Delta Air Lines, inc

OUR HERITAGE AND LEGACY
KEEPs CLIMBING

Feb. 14, 2011

Ron Little
Manager – Maintenance Programs
Our Founding Fathers

Delta Air Lines was founded by 4 men with a vision for the future of aviation.

C. E. Woolman – Owner, Vice President & GM (Later became President and CEO)
C. H. McHenery – Owner, board of directors
Travis Oliver – Owner, board of directors
Malcolm S. Biedenharn – Owner, board of directors

The Biedenharn family financially backed the dusting operation, the air service business and the airmail contract service. Joe Biedenharn, Malcolm’s father was the first bottler of Coca-Cola and owned the bottling company in Monroe, Louisiana. Bernard, Malcolm’s brother, was the largest shareholder of Delta stock for many years and was the reason for the annual stock holder’s meeting being held in Monroe from 1957, when Delta became a public company, until 1998 when the meeting was moved to New York. This is also explains the historical close relationship Delta has with Coca-Cola.
Collett Everman (C. E.) Woolman  
Oct. 8, 1889 – Sept. 11, 1966

Born in Bloomington, Indiana and grew up in Urbana Illinois. In 1909, while on vacation in France a young C. E. Woolman attended the first organized airshow in Reim, France. It was here that he fell in love with flying. He soon learned to fly in the Curtis Jenny that was designed by Glenn Curtis, who had won the speed race at Reim. This aircraft would prove instrumental in Delta’s beginning.

Mr. Woolman graduated from the University of Illinois with a BA in Agriculture in 1912. He later married Helen Fairfield in 1916 and they moved to Monroe Louisiana in 1920. While in Monroe he managed a 7,000 acre farm and later became the County Agent for the Agricultural Extension Office. He and Helen had 2 daughters; Mrs. Sam Preston and Mrs. Martha Taylor. Helen died in 1962 and Mr. Woolman died in Houston, Texas in 1966.
During the 1920’s the Boll Weevil was ravaging the cotton crop of the South. It was while in Monroe that Mr. Woolman and Dr. Bert Coad developed calcium arsenate as their weapon against the Boll Weevil. Borrowing two Jennys from the Army, the two men began conducting experiments dusting crops by air which proved highly successful.

One witness, George Post was so impressed, he and C. E. Woolman was able to convince the Huff Daland Manufacturing Company to form a separate Dusting Division in Macon, Georgia in 1924. Named the “Huff Daland Dusters”, they began operation in May of 1924, with Mr. Post and Mr. Woolman as Vice Presidents. By 1925, they boasted the largest unsubsidized air fleet in the world with 18 planes.
The Duster Years

George Post, VP Huff Daland Dusters (Far left)

Huff Daland advertisement

One of the original Jenny Dusters (Aug. 1924)

Huff Daland Duster “Puffer”
This is a 1925 Petrel 31 now displayed in the Smithsonian Air & Space Museum, Washington D.C.
Since crop dusting is only a seasonal job, Woolman moved south of the Equator during the winter months to capitalize on the reversal of seasons in South America.

During this time Woolman secured South American airmail rights on June 8th, 1928. But Woolman didn’t remain in the airmail business for long.

“The South American operation was getting pretty big by the following year, when we found ourselves right in the middle of a red-hot local revolution,” he said. “Both sides tried to get a hold or our planes for their armies. We sold our dusters to a local company and our airmail routes to Pan-American Grace.”

The South American dusting operation continued until 1966.
Delta Air Service

In 1928 Woolman discovered that Keystone Company, parent company of Huff Daland Dusters (Huff Daland had sold out to Keystone) was attempting to sell-off the dusting operation. He quickly aroused interest of 3 business men in Monroe, La. They were C. H. McHenery, Travis Oliver and M. S. Biedenharn. They purchased the Dusting Operation and renamed the business to Delta Air Service then to Delta Air Corporation. D. Y. Smith was the first president with C. E. Woolman retained his role as vice president and general manager. C. H. McHenery, Travis Oliver and Malcolm S. Biedenharn were the first board of directors. Mr. Woolman’s secretary, Catherine Fitzgerald, is credited with the name “Delta” derived from the Mississippi River delta. She would later become an executive within company. The first passenger aircraft was the Travel Air S-6000-B.
Delta Air Service
Takes off June 17, 1929

