

2015

ASH Annual Report 2015

**ASH's vision is to end the worldwide disease,
damage and death caused by tobacco.**



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

Washington, D.C. | www.ash.org

“

**IN THE NEARLY 50 YEARS
SINCE ASH STARTED TAKING
ACTION, 2015 STANDS OUT
AS ONE OF OUR
MOST SUCCESSFUL.
I TRULY BELIEVE THAT WE
HAVE TURNED A CORNER,
AND THAT VICTORY,
FOR THE FIRST TIME,
MAY BE IN SIGHT.**

”

- Laurent Huber
ASH Executive Director

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SPOTLIGHTS

SEEKING A
HUMAN RIGHTS
REMEDY IN THE
INTER-AMERICAN
SYSTEM COULD
BE AN EFFECTIVE
APPROACH.



Joint Statement from ASH Executive Director and Board Chair

Making Priorities into our Reality



This year has been one filled with milestones for the public health and tobacco control communities. ASH is very pleased to have played a central role in some truly historic victories, that we believe permanently change the landscape in the war on tobacco.

The Sustainable Development Goals (SDGs) were adopted by the United Nations this past September. The SDGs are the blueprint for eradicating poverty around the globe, and thanks to more than three years of effort by an ASH-led coalition, these goals address the tobacco epidemic and call on governments to strengthen the implementation of the WHO Framework Convention on Tobacco Control (FCTC).

And for the first time in trade history, tobacco was singled out as a uniquely harmful product in the finalized version of the Trans-Pacific Partnership (TPP), which, if adopted, will become the largest trade agreement in history. This means that countries in the Pacific Rim have the option to “carve out” the Investor State Dispute Mechanism (ISDS) for

tobacco products, shielding strong anti-tobacco regulations passed by governments, including state and local governments in the U.S., from industry trade lawsuits under the TPP. ASH began working on the TPP in 2011, and we are confident that this work sets a precedent that will alter how tobacco is traded globally.

In 2015, ASH continued to act as an incubator for projects designed to take the offensive in the fight against Big Tobacco, including our criminal liability and human rights program, which seeks to hold tobacco executives and corporations responsible for tobacco-related deaths. We continued our leadership within the Framework Convention Alliance (FCA), supporting implementation of the Framework Convention on Tobacco Control and the outcomes and decisions from the 2014 treaty negotiations.. New case studies on the effectiveness of smoke-free air ordinances abroad were published to showcase global best practices. ASH developed new original media campaigns, several of which were picked up

and re-published by mainstream news outlets.

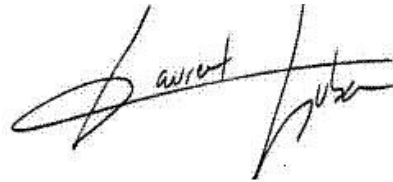
These are major accomplishments, and it is clear that governments around the world are taking a stand. They want to take action to prevent the preventable in the 21st century: a billion unnecessary, premature deaths and the loss of trillions of dollars to the global economy caused by tobacco use.

But we will not rest on our laurels. In 2016, ASH will increase pressure on Big Tobacco. We will continue to take action, with our partners all over the world, to make sure that reducing tobacco deaths is a global priority. The world is facing numerous challenges, some that are very difficult to overcome, but curbing the tobacco epidemic is one priority the world can achieve.

Local and national governments need to allocate resources to implement the life-saving measures we know can work to reduce tobacco use: increase taxes on tobacco products, ban all forms of advertising and sponsorship of tobacco products, protect everyone from exposure to tobacco smoke, place large pictorial health warnings on tobacco packages and consider standardized packaging. Governments can go further, such as reformulating cigarettes to make the product less addictive and seriously restricting the sale and trading of tobacco products. And in the long run, these measures do not cost money, they save money.

In 2016, ASH will continue to push innovative strategies to combat the tobacco industry, including criminal liability for tobacco executives, using human rights obligations to pressure governments to do the right thing, and ensuring that defeating tobacco is a priority at every level of society.

