

OUTLINE FOR CDC/IBM LAWSUIT

I. CONTROL DATA - 1957 - 1962

A. 1604 Phenomenal success

1. Chink in IBM armor
- 2.

B. IBM is startled

1. Brute muscle - only acceptable answer for 1604 competition
- 2.

II. IBM CLOBBERS CDC - 1961 - 1962

A. Host of unfair marketing practices

1. Fighting machines
2. Free support *programming support*
3. *4. 40% discounts*
4. *unhooking*

III. CONTROL DATA - 1964 - 1967

A. Some recovery from IBM first attack

B. 6600 Troubles

IV. IBM CLOBBERS CDC AGAIN

A. Additional unfair marketing practices

1. Paper machines
2. 60% educational discounts

V. TWO TIMES IS ENOUGH

A. Preparatory work on lawsuit begins

B. Russell Baker advice

*Management - case and only*

VI. SKELETONS ON THE COMPUTER INDUSTRY DESERT

A. IBM's vise grip on the industry

1. Bendix - quits computer field

2. General Precision - ditto

3. SCM

4. General Electric

5. RCA

6.

VII. CDC FILES SUIT

A. Decision process

1. No U.S. Government action

2. Hesitations

a. Some board members

b. Some senior management members

3. Insurance

a. Review by prestigious New York law firm

VIII. U.S. FINALLY ACTS

A.

B.

IX. IBM COUNTERSUIT

A. CCC Reaction

B.

X. THE HARD WORK COMMENCES

A. Winning team

1. Members of CDC top management and lawyers

B. Computerized data base

C.

XI. SETTLEMENT FEELERS

A. Cocktail talk

B. The big man rings the phone

XII. SETTLEMENT

A. Omaha

B.

XIII. MEANING TO CDC

- A. Boost to unique strategy
- B. Money
- C. R&D
- D. Expertise in data services

XIV. MEANING TO THE INDUSTRY

- A. Advantage from cessation of unfair marketing practices
- B. IBM out of data services for six years
- C.