Technology Companies

Hardware and software houses of the microcomputer age

James Tam

Recall: Computers Before The Microprocessor



Image: "A History of Computing Technology" (Williams)

The Microprocessor^{1, 2}

- Intel was commissioned to design a special purpose system for a client.
 - Busicom (client): A Japanese hand-held calculator manufacturer
 - Prior to this the core money making business of Intel was manufacturing computer memory.
- "Intel designed a set of four chips known as the MCS-4."1
 - The CPU for the chip was the 4004 (1971)
 - Also it came with ROM, RAM and a chip for I/O
 - It was found that by designing a general purpose computer and customizing it through software that this system could meet the client's needs but reach a larger market.
 - Clock: 108 kHz³

James Tam

The Microprocessor^{1,2} (2)

- Intel negotiated an arrangement with Busicom so it could freely sell these chips to others.
 - Busicom eventually went bankrupt!
 - Intel purchased the rights to the chip and marketed it on their own.

¹ http://www.intel.com/content/www/us/en/history/museum-story-of-intel-4004.html

² https://spectrum.ieee.org/tech-history/silicon-revolution/chip-hall-of-fame-intel-4004-microprocessor 3 http://www.intel.com/pressroom/kits/quickreffam.htm

The Microprocessor (3)

- 8080 processor: second 8 bit (data) microprocessor (first was 8008).
 - Clock speed: 2 MHz
 - Used to power the Altair computer
 - Many, many other processors came after this:
 - 80286, 80386, 80486, Pentium Series I IV, Celeron, Core
- The microprocessors development revolutionized computers by allowing computers to be more widely used.
 - Compact
 - Cheap (eventually)

James Tam

What Is Microcomputer?

- A computer that uses a microprocessor as it's main processor.
- Sometimes it's referred to as a 'PC' (Personal Computer).
 - Designed for use by only one person at a time.
 - Unfortunately this term has taken on multiple meanings.
 - PC = IBM PC (a model produced by IBM)
 - PC = A computer running a Microsoft operating system.
- Consequently the less ambiguous term 'microcomputer' will be used.



Image courtesy of James Tam

The Altair 8800

- Created by Ed Roberts in 1974.1
- The Altair was one of the most popular of the first set that was targeted towards home users.

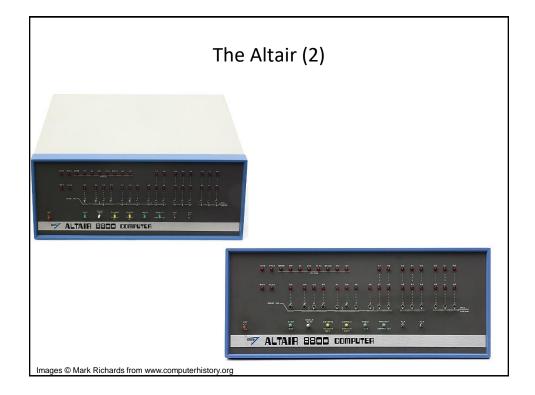


http://www.guardian.co.uk

• It was marketed as a mini-computer (less than a expensive mainframe) but Roberts was often credited as "... the inventor of the personal computer" (Ceruzzi p. 226).

James Tam

1 "A History of Modern Computing" (2nd Edition) Paul E. Ceruzzi



Note: Most Computer Users At The Time Were Extremely Technically-Oriented

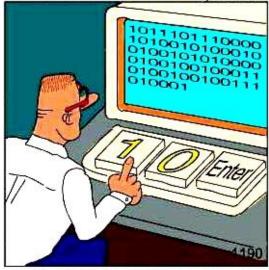


Image by Chris Kania
http://www.kaniamania.comREAL Programmers code in BINARY.

James Tam

Bill Gates

- His family was successful.
 - Banking
 - ng http://www.syllablesoup.com
- His family with also involved in the community and government.
 - Philanthropy e.g., United Good Neighbors (pred. United Way).
- William Henry Gates III born October 28, 1955.
 - Nicknamed 'Trey' by his father.
- Avid reader:
 - World book (A-Z) at age 7 or 8
- Known mannerism



Bill Gates (2)

• Known for his tenacity, even as a child.



