

PRESSURE FOR

PROGRESS





MISSION STATEMENT

The Campaign for Tobacco-Free Kids is the nation's largest advocacy and education organization working to prevent kids from smoking, help smokers quit, and protect everyone from secondhand smoke. We are building a healthier future for our children by changing public attitudes and public policies regarding tobacco use.

LETTER FROM THE LEADERSHIP

Dear Friends,

We are pleased to present the 2007 Annual Report for the Campaign for Tobacco-Free Kids and our sister organization, the Tobacco-Free Kids Action Fund. In the following pages, we proudly share some of our most noteworthy accomplishments in what was truly a remarkable year. Thank you for helping to make our successes possible.



In the United States, we continue to see great momentum on proven policies, including smoke-free laws, higher tobacco taxes and strong prevention and cessation programs that keep kids from smoking, help smokers quit and protect everyone from secondhand smoke. And, we are closer than ever to one of our most important goals: regulation of tobacco products by the U.S. Food and Drug Administration (FDA).

At the same time, we have been given an unparalleled opportunity to reduce tobacco's toll across the globe. Thanks to the leadership and generosity of Michael R. Bloomberg, the Campaign has established a new International Resource Center to support advocates and governments in adopting and implementing proven measures to reduce tobacco use.

These are certainly very encouraging developments. But we cannot become complacent that momentum alone will sustain us.

Big Tobacco is still spending immense amounts on marketing and new products to attract new tobacco users and keep current ones hooked. And they spend millions more to fight the solutions that we advocate for every day.

We must not forget that Big Tobacco is in this fight for the long haul.

If we want to prevail and reach a future when the devastation and death caused by tobacco use is a thing of the past, we must stay in this fight too.

As you reflect on all we have accomplished together in the past year, we ask you to join us in redoubling your commitment to our cause. With your support, we pledge that the Campaign will never tire and will always be ready—no matter what Big Tobacco has up their sleeves—to meet them head on.

Sincerely,

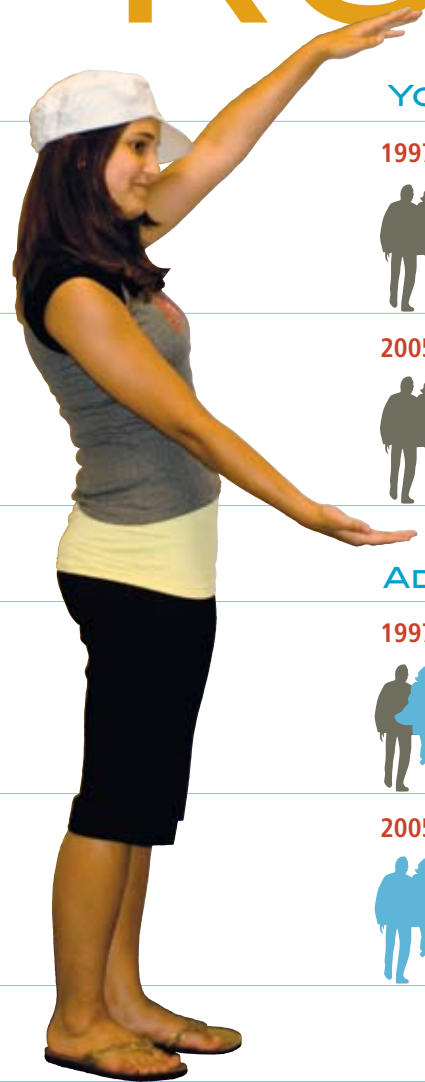
Handwritten signature of Matthew L. Myers in black ink.

Matthew L. Myers
President

Handwritten signature of William V. Corr in black ink.

William V. Corr
Executive Director

MEASURING OUR PROGRESS



YOUTH SMOKING RATE (HIGH SCHOOL)

1997: 36.4 percent



2005: 23 percent



Pacesetters:

Utah
7.4 percent

Washington
15 percent

ADULT SMOKING RATE

1997: 24.7 percent



2005: 20.9 percent



Pacesetters:

Utah
9.8 percent

California
14.9 percent

TOBACCO TAXES

1996:
Average state
cigarette tax was
33 cents per pack

2007:
Average state
cigarette tax is
\$1.07 per pack



Pacesetters:

