CHARGED FOR LIFE
Dear Friends and Colleagues:

It is with great pride that Legacy’s Board of Directors and staff report to you on our 2012 accomplishments. For more than a dozen years, we’ve worked to advance the ambitious mission to create longer, healthier lives by building a world where young people reject tobacco and anyone can quit. With tobacco-related disease remaining the number one preventable cause of death in the U.S., this is a daunting task but Legacy remains passionately committed to the cause.

This 2012 Annual Report conveys that passion that lives in everyone here at the foundation. Truly, we are charged for life, dedicated to finding new and creative ways to stem the tobacco epidemic and connect the dots between its wide-reaching impact—beyond the negative health effects to young and adult smokers and their families, but also to the workplace, the community and the environment.

Lives have been changed, lengthened and saved as a result of the innovative campaigns, programs and research conducted by Legacy. Having been part of this movement has been a life’s calling for me personally and as my tenure here comes to a close, I want to take a moment to thank you, as partners in this “good fight” we’ve been fighting together since I arrived in 2000. As I depart for New York University’s Global Institute for Public Health, I take this mission with me and will continue to help amplify Legacy’s efforts from a different platform. It has been an honor to work with and fight alongside you as we’ve challenged and changed social norms surrounding tobacco. I’ve lost loved ones to tobacco and struggled with smoking myself, but I will never lose my drive to support Legacy in all its future endeavors.

Like you, I am charged for life with the collective good we have done and will do here, and forever changed by the opportunity to accomplish all that we have, together.

With gratitude,

CHERYL G. HEALTON, DrPH
Building a world where young people reject tobacco and anyone can quit.
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## Board of Directors

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The March 2012 release of *A Report of the Surgeon General*—on the youth smoking epidemic—put the life-saving work of Legacy’s *truth* campaign in sharp focus. Now in its second decade, grassroots outreach and online media remain the tent poles of this constantly evolving campaign. Yet, even as the campaign nimbly adapts to its ever-changing audience, the objective of *truth* remains the same: empower youth with the facts about the social and health consequences of tobacco use and the marketing practices of the tobacco industry, to save lives.

Because of its research-proven effectiveness and popularity with its audience, the *truth* campaign continues to garner awards and make an impact as a population-based public health intervention. The campaign was cited several times in the 2012 Surgeon General’s report as an example of an effective youth prevention campaign, while our evaluation efforts show that *truth* not only resonates with teens and young adults but that it is actually changing social norms and reducing youth smoking initiation.

**THE UNSWEETENED TRUTH CAMPAIGN** saw *truth* nominated for its fifth Effie award and a case study of the campaign featured in the textbook *Goodvertising: Creative Advertising that Cares*.

**THE RACHEL MADDOW SHOW** on MSNBC and the *Tosh.O* program on Comedy Central each highlighted the edgy campaign.
truth saves lives by empowering youth with the facts about tobacco use and the marketing practices of the tobacco industry.
TRAVELING WITH THE VANS Warped Tour® and the UPROAR Festival, a music and lifestyle festival, truth tour riders interacted with teens, allowing them to touch, feel and bond with the campaign firsthand through games, dance contests, rap “battles” and gear giveaways.

Teens follow or share videos, interviews and photos from the tour on thetruth.com, Facebook, Twitter and Instagram.

TRUTHLIVE, A NEW EFFORT FROM the campaign, paired truth with top music bands Cobra Starship and Outasight on a tour of five East Coast and Southern universities during early October. The effort marked the first time truth brought its message to a campus setting, connecting with students through their passion for music.

The tour made stops at Pennsylvania State University, the University of Virginia, the University of Maryland, the University of Tennessee and Clemson University.

TEAMING UP AGAIN with longtime partner Vans, truth made its first-ever appearance at the popular South by Southwest® (SXSW®) festival in Austin, TX, to rock a special VIP room at the movie premiere for the Vans Warped Tour documentary, No Room for Rockstars.

Speaking the truth, One Rockin’ Stop at a Time

Nearly one million: that’s the number of teens the annual truth tour reached in 2012. The tour logged 53,000 miles, with activities including a long-running summer music tour and a new tour of college campuses. Most tour stops featured the iconic orange truth truck, music, engaging games and fashion giveaways.
Changing the Game by Mobilizing Teens

In the second mobile game produced by truth, players are transported to a virtual United States overtaken by Flavor Monsters. The game is more than just a mobile game property—it connects tobacco-related information for young people, but in a subtle, fun way that does not impact the game play experience. The game’s central vision is inspired by the fact that although candy-flavored cigarettes are illegal, there are still more than 45 flavored tobacco products. Each monster appearing in the game is named after a real flavored tobacco product, reinforcing the metaphor through the mobile game. truth taps into youth interest in gaming to set the record straight.

The game served as part of a comprehensive campaign encompassing media integrations, gear, products and the campaign’s first-ever gaming tour.

THE FLAVOR MONSTERS invaded the iconic truth orange truck with a multi-colored, “monstrous” makeover to promote the game at Six Flags amusement parks in seven states and at tour stops at skateparks and haunted houses on the East Coast.
TRUTH TEAMED UP with the cable channel Syfy to bring to life a Flavor Monster. As a vignette on the reality show Face Off, contestant and special effects consultant Rod Maxwell transformed truth tour rider/manager Eddie Contreras into a Strawberry Flavor Monster. Rod also joined truth during the tour’s stop at New York Comic Con and again recreated the transformation for fans and attendees.

ENThusiASTS AT NEW York Comic Con, Dragon-Con, GenCon and other gaming-focused events had the full user experience. At an interactive booth called “45 Flavors,” they could demo the game onsite, get a picture taken with a Flavor Monster, sample truth-related gear and buy game-related toys, and take part in a video virtual simulation inspired by the Flavor Monsters game.
Tuning In to Tell the truth

The world’s most popular video-sharing website, YouTube, featured a dose of truth on the You Offend Me You Offend My Family (YOMYOMF) Network. The channel, founded by Justin Lin, director of The Fast and the Furious franchise and Better Luck Tomorrow, has more than 515,000 subscribers.

FORMER TRUTH TOUR MEMBER and aspiring comedian Tahir Moore hosted “truth orange carpet” interviews with finalists and celebrity guests for the finale of the network’s original show Internet Icon, a reality challenge contest to find the next big Internet star.

