A Synopsis of Teletype Corporation History

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(Document Notes)

- 1902 Charles Krum, a cold storage engineer, initiated experiments with printing telegraph devices. This invention of the "start-stop" principle made possible the mechanization of "key" telegraph. Krum perfects the 5-unit ITA-2 code with a start-stop sequence to allow teletypewriters to be used in commercioal applications. This made possible the mass-mechanization of telegraph. Jay Morton of the Morton Salt dynasty gave support to Krum's experiments.
- 1906 The Morkrum Company was established with its ownership shared by Charles Krum and the Morton family.
- 1908 The Morkrum Company developed its first commercial printer (M10). A field trial was conducted with the Alton Railroad. The trial was successful, but the Alton Railroad made no purchase.
- 1910 The Postal Telegraph purchased the first commercial Morkrum equipment. In 1912, Western Union purchased the same device. Although these M10 units were mechanically successful, none were commercially successful until 1925.
- 1915 The Associated Press adopted Morkrum M10 printing telegraph equipment to provide simultaneous service to competitive newspapers in New York City.
- 1918 Morkrum Company operation was expanded from its "garage" type facility. Employees numbered "over 200".
- 1921 The M11 type-wheel tape printer, went into production. It constituted the first commercially acceptable and successful unit, The M11 was manufactured through 1927 with 883 machines being produced overall. The name "Teletype" and the scroll symbol were introduced as part of the advertising promotion for the Model 11 machine.
- 1922 The M12, a type-bar page printer with moving platen, was first marketed. Previous to 1922, printing telegraph was limited largely to commercial-telegraph and railroad uses. The M12 page printer opened the way to general business uses. Substantial numbers of this unit were sold

- through 1930, with quantity, too, being sold as late as 1943. A total of 11,899 M12 units were sold.
- 1923 The first RTTY message was sent from the Teletype factory to Sterling Morton's house, 30 miles away.
- 1925 The M14 type-bar tape printer was first marketed. The machine reached its highest production in 1929 and 1930. A total of 60,000 units had been sold when the device was discontinued in the late 1950s.
- 1925 The Morkrum & Kleinschmidt Companies merged to form the Morkrum-Kleinschmidt Company.
- 1928 12,700 Teletype machines sold to-date.
- 1929 The title Morkrum-Kleinschmidt was found to be too cumbersome and was dropped in favor of "Teletype."
- 1929 25,200 Teletype machines sold to-date.
- 1930 The M15 type-bar page printer with stationary platen was introduced. This machine soon became the "bread and butter" unit of Teletype, reaching its peak output during WWII. Through 1954, about 200,000 were sold. A large percentage of Bell System Teletypewriter Exchange (TWX) stations were of the M15 vintage.
- 1930 The Teletype Corporation was purchased by the Bell System and became a wholly owned subsidiary of the Western Electric Corporation. The Bell System at this time, was formulating plans for a new teletypewriter exchange service called TWX. The Teletype Corporation was selected and purchased to provide the necessary equipment for the proposed service.
- 1932 TWX (Teletypewriter Exchange Service) was inaugurated by the Bell System. Terminal equipment provided by the Teletype Corporation was of the M15 type.
- 1932 The Teletypesetter introduced.
- 1941 The M14 tape punch was first marketed. Approximately 50,000 units were sold through the late 1950s when the device was discontinued. About 90% of all effort at Teletype was devoted to the war.
- 1946-1950 Models 19 and 20 developed for auto-control of transmission. The M19 was 5-unit, and the M20 was 6-unit code, for teletypesetting.
- 1951 The first M28 page printer was delivered to the Navy. This represented approximately 12 years of research and development effort. The M28 line was accepted by the Bell System as a successor to the M14, 15 and 19 lines of equipment in 1956. The M28 design principle constituted the corporations basic approach to both message and data recording equipment until

1960 - Teletype Corporation assembles for the first time under one roof in their new quarters in Skokie, Illinois. A multi-million dollar plant with a million and a half square feet of operating area and employing over 6,000 workers, it represented a milestone in the history of the Teletype Corporation. Manual TWX stations are all converted to dial.

1961 - The M35 and M33 lines of equipment were introduced, While the M35 is merely an 8 level version of the M28, the M33 represented the marriage of many proven designs into a totally new design, best described by the term "low cost concept." Approximately 6 years of research and development went into the M33.

1961 - The Model TT-242 is rejected by the Navy in favor of the MITE compact Teleprinter. The TT-242 becomes the basis for the Model 32 and 33. The M32/33 represented the marriage of many proven designs into a totally new design, best described by the term "low-cost concept." Approximately 6 years of research and development went into the Models 242, 32, and 33. Also, the 8-level Model 35 is derived from the 5-level M28.

1968-1978 - Much development goes into new concepts and new forms of data station equipment. "Machines that make data move" becomes Teletype's trade slogan. Devices such as the Dataspeed paper tape senders and receivers operating at 750 - 2000 words per minute. The Inktronic printer that sprayed 80 characters at a time on a roll of paper at 2400 words a minute. R & D is working overtime on new projects for the Bell System and the government. TWX is sold to Western Union.

1970 - United States TWX system was sold by AT&T to the Western Union Telegraph Company.

1979-1984 - The Teletype Corporation produced the newer "Black Line" of Model 40 and 4540 electronic display terminals and chain type based printers. The Models 42 and 43 dot matrix terminals are introduced. They also produced the Magnetic Tape Terminal as an adjunct for both the Models 43, and 40 lines of equipment.

1984-1989 - Divestiture of the Bell System. Teletype name is dropped along with its logo to be replaced by AT&T and the "Death Star" logo. Operations in Skokie are discontinued and operations consolidate in Little Rock, Arkansas. Many employees are laid off. Then the operation in Little Rock manufacturing the 5310 terminals and printers is closed down and moved to Singapore and China.

As a manufacturing arm of the Bell System, the primary function of the Teletype Corporation through the years was the research, development and manufacture of the best possible record communications equipment at the lowest possible cost. Simply stated, Teletype's job was to supply the Bell System with the data terminal equipment required to satisfy their customers needs. This function remained the same until the end. Concentrating In the above fields of

endeavor, Teletype depended for direction upon market analysis information supplied by the Bell System. The product mix available to the data communications salesman, represented the requirements placed on Teletype by the Bell System.

Considering the fact that the teletypewriter, with associated devices, constituted the sole offering in the field of data terminal equipment, it is useful to have an understanding of Teletype Corporations position within the Bell System organizational structure:

American Telephone & Telegraph owned Western Electric. Western Electric held, as separate entities, the Bell Companies (long-line service), Bell Labs (research), and Teletype Corporation (data-comm equipment).

Teletype's responsibility within the Bell System was the research, development and manufacture of data and record communications equipment. This did not conflict with Western Electric's efforts as a manufacturer of transmission, switching, and telephone equipment. But this was not the only difference between Teletype and Western Electric; and in fact, all other elements of the Bell System. Because of the nature of its business, as stated in the corporate charter, Teletype was allowed a unique mode of operation. It was organized as a separate entity, and contained all the elements necessary for a separate corporation.

Teletype's charter permited the sale of equipment to customers outside the Bell System which explains their need for a separate sales force. Here is a breakdown of Teletype's customers:

Bell System 55-60% Federal Government 25-30% Other enterprise 10-15%

Document Notes

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