Shaughnessy Timothy S Form 4 February 09, 2011

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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obligations

may continue.

See Instruction

Check this box

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

Shaughnessy Timothy S

2. Issuer Name and Ticker or Trading

Symbol

INTERNATIONAL BUSINESS MACHINES CORP [IBM]

Issuer

below)

(Check all applicable)

5. Relationship of Reporting Person(s) to

(Last)

(First)

(Middle)

3. Date of Earliest Transaction

(Month/Day/Year) 02/08/2011

Director X_ Officer (give title

10% Owner Other (specify

IBM CORPORATION, 294 ROUTE

(Street)

100

(Instr. 3)

4. If Amendment, Date Original

(Instr. 8)

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Senior Vice President

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

SOMERS, NY 10589

(City) (State) 1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if

(Zip)

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D)

5. Amount of Securities Beneficially (Instr. 3, 4 and 5) Owned Following

6. Ownership Form: Direct (I) (Instr. 4)

7. Nature of Indirect (D) or Indirect Beneficial Ownership

(Instr. 4)

Reported (A) Transaction(s) or

(Instr. 3 and 4) Code V Amount (D) Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion

3. Transaction Date 3A. Deemed (Month/Day/Year) Execution Date, if TransactionNumber

5.

6. Date Exercisable and **Expiration Date**

7. Title and Amount of 8. Price of Underlying Securities Derivative

1

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Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)	of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)		Security (Instr. 5)
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Phantom Stock Unit	\$ 0 (1)	02/08/2011		A(2)	18		(3)	<u>(3)</u>	Common Stock	18	\$ 0
Phantom Stock Unit	\$ 0 <u>(1)</u>	02/08/2011		A(2)	3		(3)	(3)	Common Stock	3	\$ 0

Reporting Owners

Reporting Owner Name / Address	Relationships
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Director 10% Owner Officer Other

Shaughnessy Timothy S IBM CORPORATION 294 ROUTE 100 SOMERS, NY 10589

Senior Vice President

Signatures

D. Cummins on behalf of T. S.

02/09/2011

Shaughnessy

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Phantom stock units convert to the cash value of the company's common stock on a one-for-one basis.
- (2) Acquisition of phantom stock units under the IBM Excess 401(k) Plus Plan.
- (3) Distribution of phantom stock units under the IBM Excess 401(k) Plus Plan is deferred until separation from the company. The reporting person may transfer these phantom stock units into an alternative investment account under such plan.
- (4) The reporting person disclaims beneficial ownership of the securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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