DURING THE LIVE FINALE, two video teaser trailers played, promoting the Flavor Monsters game.
Legacy’s Youth Activism program continues to build the leadership capacity of youth and young adult activists around the country. Through specialized training programs, technical assistance and network sharing, Legacy has helped local groups increase the quality of their youth engagement programs, helping build a framework for tobacco-free generations for years to come.

Legacy’s Youth Activism Fellowship program identifies promising young thought leaders and activists who are advancing prevention and cessation efforts in neighborhoods, college campuses and community settings. In 2012, 11 fellows representing 10 states promoted a new national toolkit for youth activism. This comprehensive guide for fighting commercial tobacco use in schools and communities debuted to enthusiastic support at the National Conference on Tobacco or Health (NCTOH) in Kansas City in August 2012.

STAYING CONNECTED FOR A SMOKE-FREE FUTURE
Through the recent establishment of our alumni network and pursuit of an emerging leaders program, Legacy sees engagement as a critical component to sustaining the fight against commercial tobacco use for the long haul. Supporting student leadership in developing tobacco-free campus policies will be a significant focus area for youth activism over the coming years, as well as promoting promising practices that engage youth to advocate for tobacco-free outdoor spaces.
YOUTH ACTIVISTS LEARNED from Dr. Victor DeNoble, a tobacco industry whistleblower; Richard Barnes, Health Sciences Clinical Professor, University of California, San Francisco School of Pharmacy; and graduate students from the Center for Tobacco Control Research & Education at UCSF at the Youth Activism Fellowship meeting in San Francisco, CA, in May 2012.

HOSTED A LEGACY Youth Activism reception at NCTOH. More than 300 guests attended the gathering, featuring several award presentations and display stations representing youth activism campaigns from every region of the U.S.

SUPPORTED STATE YOUTH prevention programming through the Coordinator Camp network, a partnership between Legacy and the Campaign for Tobacco-Free Kids aimed at skill-building and developing best practices for youth involvement in tobacco control.
HOSTED A NATIONAL Youth Leadership Institute in partnership with Ashoka’s Youth Venture international youth summit in Washington, DC, in July 2012.

PARTICIPATED IN THE September 2012 launch of the National Tobacco-Free College Campus Initiative at the University of Michigan.

CONVENED A YOUTH TOBACCO Town Hall summit in June 2012 in Seattle, WA, focusing on youth tobacco prevention and tobacco-free campus efforts.
FINDING A HAPPIER ENDING TO A TRAGIC STORY

In September 2012, the Centers for Disease Control and Prevention published a Legacy-funded study showing that depictions of smoking in movies continue to be a significant problem for public health. Despite the Surgeon General’s conclusion that there is a causal relationship between smoking in movies and children taking up smoking, Hollywood has yet to green light a comprehensive and binding policy to help alleviate this problem.

For several years, Legacy and other groups have urged the Motion Picture Association of America (MPAA) to update its ratings system and rate movies with smoking “R,” among other suggested policies. Previous research found that 70 percent of adults agree with an R-rating for movies with smoking. The only way to ensure a substantial and permanent reduction in young people’s exposure to on-screen smoking is for the movie industry to adopt a uniform set of policies that apply to all producers and distributors. Until the industry acts, research shows 180,000 children and teens will continue to light up each year as a direct result of what they see on screen.

CHALLENGING THE ON-SCREEN ROLE OF TOBACCO

1. Rating “R” any new movie with smoking, with the exception of movies that depict the health consequences of smoking or historic figures that actually smoked;

2. Inserting strong, evidence-based anti-smoking public service announcements (PSAs) before movies with smoking, in all distribution and exhibition channels;

3. Requiring producers to certify that no consideration of any kind was received for tobacco depictions in a film; and

4. Ending the depiction of tobacco brands on-screen.

180,000

Number of children and teens who light up from what they see on screen
EXTINGUISHING THE EPIDEMIC TOGETHER

The tobacco industry spends $8.8 billion a year marketing its products in the U.S., making the battle against the tobacco epidemic one of our greatest public health challenges. In 2012—with strategic guidance from Legacy—the U.S. Centers for Disease Control and Prevention (CDC) launched a bold new national campaign highlighting the devastating consequences of tobacco use and urging smokers to make the important decision to quit. With this counter-marketing campaign, “Tips from Former Smokers,” the federal government’s leadership put tobacco use high on the public health agenda in a truly unprecedented way.

Building on this momentum, Legacy worked with diverse partners who shared a common interest—ex-smokers, doctors and federal officials—to reach smokers in a powerful way.

Extending Opportunities Saves Lives

Quitting smoking is really hard. EX gives smokers the tools and resources to make it past cravings without lighting up, offering a complete plan that includes a step-by-step guide to re-learning life without cigarettes with support from an online community. Research results have demonstrated the impact that EX and the BecomeAnEX.org website have had on smokers trying to quit, so Legacy continues to extend the campaign in new ways, both online and with important partners, to reach the 43.8 million Americans who still struggle with this addiction. A 2012 study published in Health Affairs showed that EX was cost-effective and led to an increase in smokers’ quit attempts. And we know from our evaluation efforts that the more times people visit BecomeAnEX.org, the more likely they are to quit smoking.
The battle against the tobacco epidemic is one of the greatest public health challenges.
Winning With BecomeAnEX.org

About 4,500 smokers entered the first-ever sweepstakes from BecomeAnEX.org for a chance to win one of four 90-day supplies of nicotine replacement therapy products, including patches, lozenges and gum. The use of safe and approved nicotine replacement therapy products is an important part of a comprehensive quit plan, and EX encourages smokers to use proven-effective medication to increase their odds of success.

Staying Connected

Legacy knows that an important step to becoming an EX is being surrounded with the right support when going through the difficult process of quitting. The bi-weekly EX Connection e-newsletter keeps smokers involved with the EX quit plan and engages members with the latest tools and conversations on the site, including information on the EX mobile app, ways to re-learn smoking triggers and posts from Mayo Clinic’s Dr. Richard Hurt, a leading smoking cessation expert.

CLICK HERE TO QUIT

Just in time for 2012 New Year’s resolutions, 8,000 smokers on Facebook RSVPed to an EX event that invited them to take a pledge to start re-learning their lives without cigarettes. Smokers accessed the EX quit plan at BecomeAnEX.org, and connected with other smokers trying to quit through EX’s Facebook community. The page now has more than 26,000 “Likes.”
Hoosiers Get the Tools They Need to Quit Smoking

The State of Indiana—whose adult smoking rate is higher than the national average—absorbs $2.62 billion in smoking-caused productivity losses each year. In order to save lives and money, the Wellness Council of Indiana, which promotes healthy lifestyles and activities at worksites throughout the state, partnered with Legacy’s EX campaign to bring smoking cessation to area businesses throughout the Hoosier State.

