



*Global action for **everyone's** health.*

2014 ANNUAL REPORT



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A MESSAGE FROM THE BOARD OF DIRECTORS

Our Mission

To be a prime mover in domestic and global tobacco control through advocacy, communication, the force of law and our essential partnership with the Framework Convention Alliance for Tobacco Control.

Our Vision

To end the worldwide disease, damage, and death caused by tobacco.

The eminent American cultural anthropologist, Margaret Mead, famously wrote, “*Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it’s the only thing that ever has.*” How true this is of ASH! With a small, energetic, and dedicated staff, ASH drives innovative programs and actions at many levels and in many different institutions from lobbying governments at the United Nations to bringing tobacco control messages to young people via electronic media in ways that are appealing and stimulating. ASH is striving to make the world a better place – and succeeding!

In 2014 ASH fought Big Tobacco on several fronts.

- We blocked Big Tobacco’s attempts to derail the negotiations of the WHO Tobacco Treaty (FCTC), allowing critical tobacco price and tax measures to pass.
- ASH ran an ongoing advocacy campaign at the United Nations to secure the inclusion of a tobacco control target in the UN’s draft Sustainable Development Goals, which, if included in the final version, will make tobacco control a national priority around the world.
- ASH educated the public on the remaining tobacco battles to be fought across the U.S., while also educating U.S. State and Local Representatives on ways to protect their citizens from the damage, disease, and death caused by tobacco.
- By organizing an international coalition, ASH remained a leader in the fight to see tobacco treated as a “unique” product in 2 massive free trade agreements. And,
- ASH continued to track and publicize Big Tobacco’s tactics of using political donations to block public health measures.

We are proud of the collective good that ASH has been able to achieve with the support of our donors and hard working staff. 2015 will be the year during which discussions and advocacy will shape our future for the next several years and beyond. We look forward to continuing our partnerships for successful tobacco control initiatives and wish you all the best in 2015.



MS. MARION WELLS



MR. DOUG BLANKE



DR. AL MUNZER



DR. CHUCK CRAWFORD



MS. PATRICIA LAMBERT

A MESSAGE FROM THE EXECUTIVE DIRECTOR

At ASH, we are proud and pleased by what has been achieved in the past 50 years. When the first Smoking and Health Surgeon General's report was released in 1964, smoking prevalence in the United States was nearly 50%. For the first time since 1964, prevalence in the U.S. has dipped below 20%. This progress is the result of the numerous campaigns led by ASH and allies that have resulted in the passage and implementation of comprehensive smoke-free policies, the restriction of tobacco ads, increased taxes on tobacco products, and other evidence-based measures that are known to decrease smoking prevalence.

However, it is still too early to claim victory. Today, in most high income cities in the United States and countries around the world, we are no longer assaulted by tobacco smoke in the places we work and play. While this is great, we do risk adopting an “out of sight, out of mind” attitude when it comes to the tobacco-related epidemic.

But, we must remain steadfast in our fight. Yes, smoking prevalence rates have fallen, but the hard number of smokers has not. Adjusting smoking prevalence rates for population growth shows a different story, as the tobacco industry continues to aggressively expand its markets. This is reflected in the continuous profit margins the tobacco industry manages to achieve year after year. **We know that if current trends continue, one billion people will die this century from tobacco-related diseases.** In addition, although cigarette smoking has declined, it also bears noting that very large disparities in tobacco use remain across groups defined by race, ethnicity, educational level, and socioeconomic status. Today it is the poor and the disenfranchised who smoke the most and suffer the most from the consequences of smoking.

Therefore, **ASH will continue campaigning for health and against the harms caused by tobacco.** Some of our priorities next year include:

- Elevating the tobacco epidemic as a global priority by advocating for the inclusion of tobacco control in the Sustainable Development Goals (SDGs) that will replace the United Nations Millennium Development Goals after September 2015,
- Supporting the implementation of the global tobacco treaty, the WHO Framework Convention on Tobacco Control (FCTC),
- Advocating for the exclusion of tobacco from international trade agreements,
- Monitoring and exposing attempts by the tobacco industry to undermine public health, and
- Exploring novel ways to hold the industry accountable for the harm it causes.

In 2014, we made great strides towards these objectives. We managed to get tobacco control included in the first draft of the SDGs, to ensure that the FCTC adopted strong guidelines that will help countries around the world in their efforts to implement price and tax measures to reduce tobacco use, and to garner support for the removal of tobacco from international trade agreements. **We believe that 2015 will be a pivotal year in the fight to end the tobacco epidemic worldwide.**

EXECUTIVE DIRECTOR
LAURENT HUBER



PROGRAMS

GLOBAL DEVELOPMENT

The goal of our global development program is to ensure that tobacco control is integrated into the United Nations' post-2015 global development agenda. In September 2015, the current UN Millennium Development Goals (MDGs) are set to expire and will be replaced by the newly written Sustainable Development Goals (SDGs).