- First use of a computer was in school.
 - A teletype connected to mini computer.
 - Young Bill typed in a command.
 - Seconds later the computer responded.
 - "It was better than science fiction [for Bill]"1

James Tam

1 "Hard Drive: Bill Gates and the making of the Microsoft Empire" (Jim Wallace & Jim Erickson: Harper Business 1993)

Bill Gates (3)

 His other classmates were similarly excited, among which was a young Paul Allen (who along with Bill) would found Microsoft.



www.digitaltrends.com

Steve Ballmer



 Hired by Microsoft in 1980 after dropping out of the MBA program.¹

James Tam

https://www.forbes.com/profile/steve-ballmer/?sh=1e30632e4818

Steve Ballmer, Bill Gates

- Both Ballmer and Gates were very intense.
- They would often engage in heated debates about various topics well into the night.
 - "High bandwidth communication" (- Bill Gates)
 - They were described by others as being like "...two computers connected by modem"¹
- They were inspired by the sight of the Altair computer in Popular electronics.

James Tam

1 "Hard Drive: Bill Gates and the making of the Microsoft Empire" (Jim Wallace & Jim Erickson: Harper Business 1993)

Steve Ballmer & Bill Gates (2)

- Their first project was to create a BASIC translator for the 8080-driven Altair.
 - They were still undergraduate students (Harvard).
 - It was believed to be impossible to cram the complexity of this language into such limited hardware (limited memory - 4 KB! -for the interpreter plus room was needed for application programs to run).
 - It also had to run fast.
 - They didn't have access to an Altair (emulated on another computer PDP-10).
 - They worked at a frantic pace in the lab often with only a hour of sleep for eight weeks.
 - They succeeded!
 - "It was the coolest program that I ever wrote." 1
 - First instruction given to Microcomputer BASIC: 2 + 2 = 4
- It eventually became Microsoft Basic.

James Tam

1 "Hard Drive: Bill Gates and the making of the Microsoft Empire" (Jim Wallace & Jim Erickson: Harper Business 1993)

Microsoft: Beginnings

- *Micro*computer-<u>soft</u>ware.
- Because Gates completed most of the work on BASIC there was a 64/36 split in ownership of the new company.
- Initial funds: royalties from the use of their version of BASIC (included with each Altair computer).
 - \$30/computer (4 KB)
 - \$35/computer (8 KB)
 - \$60/computer (extended version of BASIC, required external storage)
- Also funds came from licensing of the BASIC source code.
 - Developers could modify the translator as they saw fit (!!!)



Microsoft: Beginnings (2)

- The company had humble beginnings: a section of the office was given to Microsoft by MITS (manufacturer of the Altair).
 - Gates still continued his workaholic coding schedule.



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Microsoft: Beginnings (4)

- To help promote the Altair (and the BASIC that came with it) Gates toured with MITS to meet with computer clubs which included: engineers, technicians, hobbyists, hackers, electronicphilles etc.
 - Eventually BASIC became the standard for computers.

Microsoft: Beginnings (5)

- One of these computer clubs ("Homebrew") started in garage in Menlo Park (next to Palo Alto and Stanford university).
- More than 30 people came out for the first meeting including Steve Wozniak (who was then working in the calculator division of Hewlett-Packard).
 - Within a year of this first meeting: Wozniak along with Steve Jobs would build a personal computer of their own: Apple I.
- Although Microsoft got its start through its relationship with MITS it eventually was hobbled by it.
 - Microsoft could not license BASIC to MITS competitors.
 - At first there were no competitors (no problem).
 - In a few years dozens of other companies manufactured their own microcomputers: Commodore (PET), Radio Shack (TRS-80), Apple (Apple I).

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Microsoft: Beginnings (6)

- After a long and complex legal proceedings Microsoft won the rights to sell BASIC as they saw fit.
- BASIC was licensed to many other computer manufacturers: Radio Shack (TRS-80), Apple (Apple II)
- But throughout the legal battle the company still worked on other programming languages: COBOL, FORTRAN as well as developing BASIC for chips other than the 8080.
- Gates and Ballmer were frequently underestimated by their business rivals ("who are these kids?")

http://www.syllablesoup.com/

But they were more than able to hold their own.

Microsoft: Beginnings (7)

- However Gates still made time for programming:
 - Competitions were held with employees to see who write a program in the fewest lines of code.
 - In the early years Gates himself indicates that he was heavily involved in all projects and there wasn't a line of code that he didn't personally look over (or even recode).