Funded by a tobacco grant from the Indiana State Department of Health, the Wellness Council of Indiana developed a tobacco cessation tool designed to support employers’ efforts to implement and manage tobacco-free policies and offer a step-by-step program to help employees overcome nicotine addiction.

Referred to as the “QUIT NOW Tool,” the program uses evidence-based content similar to EX and directs smokers to get additional information at BecomeAnEX.org, as well as join the online EX community for support and encouragement. The program was scheduled to be implemented at Indiana-based businesses in the fall of 2012, eventually reaching employees across Indiana as an effort to inspire them to start re-learning life without cigarettes. For more information about the Wellness Council of Indiana, visit WellnessIndiana.org.

Amount of smoking-caused productivity losses each year in the State of Indiana

$2.62 BILLION
Forging Partnerships Between Doctors and Smokers

Research conducted for Legacy found that smokers are not tapping into one of the best sources of information on quitting smoking: their health care providers (HCPs). So Legacy developed a physicians’ guide—available in both English and Spanish—to help doctors and other HCPs begin meaningful and effective conversations with their patients about smoking and quitting. Because if smokers can have an honest dialogue with their doctors by acknowledging their smoking behavior, more smokers will be on an effective path to quitting.

MORE THAN ONE IN TEN smokers (13 percent) in the United States have not disclosed their smoking status to their providers at one time or another, according to a survey from Legacy and funded by Pfizer. The social stigma associated with being a smoker in today’s society may have played a role in why respondents concealed their smoking status from HCPs.
For years, the tobacco industry deliberately marketed tobacco brands to low socio-economic (SES) and minority youth and adults, as well as to the LGBT community. As a result, tobacco is not an equal opportunity killer. Traditionally, these populations are disproportionately affected by the burden of tobacco’s consequences while having less access to health care and other resources. Legacy believes everyone is entitled to a longer, healthier life, so we work hard to reduce this inequity and serve those communities most impacted by tobacco.
Legacy believes everyone is entitled to a longer, healthier life.
**SINCE LEGACY’S INCEPTION**, grants have been awarded to community-based organizations, public agencies, institutions of higher education and Native American tribes across the country. Disseminating what is learned from these initiatives is one way Legacy is building a world where young people reject tobacco and anyone can quit.
Silencing the Sweet Talk

Little cigars and cigarillos can be just as harmful as cigarettes and appear to be replacing cigarettes as the tobacco product of choice among some youth. In 2012, researchers from the CDC released groundbreaking research indicating that more than half of young adult cigar smokers ages 18-24 reported smoking flavored cigars.

These products continue to rise in popularity as the tobacco industry takes full advantage of regulatory gaps—many regulations that apply to cigarettes, such as a ban on candy flavorings, do not currently apply to cigar products. Legacy continues to lead the charge against these products, urging increased research surveillance and encouraging the FDA to act fast to assert authority over cigars, cigarillos and little cigars. Regulation of these products would help prevent further exploitation by the tobacco industry and help stop the industry’s practice of enticing youth and minorities with their addictive and deadly products.

TEEN CIGAR USE has already surpassed cigarettes in at least five states.

OVER THE PAST YEAR, Legacy has made significant contributions to the knowledge base of research around cigar use. The publication of two studies on dual use of cigarettes and other tobacco products finds that some young adults are not only using cigarettes but also concurrently using one or more other tobacco products, including little cigars. (Journal of Environmental and Public Health, May 2012 and Nicotine and Tobacco Research, January 2012)
Since the implementation of the Family Smoking Prevention and Tobacco Control Act, Legacy has been pushing for a ban on menthol cigarettes by engaging with the U.S. Food and Drug Administration (FDA) and its Tobacco Products Scientific Advisory Committee (TPSAC). Research finds that menthols are a starter product for youth—with more than half of the newest smokers smoking menthols—and the tobacco industry has targeted menthols to youth and communities of color. While this landmark law banned other flavors in tobacco products, menthol remains on the market while the FDA deliberates regulatory action, even though research shows that a menthol ban could prevent up to 600,000 smoking-related deaths by 2050, a third of those from the African American community.

600,000 prevented deaths by 2050 if a menthol ban was in place

1/3 are African Americans

“The success of Newport has been fantastic during the past few years. Our profile taken locally shows this brand being purchased by black people (all ages), young adults (usually college age), but the base of our business is the high school student.”

—Lorillard, 1978
THE RESULTS OF A SURVEY by Legacy’s Schroeder Institute for Tobacco Research and Policy Studies show that nearly 40 percent of menthol smokers say they would quit if menthol cigarettes were no longer available.

OTHER RESEARCH SHOWS:

• THERE ARE 20.7 MILLION menthol cigarette smokers in the United States. Survey data show that in 2010, more than one-third of current smokers over age 12 smoked menthols.

• AMONG SMOKERS, a disproportionate number of youth, African Americans and women smoke menthol cigarettes.

2012 Menthol Studies Published by Legacy and the Schroeder Institute


Putting Families First

Legacy and a large group of public health organizations urged retail company Family Dollar to reconsider its decision to start selling tobacco products in its stores nationwide. Since Family Dollar stores mainly operate in neighborhoods with low- and middle-income families, allowing tobacco products on their shelves increases access to the nation’s deadliest consumer product. Legacy organized community-based events and conducted active media outreach to raise awareness and call attention to the issue.

THE PUBLIC SPEAK OUT

Using a special toolkit developed by Legacy, local groups and Legacy Youth Activism Fellows took action on World No Tobacco Day, protesting Family Dollar’s decision to sell tobacco products at stores in Milwaukee, WI; New Orleans, LA; Little Rock, AR; and Washington, DC.

Legacy empowered local groups to take action on World No Tobacco Day.
Partnering in the Pacific

For years, Legacy has worked with the Pacific Partners for Tobacco-Free Islands (PPTFI) to address tobacco use in the United States Associated Pacific Islands (USAPI). One of the challenges with tobacco control in the USAPI is limited data. However, existing data published by the CDC and the World Health Organization (WHO) combined with anecdotal information indicate that tobacco usage rates in the Pacific are higher than the United States national average.