ASH is advocating to integrate tobacco control in the new SDGs, as there was no mention of tobacco control in the original MDGs. Leaving tobacco out of the MDGs in 2000 had global repercussions, such as limited whole-of-government engagement in tobacco control and insufficient resources for tobacco control, both of which caused a lag in implementation of the Framework Convention on Tobacco Control (FCTC). Since the establishment of the MDGs, the burden of non-communicable diseases (NCDs) has grown significantly in low- and middle-income countries.

The SDGs will be used to set national development agendas for low-, middle-, and high-income countries for the next 15 years. It is important to note that tobacco is not just a health issue; it is a broader development issue. Tobacco use impacts all areas of sustainable development including economic, social, and environmental issues. The inclusion of the FCTC in the SDGs would help ensure that adequate resources are allocated to tobacco control at country level and that tobacco control is given the attention it deserves by countries around the world, not only by health ministries, but by entire governments.

Currently, ASH is one of the few tobacco control organizations focusing on this campaign at the United Nations (UN) in New York; therefore ASH serves as a leader in implementing this campaign.

ASH has engaged in joint advocacy efforts with organizations in the U.S. and around the world, **including the non-governmental organizations (NGO) major group of the UN and the Health in Post-2015 group**. ASH also works closely with the Non-Communicable Disease (NCD) Alliance and the NCD Roundtable. The Roundtable partnership is particularly important because they advocate for NCDs to be an integral part of the U.S. government's global health agenda and to use U.S. leadership to influence other member states.

This year, ASH has been tirelessly advocating for the inclusion of the FCTC within the global NCD framework and the post-2015 development agenda. We welcomed the inclusion of the continued global commitment to the accelerated implementation of the FCTC in the UN NCD reviews outcome document from July 2014. The Open Working Group (OWG) on Sustainable Development also completed its work in July and published a proposal for the SDGs, which included the FCTC as a way to implement the health goal targets. It states:

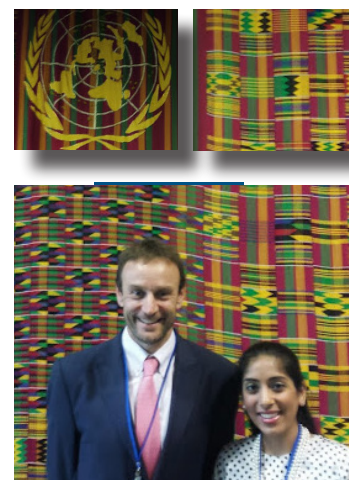
“3a. Strengthen implementation of the Framework Convention on Tobacco Control in all countries as appropriate.”

We were very pleased with this formal inclusion of the FCTC; however we must continue to work hard over the next few months to ensure that this target language remains in the final SDGs.

In October, at the 6th FCTC Conference of the Parties in Moscow, Russia, the post-2015 development agenda was a key topic of discussion and was included in a decision on NCDs. It states:

“Requests the Secretariat to: promote the WHO FCTC, wherever possible, in ongoing discussions on the post-2015 development agenda.”

Although we have seen success this year, there is much left to do before the post-2015 development agenda is finalized. ASH will continue to work with its domestic and international partner organizations, conduct global advocacy, engage with UN missions in New York, advocate at the country level, and promote this campaign through communications efforts to continue integrating the FCTC and tobacco control into the post-2015 development agenda.



EYE ON TOBACCO

In 2014, ASH's political contributions campaign map continued to highlight the pervasiveness of tobacco money in politics.

As of September 8, 2014, approximately \$2 million had been contributed to federal candidates. However, despite this large sum, ASH was able to certify 193 Senators and Congressman as **"Free from tobacco money."** The certificate was awarded to representatives who have not accepted campaign contributions from the tobacco industry within the last 10 years. ASH applauds the representatives who have not taken tobacco money and encourages them to continue the trend.

In addition, ASH awarded the **"Free from tobacco money"** certificate to 32 US colleges and universities. Educational institutions received this honor in recognition of their financial divestment from tobacco interests.



