

# JOSEPH M. TUCCI

## ORAL HISTORY

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### COMPUTERWORLD HONORS PROGRAM INTERNATIONAL ARCHIVES

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Transcript of a Video History Interview with  
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President & Chief Executive Officer, EMC

Recipient of the 2004 Morgan Stanley  
Information Technology Leadership Award  
For Global Commerce

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Interviewer: Daniel S. Morrow (DSM)  
Executive Director  
Computerworld Honors Program

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DSM: Let's begin with your beginning, if you could tell us where and when you were born.

JMT: I had an interesting birth, in hindsight. My parents were living in Brooklyn at the time, but my mother was visiting my grandmother in the Bronx and that's where I decided to be born. So I guess I can claim I was physically born in the Bronx with a Brooklyn address. I can claim two boroughs in New York City.

DSM: Tell me about growing up in Brooklyn in the 1950's.

JMT: I was basically in New York until I was about 6 or 7 years old. I don't remember exactly the year, and of course we lived in Brooklyn. Those were very early memories but I remember mostly two things, first the long walks we used to take and playing on the swings in the park. Then of course when my mother would go to work she would drop me off at my grandmother's who lived on Webb Avenue, which is about a block up from Yankee Stadium. My grandfather was an avid baseball fan so I can remember hearing the roar of the crowd, and going to a lot of baseball games before I was 5 years old.

DSM: I was going to ask if that's where your love of baseball came.

JMT: I don't know, but I would have to say yes.

DSM: Where did you go to grammar school, and did you have influential teachers?

JMT: The teacher that stands out most in my mind from grammar school was a teacher I had in 3<sup>rd</sup> grade, her name was Mrs. Tream. She was phenomenal. At that time I was doing okay in school, and somehow I got in her class and I started to really excel. She took an interest in me. To this day, it's pretty amazing that at my age I can think all the way back to 3<sup>rd</sup> grade and so clearly remember a teacher so clearly.

My grammar school years were split. The first half was in Hillsboro, New Jersey, and the second half was outside of Albany, New York, in a small town called Delmar, where I went to St. Thomas.

DSM: So Mrs. Tream was in which school?

JMT: She was in Hillsboro. I can also remember the nuns I had as teachers. I was in Hillsboro for the 1<sup>st</sup> half of my grammar school education, and that was in a public school. When I went to Albany I went to the local Catholic school, and of course I had Sisters there as teachers. They were terrific too.

DSM: You don't have to answer this question, but there tends to be a more disciplinary orientation in Catholic schools. Were you a mischievous student?

JMT: I would say I got my fair share of knuckles rapped. I wouldn't say I was one of the bad kids. I would say I was one of the more experimenting.

DSM: Are there any stories that your parents like to tell about you that indicate that you developed an early aptitude for certain area?

JMT: I think the main influence was my mother. My mother was a math teacher. I was born in 1947, which was right after the war. So I was in the heart of the baby boomers. At that time my mother had already gone to college and graduated. My father didn't go to college right away. He eventually went on the GI Bill or whatever it was called back then. He started his college after service and then went on to graduate school. So basically he was in school for 6 years, which started in 1946. My mother worked all those years as a teacher. She was a math teacher. So I would have to say that that had a heavy influence.

DSM: Did she help you with math?

JMT: To me it just came naturally. I never remember having to work hard or sweating at all about math. What I would sweat about would be when I had to learn another language. I literally flunked Spanish every time I took it. So I have 3 years of Spanish but I took it for 6 years. So I would flunk it the first time, pass it. Then I would flunk it the second time, and so on. Things like that were hard for me. Math was easy for me. I don't know why.

DSM: How about your musical abilities?