New Jersey:
\$2.58 per pack

Rhode Island:
\$2.46 per pack

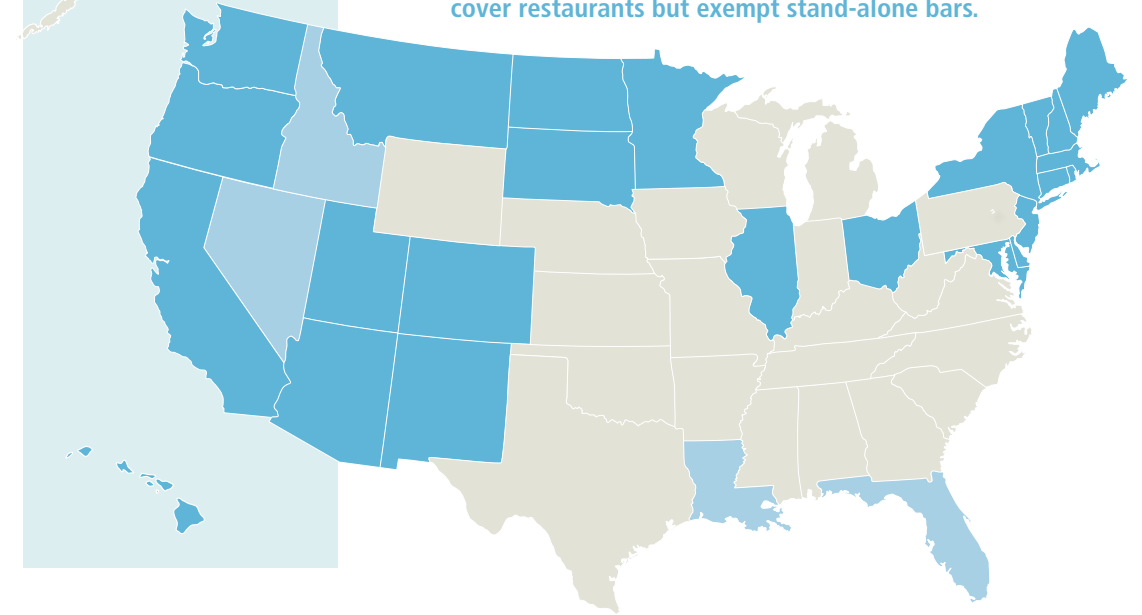
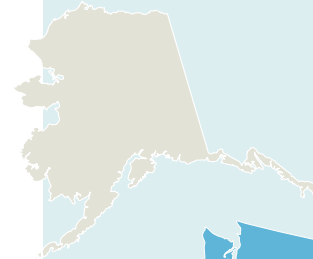
Chicago (state-local rate):
\$3.36 per pack

Anchorage: \$3.32 per pack

New York City: \$3.00 per pack

SMOKE-FREE STATES

Hundreds of cities and counties across the country have also taken action.



1996: One state—California—had passed a smoke-free law that covered restaurants and bars. It didn't go into effect until 1998.

2007: 22 states, Washington DC and Puerto Rico have smoke-free laws that cover restaurants and bars. The states are Arizona, California, Colorado, Connecticut, Delaware, Hawaii, Illinois (effective 1/1/08), Maine, Maryland (2/1/08), Massachusetts, Minnesota (10/1/07), Montana (extends to bars 9/1/09), New Hampshire (9/17/07), New Jersey, New Mexico, New York, Ohio, Oregon (1/1/09), Rhode Island, Utah (extends to bars 1/7/09), Vermont and Washington. Florida, Idaho, Louisiana and Nevada have smoke-free laws that cover restaurants but exempt stand-alone bars.

TOBACCO PREVENTION PROGRAMS

Maine, Delaware and Colorado are the only states funding tobacco prevention programs at CDC-recommended levels.

1996: Three states with well-funded tobacco prevention programs

2007: 17 states with well-funded tobacco prevention programs—more than half the minimum recommended by the U.S. Centers for Disease Control and Prevention (CDC)

INTERNATIONAL

Countries with smoke-free laws include Bermuda, Bhutan, England, France (2008), Iceland, Ireland, Italy, Lithuania, New Zealand, Northern Ireland, Norway, Scotland, Sweden, Uruguay and Wales.

1996: No global tobacco treaty

June 2007: 149 countries have ratified the world's first public health treaty, the Framework Convention on Tobacco Control.

PRESSURE FOR PROGRESS IN THE STATES



When it comes to reducing tobacco use, we know what works—smoke-free laws, higher tobacco taxes and strong tobacco prevention and cessation programs.

Each of these policies has a direct and proven ability to get us closer to the tobacco-free world to which we aspire. That's why they're the core goals of the Campaign's advocacy in states, cities and communities around the country.



In the past year, our efforts have helped increase the number of smoke-free states by seven for a total of 22. Smoke-free laws protect everyone from the serious health hazards of secondhand smoke, while also helping smokers quit. No wonder these common sense measures are sweeping the nation.

When tobacco taxes increase, fewer kids start to smoke and more smokers quit. Plus, they generate revenue to fund tobacco prevention and other important initiatives, and they are

overwhelmingly popular with voters.