STRATEGIC HIGHLIGHTS

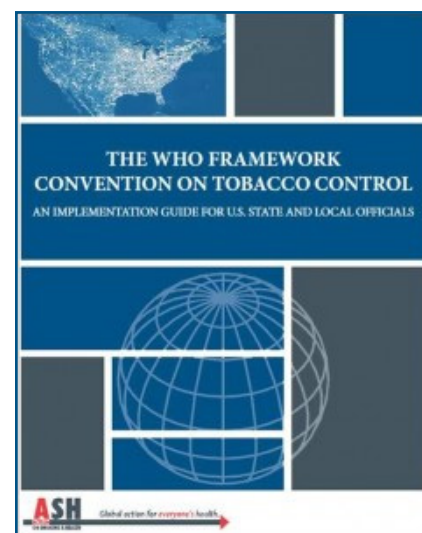
The WHO Framework Convention on Tobacco Control (FCTC)

ASH played a major role in ensuring that the last round of negotiations of the tobacco treaty, the 6th Conference of the Parties of the FCTC (COP6), was successful by supporting and coordinating a global alliance of non-governmental organizations, the Framework Convention Alliance (FCA). A key outcome of COP6 was the adoption of guidelines that will assist governments in their efforts to apply taxes on tobacco products more effectively.

COP6 also adopted recommendations from a working group that will continue to explore ways to accelerate the Convention's impact on the ground. Governments agreed that it is time to move beyond diagnosing problems and towards planning specific solutions, including how governments can ensure that tobacco control is a priority for all parts of their administrations, not just health ministries.

Groundbreaking Reports

In our efforts to continue educating the public health community on ways to implement effective tobacco control policies, ASH launched two groundbreaking reports. **"A Half Century of Avoidable Death"** showcased the progress that has been made since the first Surgeon General's (SG) Report on Smoking in 1964 and what still needs to be done. Our second report, **"The WHO FCTC Implementation Guide for US State and Local Officials,"** is a tool to assist in implementing effective policy measures. The guide has an associated database that serves as an additional resource for those efforts. The use of our guide and database could have resounding implications for U.S. tobacco control policy in all 50 states.





PROGRAMS

TRADE

ASH began its trade program in 2011 in response to a concerted effort by the tobacco industry to use international trade rules to undermine meaningful anti-tobacco regulations around the world, including in the United States. By suing or threatening to sue governments at all levels using obscure trade rules, the industry hopes to create “regulatory chill” – few governments can afford the many millions of dollars in legal costs that would be necessary to defend a law. **Legal victory is not required for the industry’s tactic to be successful; the threat of litigation is often enough.**

Our efforts have largely been focused on the negotiation of two giant free trade agreements: the Trans-Pacific Partnership (TPP), between the U.S. and eleven other countries, and the Trans-Atlantic Trade and Investment Partnership (TTIP), between the U.S. and the European Union. Both promise expanded rights, privileges and protections for corporations, including the right to directly sue governments over regulations. Our aim is to deny these expanded rights to the tobacco industry.

Perhaps the biggest trade and tobacco story in 2014 came in January, when the National Association of Attorneys General, a group of the most powerful lawyers in the U.S., wrote a letter to the United States Trade Representative demanding a full exclusion, or “carve-out”, for tobacco in the TPP. The letter was signed by 45 of the 50 state attorneys general, representing an almost unprecedented consensus in what is typically a very partisan body. The letter came a few months after ASH and our partners at Georgetown University Law Center’s Harrison Institute launched a state outreach campaign, educating state officials about the threat the TPP poses to local and state tobacco regulations.

Negotiations for the TPP were relatively quiet in 2014, for three reasons. First, it was an election year in the U.S., and trade talks raise the ire of several key political constituencies, making it difficult for the U.S. to push its agenda. Second, all negotiations were labeled “informal” so that even the appearance of transparency could be ignored by negotiators (negotiations and the draft texts are always top secret). Finally, Congress was unable to pass a Trade Promotion Authority bill, also known as “Fast Track”, which gives the White House a promise that the final agreement will be voted up or down, without amendment. Without Fast Track, U.S. negotiators are hamstrung in making deals with their foreign counterparts.

TTIP negotiations, a few years behind TPP, continued to move forward slowly. Specific issues like tobacco have not come up yet as negotiators discuss broader goals. ASH has continued its efforts to build up a coalition of partners in Europe to be ready for the fight to come.