JMT: That got written up once because someone asked me how I got into IT. I started out when RCA was in the computer business. They hired me to go into training and become an SE (Systems Engineer.) I really had had no experience with computers whatsoever. I think a reporter once asked me why I got hired and I said, "I think there were 3 reasons; number one they were enamored because at that point I was playing the guitar and they like the music background, they were enamored because I was getting straight A's in math, and they were enamored because I was a good baseball player and they needed me for their team." So I think those are the 3 reasons I got hired for sure.

DSM: Did you play baseball in high school?

JMT: Yes, I did.

DSM: Where did you go to high school?

JMT: I went to Bethlehem Central High School, which is in Delmar, New York.

DSM: For scholars and students who are going to be reading this 100, 200 years from now, describe what Bethlehem was like. Describe the town, the feel, what the people were like.

JMT: It was real middle class, not upper middle class for sure. It was a very safe community. You could walk anywhere at any time. The town had a drug store, hardware store, a Hallmark card store. I can't remember many others, maybe a small grocery store and that was it. It wasn't a super stop and shop, just a little grocery store and that was it. But it was a great environment to grow up in.

Every day we would go out and play some sport. In the fall we would play football, and in the spring and summer, we would play baseball. We had an inside pool at the school and we did a lot of swimming. There were also a lot of lakes around there too so you were always active, always outside. There was very little TV when I grew up.

DSM: Were there teachers, mentors, in high school, people who made a difference, or rivals or best friends you remember?

JMT: I had a lot of good friends, and a lot of them were around sports that we played in school or after school. There are a lot of people I still see today, and they are doing many different things. One is a reporter. One is in construction. We don't see each other a lot, but every once in a while we get together and it's like we were never apart. So it was a great town.

DSM: Tell me about your decision to go to Manhattan College. You started there around 1965?

JMT: Unfortunately when I was 16 my father died, and I had an uncle, a man who was actually a very good friend of the family, but I grew up calling him "uncle." I wanted to go down south and play baseball somewhere in Florida, and he didn't want me going to Florida. So he took me by the back of the neck and kind of steered me to his alma mater, which was Manhattan. It was someplace close enough so he could watch me. I think they were kind of worried about me back then.

DSM: You were in high school and college at a time that was just extraordinary in terms of the industry and all the other stuff going on. Kennedy was killed while you were still in high school. 1965, when you start college, that's Selma, and when the first Marines go into Viet Nam, and by 1968, it's the Tet offensive at the height of the draft. Can you describe what it was like being in school in Manhattan?

JMT: It was really interesting. I think students back then kind of broke up into one of three groups. You had what you would call later the preppies, very interested in sports. Then you had the radicals with longer hair, protesting everything. Then you had, well, we used to call them the "greasers." They were more interested in fast cars. Obviously I went with the sports crowd. We always thought, especially in Manhattan, that the radicals were a bit of a pain in the neck and didn't much bother with them. As a matter of fact, when I was in school I was in ROTC and at that point in time, that's what I was going to do. I was going to be in the Air Force and fly.

DSM: What happened?

JMT: I found out that I had some spots on my lungs that got diagnosed as something called sarcoidosis. In those days it cost about \$100,000 to train a pilot and they didn't want to risk it so they discharged me, against my protests, believe it or not. I wasn't anxious to go to Viet Nam but I certainly wasn't protesting either.

DSM: Were there teachers in college that you remember?

JMT: I had a lot of great teachers. I had an English teacher. I wish I could remember his name. He had a tremendous influence on me. You know how kids were in those days, maybe still today; if we studied Shakespeare, we would read the Cliff note versions. This guy on his tests, he would ask the most esoteric, crazy questions like, "In Don Quixote, what color were the horse's eyes?" His name was Mr. Lear. I knew I would remember. He interested me because somehow by the end of his class you got fully baked that maybe taking short cuts wasn't the best thing to do.

DSM: You graduated in 1969, and what was your degree?

JMT: Business.

DSM: The information technology industry almost lost you there in 1969. What was your first job out of school?