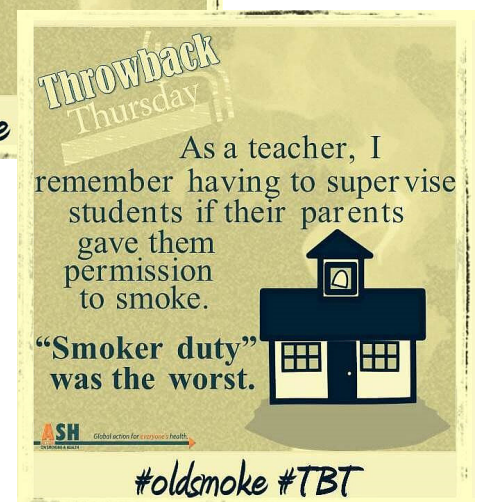
ASH began its fight in 1967; this is our 50th year in action. It has been a long road, but we are proud of our successes and the millions of lives that have been saved. The end of that road is finally in sight, but one billion more lives are at stake. With your continued support we can bring an end to the scourge of disease, death, and poverty caused by tobacco.



Laurent Huber
Executive Director



Dr. Alfred Munzer
Board Chair



Trade Program

In October, after many years of painstaking negotiation, the final text for the Trans-Pacific Partnership (TPP) Agreement was released. ASH and its allies were thrilled to finally see the fruits of almost five years of labor – an exemption protecting anti-tobacco measures from legal challenges by the tobacco industry. This is a first in trade law history, sets a precedent for future trade agreements, and marks a milestone in the global consensus that tobacco is unique and needs to go away.

If approved by the U.S. and 11 other countries, the TPP will become the largest regional free trade agreement, covering about 40% of global trade. It is also being touted as the model 21st century trade agreement and the first step by the U.S. to further liberalize global trade after WTO negotiations broke down in the Doha Round. And at the same time as negotiations began eight years ago, the tobacco industry began stepping up its efforts to use trade agreements to sue governments and create “regulatory chill” – the fear that anti-tobacco regulations would lead to costly lawsuits. For these three reasons, early in 2011 ASH committed itself to changing the dynamic between trade and tobacco control.

ASH led an international coalition of advocates and academics to pressure the negotiations from every angle. **Our strategies included:**

- **Coalition building:** ASH is part of a network of over 500 civil society organizations in over 100 countries dedicated to solving the tobacco epidemic. Dozens of these organizations collaborated in our TPP victory, especially by educating and advocating in their home governments.
- **Educate governments:** ASH produced materials and was invited to present evidence to lawmakers (at the federal and state levels) and to executive branch officials. We also provided template materials for allies in other countries to educate their home governments.
- **Consensus building:** ASH was able to build a nearly unanimous consensus within the U.S. for exempting tobacco from the TPP, including the American Medical Association, the National Association of Attorneys General, the American Public Health Association, and scores of other groups. Our coalition allies were able to build similar consensus in foreign countries.
- **Advocate at negotiations:** ASH attended a number of TPP negotiations, taking advantage of stakeholder engagement mechanisms and meeting privately with nearly every negotiator from all twelve countries. These personal interactions were critical to convince governments of the need for the unique treatment of tobacco.
- **Legal research:** ASH worked closely with the Harrison Institute for Public Law at the Georgetown University Law Center to produce legal analyses detailing the need and possibility for the unique treatment of tobacco in trade law.
- **Public education:** ASH was successful in moving the conversation about tobacco and trade into the public domain. During the TPP negotiations, ASH supplied information for a *New York Times* opinion piece by former Mayor Michael Bloomberg and an episode of the popular HBO show *Last Week Tonight with John Oliver*.

However, our trade victory was not complete – the proposal to “carve-out” tobacco from the entire agreement failed. However, it is an historic first step.

ASH continues to lead a coalition supporting a full tobacco exemption in all existing and future trade and investment agreements and bilateral investment treaties (BITs). This work will have huge benefits in the future.



Global Development Program

The United Nations officially recognizes that tobacco makes the world poorer and that addressing the tobacco epidemic is a development priority.

