



Making the Next Generation Tobacco-Free

Annual Report
(FY 2015: April 1, 2014-March 31, 2015)



Contents

MAKING THE NEXT GENERATION TOBACCO-FREE	3
U.S. PROGRAMS.....	5
INTERNATIONAL PROGRAMS.....	7
INDUSTRY WATCH.....	9
YOUTH PROGRAMS.....	11
FINANCIALS: CAMPAIGN FOR TOBACCO-FREE KIDS.....	15
FINANCIALS: TOBACCO-FREE KIDS ACTION FUND.....	16
LEADERSHIP.....	17

Making the Next Generation Tobacco-Free

Six million – that’s how many people tobacco kills worldwide each year. In the United States alone, tobacco use claims more than 480,000 lives annually.

At the Campaign for Tobacco-Free Kids, we never forget that those statistics represent real lives devastated by tobacco – mothers and fathers, brothers and sisters, daughters and sons, husbands and wives. We fight to honor these lives and save others from tobacco use – the No. 1 cause of preventable death.

We’ve made enormous strides in the fight against tobacco, but we can’t claim victory until we’ve made the next generation tobacco-free and ended the tobacco epidemic. We have proven solutions to win: higher tobacco taxes that prevent kids from smoking and encourage smokers to quit; comprehensive smoke-free laws; robust tobacco prevention and cessation programs; hard-hitting, sustained media campaigns; increasing the tobacco sale age to 21; and effective regulation of tobacco products and marketing.

Our 2015 Annual Report, covering our fiscal year from April 1, 2014, to March 31, 2015, details the incredible progress we’ve made to implement these solutions and save lives while fighting the ruthless tobacco industry.

In the United States, we’ve celebrated historic progress: CVS Health became the first national pharmacy chain to end tobacco sales in all its stores, and youth smoking rates dropped to record lows. New Orleans set an example for the South – a region that has lagged in fighting tobacco use – by enacting a comprehensive smoke-free law. And the Campaign for Tobacco-Free Kids and our partners launched a campaign to take tobacco out of baseball once and for all.



CAMPAIGN FOR TOBACCO-FREE KIDS 2015 ANNUAL REPORT

Worldwide, we've seen incredible progress in Russia, Brazil, China and elsewhere. Brazil became the world's largest smoke-free country, and Russia implemented its smoke-free law. In November 2014, Beijing adopted a tobacco control law that requires smoke-free workplaces and public places and bans most tobacco advertising.

These accomplishments are helping to reduce tobacco use and save lives. But we cannot take progress for granted. We must be relentless in working to save lives as the tobacco industry looks for new ways to promote its deadly and addictive products.

The Campaign for Tobacco-Free Kids is grateful for all who support our mission and share our vision. We know that our partners and supporters remain steadfast in our goal to end the tobacco epidemic in the United States and around the world.

A handwritten signature in black ink that reads "Matthew L. Myers". The signature is written in a cursive, flowing style.

Matthew L. Myers
President

U.S. PROGRAMS

During our 2015 fiscal year, the United States saw incredible progress in the fight against tobacco. Youth smoking rates fell to record lows, CVS Health set an example for all retailers by ending tobacco sales and New Orleans went smoke-free. Each achievement brings us one step closer to making the next generation tobacco-free.

Youth smoking rates fall to record lows, but e-cigarettes bring new challenges.

According to the CDC's National Youth Tobacco Survey, the cigarette smoking rate among high school students fell to 9.2 percent in 2014, down 67 percent since 2000. But e-cigarette use tripled in one year and surpassed cigarette smoking for the first time. The Campaign for Tobacco-Free Kids and our partners are pushing the U.S. Food and Drug Administration (FDA) to set common-sense rules for all tobacco products – including e-cigarettes – and stop the use of youth-oriented marketing and flavors.

CVS ends tobacco sales.

