

Excerpts from a transcript of Antonio's Town Hall meeting

"Rochester, N.Y. – Less than 24 hours before Kodak filed for bankruptcy, the company was close to a deal to sell its intellectual property that would have averted the move. That detail and more was revealed in a town hall-style meeting led by CEO Antonio Perez hours after Kodak filed for Chapter 11.

The hour-and-a-half long audio recording obtained by 13WHAM News is a rare look at Perez, who has largely avoided the spotlight.

Perez started off the meeting saying, "This is a very important meeting, believe it or not it's not a sad meeting." He said Chapter 11 – he didn't like the word "bankruptcy" – gives companies the ability to come out a "leaner, stronger company."

On Selling Film Business:

- *Kodak investigated selling the film business every year.*
- *"The film business was going down very rapidly and you think the person who was going to buy it didn't know that right?" The audience laughed. Perez said it was better to manage the film business.*
- *"This is a buyers' market you don't get much when you sell businesses. We tried. We tried to sell businesses that were not fundamental. We could sell some for a good price. But the other things that we tried, it was not worth it. It was leaving money on the table."*
- *On Filing for Bankruptcy:*
- *The bankruptcy had the code name of "Project Cartier," so named after a consultant left his watch on the corporate plane.*
- *"By the way, we won't have planes anymore," Perez said. A couple people clapped. Perez paused. "Go on and clap." The room broke into loud applause and laughter.*
- *The day before, for 45 minutes Perez thought the company wouldn't have to file for Chapter 11 because of an intellectual property deal. It fell through.*
- *"Many successful, funny enough, iconic companies have gone through this. Why iconic companies? Because they have the same problems that we have. Because they've been there for hundreds of years and they end up with a system of legacy costs that is unsustainable to compete with our competitors that do not have those costs."*
- *"(Kodak) will come out as the world's leading material sciences and digital imaging company for the digital age."*
- *"This is not the end of the world."*
- *Perez thought the company was done with its restructuring in 2007, but then the recession hit.*
- *"I honestly thought we were done... We passed the hard phase. Spent \$3.4 billion. Film is under control. Digital businesses are growing. Baby, we're going to the Olympics!"*

On Employees:

- *"Don't let anybody make you think bad about what you've done. This is extraordinary job. Reserved for very few...many people left the company. This*

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was too hard for them. This was too risky for them. This was only for people that had the faith, the love for the brand and the confidence in what we were doing. That's you."

- *"Do not despair. Do not despair. This is not the end of anything. This is one step."*
- *"There's no apologies about what you have done....if you wouldn't have created this company, the company would have been dead."*

On Himself:

- *"You personally won't be much affected by (bankruptcy) ...okay? Me I think I'm going to get a few names here and there but I'm older enough I can live with that. I have four dogs they love me when I get home. They lick me up and down. They take care of all those problems. Of course, my wife and my daughter too. I know you are tweeting these things. That's why I had to say that."*
- *"I know that you are annoyed with me because I haven't talked to you in the last two months. Rightly so. My defense, I have to tell you, my legal team wouldn't let me...I wanted to tell you but they told me...you'll be wearing stripes."*
- *Perez said for young people, going through a restructuring will be a great thing to have on their resumes "For me...nobody is going to want me" "*

On Press:

- *"They'll write stories about the past of the company...how many employees and we used to give so much to charity....nostalgia will flow. Up and down all the time. Some of those reporters, God bless them, do their job. I'm not complaining. One day they might grow up and they realize that we are in 2012, not in 1890 or whatever it is. It is what it is."*
- *"The flow of speculation that started in September really, really made for us practically impossible to sell the portfolio and sell many of the assets that we have."*
- *"I have no criticism whatsoever of any media report about anything. It is their job to report what they hear or what they think is happening. It's part of the whole democratic system. We need that sort of thing. I'm just thinking that speculation was rampant through the industry and it did affect our process of selling.""*

Here is the link to the audio: