United States Senate

July 21, 2025

Mr. Ed Bastian
Chief Executive Officer
Delta Air Lines, Inc.
P.O. Box 20706
Atlanta, GA 30320

Dear Mr. Bastian,

We write with concern regarding Delta's plan to expand the use of artificial intelligence to set individualized fares.[1] Individualized pricing, or surveillance-based price setting, eliminates a fixed or static price in favor of prices that are tailored to an individual consumer's willingness to pay. Delta's current and planned individualized pricing practices not only present data privacy concerns, but will also likely mean fare price increases up to each individual consumer's personal "pain point" at a time when American families are already struggling with rising costs.

As recently reported, Delta plans to deploy AI-based revenue management technology across 20 percent of its domestic network by the end of 2025 in partnership with Fetcherr, a company specializing in using AI to set prices to maximize company profit for large airlines.[2] As Delta President Glen Hauenstein stated in an investor conference in December, Delta's AI price setting technology is capable of setting fares based on a prediction of "the amount people are willing to pay for the premium products related to the base fares."[3] The technology making that determination is trained using "all the data we can get our hands on" according to Fetcherr CEO Roy Cohen,[4] and the company's website claims that AI adoption and usage could increase aviation industry profits by up to $4.4 trillion annually.[5] Hauenstein's testimonial on Fetcherr's website states that "the initial results show amazingly favorable units revenue versus the beta, so we are all in on this," suggests that Delta intends to deploy AI across its entire network to set fares at each passenger's individualized pain point.[6]

The implications for individual consumer privacy are severe on their own. Surveillance pricing has been shown to utilize extensive personal information obtained through a variety of third-party channels, including data about a passenger's purchase history, web browsing behavior, geolocation, social media activity, biometric data, and financial status.[7] Former FTC Chair Lina

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[1] Irina Ivanova, "Delta moves toward eliminating set prices in favor of AI that determines how much you personally will pay for a ticket," Fortune, July 16, 2025 https://fortune.com/2025/07/16/delta-moves-toward-eliminating-set-prices-in-favor-of-ai-that-determines-how-much-you-personally-will-pay-for-a-ticket/

[2] Linda Fox, "Delta Encouraged by Early Results of AI Pricing with Fetcherr," PhocusWire, July 14, 2025 https://www.phocuswire.com/delta-fetcherr-ai-pricing-deployment

[3] Ted Reed, "How Delta Air Line Uses AI," Forbes, December 8, 2023 https://www.forbes.com/sites/tedreed/2023/12/07/how-delta-air-lines-uses-ai-yet-avoids-hallucinations-on-steroids/

[4] Ted Reed, "Airline Pricing Systems Are 'Ancient.' Here's How AI Can Help," August 23, 2024 https://www.forbes.com/sites/tedreed/2024/08/21/airline-pricing-systems-are-ancient-heres-how-ai-can-help/

[5] "Dynamic Pricing in Aviation: How AI is Revolutionizing Airline Revenue Management," Fetcherr, June, 2025 https://www.fetcherr.io/blog/dynamic-pricing-in-aviation

[6] https://www.fetcherr.io/

[7] "FTC Surveillance Pricing Study Indicates Wide Range of Personal Data Used to Set Individualized Consumer Prices," Federal Trade Commission, January 17, 2025 https://www.ftc.gov/news-events/news/press-releases/2025/01/ftc-surveillance-pricing-study-indicates-wide-range-personal-data-used-set-individualized-consumer; "AB 446 (Ward), "Surveillance Pricing," California Legislature, May 1, 2025 7https://sjud.senate.ca.gov/system/files/2025-07/ab-446-ward-sjud-analysis.pdf

Khan has cautioned against a particularly egregious but conceivable example of an airline using AI to charge a higher fare to a passenger "because the company knows that they just had a death in the family and need to fly across the country."[8]

The opacity surrounding Delta's new customized pricing model could aggravate these concerns. Consumers have no way of knowing what data and personal information your company and Fetcherr plan to collect or how the AI algorithm will be trained. Prices could be dictated not by supply and demand, but by individual need. While Delta has stated that the airline will "maintain strict safeguards to ensure compliance with federal law," your company has not shared what those safeguards are or how you plan to protect American families against pricing discrimination in the evolving AI landscape. [9]

Pricing based on AI algorithms will no doubt increase revenues for Delta, as you have noted. At Delta's investor event last November, one investor celebrated the ability to set prices that matched every passenger's "personal demand curve."[10] However, with respect to the interests of Delta's passengers, there is a danger that this approach will result in higher fares and diminish incentives to improve service.

We ask that you provide answers to the following questions by August 4th, 2025.

- What data inputs does Delta[11] use to train its revenue management system algorithm for purposes of setting customized prices for fares or any other product, and what other data inputs, if any, has Delta discussed using for those same purposes in the future?
- What specific data sources, platforms, channels, or other sources does Delta utilize to obtain data for purposes of setting customized prices for fares or any other product?
  - What categories or types of data, if any, has Delta decided not to use for such purposes, and for what reason?
- How many passengers per day are currently purchasing fares or other products that were set or informed by Delta's new customized pricing model? How many potential passengers per day are currently being shown fares that were set or informed by Delta's customized pricing model?
- How does Delta currently or plan to roll out its fare customization model to 20 percent of its domestic network? Does the 20 percent figure refer to a percentage of advertised fares, purchased fares, routes, or some other figure?
  - How many passengers per day do you anticipate will be shown fares or purchase fares set or informed by Delta's customized pricing model at 20 percent roll out?
- What routes will be affected by Delta's anticipated 20 percent roll out of its fare customization model? For each route, what other airlines offer overlapping or competing routes?
- How does Delta's current and planned roll out vary based on different fare access points – for example, tickets booked online, in-person or by phone, the Fly Delta app, web

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[8] Jaures Yip, "FTC Chair Warns AI Could Be Used to Charge You More," Business Insider, September 23, 2024 https://www.businessinsider.com/ftc-chair-lina-khan-warns-ai-pricing-discrimination-risks-2024-9 https://www.businessinsider.com/ftc-chair-lina-khan-warns-ai-pricing-discrimination-risks-2024-9

[9] Irina Ivanova, "Delta moves toward eliminating set prices in favor of AI that determines how much you personally will pay for a ticket," Fortune, July 16, https://fortune.com/2025/07/16/delta-moves-toward-eliminating-set-prices-in-favor-of-ai-that-determines-how-much-you-personally-will-pay-for-a-ticket/

[10] Corrected Transcript, Investor Day, Delta Air Lines, Inc., November 20, 2024

[11] Throughout, "Delta" also includes Fetcherr with respect to its services rendered for Delta.

browsers in public or private mode, airport kiosks, third party travel fare aggregators and other search access points? How does it vary between passenger fare classes?

- Has Delta engaged with the Department of Transportation, Federal Aviation Administration, Federal Trade Commission, consumer advocacy groups, labor unions, or outside technologists or ethicists to evaluate the potential impact of AI on its current or future customized pricing strategies?
- What steps has Delta taken with respect to implementation of its customized pricing model to ensure compliance with all applicable federal and state laws, rules and other regulations?
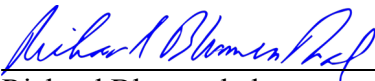
We look forward to your prompt response.

CC: Roy Cohen, Co-founder & CEO, Fetcherr

Sincerely,

Ruben Gallego
United States Senator

Richard Blumenthal
United States Senator

Mark R. Warner
United States Senator