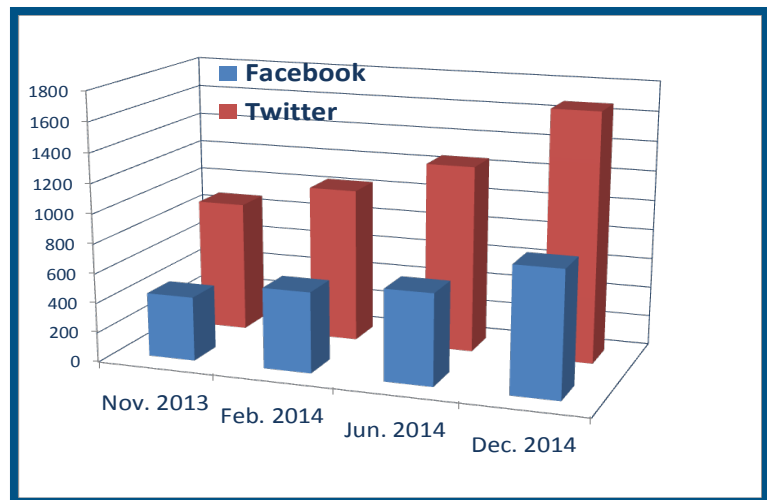
2015 promises to be a decisive year. Fast Track is expected to be passed and analysts believe this will lead to the conclusion of the TPP. There is a tobacco carve-out proposal, from Malaysia, on the table, and ASH is working hard to get the U.S. and others to agree to it. In January 2015, President Obama may have signaled a shift in the right direction when commenting:

“The big bugaboo that’s lifted up there is tobacco companies suing poorer countries to make sure that anti-smoking legislation is banned, or at least tying them up with so much litigation that ultimately smaller countries cave.”

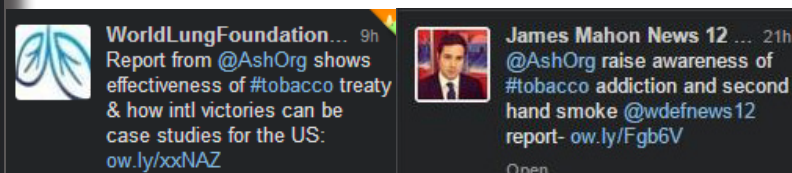
Given the Administration’s attitude in the last four years regarding tobacco in the TPP, we’ve clearly grabbed their attention and shifted their thinking.

SOCIAL MEDIA, CONSTITUENT OUTREACH, AND PRESS

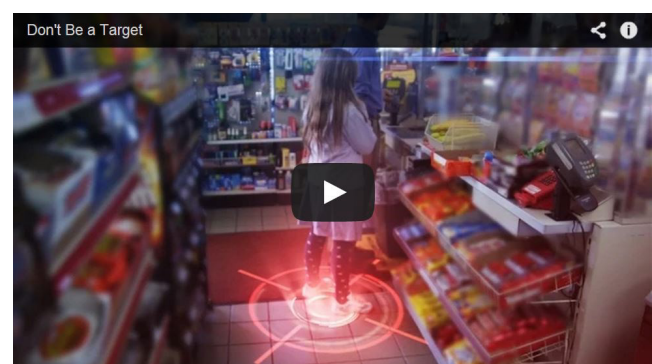
- Facebook and Twitter house ASH's largest audiences and continue to see very high annual growth.
- In 2014, our Facebook audience grew 94%, and our Twitter audience grew 86%.
- Our organic reach is constantly growing, and we are seeing more and more constituents clicking through to our website.
- Website traffic also continues to grow with an increase of 192.6% in total visits from 2013 to 2014. New visits have increased by 195.2%, and page views increased by 184.1%.



- ASH has enhanced the quality of communication with constituents, leading to a 150% increase in engagement.
- ASH has built stronger partnerships with like-minded organizations who have helped co-promote ASH reports and campaigns, seen here via their Twitter support.
- ASH has strengthened press relationships and in turn, has earned frequent interview requests from online and TV news outlets.



- For our year-end campaign, ASH produced the video **"Don't Be a Target"** to shine a light on the ways Big Tobacco continues to target youth through advertising, with or without their knowledge.
- The video made it clear that the fight against Big Tobacco is not yet over, giving constituents a clear reason to support ASH's ongoing work.
- The video campaign received significant press and social media attention, helping ASH surpass our \$50,000 Matching Grant goal by 30%, reaching \$65,000 in donations during a two month-long campaign.



INCOME & EXPENSES

ASH's campaigns are proven to be a sound investment in public health and to resonate with the goals and objectives of those that stand with us. ASH is grateful for the support of the following foundations: World Lung Foundation, Bill and Melinda Gates Foundation, American Cancer Society, American Legacy Foundation, F.M. Kirby Foundation, Robert Wood Johnson Foundation, and Craiglist Foundation. ASH also relies on the generous support of its private donors.