**Delta’s First Eastbound Flight – Departed Dallas, Texas at 8 a.m.**
Aircraft - Travel Air S-6000B, Carried one pilot and up to five passengers.
Route - Dallas, Texas, scheduled stops at Shreveport and Monroe, Louisiana, Jackson, Mississippi.
Flight - The 427-mile flight took 5 hours.
Pilot - J. D. "Johnny" Howe, with six years flying experience. Howe had been one of the first pilots in the nation to receive a commercial pilot's license.
Passenger - J.S. Fox, Delta Air Service Operations Manager.
Fare - Fares from Dallas to Jackson were $47.25 one-way, $90.00 round trip.

**Delta’s First Westbound Flight – Departed Jackson, Mississippi at 10:20 a.m.**
Aircraft - Travel Air S-6000B
Route - Jackson, Mississippi, scheduled stops at Monroe and Shreveport, Louisiana, Dallas, Texas.
Pilot - Elmer P. Rose, an Army Air Corps pilot who worked for Delta during the summer of 1929
Passengers - 2 passengers, names unknown.

**Delta’s First Non-Rev**
June 18, 1929, Billie Rose, wife of pilot Elmer Rose on return the flight out of Dallas.
First Delta AMT’s in 1929

One pilot, who had his plane repaired at Monroe after a crash, remarked: “Those fellows could take the tail of a plane and build the rest easily.” “He was right in every respect excepting one,” said C. E. Woolman, Delta’s vice president and general manager, “They don’t even need the tail to start on.”
Delta Air Service Takes Off

Now you can FLY between
DALLAS - SHREVEPORT
MONROE - JACKSON
BIRMINGHAM

Daily Service - De Luxe Cabin Planes
SAFE - SWIFT - CLEAN - COMFORTABLE

DELTA AIR SERVICE, Inc.
Selma Field - Monroe

Interior of Cabin
1930’s
Airmail

1930
Service begins to Atlanta
Lack of mail contract forces suspension of passenger service
Company renamed Delta Air Corporation.

1934
Delta receives Air Mail Route 24 from Post Office
Resumes passenger service
Begins operating as Delta Air Lines.

1935
Delta offers first night service with the 2 pilot Stinson Model A
1930’s Aircraft

Stinson Model T

Stinson Model A

Lockheed 10 Electra

Lockheed 8a Sirius – Mail only
1940’s
Delta Air Lines, Inc.

1940
Douglas DC-2 and DC-3 service introduced.
"stewardesses," added to flight crews.

1941
Delta headquarters moves from Monroe to Atlanta.

1942
Delta modifies 1,000+ aircraft, over-hauls engines/instruments  and trains pilot and mechanics for Army.

1945
Official corporate name becomes Delta Air Lines, Inc.
C. E. Woolman is  President and General Manager.

1946
Delta starts regularly scheduled cargo service.
The one-millionth passenger boards.
1940’s Aircraft

- DC-2
- DC-3
- DC-4
- PT-7 Stearman
- DC-6
- Convair 440
1953
Chicago and Southern Air Lines merger
First international routes (to the Caribbean and Caracas)
Airline called Delta-C&S for the next two years

1955
Delta pioneers the use of the hub and spoke system
Delta wins Atlanta to New York route (New Jersey)

1956
Radar installed in noses of all Delta aircraft.

1959
Delta is first airline to launch Douglas DC-8 jet service.
The "widget" becomes Delta's logo for the swept-wing appearance of a jet.
1950’s Aircraft

- C-46
- DC-7
- Convair 340
- Lockheed 749 Constellation
- DC-8
1960’s
An aviation legend dies

1960
First airline to launch Convair 880 jet service.

1961
Flies first nonstop service from Atlanta to Los Angeles.
National Safety Award for flying 11 billion passenger miles without a fatality

1962
Delta activates the electronic SABRE system for "instant" reservations.
First commercial plane (DC-8) to fly Los Angeles-Atlanta in less than 3 hours

1964
The Deltamatic reservation system starts with IBM 7074 computers.

1965
Delta becomes first airline to launch Douglas DC-9 service (47 years later...)

1966
Delta founder C.E. Woolman dies in Houston, Texas
Charles H. Dolson becomes Delta's second CEO
Crop-dusting division ceases operations.
Delta is first with Lockheed L-100 Hercules cargo service.

