

Thomas J. Watson, Jr.

Born January 8, 1914, Dayton, Ohio; died December 31, 1993; IBM president who led his father's firm to total domination of the computer world and industry.



Education: BA, Brown University, 1937.

Professional Experience: IBM Corp.: Rising from trainee to president, 1937-1973; Lieutenant Colonel, US Army Air Corps, 1940-1946; US Ambassador, Soviet Union, 1979-1988.

Honors and Awards: Applause Award, New York Sales Executives; Drexel Institute Business Administration Award; New York University C. Walter Nichols Award; Prometheus Award-the highest honor in the electrical manufacturing industry; National Foreign Trade Council's Captain Robert Dollar Award; *Saturday Review* Businessman of the Year Award; Pace College's Man in Management Award; Silver Quill Award, *American Business Press*.

Watson, Jr., was born in the period while his father was a sales manager at the National Cash Register Corporation but, by the time he had graduated from Brown, his father had aspirations for him to take over IBM one day. But that had to wait until after World War II. In the late 1940s Watson, Jr., became convinced that IBM should get into the business of building and marketing computers, but had to convince his father of the efficacy of this move. The involvement of IBM in the card processing and unit record business was strong, and Watson, Sr., was not willing to take away from this strength to invest in a venture that he regarded not only as risky but also with a much more limited market.

IBM had been involved in the construction of the Harvard Mark I computer, which they had dubbed the "Automatic Sequence Controlled Calculator" or ASCC. However, a reluctance on the part of Howard Aiken to share the spotlight led IBM to construct the SSEC as its showcase "supercomputer."¹ However, it was the onset of the Korean War that led IBM to offer to build the Defense Calculator, a decision which led to the development of a production line of machines starting with the 700 series. In 1952 Watson, Jr., took over as president of the corporation and began to consolidate IBM's position in the computer field. By the time his father died in 1956, he had also introduced changes in the management of the company, giving managers and executives more power and responsibility. At this time he agreed to sign a consent decree with the US government, thereby restricting IBM's almost monopolistic hold on the card-processing industry, and offsetting the possibility of antitrust litigation. By that time, however, the card-processing portion of the company's business was rapidly being replaced by the computer business. In 1913 his father had been fired for refusing to sign a similar agreement regarding NCR's business practices.

Watson, Jr., remained as president of IBM through to the commitment to build the System/360 machines, on which base IBM has developed almost all mainframe systems for 30 years. After serving for 10 years as chairman of the board until 1971, he continued to serve as the chairman of the executive committee of the corporation until 1979, by which time IBM's annual sales had reached \$23 billion.

¹ See biography of Howard Aiken.

Although retired in 1979 Watson, Jr., accepted the nomination of President Carter to serve as the ambassador to the Soviet Union. He served through the remainder of the Carter presidency and continued to serve in that position under President Reagan.

BIBLIOGRAPHY

Biographical

Hurd, Cuthbert, "Early IBM Computers: Edited Testimony," *Ann. Hist. Comp.*, Vol. 3. No. 1, 1981, pp. 163-182.

Significant Publications

Watson, Jr., Thomas J., and Peter Petre, *Father, Son & Co*, Bantam Books, New York, 1990.

UPDATES

Portrait added (MRW, 2013)