As of March 2007, 23 states had tobacco taxes that were more than one dollar, and the Campaign helped eight states pass significant tobacco tax increases in the past year alone.

Strong, science-based tobacco prevention and cessation programs have the power to save lives. We collaborate with state advocates to fight for increased funding of these vital programs.

As of the writing of this report, seven states have added about \$100 million to their state tobacco prevention program funding for fiscal year 2008, and we're expecting more states to follow. We're encouraged that 17 states currently invest at least 50 percent of the amount recommended by the CDC in their state prevention and cessation programs, but 33 states still spend less than half the CDC minimum or nothing at all on tobacco prevention.

We must do better!



SECOND CHANCE FOR BETTER HEALTH

During the past year, the Campaign has been working with advocates around the country to take advantage of a rare second chance to get states to finally *do the right thing* and ramp up funding for prevention and cessation programs.

Under the 1998 state tobacco settlement, the states will receive increased payments totaling almost one billion dollars annually for ten years beginning in 2008. We are working with our partners to demand that these funds be used as promised—to fund tobacco prevention and cessation programs.

We have undeniable proof that these programs work when well funded. They prevent young people from smoking and help smokers quit. So we have equipped advocates with the best arguments and data to persuade their elected leaders.

We've held training sessions to help our state partners develop their advocacy strategies and are already seeing promising results. Advocates in Florida, Washington, New Mexico and other states have won significant new funding for tobacco prevention programs.

This money can truly save millions of lives if it's put to its intended use. We will not let our leaders pillage these additional tobacco settlement funds. Working hand in hand with our state partners, we are determined to get those dollars invested where they belong so we can save more lives.

PUTTING AN END TO THE SECONDHAND SMOKE DEBATE

"The debate is over. The science is clear: Secondhand smoke is not a mere annoyance but a serious health hazard."

U.S. Surgeon General Richard Carmona, June 27, 2006

With those words echoing from small town newspapers in middle America to major broadcast outlets around the world, Surgeon General Richard Carmona's landmark report on secondhand smoke was a tipping point in the growing global movement to enact smoke-free laws and protect everyone's right to breathe clean air.

Capitalizing on this historic opportunity, the Campaign made sure that the Surgeon General's message was heard loud and clear.

In advance of the report's release, we prepared fact sheets and press releases for advocates to use around the country. We briefed advocates on what to expect from the report and how to maximize its findings in their smoke-free campaigns. And we developed customizable ads that our allies could use to increase the report's visibility.

In addition, the Campaign was a critical resource for reporters from print, television, radio and interactive media. Our leaders were quoted in stories by the Associated Press, Reuters, CNN, NBC Nightly News, *The Washington Post*, *USA TODAY* and other media.

In the months and years ahead, we look forward to utilizing the Surgeon General's report in the fight to make every state and nation smoke-free.



PRESSURE FOR PROGRESS IN CONGRESS



It's just common sense. A product as addictive and deadly as cigarettes—one that kills more than 400,000 Americans every year—should be regulated by the agency charged with protecting the nation's health.

Since opening our doors in 1996, the Campaign has fought to enact long-overdue legislation to give the FDA authority over tobacco products.

FDA LEGISLATION: FIGHTING TO PROTECT KIDS AND SAVE LIVES

Congress has debated FDA authority over tobacco for nearly a decade. This year, with a large number of sponsors in both chambers and from both political parties, Congress has a truly historic opportunity to protect our children and improve the nation's health. The Campaign has been working feverishly with our public health partners—the American Cancer Society, American Heart Association, American Lung Association, and others—to achieve this critical public health goal.

The Campaign has also worked with other members of the public health community, securing endorsements from organizations and mapping out ways for them to send their message to Congress.

During his testimony, Matt Myers, the Campaign's President, informed the Senate Health Education, Labor and Pensions Committee, that 77 percent of voters (and the majority of smokers) favor FDA regulation of tobacco.

With such a huge public demand for FDA legislation, Congress should not delay. The Campaign will continue to advocate until a strong bill is signed into law.

REVEREND RICHARD LAND Tobacco Control Advocate & President of the Southern Baptist Convention's Ethics and Religious Liberty Commission

"The 24 [faith] leaders who signed this letter are often on opposite sides of other very important social and political issues. But we are united in our desire to reduce smoking, especially among children, and in our commitment to the enactment of legislation authorizing the FDA to regulate tobacco products."



In plain-spoken but powerful words, Reverend Land testified before the U.S. Senate Health, Education, Labor and Pensions Committee in February 2007. He shared his passionate views about why FDA regulation of tobacco is needed ... and needed now!