ASH had a strong overall financial performance in 2014. Program and campaign support remained strong with an overall programmatic efficiency of almost 86%. ASH's staff continued its trend of sensibly controlling general and administrative expenses, with these costs rounding to 6% of total expenditures.

Financial Year (FY) 2014 covers **January 1, 2014 – December 31, 2014**. A complete copy of our FY13 Audited Financial Statements can be obtained by visiting our website ash.org or by contacting ASH.

ACTION ON SMOKING AND HEALTH NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE AND SUPPORT:				
Grants	\$ 45,000	\$ 1,648,910	\$ --	\$ 1,693,910
Contributions	533,272	--	--	533,272
Interest and dividends	32,798	177,616	--	210,414
Miscellaneous income	1,836	--	--	1,836
Net assets released from restrictions	1,055,050	(1,055,050)	--	--
TOTAL REVENUE AND SUPPORT	\$ 1,667,956	\$ 771,476	\$ --	\$ 2,439,432
EXPENSES:				
Program services:				
Public education	\$ 1,838,039	\$ --	\$ --	\$ 1,838,039
Supporting services:				
Management and general	\$ 164,033	\$ --	\$ --	\$ 164,033
Fundraising	128,974	--	--	128,974
Total supporting services	\$ 293,007	\$ --	\$ --	\$ 293,007
TOTAL EXPENSES	\$ 2,131,046	\$ --	\$ --	\$ 2,131,046
CHANGE IN NET ASSETS FROM OPERATIONS	\$ (463,090)	\$ 771,476	\$ --	\$ 308,386
NON-OPERATING REVENUE:				
Net appreciation in fair value of investments	13,347	492,987	--	506,334
CHANGE IN NET ASSETS	\$ (449,743)	\$ 1,264,463	\$ --	\$ 814,720
NET ASSETS, BEGINNING OF YEAR	2,264,823	1,502,939	2,538,852	6,306,614
NET ASSETS, END OF YEAR	\$ 1,815,050	\$ 2,767,402	\$ 2,538,852	\$ 7,121,334

COLLABORATIONS

American Cancer Society

American Heart Association

Americans for Nonsmokers' Rights

American Legacy Foundation

American Lung Association

American University Washington College of Law

Association of State and Territorial Health Officials

Bill & Melinda Gates Foundation

Bloomberg Initiative

Campaign for Tobacco-Free Kids

Canadian Cancer Society

Corporate Accountability International

Craigslist Charitable Fund

F.M. Kirby Foundation

Fragasso Financial Advisors

Framework Convention Alliance

Georgetown University Law Center

Harvard University

International Development Research Centre

Johns Hopkins University



National Associations of County and City Health Officials

NCD Alliance

Non-Communicable Disease Roundtable

Robert Wood Johnson Foundation

Southeast Asia Tobacco Control Alliance

The Ohio State University Moriz College of Law

The University of Maryland Francis King Carey School of Law

Thoracic Foundation

Tobacco Control Legal Consortium

University of California, San Francisco Center for Tobacco Control Research and Education

ASH TEAM

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Campaign Coordinator

Kelsey Romeo-Stuppy
Staff Attorney



THANK YOU

ASH is grateful of our 4,000+ generous donors who have supported us for more than 25 years. We also welcome and thank those who have recently joined our cause through donations, advocacy and social media.

Standing with ASH directly supports the prevention of tobacco-related damage, disease, and death. ASH works across several fronts to take down the tobacco industry.



You can make a difference in the movement for a tobacco-free world too!

TAKE ACTION WITH ASH

- **Tell your friends!** There's a reason why you stand with ASH in support of health. Let your family and friends know why the work we do at ASH is important to you.
- **Share our** website, social media, or this report with them:
 - ▶ ash.org
 - ▶ facebook.com/ASHglobalAction
 - ▶ twitter.com/ashorg
- **Tell us why you support** the fight against Big Tobacco. Email your story to hq@ash.org, and we might feature your story on our website (ash.org/why-i-fight/) and social media.
- **Stay informed** on the latest ASH and tobacco control happenings by signing up for our email updates through a request to hq@ash.org.
- **Let us know** that you support the work ASH is doing by **making a donation** today via ash.org/donate. You can also let us know that you are proud of the strides ASH has made to take down Big Tobacco and that you want to play an active role in creating a world free from tobacco-related diseases and deaths by signing up as a monthly donor at ash.org/donate or by calling (202)659-4310.

The fight against Big Tobacco truly is a movement. We are changing minds, building safeguards for health, and laying the groundwork for your children and grandchildren to live in a tobacco-free world.



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ACTION ON SMOKING AND HEALTH

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