In September 2014, CVS Health stopped selling tobacco products at its 7,800 stores nationwide, setting a powerful example for all retailers. One month later, the Campaign for Tobacco-Free Kids launched the Tobacco-Free Retailers initiative, urging other large retailers to stop tobacco sales and helping consumers find tobacco-free stores near them through an interactive map.

New Orleans goes smoke-free.

New Orleans passed a comprehensive smoke-free law that protects everyone's right to breathe clean air and applies to all workplaces, including restaurants, bars and casinos. This move set an example for the South, a region that has lagged in providing this important protection for health. The Campaign for Tobacco-Free Kids is part of the Smoke-free NOLA coalition that advocated for this critical law.

Unprecedented media campaigns aim to help smokers quit and prevent kids from smoking.

Three strong media campaigns worked to reduce tobacco use: the CDC's Tips from Former Smokers campaign, the FDA's The Real Cost campaign to prevent youth tobacco use and Truth Initiative's reinvigorated truth® campaign that empowers young people to #FinishIt and end smoking for good. The Campaign for Tobacco-Free Kids has been a strong advocate for these media campaigns.

Tobacco-Free Kids and partners launch tobacco-free baseball campaign.

Hall of Famer Tony Gwynn's death from salivary gland cancer and pitching great Curt Schilling's battle with oral cancer, both of which these players attributed to longtime use of chewing tobacco, focused renewed attention on the unhealthy link between baseball and chewing tobacco. To make sure baseball sets the right example for kids, the Campaign for Tobacco-Free Kids and our public health partners launched a new Knock Tobacco Out of the Park campaign to get Major League Baseball cities and states to prohibit all smokeless tobacco use in sports venues, including baseball stadiums. Launched in San Francisco and statewide in California in February 2015, the campaign since has achieved significant success.

INTERNATIONAL PROGRAMS

With the support of Bloomberg Philanthropies and the Bill & Melinda Gates Foundation, the Campaign for Tobacco-Free Kids supports efforts to reduce tobacco use in low- and middle-income countries with high rates of tobacco use. Around the world, we saw significant progress in countries such as China, Russia and Brazil. And HBO's Last Week Tonight with John Oliver exposed Big Tobacco's dirty tactics across the globe.

Smoke-free Beijing and advertising restrictions spur progress in China.

In November 2014, Beijing adopted a tobacco control law that requires smoke-free workplaces and public places and outlaws most tobacco advertising. Beijing's move to protect the rights of millions to breathe clean, smoke-free air sets the pace for progress in China, which has more smokers than any other country.

Russia and Brazil implement smoke-free laws.

Brazil became the world's largest smoke-free country when it implemented its smoke-free law. Russia fully implemented its new tobacco control law, which bans all tobacco advertising, promotion and sponsorship, requires smoke-free public places, limits where tobacco products can be sold and prohibits point-of-sale tobacco displays.

Graphic cigarette warnings spread worldwide.

More countries passed laws requiring graphic warning labels on cigarette packs, including Nepal, Pakistan and Thailand with warnings to cover at least 85 percent of the pack. At least 86 countries now require graphic warnings, with new laws recently adopted or implemented in Costa Rica, Indonesia, the Philippines and Sri Lanka.

A new initiative fights the tobacco industry's abuse of trade agreements.

In March 2015, Bloomberg Philanthropies and the Bill & Melinda Gates Foundation launched the Anti-Tobacco Trade Litigation Fund to help countries defend their tobacco control laws. Increasingly, tobacco companies have filed costly lawsuits that challenge countries' tobacco control laws as violations of trade agreements. The Campaign for Tobacco-Free Kids is administering the fund.

John Oliver smacks down Big Tobacco.

In February 2015, HBO's Last Week Tonight with John Oliver delivered a devastating takedown of Philip Morris International, showing how the tobacco giant markets its products to young people and fights tobacco control measures worldwide. The Campaign for Tobacco-Free Kids provided extensive assistance to the show and had previously exposed Philip Morris' youth-oriented "Be Marlboro" ad campaign, which was heavily featured in the show.