JMT: Actually in hindsight it was pretty good. I had two areas that were of interest to me. Either I was going to go into computers or Wall Street. And graduating from Manhattan, I got more offers and opportunities to go to Wall Street. So I did.

Then you know what happened to the market in late 1969. It was a bad time and they started cutting back all their trading programs. So I ended up doing some job in a back office, which I absolutely couldn't stand. Then I quit and went to the beach, became a lifeguard.

DSM: You literally were a lifeguard?

JMT: Literally. I had a lifeguard certificate and then after it didn't work out with the job I thought, "Well, it's summer. I might as well go to the beach and relax."

Then I got serious about interviewing again. I didn't like Plan A, which was Wall Street – and they really were equal. Those were the 2 industries that I picked, financial services and computers, as we called them back then. I tried financial services first and then went into computers and never looked back.

DSM: You went to work for RCA. Was that your first job in IT?

JMT: Yes.

DSM: Do you remember who hired you?

JMT: I do. I don't remember his first name, but his last name was Case. Then I was hired to work for a fellow named Bill Woodford, who was heading up the telecom branch for RCA headquartered in Newark, New Jersey.

DSM: You were in systems engineering?

JMT: RCA was bought by Sperry Univac. Actually it was the Univac division of Sperry. Then it became Sperry Univac, then Sperry. Of course then they were acquired by Burroughs to create Unisys.

DSM: This moved you out of being an engineer into sales?

JMT: Basically after being a systems engineer, and then I did a little systems programming for 5 years or so, I decided that I would try my hand at selling.

DSM: Thank goodness. Do you remember who got you into selling and who trained you to sell, what that was like?

JMT: The man is actually deceased now. He was a phenomenal person named Bob Murphy. He had a great influence on my life. I went up and told him what I thought I could do. He gave me a shot and he teamed me with a person named Jim Kelly, who was probably one of the best pure sales persons in the world. So I owe my sales ability to those two people.

DSM: You learned to sell by going around with Jim Kelly and watching him. Do you remember your first sale?

JMT: The first thing I actually sold was an upgrade to a company, which is now part of Computer Science.

DSM: Some time in this period you went to grad school as well, Columbia?

JMT: I was fortunate that I had been adopted if you will, by a really high-flying Vice President, a young, real articulate, a real go-getter called Grady Putnam. I probably owe more of my career and success to him than any other person. One of the things they wanted to do was “round me,” so to speak. They wanted to send me to get some education. I wound up going to the Columbia MBA program.

DSM: You were there for two years?

JMT: Two years.

DSM: 1986, Sperry and Burroughs merged to form Unisys, tell me about your hiring process.

JMT: That was interesting. I was on a pretty fast track at Sperry. I was running most of the US sales and service organization for Sperry. I was probably 35 years old at the time, and I thought this was a terrible thing. Then lo and behold one year later I had the exact same job only bigger, because I was running all of the sales and service and support for Unisys, which was more than twice as big. It actually worked out okay for me.

DSM: Tell me about the transition from being President at Unisys and then going to Wang.

JMT: Basically I was President of what was called US Operations, which was sales, service and support. We had a couple of global industrial solutions, like an airline solution and for telecom, etc. So it was a good job and I think it was just a difference in philosophy I was having with my boss Jim Unruh, the Chairman and CEO. We weren't all that much different in age. I was probably 4 or 5 years younger, probably impatient, and since he was the top boss and I wasn't and we really disagreed on a lot of things strategically. I think it's one of those things where you have to be of one mind or you should do something else. He is a great individual but we just had different philosophies and different visions on where we thought things should be. I just found myself disagreeing a lot, and I don't think that's a good place to be. It wasn't a problem between us. I just came to the conclusion that I wanted to do something else.

DSM: Did you find Wang or did they find you?

JMT: They found me.

DSM: Tell me about that.