LEGACY AND THE Congressional Asian Pacific American Caucus jointly sponsored a Capitol Hill briefing called Awaken the Spirit for Tobacco-Free Pacific Islands to educate policymakers about this important issue. Participants included the Ambassador to the United States, Heresy Kyota, of the Republic of Palau, along with now former Legacy Board Member, Dr. Howard Koh, Assistant Secretary for Health, U.S. Department of Health and Human Services (HHS), and Chair of the PPTFI, George Cruz. Leaders renewed a commitment toward the long-term goal of reducing tobacco use in the USAPI, highlighted successful programs and discussed a new report from Legacy and the PPFTI titled Weaving Together Our Resources and Cultures to Address Tobacco Use.
Knowing is Half the Battle

Legacy’s Research and Evaluation team conducts rigorous, evidence-based research in all its activities, from broader national efforts to localized evaluation work. The team strives to expand the current knowledge base in tobacco control while seeking new areas of research to explore. The work that they do is at the root of all of the messages we share.

One year after expanding to meet the demands of its three multi-million dollar research efforts, including grants and contracts from the CDC¹ and the National Institute on Drug Abuse (NIDA), Legacy’s Research and Evaluation team continues to make progress in:

- The evaluation of a mobile video game designed to connect youth and young adults to truth campaign messaging;
- The development of a national mass media campaign to promote quitting among adults; and
- Collaboration in a large national study to assess the long-term health and behavioral impact of FDA regulation of tobacco.

In addition to these large-scale efforts, the Research and Evaluation team shows its commitment to improving public health at every level through its ongoing work in:

- Examining tobacco use among youth and young adults;
- Understanding advertising and emerging media’s role in tobacco use;
- Identifying disparities in the use of tobacco and the effectiveness of tobacco control efforts among vulnerable populations; and
- Informing national tobacco control strategies.

¹ CDC is providing 100% of funds for the Innovative Social Media Strategies to Reach Open to Smoking Youth grant totaling $3 million over two years; none of the grant will be financed by non-federal sources.
The work that our Research and Evaluation team does is at the root of all the messages we share.
Our research continues to focus on five core areas, which include:

1. Tracking young adult tobacco use by completing three waves of national data collection for our Young Adult Cohort Survey to document patterns of tobacco use among a sample of 4,000 over a three-year period. In 2012 alone, the study allowed us to assess:
   - Exposure to tobacco industry messaging through social media channels;
   - Patterns of use within the LGBT population;
   - Use of emerging and established tobacco products such as menthol;
   - Patterns and correlates of little cigar/cigarillo and large cigar use;
   - Prevalence of tobacco use and dual-use; and
   - Socioeconomic predictors of tobacco use.

2. Harnessing the power of emerging media channels by:
   - Continuing to examine how to best leverage new media channels—Facebook and YouTube, gaming and mobile applications—to better communicate with populations most at risk for tobacco use;
   - Adopting novel methods to collect, characterize and evaluate information; and
   - Characterizing user-generated content on little cigars and cigarillos through social media and the video-sharing site, YouTube.

IN ADDITION, the Research and Evaluation department published 13 peer-reviewed manuscripts in 2012. For a complete list of the department’s peer-reviewed publications, please visit: LegacyForHealth.org/Publications-Library
3. Understanding differential tobacco patterns and programs affecting minority/vulnerable populations by:

- Assessing the effects of race/ethnicity, education and income on health-information-seeking, confidence in obtaining health information and trust of information sources;
- Conducting surveillance of menthol and noncombustible tobacco advertising to examine differential targeting of minority and vulnerable populations;
- Examining the validity of sensation-seeking items across racial/ethnic subgroups using a nationally representative survey of adolescents;
- Contributing to the National Cancer Institute’s Monograph on tobacco health disparities;
- Collaborating with the Columbia University Mailman School of Public Health to examine differential tobacco and new product advertising in disadvantaged communities;
- Monitoring point-of-sale advertising of established and emerging products to assess differences in targeting by race/ethnicity, age and income demographics of neighborhoods; and
- Developing methods and measures to assess tobacco advertising in the retail environment.

4. Informing national strategies by:

- Expanding the science related to national regulatory policy and implementation for effective tobacco use reduction;
- Evaluating the potential impact of text and graphic warning labels among U.S. adult smokers of diverse racial/ethnic groups and socioeconomic status;
- Examining the pathways through which smokers’ reactions to graphic warning labels influence intention to quit over time; and
- Collaborating with the CDC to develop the second phase of a successful national counter-marketing campaign designed to encourage adult smokers to quit.

5. Reaching youth by:

- Conducting formative research for the next phase of the truth campaign;
- Evaluating the effects of the 2012 truth summer and college tours; and
- Assessing tobacco-related knowledge, attitudes and beliefs to inform prevention efforts.
Established in 2008, the Schroeder Institute for Tobacco Research and Policy Studies at Legacy (SI) conducts tobacco control research with a clear and specific public health impact. Using a transdisciplinary “team science” approach, we work collaboratively with scientists, practitioners, policymakers and other stakeholders to strengthen the science of tobacco control implementation, dissemination and policy and leverage this innovative research across all channels of Legacy.

**Policy Research**

Since 2009, when the Family Smoking Prevention and Tobacco Control Act became law, the SI has been a scientific leader in understanding the extraordinary opportunity for science to inform regulatory policymaking at the FDA’s Center for Tobacco Products (CTP). Our goal is to maximize the opportunity under this law to reduce the health, economic and social costs of tobacco use in our country.
The SI continues to advance research and policy on menthol cigarettes, e-cigarettes and new and emerging noncombustible tobacco products such as snus and dissolvables. We have developed strong research partnerships and an infrastructure to inform and evaluate CTP efforts, including a web-based tool to track national implementation and enforcement of various CTP statutes that link marketing of specific products at the point-of-sale to consumer perceptions and behavior. Other work that is ongoing or under review for funding includes:

- A mixed-methods project to understand how smokers who have never used e-cigarettes initiate e-cigarette use, with special attention paid to the experience of menthol and Black smokers;
- A study to understand the way point-of-sale marketing affects individuals’ tobacco use patterns and, thus, disparities in both individual and population level health;
- A project to develop and test the impact of fact-based messages about the FDA’s regulatory authority over emerging tobacco products among current adult smokers on an online social networking site. Study findings will address the potential for rapid online dissemination of public health communications regarding emerging tobacco products;

**RECENT SI POLICY-RELATED PUBLICATIONS INCLUDE:**


**Commentary on Wagener et al. (2012): Laissez-faire regulation: turning back the clock on the Food and Drug Administration and public health.** Cobb NK, Abrams DB. *Addiction.* 2012 Sep;107(9):1552-4. PMID: 22594851.
Population Assessment of Tobacco and Health (PATH) Study:

The Schroeder Institute at Legacy is a subcontractor (PI: David Abrams, Schroeder Institute; Co-PI Donna Vallone, Research and Evaluation Department) to the primary contractor, Westat, on a five-year, multimillion dollar contract from the National Institute on Drug Abuse (NIDA) to examine the impact of FDA regulation of tobacco products (PD: David Maklan, Westat; PI: Andrew Hyland, Roswell Park Cancer Institute). Under the direction of subcontract co-Principal Investigators Drs. Abrams and Vallone, Schroeder Institute and Research and Evaluation Department investigators have undertaken a number of additional analyses.