INDUSTRY WATCH

Tobacco's devastating toll in the United States and around the world stems directly from the tobacco industry's insidious practices. For decades, the industry has marketed its deadly and addictive products to children, deceived the public about the health effects of these products and aggressively opposed measures to reduce tobacco use. They still do so today. The Campaign for Tobacco-Free Kids works tirelessly to track, expose and counter the industry's shameful tactics.

Exposing how tobacco companies make cigarettes more addictive and appealing.

One of the tobacco industry's most harmful tactics is its design and manipulation of cigarettes to make them more appealing and more addictive. In June 2014, the Campaign for Tobacco-Free Kids focused attention on these efforts – and the need to stop them – by issuing a report, titled “Designed for Addiction: How the Tobacco Industry Has Made Cigarettes More Addictive, More Attractive to Kids and Even More Deadly.”

The report showed how tobacco companies have:

- **Made cigarettes more addictive** by controlling and increasing nicotine levels and enhancing the impact of nicotine.
- **Made cigarettes more attractive to kids** by adding flavorings such as licorice and chocolate that mask the harshness of the smoke, menthol that makes the smoke feel smoother and other chemicals that expand the lungs' airways and make it easier to inhale.
- **Made cigarettes more deadly**, as disclosed in the most recent Surgeon General's report on tobacco and health, released in

January 2014. The report found that smokers today have a much higher risk of lung cancer than smokers in 1964, when the first Surgeon General's report alerted Americans to the deadly consequences of smoking. The new Surgeon General's report attributed smokers' increased risk to "changes in the design and composition of cigarettes since the 1950s."

Our report called on the FDA to require tobacco companies, at a minimum, to reverse the harmful changes they have made by issuing the first-ever product standards governing the design and content of tobacco products.

Countering Philip Morris's latest efforts to attract young people

The Campaign for Tobacco-Free Kids launched a "Stop Marlboro" campaign that exposed how Philip Morris International's new "Be Marlboro" ad campaign markets to young people in over 50 countries. We called on countries to enact comprehensive bans on tobacco marketing. Through media coverage and social media activities, our campaign showed how the "Be Marlboro" ads use youthful imagery and themes of rebellion and fun that clearly appeal to young people. Philip Morris' marketing tactics and efforts to fight tobacco control measures worldwide became the focus of a segment on HBO's Last Week Tonight with John Oliver.

The Tobacco Industry Watch section of our website tracks the tobacco industry's deceptive marketing tactics and efforts to thwart life-saving policies. Learn more at http://tfk.org/what_we_do/industry_watch

YOUTH PROGRAMS

The vast majority of smokers began the deadly addiction as teenagers. As a result, youth are critical and powerful voices in the fight against tobacco. They encourage their peers to be tobacco-free, stand against the tobacco industry's deceptive marketing tactics and urge elected leaders to protect America's kids from tobacco.

Through initiatives like Kick Butts Day, our Youth Advocates of the Year Awards and our annual Youth Advocacy Symposium, the Campaign for Tobacco-Free Kids fosters the next generation of youth leaders who will finish the fight against tobacco.

Kick Butts Day

On March 17, 2015, thousands of youth took a stand against tobacco and participated in the 20th annual Kick Butts Day. More than 1,000 events were held across America and on military bases worldwide.

On Kick Butts Day, youth sent a powerful, collective message to the tobacco industry through a social media campaign called "Not a Replacement." Tobacco industry documents revealed companies look to youth as "replacement smokers" for the nearly half a million Americans who die from tobacco-related illnesses each year. In response, youth on Kick Butts Day – and many adults who support them – took "selfie statements" telling Big Tobacco that they aren't replacements, but advocates, athletes, artists, friends and more. They shared these statements on Twitter, Facebook and Instagram using the hashtag #NotAReplacement. More than 3,500 selfie statements were submitted, including selfies from U.S. Surgeon General Vivek Murthy and Disney Channel star Monique Coleman.