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Commodore Business Machines

- Founded by Jack Tramiel
- Around 15, Jack Tramiel (then named Idek Tramielski) and his parents were shipped with other Jews from Lodz, Poland to Auschwitz in 1939
- He and his mother survived the months till Auschwitz' fall in 1944.
- After emigrating to America, Jack Tramiel enlisted and served four years in the U.S. Army.
 - At Fort Dix, Jack showed a talent for un-jamming typewriters.
- When Tramiel left the army, he started work at a typewriter repair shop and then later set up his own typewriter repair business in the Bronx.

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Image: http://www.commodore.ca

Commodore Business Machines (2)

- 1955: Jack moves to Toronto, Canada and founds Commodore International Limited to assemble typewriters in Canada.
- C. Powell Morgan, the head of the Atlantic Acceptance Company financially back his business.
- 1965: Atlantic goes bankrupt and C. Powell Morgan is indicted by the Canadian government amid charges of fraudulent financial statements, dummy companies, and propped stock prices.
 - Tramiel was considered suspect as well, but was never charged.
 - 1966: To keep the struggling Commodore afloat, Jack gave partial control (17%) of Commodore to a new investor, Irving Gould for \$400,000.

James Tam

Commodore Business Machines (3)



www.awesomepet.me

• 1976:

- Commodore sets up shop on Palo Alto California
- Commodore unveils the Commodore PET microcomputer.
- About the same time the Apple II and TRS-80 are also unveiled.
- 4 KB or 8 KB of 8 bit RAM.
- Unlike many of the companies Commodore is able to start world wide distribution in months instead of years.



Commodore Business Machines (4)

• 1981:

- Commodore unveils the Commodore VIC-20 aka "the Friendly Computer" the first color microcomputer to sell for under \$300 (299.95).
- Specification:
 - 5k RAM expandable to 32k
 - A 22 column x 23 row 8/16 color display



Vic20?



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Commodore Business Machines (5)

• 1982:

- Commodore introduces the VIC Modem, a 300 baud cartridge modem for US\$110.
- Commodore 64: 64KB RAM & Microsoft BASIC \$600

• 1985: [July]

- Commodore unveils the new Amiga 1000.
- It features a multitasking, windowing operating system.
- Specifications 7.14 MHz 68000 CPU, 256KB RAM, and 880KB 3.5-inch disk drive (\$1300).
- 4096 color display



www.obsoletecomputermuseum.org

Commodore Business Machines (6): HAM Graphics (Simulation)

Commodore (4096 color) HAM graphic



en.wikipedia.org

 Microsoft VGA/EGA (256/16 color) graphic



16 colors

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Commodore Business Machines (7)

- 1987:
 - Commodore launches its first IBM PC-compatible machines.
- 1990:
 - NewTek releases the Video Toaster, a professional quality hardware/software video effects tool for the Commodore Amiga 2000 (1 MB RAM), for US\$1600.
 - The toaster allowed for professional quality video editing and the creation of special effects.



Babylon 5 © Warner Brothers

Other notable uses of the VideoToaster:

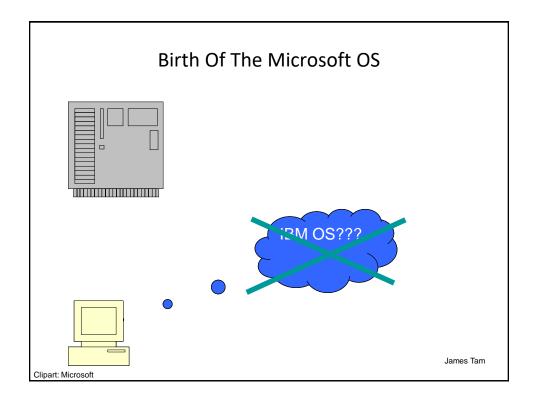
- •The Tonight Show
- •SeaQuest DSV
- •A later version was codeveloped by actor Wil Wheaton



Star Trek © Paramount

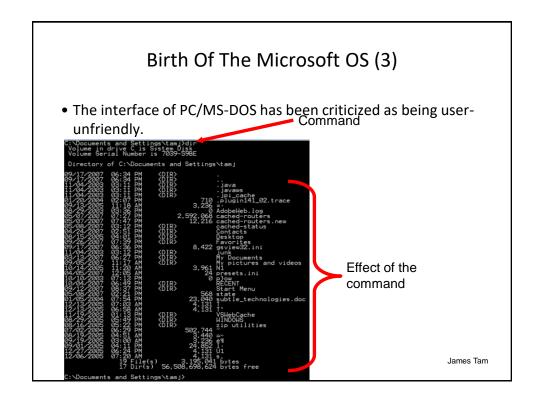
Commodore: Market Share

- Apple Computer shipped 600,000 Apple II computers
- Commodore:
 - Commodore has shipped 750,000 VIC-20 computers .
 - Commodore 64 sales 17-22 million (total) units, the most sales for a particular model of computer.