- A qualitative study of current smokers who have ever tried snus, dissolvable tobacco products, or e-cigarettes to provide a deep understanding of the patterns and motivations for use of these products; and,
- A survey of dual users of cigarettes and e-cigarettes to understand their patterns of use, interest in cessation, and e-cigarette brand preferences.

In addition to these projects and building on the same themes, the SI is leading the submission of a Tobacco Centers of Regulatory Science application that would further provide the strong science needed to protect public health from the preventable harms, death and disease burdens of tobacco products.

TOBACCO SALES TO MINORS AS A FUNCTION OF MARKETING PRACTICES AND PROXIMITY OF TOBACCO OUTLETS TO SCHOOLS AND PARKS examines the links among the sale of tobacco products to youth, tobacco advertising, tobacco prices and tobacco outlet proximity to schools and parks within the District of Columbia.

AWARENESS, BELIEFS, INTENTIONS AND SMOKING BEHAVIOR RELATED TO CIGARETTE WARNING LABELS IN THE LEGACY YOUNG ADULT COHORT will examine awareness and beliefs concerning current cigarette warning labels and their impact on past smoking behavior among young adults. This study also assesses young adults’ responses to the new graphic warning labels proposed by the FDA.
SURVEILLANCE OF TOBACCO ADVERTISEMENTS ON YOUTH-TARGETED WEBSITES utilizes an advertising tracking service to monitor tobacco industry advertising occurring online and document the target audience, the advertising spend, most common products/brands advertised and common keywords/themes.

FLAVORED PRODUCT USE (INCLUDING MENTHOL) IN THE LEGACY YOUNG ADULT COHORT: DETERMINANTS OF PREFERENCE FOR FLAVORED PRODUCTS AND IMPACT ON CESSION evaluates flavored tobacco product use (including menthol) in the Legacy Young Adult Cohort as well as determinants of preference for flavored products and possible impact on cessation.

PATTERNS AND REASONS FOR USE OF NEW AND EMERGING PRODUCTS uses data from a cohort of current and former smokers as well as from a nationally representative sample of young adults to examine the proportion of adults who are aware of and using new and emerging products, the patterns of how they are using these products and the reasons for their use.

EXAMINATION OF TOBACCO USE TRAJECTORIES AND RETAIL OUTLET DENSITY AMONG YOUNG ADULTS assesses how individual tobacco use behaviors among young and older adults, including quit attempts, cessation cognitions, abstinence, relapse and dual use of cigarettes and other tobacco products, change in relation to proximity of tobacco retail outlets, density of outlets and changes in density and proximity over time.
Intervention Research

The Schroeder Institute also has a number of ongoing research projects focused on the design, development and evaluation of next-generation, technology-based tobacco cessation interventions that leverage the reach of the Internet, social media and mobile devices. Our intervention research brings together multidisciplinary teams with expertise in informatics, marketing, advertising, social network science, mobile technology, statistics and social media. We blend this expertise with the wisdom of end users and consumers on how to quit smoking and maintain a tobacco-free life. Ongoing projects include two large-scale randomized trials funded by the National Cancer Institute: one evaluates the effectiveness of a social network approach in improving adherence to web-based cessation treatment and the second investigates the effectiveness of disseminating an evidence-based cessation intervention through Facebook social networks.
Recent SI intervention research publications include:

- A study published in *Tobacco Control* that examined the cost-effectiveness of Internet and telephone interventions for smoking cessation with a focus on the role of user adherence/engagement in cost-effectiveness outcomes (Graham AL, Chang Y, Fang Y, Cobb NK, Tinkelman DS, Niaura RS, Abrams DB, Mandelblatt JS. “Cost-Effectiveness of Internet and Telephone Treatment for Smoking Cessation: An Economic Evaluation of The iQUITT Study.” *Tob Control*. 2012 Sep 25. [Epub ahead of print]. PMID: 23010696.)


**Training**

The SI’s dynamic and personalized training program is designed for both pre- and post-doctoral fellows. Trainees’ backgrounds and interests span pharmacy, experimental psychology, public health, health education and health communication. The primary goal of the SI training program is to develop both the knowledge base and the skills to begin an independent research career. In 2012, training fellows led a qualitative investigation of the patterns and motivations for dual combustible and novel noncombustible tobacco product use (e.g., e-cigarettes, snus and dissolvable tobacco) and an investigation of the effects of point-of-purchase tobacco marketing and availability on youth smoking cessation using spatial and traditional statistical approaches.
Despite Congress passing the historic 2009 Family Smoking Prevention and Tobacco Control Act (Tobacco Control Act), tobacco use persists at high levels and the tobacco industry continues attempts to undermine critical gains in tobacco control and public health. Informing policymakers of effective measures to adequately address tobacco and improve the health of Americans is as important as ever.

In 2012, we saw two important court rulings on the Tobacco Control Act’s landmark graphic warning label requirement. First, the U.S. Court of Appeals for the DC Circuit ruled in favor of the tobacco industry, striking down the warnings adopted by the FDA, and second, another U.S. Court of Appeals upheld the constitutionality of the statutory provision (although not specific warnings). We have also seen increased attention to tobacco control issues in the context of international trade agreements and negotiations, with the industry’s aggressive advocacy potentially jeopardizing tobacco control measures in the U.S. and around the world. And finally, Legacy continued efforts to encourage the FDA to exert its authority over all tobacco products, including cigars, hookah, pipe tobacco and newer tobacco products like e-cigarettes. We have been at the forefront of all of these issues, providing scientific evidence, educating policymakers and participating in the regulatory process to ensure our voice is heard and that tobacco control issues remain at the top of the nation’s public health priorities.