On September 25, 2015, the United Nations General Assembly adopted the UN Sustainable Development Goals (SDGs), a plan to eradicate global poverty. The SDGs are a 15-year plan to reduce poverty across the globe and serve as a roadmap for global development, including international assistance.

These new development goals formally recognize, on a global scale, the negative impact of tobacco consumption on health, wealth, and development. They commit member governments to combat the ongoing tobacco epidemic, especially through the implementation of the World Health Organization Framework Convention on Tobacco Control (FCTC), the world's first global health treaty, whose objective "is to protect present and future generations from the devastating health, social, environmental and economic consequences of tobacco consumption and exposure to tobacco smoke."

This inclusion of tobacco in the SDGs will raise the profile of the FCTC and provide desperately needed resources for poor countries to fully implement this life saving treaty. One reason the SDG's are so crucial is that they apply to all UN members, including high income countries like the U.S., who often still fall short on tobacco control measures. The SDGs also recognize the growing impact of non-communicable diseases (NCDs) like cancer and cardiovascular disease, for which tobacco is the leading risk factor.

ASH is pleased to have worked at the center of the campaign at the UN that resulted in the integration of tobacco control in the SDGs. This collaborative work with our international partners convinced the global community of the necessity of elevating the tobacco epidemic as a development priority.

The SDGs came into force on January 1, 2016. Individual targets to track implementation and success are still in draft form, but include the reduction of prevalence of tobacco use. A number of governments around the world and several U.S. states fall short of that goal and have work to do over the next 15 years. ASH will continue to work in the U.S. and around the world to ensure that the health and tobacco reduction targets are met.

We have made important progress in combating the tobacco epidemic but tobacco still costs over half a million lives and over \$300 billion a year, just in America. The global toll of 6 million lives is staggering. And the World Health Organization estimates that, unless urgent action is taken, tobacco will cost one billion lives this century.

Legal Program

This year, ASH officially launched our Tobacco Criminal Liability Program (TCLIP). TCLIP encompasses a two-pronged legal approach against the tobacco industry. First, we are investigating the possibility of holding tobacco corporations and their executives criminally liable for the millions of tobacco-related deaths in U.S. state courts. The second prong, tobacco and human rights, is related; it seeks to utilize international and regional human rights bodies and treaties as a way to hold the tobacco industry responsible for human rights violations related to tobacco deaths around the world.

We are not alone in thinking that the actions of the tobacco industry amount to criminal acts. In 2014, the President of Uruguay, while speaking to President Obama said,

"In the world, eight million people die each year from smoking tobacco. This is mass murder."

More recently, former New York City Mayor Michael Bloomberg said, "These people [tobacco companies] deliberately go out every day and try to kill, for their own profits, the poor around the world." This shift in mindsets that tobacco corporations and executives are committing crimes is incredibly important for TCLIP.

In order to convince a prosecutor to charge a tobacco corporation or executive with manslaughter, we must first convince the legal and public health communities that such a case is legally viable. We have spent much of the year working toward that goal, with quite a bit of success.

ASH attended the World Conference on Tobacco or Health (WCTOH) where we presented the criminal liability and human rights programs on two different panels. In the closing plenary, in front of over 2,000 delegates from 100 countries, criminal liability was mentioned as a potential path forward. In October 2015, Georgetown University Legal Center's O'Neill Institute (a giant in health law) wrote a blog about our potential case. This was a very important step forward for the credibility of a criminal case against Big Tobacco.

TCLIP had other victories in 2015 as well. A journal article titled "Tobacco Industry Marketing: A Violation of Human Rights in Latin America" was written by ASH Staff Attorney Kelsey Romeo-Stuppy and published in the *American Bar Association's International Law News*. That article was also selected for a feature in the "Best of the American Bar Association Sections" in another ABA publication, *GP Solo Magazine*.

