



Internal Memorandum

Date: July 6, 2004
To: All Delta Employees
From: Jerry Grinstein, Chief Executive Officer
Subject: Recent Media Reports

This morning's USA Today carried an article on the subject of Delta's need to reduce pilot costs and the level of savings that will be necessary. As noted in the story, the information was obtained from an unnamed source. Because we want to keep you fully informed about developments within our airline, including responses we make to press reports such as these, the statement from me issued this morning is provided below:

"It is no secret that our situation grows more urgent with each passing day. As I have said to Delta people in meetings with them around the system – and again as recently as last week, it is painfully clear that last year's estimate of the cost savings we will need if Delta is to survive and compete is no longer valid. Instead, the hole has deepened during the intervening months. That is why we're working overtime on the strategic planning initiatives announced earlier this year – and why we are heartened by the recent positive and constructive initiatives from ALPA and Delta's pilots."

As noted in last week's [memo](#), we will continue to update you in the coming weeks and months. Your clear understanding of the challenges Delta faces and the steps we must take together are absolutely essential to our company's future.

Jerry Grinstein