HELPING STAFFERS ON CAPITOL HILL LIVE LONGER, HEALTHIER LIVES
During the United States Senate’s Annual Health Fair, attendees were encouraged to learn about smoking triggers—like drinking coffee—as well as proven methods for tobacco cessation, including EX.

DR. VARDA SHOHAM, Senior Advisor for Translational Research at the National Institute of Mental Health
Informing policymakers of effective measures to adequately address tobacco and improve the health of Americans is as important as ever.
PARTNERS IN POLICY

While tobacco companies have wanted women to believe smoking is both empowering and fashionable, research tells us that the new face of women addicted to tobacco has changed. They are now poorer and less educated than female smokers of the past. For this reason, Legacy and Women’s Policy, Inc. continue to partner, bringing important speakers like Dr. Nora Volkow, Director of the National Institute on Drug Abuse (NIDA), to Capitol Hill to discuss the impact of tobacco on women. Her groundbreaking research on nicotine and other drugs and their effects on the brain could shed light on how men and women respond differently to different treatments for quitting tobacco.

AWAKENING THE SPIRIT FOR TOBACCO-FREE PACIFIC ISLANDS

Residents of the United States Associated Pacific Islands (USAPI) suffer from higher tobacco usage rates than the national average. Legacy and the Congressional Asian Pacific American Caucus (CAPAC) educated policymakers at a Congressional briefing to discuss tobacco use in the USAPI and highlight the innovative work of the Pacific Partners for Tobacco-Free Islands.
Innovation and leadership are at Legacy’s core. While our counter-marketing campaigns are reaching far and wide to engage their target audiences, initiatives like the prestigious Kenneth E. Warner Lecture Series at Legacy draw a wide national audience of progressive thinkers, leaders and policymakers. The dialogue started here inspires how public health and tobacco control advocates approach our collective mission to end the tobacco epidemic.

**FIVE YEARS AFTER THE INSTITUTE OF MEDICINE RELEASE: IS THE BLUEPRINT FOR THE NATION ON TRACK TO END THE TOBACCO EPIDEMIC?**

IOM President Harvey V. Fineberg and Richard J. Bonnie, Committee Chair of the IOM’s 2007 Report, *Ending the Tobacco Problem: A Blueprint for the Nation*, led an important discussion on where the nation stands five years after the bold IOM recommendations were launched. Leaders like the Honorable Joseph A. Califano, Jr., Founder and Chairman Emeritus, CASA Columbia; Dr. Steven Schroeder, Director, Smoking Cessation Leadership Center at the University of California, San Francisco; and Dr. Tim McAfee, Director of the CDC’s Office on Smoking and Health (OSH) within the National Center for Chronic Disease Prevention and Health Promotion, reiterated the point that while the nation has seen historic changes in public policy as well as declines in smoking prevalence, still more needs to be done to achieve full success by 2017, when the report will reach its decade mark.

**RICHARD J. BONNIE,** Committee Chair of the IOM’s 2007 Report
Innovation and leadership are at Legacy’s core.
TOBACCO USE IN LGBT COMMUNITIES: WHY LGBT PEOPLE SMOKE SO MUCH AND WHAT CAN BE DONE ABOUT IT

Legacy and the Human Rights Campaign examined the socio-cultural factors influencing tobacco use in LGBT communities in the U.S., discussing high prevalence rates, disease and loss of life. LGBT activists working at both the local and national level shared how they are tackling tobacco use in their communities and proposed actions for positive change.

A HIDDEN EPIDEMIC: TOBACCO USE AND MENTAL ILLNESS

In May 2012, for Mental Health Awareness Month, Legacy addressed a devastating but perhaps not well-known trend in public health: tobacco use and mental illness. Panelists explored the complex issues regarding the ties between tobacco use and mental health issues and outlined some of the barriers to the full integration of tobacco control into mental health systems and treatment.
Our Ripple Effect outreach keeps the public plugged in to the latest news, ideas and inspiration from leaders in tobacco control, public health and beyond. Moving among some of the nation’s top influencers, Legacy presented information, ideas and visuals about our life-saving programs at the 2012 Aspen Ideas Festival. This annual gathering brings together leaders from the nation’s most innovative companies and organizations, along with key national influencers, policymakers and journalists.

An eye-catching display featuring videos and artwork from Legacy campaigns, interactive exhibits with tobacco facts and maps and giveaways drew people in to hear more about Legacy. All of our educational efforts at the Festival sought to place tobacco control and public health top of mind with potential influencers. Through formal presentations and our own speaking series—The Ripple Effect—we aimed to inspire attendees and underscore that just one person can make a difference by championing issues that matter to them, thereby setting in motion “ripple effects” that change social norms and potentially save lives.
Legacy aimed to inspire Festival attendees and underscore that just one person can make a difference.
ANNE-MARIE SLAUGHTER: Professor of Politics and International Affairs at Princeton University and the mother of two teenage sons. Through her honest and hotly debated cover article in the July/August edition of *The Atlantic*, titled “Why Women Still Can’t Have It All,” she explored the ongoing challenges facing women in the workplace and how work/life balance continues to prove elusive for many women.

BOB HARPER: Fitness expert, television star and *New York Times* #1 best-selling author. Through his work as a trainer on NBC’s *The Biggest Loser*, Harper encourages millions of people to strive for healthier lifestyles. During a panel discussion with Legacy CEO Dr. Cheryl Healton and Board Member Dr. Jonathan Fielding, Director of Public Health and Health Officer of the Los Angeles County Department of Public Health, Harper discussed how fitness is an integral part of a healthy lifestyle and the ripple effect a commitment to fitness can have on tackling other health issues.

DR. NORA VOLKOW: Director of NIDA at the National Institutes of Health. Dr. Volkow discussed groundbreaking research around the field of epigenetics—the study of genes and DNA—and how it impacts our understanding of addiction and the human brain.
Providing Fodder for Debate

Legacy works to increase national awareness of tobacco control and public health issues, sparking conversations with national media, policy leaders and influencers, consumers, and those who most need help about the nation’s number one cause of preventable death.

Huffington Post: 1 in 10 smokers hides cigarette use from doctor, study shows

“‘There has been a significant shift in the social climate around tobacco and smoking in our country in recent years as people recognize the health consequences of tobacco and secondhand smoke,’ Cheryl G. Healton, DrPH, president and CEO of Legacy, the health organization that conducted the study, said in a statement.”
USA Today: Cigarette butts are nation’s most littered item

“According to a recent study done by the American Legacy Foundation, the number one form of litter produced in the United States is cigarette butts.”

Seventeen Magazine: Kick your grossest habit!

