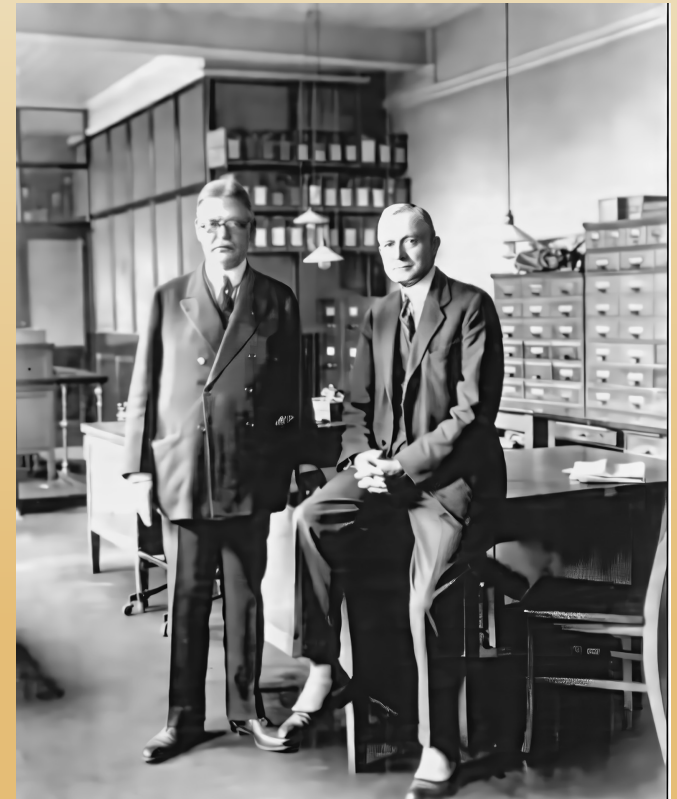






# George W. Fairchild

- Born 1854, Died 1924 (age 70)
- Early investor in Bundy Manufacturing
- Chairman of C-T-R until his death
- US House of Representatives
  - 1907-1919
- Encouraged international business



George Fairchild and Tom Watson, Sr.



# What's in a Name?

- Watson disliked the name C-T-R
- Filed on February 14, 1924 for new name: International Business Machines





# George F. Johnson

- Endicott Johnson Shoes Corporation
- Born 1857, Died 1948 (age 91)
- Industrial Democracy
- “The Square Deal”
- Balance to Patterson



George F. Johnson



Watson Sr. and George F.

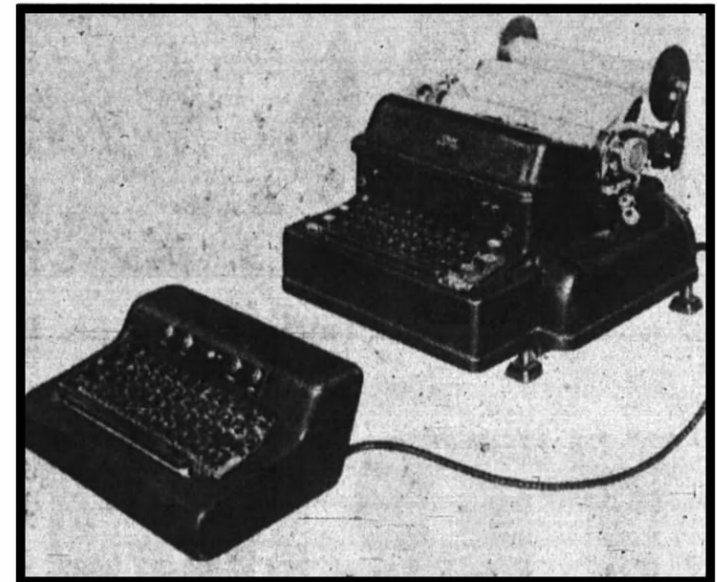


# Jeannette Kittredge

- Born 1883, Died 1966 (age 82)
- 1907 met Tom in Dayton, OH
- Married April 17, 1913
- A Director of IBM World Trade, 1949 to 1959

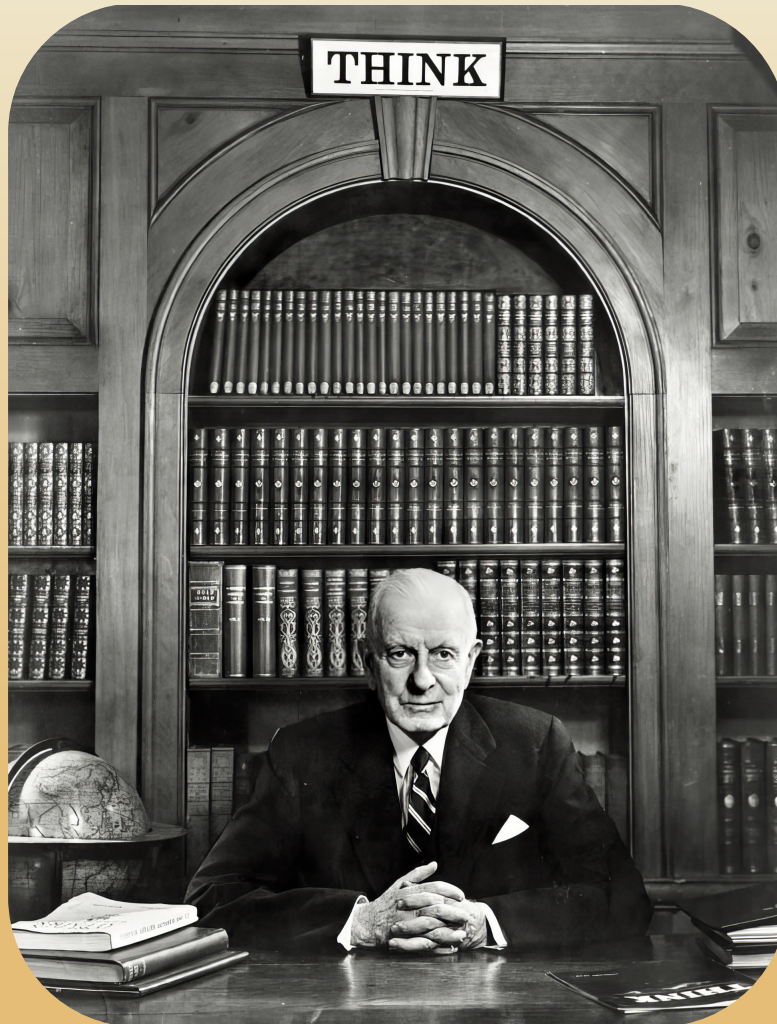


# Mrs. Watson & Innovation



The IBM Electric Typewriter with Remote Control Keyboard was invented by Mrs. Thomas J. Watson for the benefit of the bedridden and handicapped. It was utilized by disabled World War II Veterans.

The electric typewriter came with a light, portable keyboard that could be used in any position. Text typed on the remote keyboard was reproduced on the typewriter, and the usage of a roll of paper eliminated the need for frequent changes of paper.



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