

**New Large Computer Introduced by I.B.M.**

By PETER J. SCHUYTEN

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The International Business Machines Corporation yesterday introduced its long-awaited top-of-the-line large business computer, the Model 3081, breaking the suspense within the computer industry over its newest product.

The new system, the company said, offers users up to twice the computational power of the company's previous largest computer system. It will be available beginning in the fourth quarter of next year.

In addition, I.B.M. reduced prices on a number of its products and services, including maintenance charges, and introduced a new model in its 3033 line of large business computers, the Group S processor.

The introduction of the first model in what has long been referred to in com-

puter circles as the "H Series" is expected to stabilize conditions within the computer industry in general.

"We all needed this announcement, both the users and the computer financing community," said Jerry Minsky, president of the Alanthus Corporation, a computer-leasing company based in Westport, Conn. "In a sense, it clears the air," Mr. Minsky added.

## **Industry in Turmoil**

Almost since the introduction by the huge computer company of its revolutionary 4300 series of more powerful computers in January 1978, the industry — including I.B.M. — has been experiencing unprecedented turmoil, as users switched from buying to leasing computers while they awaited the coming of the "H Series."

But the advent of the model 3081 by

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# I.B.M. Introduces New Large Computer

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I.B.M. is expected to stimulate demand for large systems generally.

"Now all the rumors about the 'H' are over, and people can finally and definitely start making their plans," noted David N. Martin, the executive vice president of the National Semiconductor Corporation's computer subsidiary, National Advanced Systems Inc., which makes and markets so-called I.B.M.-compatible computers. "When I.B.M. defines a new level of product performance, it usually stimulates de-

mand," Mr. Martin added.

News of the new computer was well received on Wall Street, where I.B.M. shares were the second-most actively traded issue on the New York Stock Exchange, closing up 3 $\frac{3}{4}$ , to 70 $\frac{7}{8}$ .

Similarly, the shares of the plug-compatible computer companies were buoyed by the I.B.M. announcement, with National Semiconductor jumping 3 $\frac{1}{4}$ , to 42, while shares of the Amdhal Corporation, which said it would announce a new large computer next week, rose 4, to 32.

Whether the new I.B.M. model sets off another price-performance battle within the industry remains unclear.

"This is definitely an aggressively priced announcement," commented Ulrich Weil, a vice president who follows the computer industry for Morgan Stanley & Company. "Not only is I.B.M. offering twice as much performance for the same price," he continued, "but they have cut maintenance prices, and that could really be tough on the competition."

Unlike computer hardware technolo-

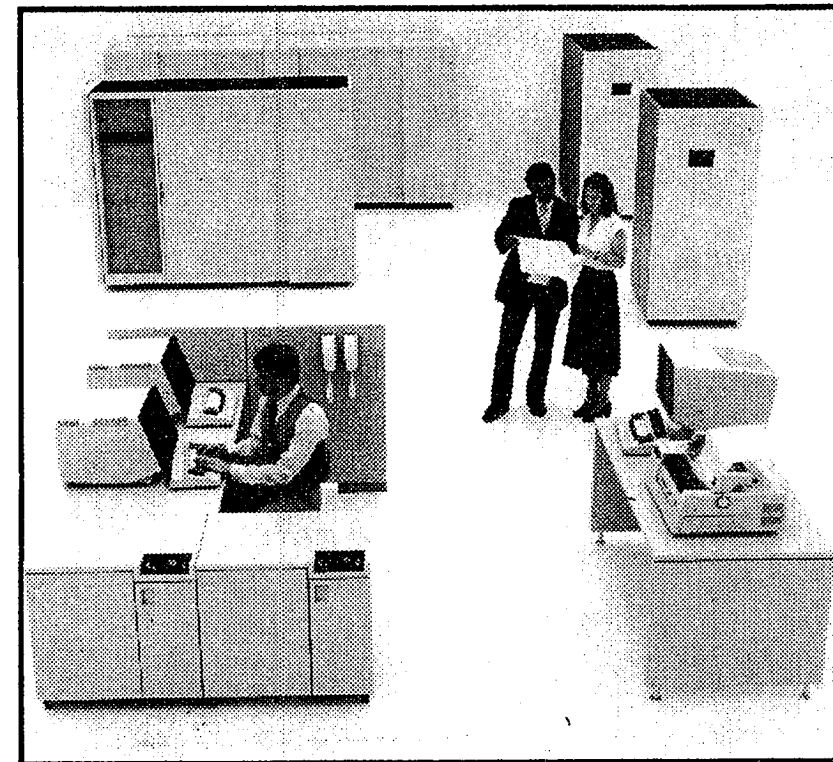
gy, maintenance costs for all the computer makers have been particularly hard hit by inflation. For the last two years, the computer companies, including I.B.M., have been steadily increasing their maintenance charges.

Commenting on yesterday's price cuts by I.B.M., which ranged between 5 percent and 15 percent and were reflected in the price of maintenance on the company's new machines, a spokesman said: "The company continually reviews prices for its products and services, and the price changes announced today were the result of a normal business review."

I.B.M.'s purchase price reductions on its older computers amounted to between 3 percent and 22 percent.

For their part, I.B.M.'s traditional competitors appeared unruffled by the announcements.

"In a way, we are relieved, since the new computer is more or less on the price-performance curve we had expected," said a spokesman for the Sperry Univac division of the Sperry Corporation. Stephen G. Jerritts, president of Honeywell Information Systems, declared: "We consider the maintenance reductions rather minimal because they were relatively high to begin with."



The International Business Machines 3081 processor complex