1968
Huff Daland Duster presented to the Smithsonian as a memorial to Woolman
1960’s Aircraft

Convair 880

DC-9

Lockheed L-100
1970’s
Deregulation

1970
Delta has an all-jet passenger airplane fleet
Boeing 747 service begins.

1971
W.T. Beebe becomes Chairman and CEO.
Delta Dash (cargo service for small packages) begins.

1972
Northeast Airlines merges with Delta.
Delta begins operating the Boeing 727.

1973
L-1011 TriStar service introduced.

1978
The Airline Deregulation Act passes
Delta begins trans-Atlantic service: Atlanta to London
David C. Garrett becomes CEO.

1979
Delta celebrates its 50th year of service
First airline to board one million passengers in one city in one month (Atlanta)
1970’s Aircraft

B-747

Fairchild-Hiller FH-227B

B-727

L-1011

DC-10
1980’s

1980
Development of computer reservations systems (CRS)

1981
Delta launches Frequent Flyer Program (changed to SkyMiles in 1995)

1982
Employees raise $30M to purchase the first Boeing 767, "The Spirit of Delta."

1984
Delta partners with regionals through its Delta Connection program
Delta begins service to Hawaii

1987
Western Airlines merges with Delta
Becomes the fourth largest U.S. carrier and fifth largest world carrier
Delta's first trans-Pacific service begins
Ronald W. Allen becomes Chairman and CEO
1980’s Aircraft

B-737-200

B-757

B-767 (Spirit of Delta)

MD-90

B-747-400

MD-88
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<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1990</td>
<td>Delta, Northwest Airlines, and TWA combine reservation system (WORLDSPAN) Delta participates in the Civil Reserve Air Fleet (CRAF) during Desert Storm</td>
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<td>1991</td>
<td>Delta purchases Pan Am's trans-Atlantic routes and the Pan Am Shuttle</td>
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<td>1993</td>
<td>Delta introduces cost savings initiative “7.5” to reduce CASM to 7.5 cents Delta lays off first employees in its history</td>
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<td>1995</td>
<td>Delta named the official airline of the 1996 Centennial Olympic Games. Received J.D. Power Award for best among major carriers</td>
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<td>1996</td>
<td>Delta transports the Olympic Flame from Athens, Greece, to Los Angeles Customers can make reservations via Delta's Web site SkyLinks Delta starts low-fare airline Delta Express, with service from Orlando, Fla.</td>
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<td>1997</td>
<td>Leo F. Mullin is named President and CEO. Delta is the first airline to board more than 100 million passengers in a year. Delta purchases the Boeing 777 BusinessElite® is introduced on international flights</td>
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<td>1999</td>
<td>Air Transport World magazine named Delta its global Airline of the Year for 1998</td>
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1990’s Aircraft
2000
Delta launches SkyTeam, partnering with AeroMexico, AF and KAL
Launches delta.com Web site, replacing “SkyLinks.”
Debuts the “soft” widget

2001
U.S. airspace closed for two days after terrorist attacks on Sept. 11th.
Delta posts first financial loss in six years

2002
Delta sponsors the 2002 Olympic Winter Games at its Salt Lake City hub.
Kiosks at check-in and virtual check-in on delta.com.

2003
Delta launches Song®, a unique low-cost subsidiary airline

2004
Gerald Grinstein becomes Delta's seventh CEO. Brings back traditional widget

2005
"Operation Clockwork" is the largest single-day schedule redesign in history.
On Sept. 14, Delta files for reorganization under Chapter 11
Song operates its last flight on April 30.
The “Spirit of Delta is retired into a museum at Delta’s headquarters.
2007
Transformation Begins

Richard H. Anderson becomes Delta's eighth CEO.
Delta defeats hostile takeover attempt by US Airways
Delta completes restructuring plan one year ahead of schedule
Delta emerges from bankruptcy on April 30
DAL relisted on the New York Stock Exchange on May 3
Adopts a new three-dimensional red widget logo and aircraft paint scheme.
Led all network carriers in on-time performance for the year.
J.D. Power ranks Delta second in customer service among network carriers
Announces trans-Atlantic joint venture with Air France.
Open Skies agreement with EU allows Delta to fly to London-Heathrow
Delta announces a net income of $1.6B
Delta pays out $158M in profit sharing
2008
The new beginning