JMT: I had a call from Spencer Stuart. They told me they were looking for an Executive Vice President for worldwide operations. To this juncture as you can see from my background, I had only done US and Canada jobs, North American jobs, and I wanted global experience. I wanted to do something different and I wanted someplace where I could move up and run the entire show.

DSM: Wang was 33,000 people.

JMT: When I was hired they had already cut and restructured down to 27,000. It was a big organization and the then CEO that recruited me was Rick Miller. He was a really powerful executive.

DSM: A turn-around guru.

JMT: A turn-around guru and he I were enough considerably different in age and I felt it would be a good opportunity to participate in a turn-around and run something not too many years down the road.

DSM: Then Wang went into Chapter 11.

JMT: Yes, I didn't get the whole truth before I was hired. It took me about two weeks and I said, "Uh, oh!"

DSM: By this time you had already moved?

JMT: I hadn't moved. I was commuting, but it's like, once you sign on to do something you do it, right?

DSM: Describe what you found out in the two weeks between the time you were hired and when they went into Chapter 11?

JMT: One of the things I have learned in life is that if you are a technology company, and certainly Wang was, the key to life is having good competitive products right? And the key to life was to have a great sales force. Then of course you have to have the right vision and marketing message.

When I got there Wang had two out of three broken, which was a lot to fix. They had a great sales force, but certainly their vision and marketing and their products were to say the least totally broken, which was a lot of repair.

DSM: I recall reading that you described your experience there as a grad school experience. You learned a lot.

JMT: I learned a lot.

DSM: Another story I am interested in hearing is about the deal you cut to get Wang out of Chapter 11. I read that no cash changed hands. Can you talk about making that deal.

JMT: Well when you go into Chapter 11, normally you go to the courts and you get what's called debtor in possession financing arrangements. Wang was probably in such dire straights that we really didn't even get in place debtor in possession financing. So by selling assets and being frugal we kind of cobbled through. So basically there was really no cash. The cash flow wasn't there to support going out and raising money via debts. So basically what the debt holders, bond holders, had to sign onto was the fact that, okay we've got to swap your debt and your bonds for equity and then hopefully we would put together a strategy. And as we executed that strategy the stock would go up in price and you get paid back. In the end bankruptcy resulted and not a penny went either to shareholders or creditors or bondholders. They just got equity. In the case of the shareholders, they got some warrants and if you held it the whole time you got your money back and then some, a couple times your money back.

DSM: A great story and a great deal that saved a legendary company. Did you ever know the founder An Wang?

JMT: Never met him.

DSM: June of 1999 a Dutch firm Getronics buys the new, reconstructed, transformed Wang. Talk a little about the transformation of Wang.

JMT: Wang was a manufacturer. It was a former leader in word processing, email and office automation. Of course when you talk about taking this thing out of bankruptcy in 1993, those markets were gone. The networking piece of the market had gone to Novell. The email market had gone to Word Perfect and more importantly Word from Microsoft. The office automation market had gone to Dek, 101 had gone to Microsoft, had gone to others. So several core things that Wang was good at were gone. And since there was no money, there was no opportunity to rebuild anything in that former glory.

So basically we built Wang as a network and desktop servicer and outsourcing. That worked very well for us. We actually built up Wang from a revenue standpoint to bigger than it was even in its heyday. The biggest it ever got was \$2.9 billion and the year we sold Wang, it was approximately \$4 billion in revenue.

I agreed when we sold the company that I would help out, which I did. It's kind of a more European configuration, but I was on the management board. I was what they called the Deputy CEO.

DSM: Tell me about how you met Mike Ruetters and how you became part of EMC.

JMT: I got a call from Dick Egan and he said he was looking for another Board member. Since I had a lot of relevant experiences, and Wang had been turned around pretty successfully, and he asked me if I would join the Board. I said, "Sure I would be honored." They said, "Okay I want you to meet several board members and most importantly you need to meet our CEO, Mike Ruetters." So that's how I met Mike.