Birth Of The Microsoft OS (2)

- IBM approached two companies as possible vendors of an operating system to run it's computers:
 - Digital Research (CP/M operating system was standard for Intel 8080 based systems)
 - (There soon to be a 16 bit extension coming but not far enough in development).
 - Microsoft (never wrote operating system software just a BASIC interpreter).
 - Microsoft: 7 million in annual sales
 - IBM: 30 billion in yearly revenues.
- IBM and Microsoft worked out an arrangement to have a version of Microsoft's DOS (<u>Disk Operating System</u>) run IBM computers: PC-DOS.
- MS-DOS was based on 86-DOS an OS written by Tim Paterson of Seattle Computer products (later Q-DOS)



Birth Of The Microsoft OS (4)

• However the interface of PC/MS-DOS was a significant improvement over other operating systems.

CP/M operating system



James Tam

Clipart: Microsoft

Birth Of The Microsoft OS (5)

• However the interface of PC/MS-DOS was a significant improvement over other operating systems.

PC/MS-DOS operating system



The IBM PC (Personal Computer: 1981)



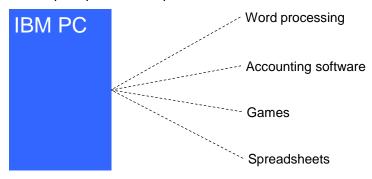
www.computerhistory.org

- IBM was a large company but a late comer into the microcomputer market.
- As mentioned its machines used an operating system produced by Microsoft.

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The IBM PC (Personal Computer: 1981): 2

• With the entry of IBM in the microcomputer market, many developers produced a plethora of software.



The IBM PC (Personal Computer: 1981): 3

 Apple entered the microcomputer market sooner and already had an established market when IBM began to first market the PC.

Apple sales IBM sales

 Because of the prevalence of so much software the IBM-PC soon overtook Apple (and other vendors) in sales.

Apple sales IBM sales

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Radio Shack (TRS Computers)¹

- TRS-80 (1977)
 - ROM: startup routine and (non-Microsoft) Basic
 - Programs could be loaded from cassette or disk into RAM



www.pc-history.org

- One version of TRS-80 was an early laptop



http://www.pugo.org

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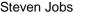
1 "A history of modern computing (2nd Ed)" Paul E. Ceruzii pp. 263 - 264

The History Of Apple Computers: Steve And Steve

 Apple was founded by Steven Jobs and Steve Wozniac in a Silicon Valley garage.

Steve Wozniac







Images © Apple Computer, Inc. from

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Apple: Steve And Steve

- Bill Fernandez (Wozniak's neighbour in Santa Clara California) introduced the 'Steves'.¹
 - Stephen Gary Wozniak (16)
 - Steven Paul Jobs (21)
- They built their first computer out of parts that were discarded (for 'cosmetic' reasons) by computer manufacturers.
 - Named after their favourite drink: "The Cream Soda computer".
 - Jobs was marketing, Wozniak was the Engineer,

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1 "Corporations that changed the World: Apple Inc." (Jason D. O'Grady: Greenwood Press 2009)

Steve Jobs

- Born Feb 24, 1955 in San Francisco.
- Age 23: Made his first million
- Age 25 (1980): Worth approximately 100 million
- 2009: Worth approximately 6 billion
- Even at an early age he showed an aptitude for business and people over engineering.
 - "...he wasn't interested in getting his hands dirty", "...he was more interested in wondering about the people that owned the cars."