2014 Youth Advocates of the Year Awards Gala

Each year, the Campaign for Tobacco-Free Kids recognizes exceptional youth who are leaders in the fight against tobacco. We are proud to recognize the important work they do at the local, state and international levels.

The 2014 Youth Advocates of the Year inspire those of us who work alongside them and make tangible strides in the fight to end the tobacco epidemic. Their creativity, energy and courage motivate us as we work to create a tobacco-free generation.

Group Winner

The H.E.A.R.T. Coalition

Deshanda Smarr; Desha Smarr; Cantrell Foster; Joseph Cole
Atlanta, GA

East Regional Youth Advocate of the Year

Devan Ogburn

Upper Marlboro, MD

West Regional Youth Advocate of the Year

Spencer Flanders

Carson City, NV

South Regional Youth Advocate of the Year

Chandler Ash

Archer, FL

Central Regional Youth Advocate of the Year

Becky Bade

New Bloomfield, MO

In addition to our Youth Advocates of the Year, the Campaign for Tobacco-Free Kids honored the following leaders in the fight against tobacco:

Judy Wilkenfeld Award for International Tobacco Control Excellence

Dmitriy Yanin, Chairman, Confederation of Consumer Protection Societies
Moscow, Russia

Champion Award

Larry J. Merlo, President and CEO
CVS Health

National Youth Advocate of the Year

Magi Linscott
Pace, FL

In 2014, the Campaign for Tobacco-Free Kids presented our National Youth Advocate of the Year Award to Magi Linscott, who led her peers to stand against Big Tobacco in Florida.

Magi first learned about the devastating effects of tobacco when her grandmother died of a tobacco-related disease. To reduce tobacco use among her peers, Magi successfully worked to pass a countywide K-12 Comprehensive Tobacco Policy that bans tobacco use on school grounds and at school-sanctioned events off campus. She advocated for Florida counties to pass resolutions supporting a ban on candy-flavored tobacco. Partnering with AmeriCorps and the United Way, Magi also led a community “Tobacco-Free Farm Share” that provided five tons of free food to people in need in Santa Rosa County. No smoking or tobacco use was allowed at the event, and Magi made sure recipients also went home with tobacco prevention and cessation materials. More than 2,000 people attended and 1,200 families received food.

Magi has tapped into the power of social media to promote Florida’s “Not a Replacement” tobacco prevention campaign. Youth are encouraged to send “selfie statements” to tobacco companies –

photos of themselves with handwritten signs telling Big Tobacco that they are not replacement smokers, but individuals. After Magi received the award, the campaign was expanded for Kick Butts Day and promoted globally. Magi also serves as the youth representative on the Campaign for Tobacco-Free Kids' Board of Directors, protested along with fellow youth advocates at Philip Morris International's annual meeting and helped train the next generation of tobacco control leaders at our Youth Symposium.

2014 Youth Symposium

Thirty youth leaders from around the country came to Washington, D.C., in July 2014, to participate in our 11th Youth Advocacy Symposium. The symposium empowers passionate youth advocates to fight tobacco use in their states and communities.

Participants in the week-long symposium shared ideas and participated in leadership, advocacy, communications and other skill-building workshops. The youth advocates met with their members of Congress to urge support for the regulation of all tobacco products.

The Youth Advocacy Symposium is part of the Campaign for Tobacco-Free Kids' efforts to foster the next generation of leadership in the fight to end the tobacco epidemic.