“Go to BecomeAnEX.org to get more tips on how to go smoke-free!”

The Wall Street Journal: Graphic warning labels upheld by appeals court

“‘We all know a picture is worth a thousand words,’ Dr. Cheryl G. Healton, the President of Legacy, said in a statement. ‘This decision stands as an important step forward in the effort to protect Americans from the deadly ravages of tobacco.’”

Orlando Sentinel: Anti-tobacco truth campaigners spread word at Vans Warped festival in Orlando

“...the truth campaign is doing a service by talking to younger teens about tobacco.”
Unveiling the Truth

In 1994, a set of secret, internal tobacco industry documents fell into the hands of public health advocates. Nearly 20 years later, researchers and advocates across the country continue to use the documents—now publicly available due to the 1998 Master Settlement Agreement—to change social norms and policy around tobacco. The Legacy Tobacco Documents Library opened its doors in 2002 at the University of California, San Francisco. The library’s holdings provide opportunities to save lives by shining a light into the history of the tobacco wars—educating smokers and informing policymakers about tactics the industry employed to attract and addict hundreds of thousands of Americans, including youth, women and underserved communities, to tobacco products.

Trailblazer Community Fights Big Tobacco in a Big Way

Each year, the Community Activist Award gives Legacy a chance to acknowledge individuals or groups who are spreading important messages or taking action against tobacco use at the community level. Two brave activists from a small community in New York were recognized in 2012 for showing the nation that “it takes a village” to raise a tobacco-free generation.

With a population of almost 12,000, the Village of Haverstraw in suburban Rockland County, New York, has become a “Trailblazer Community” in tobacco control. Led by Mayor Michael Kohut and Marion Breland-Oswald, the Village’s Director of Youth and Family Services and Chair of the Haverstraw Collaborative, Haverstraw passed the nation’s first ban of tobacco products displays in stores in 2011. Though the ban was ultimately rescinded in 2012, the community showed its commitment to curbing youth tobacco use ahead of commercial interests. In turn, the tobacco companies then sued the village for the well-meaning policy, giving the nation once again a bird’s eye view of how the industry responds to public health efforts to save lives from their products’ deadly toll.

The Haverstraw Collaborative was formed to empower the community with information that would lead to reduced risk involvement,
Dr. Valerie Yerger was honored at the 2012 Legacy Tobacco Industry Documents Awards, a program that recognizes innovative use of the tobacco industry documents. Her research connects corporate activities—spanning decades—to today’s tobacco-related health disparities in the African-American community. Dr. Yerger, one of the first researchers to uncover evidence of these strategies, also focused on using the documents to study the relationship between melanin—the natural substance that gives pigment to skin and hair—and nicotine and the use of menthol as a cigarette additive.

Geoffrey Wayne was honored for his work using tobacco documents as a way to increase knowledge and understanding of the industry’s design and marketing of cigarettes. While executives from leading tobacco companies testified before Congress in 1994 that they did not believe that nicotine was addictive, Mr. Wayne’s research revealed that companies not only knew of nicotine’s addictive properties, but that they also tried to reinforce addiction through additives and product design.

Including the establishment of smoke-free parks and development of youth programs that helped Rockland County emerge as one of the nation’s counties with the lowest smoking rates.

The Village of Haverstraw’s experience encouraged further discussion about how communities, advocates and businesses can help eliminate the negative effects of tobacco and address the issue of tobacco use at the local level.
Just as there is no “magic bullet” to quitting smoking, ending the tobacco epidemic is not an easy fix either. It requires significant shifts regarding the social climate around tobacco use in this country. If we can muster the support—moral, political and financial—to invest in programs that fight tobacco, more Americans will live longer, healthier lives. Legacy is working diligently to do this through partnerships, fundraisers and innovative ways for people to get involved.

THERE ARE MANY WAYS AN individual or organization can help Legacy in its life-saving work, too. For more information, visit LegacyForHealth.org or contact Robin Kornhaber with Legacy’s Development team at rkornhaber@legacyforhealth.org.

Legacy’s Development team collects littered cigarette butts in honor of Earth Day.
If we can muster the support, more Americans will live longer, healthier lives.
Sharing Your Story

Whether you are struggling to quit or have never smoked a cigarette, everyone knows someone who has been impacted by tobacco—we ALL have a story to share. MyLegacyStory.org gives people a chance to do so on a website where they can share their individual stories or start pledge pages honoring family or friends in support of Legacy’s mission.

MY LEGACY STORY features the story of Gabrielle Markand, who lost her mother to lung cancer on April 5, 2004. Her mother, like many others who battle this disease, was a life-long smoker dealing with a severe addiction.

Even as her mother smoked through her diagnosis and treatment for lung cancer, Gabrielle was in disbelief, hoping her mother would survive what is customarily a very lethal disease. Years after Gabrielle’s loss, her mother remains a constant memory during each important milestone in her life that they can no longer share. Gabrielle courageously shared her story to honor her mother’s life and to help others understand the importance of Legacy’s mission.

Read stories like this and more at MyLegacyStory.org, and share your own.

“By stopping the recruitment of new smokers and providing resources for current smokers to quit, we are forcing Big Tobacco to lose its most valuable assets before the addiction kills them.” —Gabrielle Markand

“It was 1958 and an incredibly different time, especially in the South. It was just three years earlier that her school had become racially integrated, and five years earlier that her father returned from the 18 months he spent as a prisoner of war during the Korean conflict. Smoking was a release, a pastime and 100 percent socially acceptable for teenagers as it was for housewives and war vets. As knowledge about the dangers of tobacco grew, so did her addiction. She smoked throughout both of her pregnancies and my entire childhood and adolescence.” —Gabrielle Markand
Fundraising for a Tobacco-Free Future

Legacy’s Young Professionals Committee is a volunteer group made up of professionals in their 20s and 30s. Based in New York City and soon to launch in Washington, DC, the Committee works to raise awareness and funds to support Legacy’s life-saving efforts in tobacco prevention and cessation.

The Group’s Annual fall fundraising event drew more than 125 young professionals from across the Big Apple. With Grey New York as the presenting sponsor, “A Night above the City” was held on the company’s exclusive rooftop. Other generous sponsors included State Street Bank, PHD, CCS and Keryx Biopharmaceuticals. The event supported Legacy’s work with Head Start. The Committee also held a “friend-raiser” on November 29th to help spread the word about Legacy’s work and ways to get involved. The Committee welcomes new members and event sponsors and holds events throughout the year.
For Lisa Frankel (pictured center), a dedicated Legacy Young Professionals Committee member, supporting Legacy is professional as well as personal.