ASH and our partners at the American Society of International Law and the American Cancer Society - Cancer Action Network hosted an event on Tobacco and International Law in October. The panelists, including ASH Executive Director Laurent Huber, discussed the possibility of tobacco as a violation of human rights treaties, in addition to the world's first public health treaty (the WHO Framework Convention on Tobacco Control, FCTC), and how other international tools might be utilized to achieve the FCTC's goals.

In addition, throughout 2015, we enhanced our relationships with law schools and legal clinics, presented at several prominent conferences, and continued to convince important allies of the merits of criminal and human rights cases against the tobacco industry. TCLIP grew tremendously in 2015, and we look forward to an even more productive and exciting 2016.



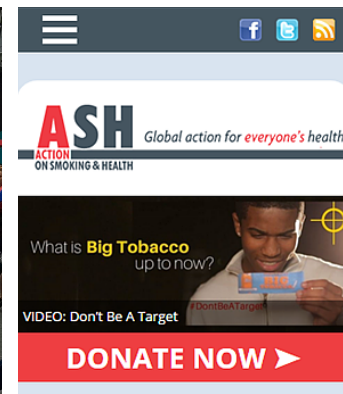
UN Photo/Jean-Marc Ferre

Communications

This has been a year of growth for ASH's public presence. Our biggest news releases surrounded the adoption of the UN Sustainable Development Goals and the Trans-Pacific Partnership tobacco exemption, both of which were viewed more than 25,000 times.

ASH released several videos this year, two of which garnered significant attention. "The Wrinkler" is a parody infomercial of a product that helps customers increase their wrinkles, revealing at the end that the product is cigarettes. "Breaking News Broadcast" is a parody breaking news video, demonstrating what news cycles would show if tobacco products hit stores today. There would be massive uproar over the health consequences that come with use.

We also led the social media buzz that surrounded the creation and introduction of Jeff the Diseased Lung by HBO's Last Week Tonight with John Oliver. Working with partner organizations, we hosted a flash mob in New York City's Times Square, coinciding with Philip Morris International's Shareholders' meeting nearby. We also carried out street advocacy with Jeff the Diseased Lung in Washington, DC, talking with hundreds of locals and tourists about the harms of big tobacco, tobacco use, and tobacco corporations using the U.S. Chamber of Commerce to fight anti-tobacco regulations.



ASH in Action
Left unchecked, tobacco will kill one billion people in the 21st century



This year, ASH released three smoke-free air case studies, highlighting the successes coming from France, Switzerland, and Uruguay. We created a fully mobile-friendly version of our website and of our outreach email templates, allowing us to better engage with donors and constituents using any device. We continue to grow our social media base on Facebook, Twitter, and Instagram, and we look forward to ongoing engagement with our donors, constituents, and partners across all platforms and mediums.

Testimonials

ASH works hard to ensure that we carry out our vision of ending the worldwide disease, damage, and death caused by tobacco. Our accomplishments over the past year reflect our dedication to this goal, and the strength of our supporters has been instrumental to our success.

But don't just take it from us, let our supporters do the talking!

“

“Big Tobacco has taken many of my loved ones and left families and friends devastated and broken. Our soldiers fight for freedom; we need to continue to fight with ASH for freedom from Big Tobacco and their deadly products. I strive to “Plant the Seeds” of TRUTH to ALL I come in contact with—whether fellow workers, patients, their families, and the community here in SW Florida to break the invisible chains of deception and addiction and will continue to do so with my last breath. Thank you for ALL that YOU do to make a positive difference in the world!”

”

- Marie A. H.
ASH Supporter and Nurse

“

My Dad had contributed to ASH since I was a kid (I'm in my 50's now), and now I do. Thanks for the work you do and for caring about the health and safety of us all.

”

- Barbara C., ASH Supporter

“

Thank you, ASH, for your years of dedication and hard work. The achievements you have won related to the global Anti-Tobacco cause will positively impact generations to come.”

”

- Professor Luther K.
ASH Supporter

“

I particularly want to thank the team at Action on Smoking and Health (ASH), one of the oldest and most effective anti-tobacco groups. I have followed their work for more than three decades, and they have saved millions of lives through their intelligent and energized focus on lessening the negative impact of tobacco products on people.”