Financials

Campaign for Tobacco-Free Kids

Statement of Activities (Year Ended March 31, 2015)

Revenue	Unrestricted	Temporarily Restricted	Total
Grants income	\$19,654	\$35,755,812	\$35,775,466
Contributions	\$533,829	-	\$533,829
Events	\$665,547	-	\$665,547
Investment Income	\$104,986	-	\$104,986
Other Revenue	\$6,756	-	\$6,756
Net assets released from restriction	\$19,437,808	(\$19,437,808)	-
TOTAL REVENUE	\$20,768,580	\$16,318,004	\$37,086,584

Expenses

Program services:

Public information and communications	\$1,430,174	-	\$1,430,174
Research, advocacy and technical assistance	\$3,478,584	-	\$3,478,584
Constituent relations and outreach	\$512,866	-	\$512,866
International Programs	\$12,719,063	-	\$12,719,063

Supporting services:

General and administrative	\$1,181,645	-	\$1,181,645
Fundraising	\$955,976	-	\$955,976

TOTAL EXPENSES	\$20,278,308	-	\$20,278,308
-----------------------	---------------------	----------	---------------------

Change in net assets	\$490,272	\$16,318,004	\$16,808,276
-----------------------------	------------------	---------------------	---------------------

Net Assets

Beginning	\$3,560,668	\$22,095,091	\$25,655,759
Ending	\$4,050,940	\$38,413,095	\$42,464,035

Financials

Tobacco-Free Kids Action Fund

Statement of Activities (Year Ended March 31, 2015)

Revenue	Unrestricted	Temporarily Restricted	Total
Contributions and grants	\$403,765	\$29,250,000	\$29,653,765
Interest income	\$ 24,348	\$7,893	\$32,241
Other income	\$170	-	\$170
Net assets released from restriction	\$13,665,013	(\$13,665,013)	-
TOTAL REVENUE	\$14,093,296	\$15,592,880	\$29,686,176

Expenses

Program services:

Advocacy, research, communications,
constituent relations, and outreach
International Programs

\$1,177,578	-	\$1,177,578
\$12,423,505	-	\$12,423,505

Supporting services:

General and Administrative
Fundraising

\$138,911	-	\$138,911
\$45,272	-	\$45,272

TOTAL EXPENSES	\$13,785,266	-	\$13,785,266
-----------------------	---------------------	----------	---------------------

Change in net assets	\$308,030	\$15,592,880	\$15,900,910
-----------------------------	------------------	---------------------	---------------------

Net Assets

Beginning	\$3,692,093	\$18,576,564	\$22,268,657
Ending	\$4,000,123	\$34,169,444	\$38,169,567

BOARD OF DIRECTORS (FY2015)

William D. Novelli (Board Chair)

Georgetown University
Washington, D. C.

**Jacqueline M. Bolt
(Board Treasurer)**

Vice President, Finance and
Administration
Campaign for Tobacco-Free Kids
Washington, D.C.

Eileen Howard Boone

SVP Corporate Social Responsibility &
Philanthropy
CVSHealth
Woonsocket, Rhode Island

Nancy Brown

Chief Executive Officer
American Heart Association
Dallas, Texas

Christopher Conley

(Finance Committee Chair)
Managing Director
Tricadia Municipal Management
New York, N.Y.

Barrie Fiske

(Development Committee Chair)
Carmel, California

Margaret Linscott (2014 YAYA)

Norfolk, Virginia.

Susan Liss (Board Secretary)

Executive Director
Campaign for Tobacco-Free Kids
Washington, D.C.

Spencer Flanders (2015 YAYA)

Carson City, Nevada

Michael Moore

Mike Moore Law Firm, LLC
Flowood, Mississippi.

Matthew L. Myers

President
Campaign for Tobacco-Free Kids
Washington, D.C.

Jessica Nagle

Co-Founder of SNL Financial
Deep Rock Farm
White Hall, Virginia

Gary M. Reedy

Chief Executive Officer
American Cancer Society
Atlanta, Georgia.

John R. Seffrin, PhD

Former Chief Executive Officer
American Cancer Society

Jonah Shacknai

(Development Committee Chair)
Managing Partner
Tiger Moon Group
Scottsdale, Arizona

Todd Sisitsky

Partner
TPG Capital, LP
San Francisco, California

Doug Ulman

President/CEO
Pelotonia
Columbus, Ohio



Campaign for Tobacco-Free Kids

1400 I Street NW
Suite 1200
Washington, D.C. 20005
(202) 296-5469

TobaccoFreeKids.org