As a minister, Reverend Land knows the sorrow of burying mothers, fathers, sisters and brothers who die too young from tobacco-caused disease. He knows the challenge of trying to bring comfort and solace to the loved ones left behind. And he also knows first hand the pain of losing family members to this deadly addiction.

These deep personal connections to tobacco's tragic toll—combined with his belief that our bodies are gifts from God to be treated with dignity—compelled Reverend Land to become involved with the Campaign's diverse coalition of faith leaders, Faith United Against Tobacco.

The Campaign applauds Reverend Land's willingness to put his faith into action by calling on Congress to enact strong legislation granting the FDA authority over tobacco products.



KICK BUTTS DAY: A CALL TO ACTION ON FDA

On March 28, 2007, the Campaign's Kick Butts Day (KBD) once again challenged young people across America to stand up, speak out and seize control in the fight against tobacco.

The theme of KBD 2007 reinforced the critical need for effective regulation of tobacco products. Almost 2,000 KBD events in 50 states focused on raising awareness about the more than 4,000 chemicals in cigarette smoke, including at least 69 known to cause cancer, and highlighting Big Tobacco's continued efforts to market to kids.

By engaging young people and generating extensive media coverage across the country, KBD sent a powerful message to elected officials at all levels that FDA regulation of tobacco must be a priority.

The Campaign also launched a new web site, www.whatareyousmoking.org, in conjunction with KBD. The web site provides information about the long list of deadly chemicals in cigarettes and links visitors directly to online activism opportunities that are key to our fight for FDA legislation.

www.whatareyousmoking.org was created in response to a Campaign survey that found 71 percent of adults and 79 percent of teens could not name a single chemical found in cigarette smoke, other than tar and nicotine.

PRESSURE FOR PROGRESS AROUND THE WORLD



It's an urgent call to action. Unless the nations of the world act now to save lives, tobacco will kill more than one billion people in this century.

To make matters worse, the vast majority of these deaths will be in developing countries—causing huge health care costs, economic harms and widespread devastation in nations with the fewest resources.

The good news is that we know what works to reduce tobacco use. If adult cigarette consumption is cut in half worldwide, we can prevent more than 300 million deaths from tobacco in the next 50 years.

The year 2006 was a true turning point in the global fight to reduce tobacco use. Michael R. Bloomberg, the philanthropist and Mayor of New York City, launched an unprecedented \$125 million global initiative to reduce tobacco use in low and middle-income countries. The Campaign has been designated as one of five partner organizations to implement this initiative, along with the Centers for Disease Control and Prevention Foundation, the Johns Hopkins Bloomberg School of Public Health, the World Health Organization and the World Lung Foundation.

This initiative has enabled the Campaign to establish a new International Resource Center to provide grants and other assistance to help governments and non-governmental organizations to promote, adopt and implement public policies proven to reduce tobacco use.

We are already working in countries where nearly two-thirds of the world's smokers live, including China, India, Indonesia, Russia and Bangladesh. In addition to our grants program, the Campaign's International Resource Center is providing a wide range of research, communications, legal and advocacy assistance to organizations and governments working on tobacco control in these countries.

As tobacco use declines in the United States and other developed countries, Big Tobacco is targeting developing nations that often lack the resources to protect the health of their citizens. Mayor Bloomberg's historic initiative has exponentially increased the resources and effort brought to the global fight against the tobacco epidemic. The Campaign is grateful and honored for the opportunity to help lead this global health initiative.



GLOBAL YOUTH ADVOCACY TRAINING

Held in conjunction with the 13th World Conference on Tobacco OR Health in Washington, DC, the Campaign brought together nearly 100 young adults representing more than 30 countries for the first Global Youth Advocacy Training.

The youth took part in two days of workshops, trainings and networking sessions on how to promote tobacco prevention and cessation. They also organized and presented at a number of World Conference plenary sessions, marched through Washington, DC and hosted a Youth Advocacy Luncheon.

The training and related activities, made possible by a special grant from GlaxoSmithKline, were part of the Campaign's ongoing efforts to build a sustainable international network of youth leaders in tobacco control. These dynamic young people are already valuable partners in our international advocacy work. By bringing them together, the Campaign forged new global partnerships and built a foundation for future networking and collaboration.

HONORED BY OUR OWN: CAMPAIGN FOR TOBACCO- FREE KIDS RECEIVES THE PRESTIGIOUS LUTHER TERRY AWARD

The Campaign is always gratified by recognition of our contribution to the tobacco control field. That is especially true when we are recognized by the advocates who stand shoulder to shoulder with us in this fight.