James Tam

1"The little kingdom: The private story of Apple Computer" (Michael Moritz: William Morrow p. 38)

Steve Wozniak

- Born August 11 1950
- Commonly known by an abbreviation of his surname "The Woz"
- "Prolific tinkerer"1
- "From a technical standpoint, Woz was literally Apple Computer"²

^{1 &}quot;Corporations that changed the World: Apple Inc." (Jason D. O'Grady: Greenwood Press 2009)

^{2 &}quot;iWoz: From Computer Geek to Cult Icon: How I Invented the personal computer, Co-founded Apple, and had Fun Doing It" (Steve Wozniak with G. Smith: W.W. Norton 2006)

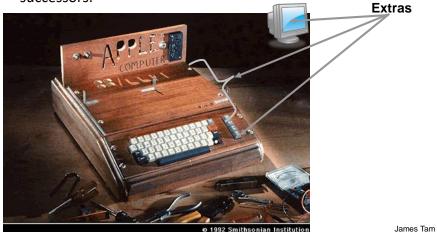
Apple I

- 1976: Wozniak completed a prototype and took it the Homebrew Computer club.
- Jobs saw its immediate potential.
- It used a standard TV as a monitor.
- Due to Wozniak's design genius it used a minimal number of chips (to keep costs and complexity down).
- Boot code was in ROM.
- Data was saved on cassette tapes.

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Apple I (2)

• The first Apple computer: significantly different from it's successors.



Clipart: Microsoft

Apple I: Marketing

- A local electronic shop owner immediately put in for an order of 50 computers.
- Cash was so tight for `Apple` that payment for the parts had to made on credit.
 - Even then personal sacrifices had to be made.





- Wozniak's friend: Ronald Wayne helped him assemble the computers in Wozniak's living room.
 - Even this preassembly process the machine still required some assembly by the end customers.

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Clipart:www.colourbox.com

Apple II

- Proceeds from the sale of the predecessor machine financed the construction of its successor.
- At this point Wayne sold his stake in company.
- The 'Steves' had trouble raising money.
 - Banks would not grant loans because they were skeptical of the marketability of a computer for the average person.
 - Finally after another person agreed to co-sign the bank loan (\$250,000) there was enough capital to fund production of the Apple II and Apple Computer was formed April 1, 1976.
- Released in 1977.
- Initially it ran a version of BASIC written by Wozniak.
- Later it used a licensed version of Microsoft BASIC.
 - The \$10,000 fee was said to have saved Microsoft from insolvency. ¹
 James Tam

1 "A History of Modern Computing" (Paul Ceruzzi: MIT Press 2003)

CPSC 409: The Microcomputer era

The Apple II (2)



Images
Apple II:
www.computerhistory.org

Donkey Kong: www.donkeykong.gamebub.com

- It was a simpler and more powerful design than the Altair
- The color graphics were superior to larger and more expensive computers
- Strong selling points
 - Name
 - Appearance

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Side Note: VisiCalc

- *Visi*ble *Calc*ulator was the first electronic spreadsheet.
- Dan Bricking conceived of the idea while he was a first year student at Harvard Business school.
- Enlisted the aid of a Harvard graduate and using a borrowed Apple II computer a working version was produced in 1978.

The Apple II & VisiCalc



• VisiCalc: "It was the software tail that wagged the hardware dog"

James Tam

Apple Goes Public

- IPO: December 12, 1980 (Open \$22 per share, close at \$29)
 - Apple raised more money that day than any company except for Ford.

Apple III

- Customers flocked to (the IBM PC):
 - Apple became known for poor reliability.
- The Apple III failed as a product:
 - IBM 'smelled blood' and quickly released the IBM PC (Personal Computer).
 - The PC design opened up the market for clones (more later).
- Wozniak claimed it was a failure because marketing rather than engineering had designed it.

James Tam

mage: www.vintage-computer.com

Jacky Scully

- Recruited from Pepsi to work as CEO for Apple in 1983 by Steve Jobs.
 - At Pepsi he spearheaded a successful marketing campaign to challenge Coke: the "Pepsi challenge"
 - It was reputed however that Scully picked Coke over Pepsi in the challenge.
 - What finally motivated the transfer was a plea by Jobs.
 - "Do you want to sell sugared water for the rest of your life? Or do you
 want to come with me and change the world?"
- He was responsible for many changes:
 - A decision to compete directly against IBM in the business computer market (Apple III)
 - Removing Steve Jobs from development of an Apple microcomputer project.

