

# Summary report - triumph of the nerds, parts 2

[Business](#)



Summary Report - Triumph of the Nerds, Parts 2 The presentation begins by a review of the birth of the PC from the development of Intel personal computer by ED Roberts to the period when PC became a real excitement to the public by the development of the Apple 2 by Steve Wozniak and Steve Jobs, with the industry having reached the billion-dollar market. This happens in the form of an interview in which the successful individuals in the industry give accounts of what it really was, to be where they are today. Attention then shifts to IBM, becoming the central point of the part 2.

Two paragraphs summarizing the main points

With the growing market in the PC industry, more players came into the limelight. IBM is one player that made entry into the industry through Tom Watson and Tom Watson Jr. The idea was forthright, and IBM saw an opportunity to use in venturing into the PC market. In 1979, IBM selected Bill Lowe the head of the team. The presenter goes ahead to state that despite IBM having all the necessary components in building the architecture of the PC, they had one crucial problem as they lacked the appropriate OS to run the PC as well as the language. Bill Gates having been in the programming language sector, was approached by IBM, but instead directed them to Gary Kildall who had developed CPM. Kildall's wife refused to accented to the request for CPM and IBM went back to Bill Gates who acquired QDOS from Tim Patterson at a cost of \$50,000, only to later license it to IBM at a cost of \$50 per PC.

On the release of IBM PCs in 1981, 2 million PCs were sold. The presenter goes ahead to state that IBM woes never ended. Since Tim Patterson and Bill Gates never sold licenses to IBM, they were able to sell them to other PC manufacturers and this ideally reduced IBM's market share. Intel, who had

<https://assignbuster.com/summary-report-triumph-of-the-nerds-parts-2/>

made IBM's CPU like Microsoft were able to sell their products to other PCs manufacturers, which reduced IBM's market more. Other players such as Compaq then made entry into the market by selling IBM clone PCs, making significant profits, and capturing great market share. Considering that Microsoft had all the necessary requirements after the development of their Windows OS, they ventured into the billion-dollar market, becoming a key player in the industry. IBM, however, with the lack of strategies to prevent Microsoft and Intel from selling their products to other manufactures lost their share in the market into the dust.

#### Reactions to the Ideas presented

The presenter has made it clear how various players emerged into the PC industry, some making substantive progress while others getting toppled along the way. The presentation addresses the different mistakes businesses can make, and establishes a possible mechanism through which people correct such mistakes.

#### The Social or Ethical Issues Involved

The main ethical issue involved in the presentation is that involving licensing and the manner in which some parties can prosper as a result of others mistakes in the industry. This point to the point that it is important for an idea to be protected lest others benefit from it as is the case with IBM.

#### Nuggets of information I found interesting or did not know

1. It is important to patent an idea
2. In an industry with competition, being the first to implement an idea is the key to success