

Akio Morita and the iPod of the 1980s

In the late 1970s the Sony Corporation was in shock. Despite high hopes, and large investments of time and money, the company's Betamax video system had been driven out of the market by the rival VHS format. They badly needed a new hit product. Sony co-founder Akio Morita (1921-1999) obliged. Actually, it was Sony's other main co-founder and chief engineer, Masaru Ibuka (1908-1997), who got things started. In late February 1979 he asked the company for a system that would enable him to listen conveniently to stereo tape recordings on international airplane flights. He had a trip to the United States coming up in March.

Sony had already developed a portable monaural cassette tape recorder for journalists, called the Pressman. Now a special design team converted the Pressman into a stereo player by swapping the monaural components for a stereo amplifier and circuitry. It produced surprisingly good sound playback. That is when Morita saw a commercial opportunity, and decided to bring it to market as soon as possible. There was no time for the usual R&D, or for market testing. So he relied on family and friends. When he brought home a prototype to listen to, his wife, Yoshiko, felt shut out. So when the new product debuted, it had not one but two headphone outputs, a "his" and a "hers." Also, thanks to a friend's reaction, the Walkman had a fader to depress volume, and even a microphone so that two people listening to the same music could talk on a "hot line" with the music still playing in the background. But neither of these features proved popular: they were mostly discarded later.

Morita knew that people wanted to listen to music in their homes and in their cars. He had even seen people in New York and Tokyo carrying tape players and radios on their shoulders to listen to outside. He was positive that a highly portable stereo cassette tape player would be a sensational hit. And one of the keys, he thought (rightly), was the headphones. By another stroke of good luck and good timing, Sony's Research Laboratory had just developed the H-AIR model: lightweight, high-fidelity headphones for outdoor use. These became standard on the Walkman.

Remarkably, no one else at Sony thought that this product—a player with no recording function—would be a big hit. Morita pointed out that car stereos didn't record either, yet sold in the millions. To appeal to teenagers, Morita insisted on a price-point so low that (according to his critics) Sony would have to sell 30,000 units to make a sufficient profit. That level of turnover was double that of Sony's highest-selling tape recorder at the time. Many in the company expressed grave doubts. Yet Morita was adamant: he even offered to resign if the 30,000 units did not sell.

Then Morita masterminded a brilliant sales and advertising campaign,