Delta and Northwest Airlines merge
Becomes the world’s largest airline operating in every region of the world
Becomes first U.S. airline to announce onboard Wi-Fi
Delta takes delivery of the first B-777-200LR
Delta grants employees $900M or 15% equity stock in the new Delta
Delta announces a $1.4B loss for 2008 including $900M in stock equity
2008 Aircraft

B-777-232LR
2009 - 2011
Keep Climbing

2009
Delta celebrates 80 years of passenger service.
Becomes the only U.S. airline to serve six continents w/nonstop to Australia
Re-brands more than 240 domestic airports with the new Delta logos
Delta reported a $1.2B loss that included $168M special charges and $1.4B fuel hedge loss
Delta pays out $66M in shared rewards

2010
Officially completed merger
$2B investment in Delta equipment
In-seat video added to all international flights, Lie flat upgrades
Install winglets on certain fleets
Delta announces $1.4B annual profit. ($2.6B improvement over 2009)
Employee profit share $313M
Delta meets obligation to bring Delta base pay to industry standard

2011
Delta announces a new aircraft order of B737-900
Ranked #1 by Business Travel News and Fortune’s Most Admired Airline
Delta announces an annual profit of $1.2B despite $3B higher fuel costs
Employee profit share $264M (4.85%)
Delta pays $60M in shared rewards
Delta CEO’s

D. Y. Smith (President) – 1928 to 1930

C. E. Woolman – 1930 to 1966 (Founder)

Charles H. Dolson – 1966 to 1971 (First CEO with an all Jet fleet, brings in B747)

W. T. Beebe – 1971 to 1978 (Northeast merger, brings in B727 and L-1011)

David C. Garrett – 1978 to 1987 (Deregulation, Western Merger, Spirit of Delta)

Ronald W. Allen – 1987 to 1997 (Pam Am acquisition, “7.5”)

Leo F. Mullin – 1997 to 2004 (Technology upgrade, 9/11, Song)

Gerald Grinstein – 2004 to 2007 (Brought Delta through bankruptcy, refused salary)

Richard Anderson – 2007 to Present (Fought off US Air, NWA merger, $2.6B profit in 2 years, brought back “Rules of the Road” and keeps climbing)
Board of Directors

Daniel A. Carp - Chairman of Delta’s Board of Directors

Richard H. Anderson - Chief Executive Officer

Edward H. Bastian - President

Roy J. Bostock – Principal at Sealedge Investments
John S. Brinzo – Chairman of the Board for Cleveland-Cliffs inc.
David G. DeWalt – Former President and CEO of McAfee
John M. Engler – CEO Nat’l Assoc. of Manf., Former Gov. of Michigan 3 terms
Mickey Foret - President Aviation Consultants LLC, Former CFO NWA Cargo
Shirley C. Franklin – CEO Purpose Built Community, Former Mayor of ATL
David R. Goode – Chairman of the Board of Norfolk Southern Corp
Paula Rosput Reynolds – CEO of PreferWest
Kenneth B. Woodrow – Vice Chairman of Target

Kenneth C. Rogers – Delta pilot non-voting member
Delta Executives

Richard Anderson – Chief Executive Officer
Ed Bastian – President
Mike Campbell – EVP Human Resources
Steve Gorman – EVP Chief Operating Officer
Glen Haunstein – EVP Network Planning / Revenue Management
Hank Halter – SVP Chief Financial Officer
Richard Hirst – SVP General Counsel
Andrea Newman – SVP Government Affairs
Holden Shannon – SVP Corporate Strategy and Real Estate
John Walker – SVP Corporate Communication
Theresa Wise – SVP Chief Information Officer
Delta’s Future

Solid financial plan for sustained profitability
Continued commitment to keep Delta pay at industry standard
Expanding our Global markets
TechOps MRO growth - $1B in sales
Strengthen Alliances / Skyteam
Lie Flat on all 747, 777, A330 and 767 fleets
Additional merger opportunities???
  American
  Alaska
  USAir
B-737-900ER – 100 aircraft / 3200 NM range / Boeing new “Sky Interior”
B-787-800 – 18 aircraft with RR engines / 20% fuel savings / 330 min. ETOPS
What this means to us today

Recognize and build on the heritage and legacy entrusted to us
Adhere to the guiding principles found in the “Rules of Road”
Leave a legacy of our own