In July 2006, the Campaign was honored to receive the Luther L. Terry Award for Exemplary Leadership in Tobacco Control. These prestigious awards, presented every three years in conjunction with the World Conference on Tobacco OR Health, were created to honor significant achievement in tobacco control and prevention throughout the world. The Campaign received its award in the Outstanding Organization category:

NAMED FOR THE LATE U.S. SURGEON GENERAL WHOSE GROUNDBREAKING WORK ESTABLISHED THE FOUNDATION OF PUBLIC HEALTH SCRUTINY OF THE DANGERS OF TOBACCO USE, THE AWARDS HONOR OUTSTANDING LEADERSHIP AND ACCOMPLISHMENT, ARE SYNONYMOUS WITH EXCELLENCE, AND SIGNIFY THAT THE RECIPIENTS ARE AMONG THE VERY BEST IN THE WORLD AT WHAT THEY DO.

The Campaign is grateful to have been chosen for the Luther L. Terry Award, and we will strive to live up to the high standards of its namesake.



IN TRIBUTE: JUDY WILKENFELD

The Campaign's new, ambitious global initiative would never have been possible without the strong foundation laid by Judy Wilkenfeld, our first Vice President of International Programs.

It was a deep personal loss for all of us at the Campaign, and a tremendous loss for the global tobacco control movement, when Judy passed away in May 2007 after a long illness. Judy was truly one of the rocks upon which the tobacco control movement was built, and our international program would not be what it is today without her. Judy was a true champion who will be missed by all who knew her.

PRESSURE FOR PROGRESS AT THE

BALLOT BOX



We've said it time after time. When the Action Fund takes proven measures—like smoke-free workplaces, tobacco taxes and strengthening tobacco prevention programs—directly to voters, their public support is undeniable.

On Election Day 2006, voters across America proved us right once again when they dealt decisive defeats to the tobacco industry and stood up for their own good health. An unprecedented six statewide ballot initiatives were approved to turn strong tobacco control measures into law.

Arizona, Nevada and Ohio passed smoke-free workplace initiatives. The outcome in Florida required that tobacco settlement money be used to fund tobacco prevention programs. And both South Dakota and Arizona increased their tobacco taxes. In addition, local smoke-free laws also made a strong showing in Baytown, Texas; Mankato, Minnesota; and Appleton, Wisconsin.

BIG TOBACCO'S DIRTY TRICKS

What makes November's ballot victories even sweeter is how much voters really outsmarted Big Tobacco in Arizona, Nevada and Ohio.

In each of these states voters faced deceptive, "fake" ballot measures sponsored by the tobacco industry and other special interests. With names like the "Arizona Non-Smoker Protection Act," these decoy initiatives would have done exactly the opposite of what their names suggest—like explicitly allowing smoking, overturning existing smoke-free laws and prohibiting future smoke-free laws.

When the votes were tallied, Big Tobacco's sleazy tactics didn't stand a chance. Even these decoy measures designed to confuse couldn't stand in the way of what voters wanted: the right to breathe clean indoor air.



IF THE POLICY MAKERS WON'T CHANGE THE LAW, CHANGE THE POLICY MAKERS!

The 2006 election season ushered in some of the most strategic campaigns the Action Fund has taken on since its inception.

Faced with opportunities in Maryland, New Hampshire, Washington and Washington, DC to support smoke-free champions—and challenge their pro-tobacco opponents—in key election races, the Action Fund made the most of them.

We put our money, our energy and our very best strategies behind the candidates we supported. We raised the profile of smoke-free laws and tobacco issues in every one of these races. We made sure voters knew which of their leaders were in Big Tobacco's pocket . . . and who had the courage and leadership to stand up for their constituents' health.

The Action Fund's tenacity paid off. In each of our targeted states and Washington, DC, voters elected strong public health champions who will help pave the way for proven measures, like smoke-free laws, higher tobacco taxes and strong prevention programs, in the months and years ahead.



CASE STUDY: NEW HAMPSHIRE

Last year, the New Hampshire Senate voted 12 to 11 to kill smoke-free legislation. When the Senate majority leader dared us to campaign on the issue, the Action Fund met the challenge. With a creative voter outreach campaign, we defeated three incumbent senators who voted against the smoke-free bill and replaced them with three supportive senators.

The result: the New Hampshire Senate passed the smoke-free bill by a 17-7 margin and the House followed suit to enact a new law making all restaurants and bars smoke-free. Now we can drive from Washington, DC to Maine without leaving a smoke-free state!



PRESSURE FOR PROGRESS IN THE COURTS AND IN THE COURT OF PUBLIC OPINION



Despite constant claims that they are now changed, responsible companies, the past year has been filled with more and more proof that Big Tobacco continues to do whatever it takes to addict new smokers and keep smokers hooked. Their deceptive tactics have been proven in the courtroom, in the science lab and in the pages of popular magazines.