”

- Peter Prichard
ASH Supporter and author of Dawn of Hope & Dawn of the Tobacco Wars.

“ Thinking “Out of the Box” to Bag a Killer

My late father loved to support small, fiscally efficient nonprofits doing groundbreaking work. So when second-hand smoke on a plane flight to Switzerland gave him a raging headache, he looked for such a nonprofit in tobacco control. He found ASH, and it didn't disappoint. Smoking is banned on airplanes now, and ASH played a key role.

Over the decades, its greatest strength has continued to be its willingness to tackle the 'impossible' in creative and innovative ways. Recently, ASH played a vital part in the inclusion of tobacco control in the UN Sustainable Development Goals. This gives a big boost to countries seeking to snuff out smoking and the death and disease it causes. ASH has also helped lead the charge to exempt tobacco from trade agreement protections that could get signatories sued for their tobacco control measures.

ASH continues to incubate new ways to bag this killer, and your donor dollars help fuel the fight. Invest in ASH, like Dad did, so the whole world can breathe easier!

- Marion Wells
ASH Board Member

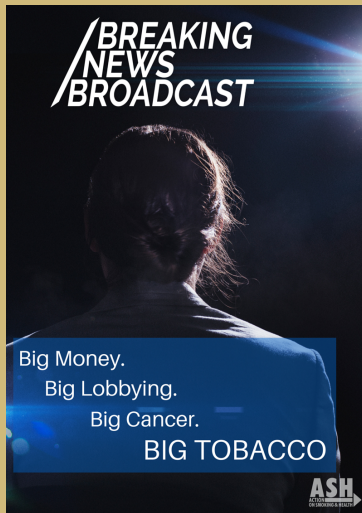
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Perseverance is ASH's greatest strength. Its ability to 'go against the tide' until it prevails has allowed and will continue to allow this organization to succeed in its most worthwhile endeavors. It is my belief that this organization is one of the few that is in the unique position of saving millions of lives as well as preventing the debilitating and costly chronic illnesses that are suffered worldwide as a consequence of smoking.

”

- Stanley H.
ASH Supporter



Collaborations

Action on Smoking and Health
Scotland
American Cancer Society
American Heart Association
Americans for Nonsmokers'
Rights
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 – Harrison Institute
Georgetown University Law
Center – O'Neil Institute for
National and Global Health Law
Harvard University
International Development
Research Centre
Johns Hopkins University
Legacy Foundation
National Association of
Attorneys General
National Association of County
and City Health Officials
NCD Alliance
Non-Communicable Disease
Roundtable
Pan American Health
Organization

Public Citizen
Robert Wood Johnson
Foundation
Southeast Asia Tobacco Control
Alliance
The Ohio State University Moriz
College of
Law
The South Centre
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
World Health Organization



Income and Expenses

ASH is grateful for the support of the following foundations: The Union North America, Bill and Melinda Gates Foundation, American Cancer Society, American Legacy Foundation, F.M. Kirby Foundation, Robert Wood Johnson Foundation, and Craigslist Foundation. ASH also relies on the generous support of its private donors.

Financial year (FY) 2015 covers January 1, 2015 – December 31, 2015. A Complete copy of our FY2015 audited financial statements can be obtained by visiting our website ash.org or by contacting ASH.

