

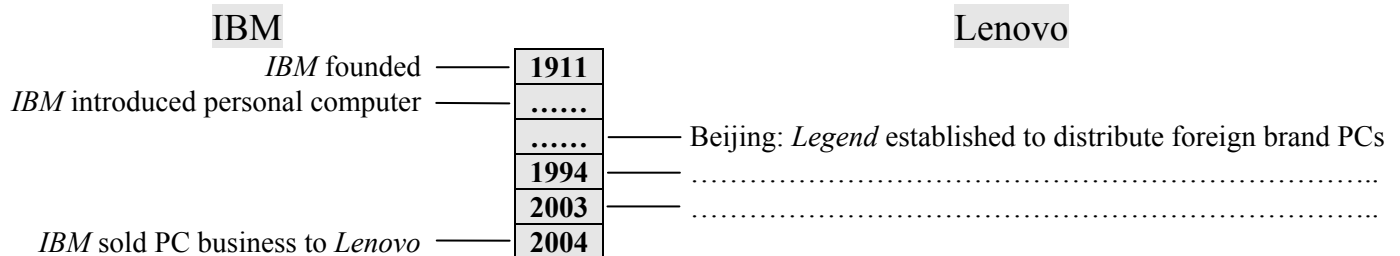
A tale of two companies

The developer of the standard personal computer, IBM, has sold its computer-making business to a Chinese company. How will this change the world of computer sales?

1 Which make(s) of computer does your company use? Which make do you use at home? Are these makes reliable?

Dell	Hewlett-Packard	IBM	Other (specify)
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2 Complete the dates and the missing information in the following timeline by scanning the article below.



Sold! IBM's personal computer business has been bought by the Chinese electronics company, *Lenovo*. *Lenovo* already has one quarter of the domestic computer market. It paid \$1.75 billion for IBM's PC business. IBM now aims to focus more on selling its information technology knowledge and expertise. *Lenovo* employs a low-cost workforce, and can now develop the excellent reputation of the IBM name.

IBM was founded in 1911 and spent many decades building and selling business calculating machines including big mainframe computers. In 1981, it introduced the IBM personal computer and became the pioneer which created the market for a PC on every desk.

In 1984 in the People's Republic of China, eleven scientists started the company *Legend* to distribute foreign brand PCs. In 1994, *Legend* designed, manufactured and distributed its own computer. The company continued to grow and last year, it renamed itself *Lenovo*.

This deal brings together IBM's 5.5% share of the global PC market with *Lenovo*'s 2.2% and takes the Chinese company into third place behind *Dell* and *Hewlett-Packard*. *Dell* has 16% of the world market, *HP* around 14%. According to IBM, the PC market is not profitable enough, and selling services and consulting makes more money.

3 Read the article again. What are your predictions for the PC market?

4 Find words or expressions in the article from their definitions.

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|--|---------------|
| (a) special skill or knowledge that you get from experience, training, or study | (Paragraph 1) |
| (b) the opinion people have about how good or bad someone or something is | (Paragraph 1) |
| (c) one of the first companies to do something important that is later developed by others | (Paragraph 2) |
| (d) a product that has its own name and is made by one particular company | (Paragraph 3) |
| (e) a formal agreement between two companies | (Paragraph 4) |
| (f) giving advice or professional knowledge | (Paragraph 4) |

Definitions from or based on *Macmillan Essential English Dictionary*. Text © Bloomsbury Publishing Plc 2003

5 Work in groups to create a time-line for a company / product with some of these words. Present it to the class.

founded	designed	manufactured	sold	renamed
bought	created	introduced	distributed	developed