

Delta bankruptcy judge's demeanor creates turbulence

By Marilyn Adams, USA TODAY

The bankruptcy case of Delta Air Lines is about the future of the USA's third-biggest airline and its 80,000 employees and pensioners.

But the unusual style of Prudence Beatty, the outspoken federal judge overseeing the Delta case, is getting much of the buzz around her New York courtroom. Beatty, 63, scolds lawyers who are too wordy and regularly interrupts witness testimony with her personal stories about flying. She cracks one-liners that break up the courtroom.

Shortly after Delta filed for Chapter 11 protection on Sept. 14, Beatty called Delta's pilots pay "hideously high." She said the only "good thing" about pilots is they must retire at 60, the federal age limit on flying for airlines.

Those comments prompted the lawyer for the pilots union last week to ask that she disqualify herself before the court took up Delta's request to void the pilots' labor contract to cut costs. She declined.

In making the request, Air Line Pilots Association lawyer Bruce Simon told Beatty the parties "deserve every appearance of fairness." The pilots have threatened to strike if their contract is scrapped, an action that could doom the financially ailing airline.

Beatty could not be reached, and her staff didn't return calls. Lawyers for Delta and ALPA declined interviews. The hearing on Delta's request resumes Monday.

A 1968 graduate of the University of Michigan law school, Beatty was a partner at the New York firm of Stroock & Stroock & Lavan before being named to the bench in 1982. She was the first woman named to the bankruptcy bench in Manhattan.

Legendary bankruptcy lawyer Harvey Miller, former partner at law firm Weil Gotshal & Manges, recalls Beatty's stint at the New York firm in the 1970s.

"She's very smart," Miller said. "She got thrown into a complex case and was a solid performer."

In court these days, however, she does not always stay on point. During testimony about Delta's high fuel costs, Beatty suggested putting "solar panels on the tops of jets" to generate power.

Amid Delta CFO Edward Bastian's testimony on cost cutting, Beatty asked if Delta serves peanuts, a source of her daughter's allergy. Bastian confirmed peanuts are among Delta's snacks, along with SunChips and animal crackers.

When Bastian said new airline technology is reducing staffing, Beatty described at length her experience with check-in kiosks.

"They print out your little piece of paper and you try not to crumble it up because the piece of paper is pretty thin," she said. "You never have to stand in line and wait for some lady behind the counter who doesn't know what she's doing to look at your ticket."

Mathew Bergman, a former law clerk for Beatty and now a New York lawyer, acknowledges the judge's eccentricity. But, he says, she's "brilliant."

"She can recall any facts in any case she has ever read," said Bergman, who clerked for her in 2000. "Is she offensive? Yes. But does she decide cases fairly and correctly? Absolutely."