ACTION ON SMOKING AND HEALTH: STATEMENTS OF ACTIVITIES

DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE AND SUPPORT:				
Grants	\$ 124,340	\$ 859,918	\$ --	\$ 984,258
Contributions	\$ 256,842	--	--	\$ 256,842
Miscellaneous income	\$ 250	--	--	\$ 250
Net assets released from restrictions	\$ 1,034,670	\$ (1,034,670)	\$ --	\$ --
TOTAL REVENUE AND SUPPORT	<u>\$ 1,416,102</u>	<u>\$ (174,752)</u>	<u>\$ --</u>	<u>\$ 1,241,350</u>
EXPENSES:				
Program services:				
Public education	\$ 1,533,478	\$ --	\$ --	\$ 1,533,478
Supporting services:				
Management and general	\$ 165,746	\$ --	\$ --	\$ 165,746
Fundraising	\$ 126,690	\$ --	\$ --	\$ 126,690
Total supporting services	\$ 292,436	\$ --	\$ --	\$ 292,436
TOTAL EXPENSES	<u>\$ 1,825,914</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 1,825,914</u>
CHANGE IN NET ASSETS FROM OPERATIONS	\$ (409,812)	\$ (174,752)	\$ --	\$ (584,564)
NON-OPERATING REVENUE:				
Interest and dividends	\$ 20,364	\$ 143,618	\$ --	\$ 163,982
Net depreciation in fair value of investments	\$ 206,915	\$ (522,264)	\$ --	\$ (315,349)
CHANGE IN NET ASSETS	\$ (182,533)	\$ (553,398)	\$ --	\$ (735,931)
NET ASSETS, BEGINNING OF YEAR	<u>\$ 1,891,638</u>	<u>\$ 2,531,711</u>	<u>\$ 2,538,852</u>	<u>\$ 6,962,201</u>
NET ASSETS, END OF YEAR	<u>\$ 1,709,105</u>	<u>\$ 1,978,313</u>	<u>\$ 2,538,852</u>	<u>\$ 6,226,270</u>

Call to Action

2015 was a very bad year for the tobacco industry, and it's only going to get worse for them.

In 2015, we have seen stunning defeats for the tobacco industry, chipping away at their core business. **It will never again be "business as usual" for an industry that kills half of its long-term customers.**

There were two fundamental changes in the way the world addresses tobacco products, changes that will have a profound and growing impact on the tobacco epidemic. ASH was pleased to be at the center of both sets of negotiations, for the UN Sustainable Development Goals and the Trans-Pacific Partnership trade agreement.

Development and trade are new arenas for the public health community, and we caught the tobacco industry off-guard. The ramifications will take time to manifest, but they are inevitable.

The days of the tobacco industry are numbered.

However, we are far from a final victory. We will continue the pressure in the areas of development and trade and capitalize on these victories, but we are also investigating new "soft spots" in Big Tobacco's armor.

The tobacco wars are not yet won, but we can see the end. Your grandchildren will find it curious that it took so long.



Inside Look at 2016

- **Criminal liability:** Big tobacco's actions easily meet the definition of manslaughter, but no prosecutor has yet brought them to justice.
- **Human rights:** All individuals have the right to life and health. The tobacco industry continuously violates these rights.
- **Tobacco-Free Generation:** Several international jurisdictions are considering raising the age to purchase tobacco by one year, every year, eventually phasing out the sale of tobacco from society.
- **Divestment:** Too many institutional investors, including governments, create a conflict of interest by investing in tobacco companies.



Thank You!

On behalf of the entire ASH team, I want to thank our donors for their unwavering support in 2015. For almost 50 years, ASH has been at the forefront of the tobacco control movement, a feat that would not be possible without the steadfast support of loyal donors like you.

We take great pride in our mission and our accomplishments, and with your help, we move closer to a world free from the tyranny of tobacco.

You can take action and support ASH today:

- Share us with your friends! Let your friends and family know why you continue to support ASH and why eradicating the tobacco epidemic is so important to you. And, connect with us on Facebook, Twitter, and YouTube!
- Tell us your story! Why are you fighting Big Tobacco? Email your story to hq@ash.org, and we may feature it on our website (ash.org/why-i-fight/) and social media.
- Stay Informed! Sign up for our email updates by sending a request to hq@ash.org.
- Support our work! Make a tax-deductable donation to ASH today, and consider becoming a monthly donor by visiting ash.org/donate or by calling (202)659-4310.



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ASHglobalAction](https://facebook.com/ASHglobalAction)



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ASHorg](https://twitter.com/ASHorg)



[youtube.com/
AshOrgUSA](https://youtube.com/AshOrgUSA)

Your dedication to a world free from the devastation, disease, and death caused by tobacco is what motivates our work, and we won't stop until the job is done.



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