

## Delta CFO Leaving to Take Role at Mirant

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*By HARRY R. WEBER, AP Business Writer*

ATLANTA - Delta Air Lines' departing chief financial officer said she loves a challenge, and she may get just that as she leaves the struggling carrier to take the same position at bankrupt energy supplier Mirant Corp.

Mirant said Thursday that Michele Burns' job as executive vice president and chief financial officer at the Atlanta-based company takes effect May 3. Burns, 46, will assume lead responsibility for the company's financial restructuring.

"The question of stability really doesn't have a place in either side of the equation," Burns said in an interview when asked why she's making the jump.

Burns said the job switch was an opportunity she could not pass up when Mirant sought her out.

"I'm going into a situation that by all accounts sounds very similar," Burns said. "They have a tough time ahead of them. I'm energized for the challenge."

Burns would not discuss her job at Delta or specifics about the airline's effort to get wage concessions from pilots to prevent a bankruptcy filing of its own. But, she said she is confident Delta will pull through with the management team it has.

"Delta has a deep bench," Burns said. "No one person makes a company."

She added, "They have the hearts of winners, and they will be a winner."

Mirant chief executive Marce Fuller said the process to hire Burns began in earnest last month.

"Big focus for us right now is to re-look at our capital structure, re-look at our balance sheet," Fuller said in an interview. "If you look at what Michele brings to the table, it's a perfect mix."

Burns is the second top executive to resign from Delta in the last month.

In March, Virgin USA hired Delta president Fred Reid to lead the formation of a new budget carrier in the United States. Delta chief executive Gerald Grinstein has said he will discuss what to do with that job vacancy with board members

following next week's annual meeting. He said Thursday he would name a replacement for Burns soon.

Delta's former chief executive officer, Leo Mullin, stepped down from that position at the end of last year and was replaced by Grinstein. Delta also has lost its lead labor negotiator, Terry Erskine, who recently announced he is retiring.

Shares of Delta fell 72 cents, or 9.4 percent, to close at \$6.98 on the New York Stock Exchange ..

Burns joined Atlanta-based Delta in 1999. She worked previously as a partner at accounting firm Arthur Andersen, LLP.

In a statement, Delta's Grinstein said Burns played an important role in helping the airline get through the difficult financial period after the 2001 terrorist attacks, and he wished her well in her new role at Mirant. Calls to a Delta spokeswoman for further comment were not returned.

The announcement concerning Burns comes a day after Delta reported a \$387 million first-quarter loss.

The nation's third-largest carrier also warned Wednesday of mounting debt and said radical changes might be needed to turn things around.

Delta has not been able to reach a deal with pilots to cut their pay during on-again, off-again talks over the past year.

The situation puts Delta on a dangerous course. Company officials have said they will fight to avoid bankruptcy.

Mirant, meanwhile, is also struggling to recover. It filed for bankruptcy on July 14.

Its former chief financial officer, Harvey A. Wagner, announced his resignation in October, less than a year after taking the job. Wagner had been assigned to his post a month after Mirant announced it had overstated net income by \$41 million. An audit later found that figure to be \$188 million over a two-year period.