But wherever their disgraceful marketing tricks appear, the Campaign and the Action Fund will be there to expose the truth behind Big Tobacco's empty corporate image campaign.

THE PEOPLE VS. BIG TOBACCO

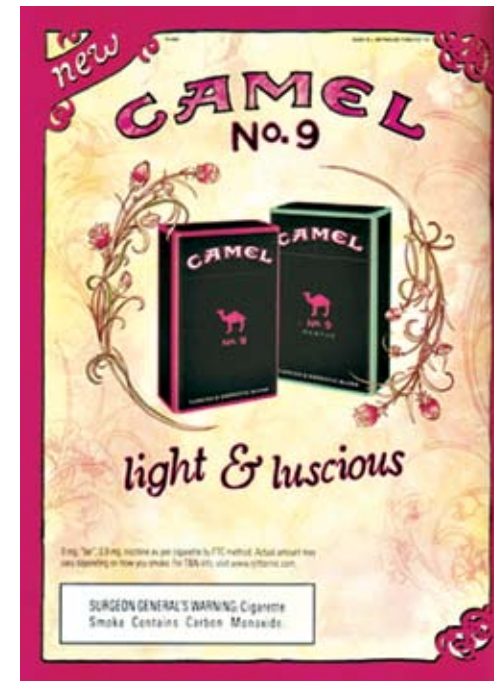
After a drawn out legal process that took nearly seven years, Judge Gladys Kessler issued a final opinion in the U.S. Department of Justice historic racketeering lawsuit against the tobacco industry in August 2006.

In a 1,683-page chronicle, Judge Kessler exposed 50 years of deadly lies by the tobacco companies like never before. She found that Big Tobacco defrauded the American people by lying for decades about the health risks of smoking and secondhand smoke, and by marketing their addictive products to children.

Even more importantly, Judge Kessler found that these deceptive tactics are not remote sins of the past. Rather, they continue to be used by the tobacco companies to this very day.

The Action Fund is proud to be a party in this lawsuit, along with five of our public health partners. We've been instrumental in keeping up public pressure for the Department of Justice to make their strongest case and demand the strongest remedies.

Though we applaud Judge Kessler's findings in this case, she felt constrained by an earlier ruling on the remedies (or punishment, in everyday parlance) she could impose. The Action Fund and our partners are now fighting on appeal for the strongest possible remedies, including prevention and cessation funding.



DEADLY IN PINK

They just won't stop their insidious marketing. Clearly intended to appeal to girls and young women, R.J. Reynolds rolled out Camel No. 9 in January 2007. With their sleek black, pink and teal packages, Camel No. 9's are the size of candy cigarettes and edged in pink. Their massive promotional campaign includes free goodie bags filled with treats that appeal to teens, as well as flowery ads in magazines that are extremely popular with girls, like *Vogue* and *Marie Claire*.

Outraged by this blatant attempt to lure girls into smoking, the Campaign challenged Camel No. 9 with press releases and outreach to the media. We also organized a letter-writing campaign that generated more than 4,000 letters demanding that *Vogue* drop the slick ad campaign.

The introduction of Camel No. 9 is part of plans to "focus on products that are 'wow'" and that "add fun and excitement."

From Cressida Lozano, Vice President for Marketing Reynolds American Tobacco Company, quoted in *The New York Times*, February 2007

"PREVENTION" THAT ACTUALLY PROMOTES

When, in partnership with the American Legacy Foundation, the Campaign learned of scientific proof that Big Tobacco's supposed "smoking prevention" ads are ineffective and that ad campaigns targeting parents actually encourage kids to smoke, we leapt into action.

The Foundation's research confirmed what we have suspected for years and exposed the real truth behind the tobacco industry's glossy high-profile campaigns.

The Campaign called on the tobacco industry—and Philip Morris, in particular—to stop running their phony prevention programs. And we used the Foundation's study to educate state decision makers about the importance of funding real prevention programs that meet CDC standards and have been proven effective at reducing smoking.

Within months, Philip Morris agreed to stop its counter-productive campaign for parents. But we still must remain vigilant for other fraudulent industry-sponsored programs that are designed to do nothing more than polish companies' images.



YOUTH ADVOCATES OF THE YEAR

AWARDS GALA

Each year, the Campaign honors the best and brightest upcoming leaders in the fight against tobacco at a gala celebration. The Youth Advocates of the Year are young people from across the country who have made significant contributions to critical advocacy work at the local, state and federal levels, as well as internationally.

In 2006, our Youth Advocates of the Year Awards Gala was held at the Mandarin Oriental Hotel in Washington, DC. We were honored to bring together prominent leaders in government, public health and business to applaud the contributions of these talented and accomplished young people.