James Tam

1 Triumph of the Nerds: The Transcripts, Part III

Lisa



Image © Mark Richards from www.computerhistory.org

- (1983).
 - 5 MHz 68000 processor
 - 1 MB RAM
- Unlike other Apple computers which were text-based, this one would employ a GUI.
 - It was inspired by a tour of the Xerox PARC (Palo Alto Research Center) laboratories.
 - It cost \$1 million in Apple stock for a 3 day tour of Xerox.
 - It was a failure but laid the ground work for the successful Macintosh.
 - The Lisa (1983) incorporated many of the features of the Xerox Star.
 - Like the Star it was expensive (\$10K) and sales were weak

James Tam

The Apple Macintosh (1984)



Image © Mark Richards from www.computerhistory.org

- Apple's next computer was the Macintosh
- It incorporated many of the best features of the Lisa but was sold at a substantially lower price.
- Also features not present in the Lisa were added to the Macintosh
- Compared to the IBM-PC it was a speed vs. ease of use tradeoff

Macintosh



- To prevent a repeat of the failures with the Apple III
 Jobs was diplomatically removed from this project.¹
 - He eventually resigned and formed his own computer company NeXT
- Goal: produce an easy to use, inexpensive computer with all the features could need all in one package.
- Specifications:
 - Processor: ~7 MHz 68000 Motorola
 - Memory: 128 KB (upgradable with some difficulty to 512 KB)

James Tam

1 "Corporations that changed the World: Apple Inc." (Jason D. O'Grady: Greenwood Press 2009)

Macintosh (2)

- It incorporated the best features of the Lisa but was sold at a substantially lower price.
- Also features not present in the Lisa were added to the Macintosh
- Compared to the IBM-PC it was a speed vs. ease of use tradeoff

Xerox Star

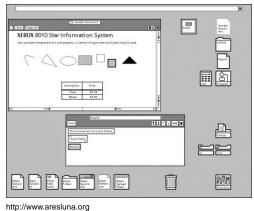
• 1981: Xerox introduced a microcomputer, 8010 Star Information System (Short form: Xerox Star).

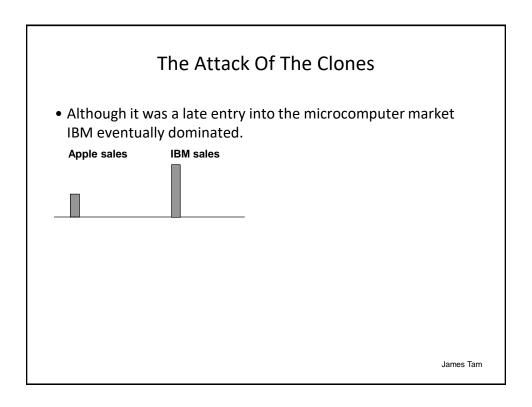


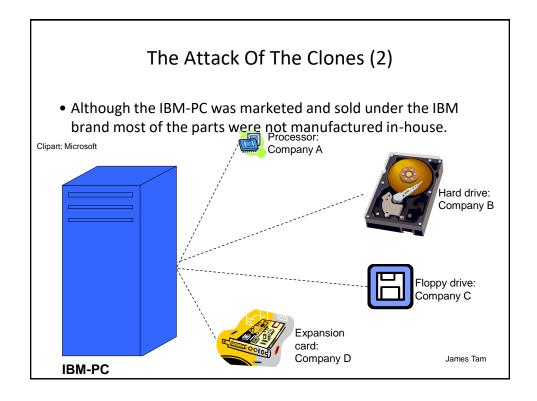
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Xerox Star (2)

 The first GUI-driven microcomputer (1981 for the Xerox Star vs. 1984 for the Apple McIntosh and 1985 for the Commodore Amiga 1000).







The Attack Of The Clones (3)

- The parts manufacturers were free to sell their components to other companies.
- About the same time that the IBM-PC was sold, three exemployees of Texas Instruments founded their own company: Compaq.
 - -They conceived of producing their own copy of the IBM-PC under their own brand name.
 - -It would run under MS-DOS and be 100% compatible with other software
 - -The first IBM-PC clone was delivered by Compaq in 1983.

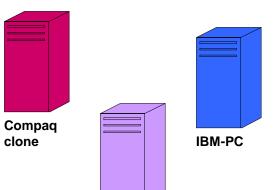




IBM-PC

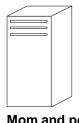
Compaq clone

The Attack Of The Clones (4) This opened the flood gates for other computer manufacturers to produce their own clone computers.