DSM: So you were just going to be a board member. Tell the rest of the story.

JMT: It's an interesting story because a couple weeks went by and I didn't hear from them. So I thought, "Well they didn't like me or something," right? Then Dick called and he said, "I have good news and bad news." I said, "What's the good news? No, tell me the bad news." He said, "Well they are no longer interested in you as a board member, but we would be very interested in you to come in and be President." Mike wanted to slow down from the 100-mile-per-hour pace. He wanted to remain active but slow down a little bit, and Mike wanted to start a transition to a new CEO. There were no guarantees, but if I worked out as President and COO it was kind of mine to lose, let's put it that way.

DSM: Describe the difference between EMC in those days and Wang when you had first gotten there.

JMT: It was major. EMC was flying higher than a kite. Actually, one of the reasons why Wang probably was sold that in those days Wang was doing a lot of nuts and bolts stuff. We had good cash flow, we had a good (DA?) yet we were trading a multiple of maybe six times every (DA?.) Very small and basically kind of worthless, crazy dot-coms were selling a lot higher. So it was tough to get any respect those days.

EMC was the other end of the spectrum. They were one of the four horsemen of the Internet. They were a real company with real profit and getting all the benefit in the Internet. Of course, stock was flying, PE's were out of sight. Everybody was blowing out their quarters, pay per position was probably double, triple, quadruple. So they were very, very different companies.

DSM: Then some things happened around 2000, 2001, describe what happened.

JMT: It is pretty obvious. The Internet bubble burst and so in hindsight EMC did all the right things in riding that wave. Then of course at the end of that wave it was a pretty big crash on the beach. Everybody kind of ended up disheveled on the beach and you had to kind of pick yourself up, dust yourself off and put some new strategies in place.

DSM: You are being very modest. The bottom fell out.

JMT: In 2000, we made \$1.7 billion, that's a round number, in profit. In 2001, one year later, we lost \$500 million. So that's a \$2.2 billion dollar swing in an incredibly short period of time.

DSM: That was your first year as COO. Welcome to EMC.

JMT: The first year was the \$1.7, and the second year was the \$500.

DSM: Then September 11<sup>th</sup> on top of all that. Where were you when that happened?

JMT: I was at our former headquarters, which is just down the road.

DSM: Did it effect EMC?

JMT: You couldn't pry anybody away from any of the TV's. As many companies do, we have a number of videoconference facilities. All those conference facilities by definition can get a TV signal, and I think every center in the company was turned on to one of the stations. It was just gripping.

DSM: Describe how you fixed the situation at EMC.

JMT: I didn't forget the lesson of Wang. The lesson of Wang was that don't forget that if you are a products company, you had better have the best products on the planet, and you have to invest in R&D. So obviously the first thing we did is we did some of the restructuring. Of course we had to drastically reduce our core structure. We reduced it by \$1.3, \$1.4 billion, but as we did that, we kept an incredibly high investment in R&D. We put a very aggressive plan in place to really take our products to the next level.

DSM: When you came EMC was essentially the Symmetrix line and supporting elements of that.

JMT: Yes, software and support of the Symmetrix line.

DSM: Can you walk through the new products you introduced?

JMT: We introduced the concept I think that we wanted to have first software as Symmetrix so that our customers could put in our software to manage their information infrastructure. And in that information infrastructure was the reality that there are other products out there other than EMC Symmetrix. Secondly we had bought a company called Data General, which had a Clariion product line. We wanted to make sure that we fully utilized that. Even though we owned it in 2000, we pretty much ignored it and we wanted to make sure that we really played in the mid tier of the market. We were a company that sold only direct. We were actually a horrible company to partner with, very tough. We wanted to make sure we could partner. We had really very little professional services. We had very good customer services, maintenance installation support, but not very good customized work to help customers run, maintain, build their storage infrastructures. So we started our professional services business. So those are the major, major changes, which were quite a few.