The evening also featured the presentation of our Champion Award to Mary Harney, Ireland's Deputy Prime Minister and Minister for Health and Children, in recognition of her nation's strong smoke-free workplace law—Ireland was the first country to go smoke-free.



Clockwise, from back left: Kyle Peavley (Group Winner), Deena Plamondon (Group Winner), DJ DeRego (Western Winner), Chad Bullock (Southern Winner), Kaitlyn Reilly (National Winner), Emily Matruscello (Eastern Winner), Lauren Baisden (Central Winner), Malavika Srinivasan (Group Winner), Anjali Gupta (International Grantee), and Anwar Alayamini (Group Winner).

AWARDS GALA

KAITLYN REILLY

Bringing Youth to the Fight for FDA

"The first time I visited the Hill with the Campaign in 2005, I was able to meet with my Representative and convince him to co-sponsor the FDA bill. That really inspired me to see that every person I help educate really does have the power to make a difference."

Since winning the Campaign's Youth Advocate of the Year Award in May of 2006, Kaitlyn Reilly certainly has not been resting on her laurels! Instead, she's been writing letters, making calls, sending emails and mobilizing youth and adults across New Hampshire to call for strong FDA legislation.



Kaitlyn has organized youth groups across the state to document and photograph outrageous tobacco marketing, like the Camel No. 9 campaign, in convenience stores. She also attends community events with displays on what's in a cigarette to educate others

about the need for ingredient disclosure and other FDA bill provisions, and to gather petition signatures and recruit grassroots advocates.

All of these efforts are part of Kaitlyn's crusade to convince her New Hampshire Senators to co-sponsor legislation. But she also presents to youth groups in Iowa, Florida and beyond, on why FDA is so important and how they can mobilize their peers just like she has.

The Campaign salutes Kaitlyn Reilly for her endless commitment and energy. We look forward to celebrating with her when FDA legislation becomes a reality thanks to advocates like her.

2006 WINNERS

National Youth Advocate of the Year KAITLYN REILLY

Kaitlyn worked to build support for both federal and state legislation in her home state of New Hampshire to reduce tobacco use, while finding innovative ways to keep the tobacco problem visible to the public.

International Grant Winner ANJALI GUPTA

Anjali's global tobacco control efforts include leading anti-tobacco workshops with teens in Trinidad, Tobago and Mexico, as well as collaborating with youth organizations in India.

Group Winner STAND

Ohio's youth-led anti-tobacco movement includes nearly 2,000 active youth members and more than 60,000 web activists who stand up and speak out throughout Ohio on three priority issues: deglamorizing tobacco, tobacco-free schools and smoke-free workplaces.

East Regional Youth Advocate of the Year EMILY MARTUSCELLO

Emily led legislative efforts around fire-safe cigarettes in New Hampshire and is an active leader of Dover Youth to Youth, a strong anti-tobacco youth coalition.

West Regional Youth Advocate of the Year DJ DEREGO

DJ helped strengthen Juneau, Alaska's smoke-free law by testifying before the city assembly, and he continues to advocate for tightening a loophole for adults-only establishments.

South Regional Youth Advocate of the Year CHAD BULLOCK

Chad led a project in North Carolina opposing Brown & Williamson's Kool Mixx marketing campaign, which utilized hip-hop images and music to market cigarettes.

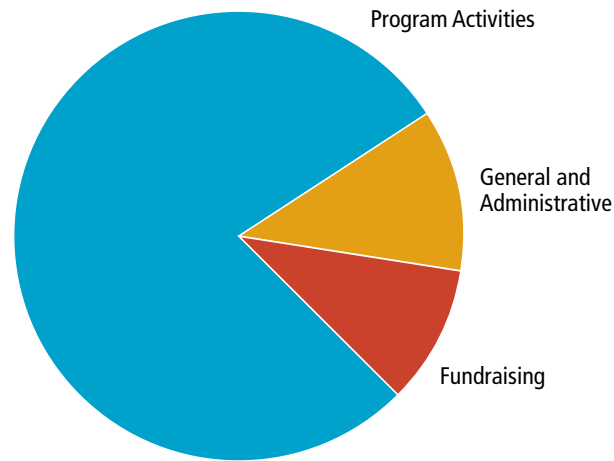
Central Regional Youth Advocate of the Year LAUREN BAISDEN

Lauren helped prevent the passage of a weak smoke-free law in Wisconsin by calling her local representative and writing a creative op-ed that was published in her local paper.