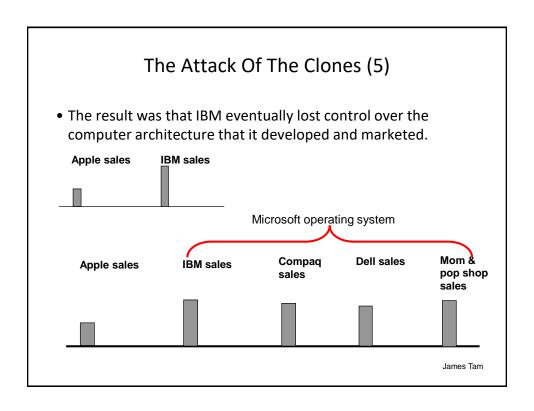
Dell

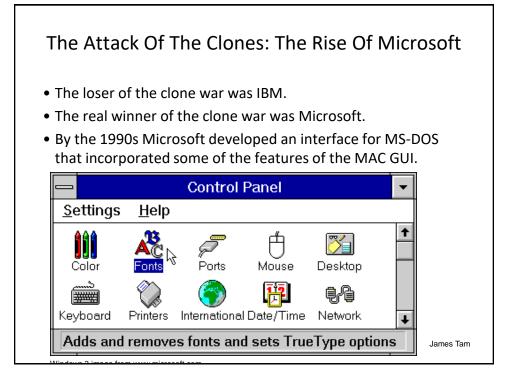
clone



Mom and pop shop clone

James Tam





Steve Jobs: Redux

- Jobs eventually returned to Apple after Apple bought NeXT in 1996.
- The NeXT operating system would become the foundation for Mac OS8.
- Apple sales and share prices continued to drop.
- Finally Steve Jobs was reappointed CEO.

James Tam

Changes Under Jobs II

- Changes that turned Apple around:
 - A (much-needed) infusion of \$150 million from Microsoft.
 - Microsoft Office for MAC
 - Discontinuing of license agreements of Apple ROM and Apple OS to clone makers.
 - Release of the iMac computer.
 - All in one (like the Macintosh that he designed earlier).
 - A bright eye catching design (computers were not just beige clones).



Changes Under Jobs II (2)

- (Changes that turned Apple around continued)
 - Release of the iBook (first Mac with wireless support).
 - Release of a new professional desktop computer: Power Mac G4.
- Major changes which are regarded as leading to Apple's resurgence:
 - Mac OS X
 - Apple retail stores
 - iPod (JT: and the whole 'eye' series that followed and preceded it).

James Tam

Timelines

- 1974
 - MITS: Altair 8800
- 1976
 - Commodore: PET
 - Radio Shack: TRS-80
 - Apple I
- 1977
 - Apple: Apple II
- 1981
 - Commodore VIC-20
 - IBM PC

Some Important Microcomputer Timelines

- 1983
 - Compaq IBM-clone
- 1984
 - Apple Macintosh
- 1985
 - Commodore Amiga 1000

James Tam

References

- The Intel website: http://www.intel.com
- "A History of Modern Computing" (2nd Edition) Paul E. Ceruzzi
- Hard Drive: Bill Gates and the making of the Microsoft Empire"
 (Jim Wallace & Jim Erickson: Harper Business 1993)
- Corporations that changed the World: Apple Inc." (Jason D. O'Grady: Greenwood Press 2009)
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- "iWoz: From Computer Geek to Cult Icon: How I Invented the personal computer, Co-founded Apple, and had Fun Doing It" (Steve Wozniak with G. Smith: W.W. Norton 2006)

References (2)

• Triumph of the Nerds: The Transcripts, Part III

James Tam

After This Section You Should Now Know

- General knowledge
 - The general time that significant events (such as the creation of different computer models or technologies) occurred
 - The people and organizations/companies behind these events/technologies and their background
 - What companies produced which computers
 - The names, general appearance and basic technical specifications of the computers of this time
 - What were the specifications of the technologies of the day (such as the number of colors available with different graphical modes)
 - What (if any) were the distinguishing feature or features of a computer
 - How were these technologies or computers used

After This Section You Should Now Know (2)

- How the invention of the microprocessor revolutionized computing
- What was the first computer that was targeted specifically for the home user
- What was the influence of Microsoft on microcomputers
- The history of the IBM-PC
- The foundation of Apple Computers
- The history of some of Apple's early computers: Apple I, Apple II, Lisa, Macintosh
- How IBM lost control over a computer architecture that it developed through the rise of clone computers

James Tam

After This Section You Should Now Know (3)

- How the rise of clone computers lead to the market dominance of Microsoft in the microcomputer market
- When the Xerox Star was made available as well it's influence on microcomputers