DSM: Is there a partnership that was really key in cementing this transformation?

JMT: I think we made choices on several fronts. For instance, on the distribution front, without a doubt the partnership with Dell was a great sign to the world and very pivotal. On the services side we're really partnering well with companies like Accenture. I think that was pivotal.

DSM: Since we are short on time, let me ask you about education and your involvement in that. You are on the board of Tsinghua in Beijing?

JMT: Tsinghua and Boston College, and we have an association with Northeastern University.

DSM: Do you have a desire to teach?

JMT: Yes I think I will, actually. Nothing major, but probably when I slow down I would like to teach at least one course at a graduate school – tell them the way it really is.

DSM: You've got two of the greatest case studies ever with the turnaround of Wang and EMC. Now I would like to ask some philosophical questions. You grew up in Roman Catholic education environment. Your dad coming out of World War II, the greatest generation, describe your sense of what makes an honorable man, and where you think your sense of honor and integrity comes from.

JMT: I'm sure it comes from when you are very young, from your parents and your surroundings. I think everybody has choice and I think everybody pretty much has a concept of right and wrong, sacrifice and got to do the right thing, not the easy thing.

DSM: I've heard you talk about leadership by example. You have to do it.

JMT: I think you can only lead from one place and that's the front.

DSM: Is there somebody that comes to mind when you think of leadership from the front.

JMT: From the sports area you would pick Vince Lombardi. Certainly from the sort of world stage, somebody like General Patton. From the business stage, there are many, many good examples.

DSM: Let's talk about innovation. You have worked in an industry that is transforming the world and in ways probably beyond our imagination. You have worked with some of the brightest people on the planet. Where does innovation come from?

JMT: I don't think it comes from one particular place. First of all I think it comes from the ability to think differently. The enemy of innovation is conventional wisdom, because of conventional wisdom, I'm sure at some point in history man could never fly. I'm not talking physical with wings. I'm talking about on a plane. I'm sure in conventional wisdom man could never run a 4 minute mile. I'm sure in conventional wisdom there would be no way that you would think that no matter where you were in life you could speak on a phone line.

You have to have an environment that is willing to take risks, and acceptance of some failure because there's probably no great innovator that didn't fail several times before they succeeded.

DSM: So it's good people and giving them the opportunity to fail?

JMT: And being open for just way out of the box different points of view.

DSM: What do you hope will be the outcome of this use of IT and are there aspects of this technology revolution that worry you?

JMT: There are always aspects of it that worry you. I think you always worry a little about the just, everything around the privacy issue. The amount of information that can be assembled and where do we cross that line.

On the other side, there is the ability to advance your quality of life. The ability to advance the work experiences and take some of the mundane dangers, jobs away from humans and having very microprocessor driven machinery that can do those kinds of work, and allowing for more leisure time, more time with family, more time with friends. I think those are going to be great things.

DSM: When you were in high school and going to college, in your wildest imagination did you ever dream you would be doing what you're doing today?

JMT: Yes! Basically I told my friends I was going to be a CEO of a Fortune 500 company. That's what I believed I was going to do. That's what I decided to do.

DSM: Finally the hardest question, your role in this technology revolution, when people look back on this time and place, how would you like to be remembered?

JMT: Well I can answer that question two ways. The way I really think about it is, I really don't worry about it. That's the honest to God truth. I think companies get too dependent on one person. I think EMC and its mission around information and how we can have that information become more valuable, how it can be shared amongst many individuals to create more knowledge, more wisdom, more information. I think we have a tremendous opportunity as a company. It's not about me. It's about the people that work here and customers that work with us, and companies that rely on us. I just don't worry about my own legacy at all. If I have a healthy family and they are happy and I can look in the mirror and be satisfied that I had a good life, and no regrets, that's fine with me.

DSM: Thank you so much on behalf of the Foundation, the archives and organizations around the world.

JMT: Thank you.