FINANCIAL STATEMENTS

CAMPAIGN FOR TOBACCO-FREE KIDS

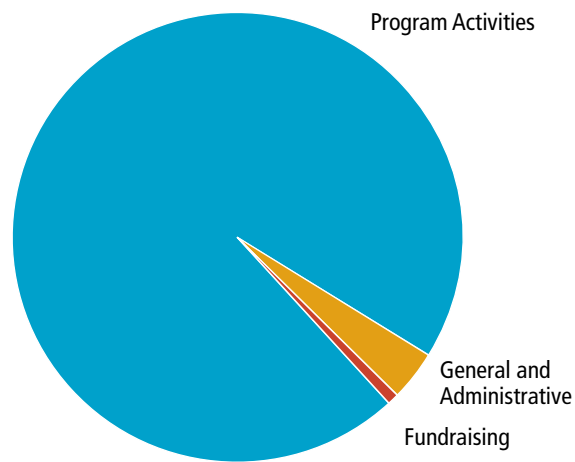
Functional Expenses for the Year Ended March 31, 2007



PROGRAM ACTIVITIES:	\$ 8,169,595
Advocacy:	2,302,421
Research:	916,052
Communications:	2,792,647
Constituent relations and outreach:	1,154,951
International programs:	1,003,524
SUPPORTING SERVICES:	\$ 2,249,080
General and administrative:	1,226,887
Fundraising:	1,022,193
Total expenses:	\$10,418,675
<i>Portion spent on program activities:</i>	<i>78.4%</i>
<i>Portion spent on fundraising:</i>	<i>9.8%</i>

TOBACCO-FREE KIDS ACTION FUND

Functional Expenses for the Year Ended March 31, 2007



PROGRAM ACTIVITIES:	\$ 1,881,695
Advocacy:	1,357,910
Research:	25,004
Communications:	343,635
Constituent relations and outreach:	90,158
International programs:	64,988
SUPPORTING SERVICES:	\$ 83,728
General and administrative:	70,448
Fundraising:	13,280
Total expenses:	\$ 1,965,423
<i>Portion spent on program activities:</i>	<i>95.7%</i>
<i>Portion spent on fundraising:</i>	<i>.6%</i>

ROB CRANE, MD

Advocate & Campaign Supporter

"The Campaign is the only truly national voice for tobacco control. They are the only organization that has any opportunity to counter the broad and cunning reach of the industry. We must not let that voice be silenced."



Rob Crane, MD is a passionate Ohio tobacco control advocate and a generous supporter of the Campaign. His commitment to ending tobacco's terrible toll grows out of his experiences as a physician . . . and as a son.

Rob's father was a successful businessman, whose reputation was built on always keeping his promises. But there was one promise he could not keep. Time and again he promised his family he would quit smoking. "And he did—probably 50 times."

After losing his father to a slow and painful death from lung cancer, Rob decided to do everything he could to take on Big Tobacco. He founded the Preventing Tobacco Addiction Foundation and began teaching, advocating and lobbying on critical tobacco control issues.

Rob had worked with the Campaign for years when he helped launch smoke-free campaigns in Columbus, and then in the whole state of Ohio. In these critical battles, the Campaign jumped in "with both feet, bringing along an expert team to help us with polling, literature, TV and radio ads and strategy." Rob credits the Campaign with providing the extra edge to outsmart R.J. Reynolds and help win the right to breathe clean air.

In the past several years, Rob has helped strengthen the Campaign with some significant financial support.

The Campaign is grateful for Rob's personal commitment to our work, and for all he has done to advance critical measures like smoke-free laws in Ohio and beyond.

THANKS TO OUR DONORS

The Campaign accepts no government or tobacco industry funding and relies on contributions from individuals, philanthropic foundations, corporations and non-profit organizations.

\$1,000,000+

ANONYMOUS

American Cancer Society

American Legacy Foundation

Robert Wood Johnson Foundation

\$250,000-\$999,999

American Heart Association

GlaxoSmithKline Consumer Healthcare

\$50,000-\$99,999

Wilton & Sara Aebersold

\$10,000-\$49,999

AARP

Allen Ortiz Consulting*

Arnold Worldwide

C-Change

Rob Crane, MD

Danya International, Inc.

Ms. Diane Disney Miller

Edelman

Fleishman-Hillard International Communications

GMMB*

Home Front Communications*

The Mellman Group

Pfizer

Pinney Associates

Potomac Counsel, LLC

Schering-Plough Corporation

Scholastic, Inc.*

Thoracic Foundation

\$5,000-\$9,999

ANONYMOUS

Academy for Educational Development

A.C. Nielsen/BASES

American College of Cardiology

American Medical Association

THANKS TO OUR DONORS

American Society of Clinical Oncologists
Arrowhead
Bayer Healthcare, LLC
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