“For Lisa Frankel (pictured center), a dedicated Legacy Young Professionals Committee member, supporting Legacy is professional as well as personal.

“I’ve been able to network with people within my industry and outside of my industry. I also had the opportunity to connect my company (Grey Advertising) with Legacy through our fall event on the Grey roof deck—which hopefully will open the door for mutually beneficial relationships down the road. I’ve also been able to contribute to a cause that is so close to my heart. As I become a mother, I look forward to telling our son about my involvement and teaching him about the negative effects of cigarettes.”

Like so many of our Young Professional Committee members, Lisa has experienced first-hand the devastating effects of long-term tobacco use: “I remember running around my house with my sister when we were little girls, hiding our grandmother’s cigarettes. We were thrilled to find good hiding spots—she, on the other hand, was less than thrilled. I have never put a cigarette to my lips—I never liked how much my grandmother relied on her cigarettes, and I feared that if I tried even one I’d become addicted. Ultimately, cigarettes took my grandmother away from us—she first lost her eyesight from smoking and then a few years later, sadly lost her life to lung cancer.”
Walking the Walk

It takes a comprehensive approach to achieve the ambitious mission of saving lives from tobacco. Learn more about the many ways you can support Legacy.
Planning to Give

A new Planned Giving Program provides donors with additional ways to support Legacy:

Donor advised fund

Donations of appreciated stock

Bequests through your will or estate

Beneficiary of your IRA, retirement plan, insurance policy, bank or investment

"I want to leave a legacy of health for future generations. That's why I decided to name Legacy in my will."

—M. CASS WHEELER, Legacy Board Member and CEO Emeritus, American Heart Association, Dallas, TX

For more information, please contact our Development Department at development@legacyforhealth.org.
MAKING A DIFFERENCE

Friends of Legacy, an esteemed group of dedicated Legacy supporters, serve as ambassadors to advance our mission. Created by our Board of Directors, Friends of Legacy is composed of influential members of society from a variety of backgrounds and industries who strongly believe in our work and gladly lend their name and influence to help highlight our smoking prevention and cessation efforts.

For more information on Friends of Legacy, please visit LegacyForHealth.org/Friends.

FRIENDS OF LEGACY MEMBERS:

• Lend their name to Legacy for use in smoking prevention and cessation communications and campaigns;

• Are recognized in press materials, on our websites and at events as appropriate;

• Receive special invitations to meet leading researchers and to attend VIP receptions; and

• Make an annual contribution of $500 or more to Legacy.

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<td>Florence Jones</td>
<td>Edwin &amp; Judith Leonard</td>
<td>Wendy Mihm</td>
</tr>
<tr>
<td>Gale Joseph</td>
<td>Susanna Levin</td>
<td>Samantha Miller</td>
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<tr>
<td>Meena Joshi</td>
<td>Barbara Lewis Green</td>
<td>*Attorney General Tom Miller</td>
</tr>
<tr>
<td>Caroline A. Joyce</td>
<td>Laura Lincks</td>
<td>Eulia Mishima</td>
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<tr>
<td>Gary Katz</td>
<td>Mark Lloyd</td>
<td>Andrew Mitstifer</td>
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<tr>
<td>William Kaufman</td>
<td>Dr. Larry &amp; Jill Loewen</td>
<td>Paul F. Mittermeyer</td>
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<tr>
<td>Kara Kees</td>
<td>David Lubin</td>
<td>Magdalena E. Monahan</td>
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<tr>
<td>Elizabeth Keffer</td>
<td>Richard Machon</td>
<td>Rick Moore</td>
</tr>
<tr>
<td>Alana Kessler</td>
<td>Anna Macias</td>
<td>Tina Morgan</td>
</tr>
<tr>
<td>Lois Kirschenbaum</td>
<td>Cassie Magesis</td>
<td>Claire Moser</td>
</tr>
</tbody>
</table>
# Individual Donors

<table>
<thead>
<tr>
<th>Shannon Mullins &amp; Jon Ware</th>
<th>Dr. Jennifer Pearson</th>
<th>Edna Rossenas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert Nardella</td>
<td>Javier Pedemonte</td>
<td>Nina Rostanski</td>
</tr>
<tr>
<td>Lesley Neadel</td>
<td>Jennifer Peeler</td>
<td>Courtney Rung</td>
</tr>
<tr>
<td>Adrienne Neal</td>
<td>Amanda Perez</td>
<td>Nicole A. Rupke</td>
</tr>
<tr>
<td>Zachary Neumeyer</td>
<td>Robert M. Peterson</td>
<td>Reddimanohar Reddy Saggam</td>
</tr>
<tr>
<td>Dr. Raymond Niaura</td>
<td>Jewelyn Pickeral</td>
<td>Shari Schulner</td>
</tr>
<tr>
<td>Judy Nichols</td>
<td>Samantha Picone</td>
<td>Whitney Schulze</td>
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<tr>
<td>E.J. Nightingale</td>
<td>John &amp; Roxana Pierce</td>
<td>*Senator Charles K. Scott</td>
</tr>
<tr>
<td>Ber &amp; Frances Nisenbaum</td>
<td>Rob Pierson</td>
<td>Robin Scott</td>
</tr>
<tr>
<td>Phillip Notz</td>
<td>Jane H. Pittman</td>
<td>Sarah Shank</td>
</tr>
<tr>
<td>Dr. Thomas Novotny</td>
<td>James Podanowski</td>
<td>Whitney Sharpe</td>
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<td>David &amp; Kathyline Nussbaumer</td>
<td>Anna Pogosova</td>
<td>Dr. Donna Shelley</td>
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<tr>
<td>Anton Ochoa</td>
<td>Kabichandra K. Pokhrel</td>
<td>Daniel Shively</td>
</tr>
<tr>
<td>Dr. Michael O’Connor</td>
<td>Robert &amp; Patricia Pollack</td>
<td>Ilisia Shuke</td>
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<tr>
<td>Cem Olcer</td>
<td>Bruce Pyenson</td>
<td>Joel Sierra</td>
</tr>
<tr>
<td>Melike Orhon</td>
<td>Dr. Jessica Rath</td>
<td>Steven &amp; Sue Simring</td>
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<tr>
<td>Drew Osinski</td>
<td>Stina Reksten</td>
<td>David Sinsky</td>
</tr>
<tr>
<td>Dr. Jamie Ostroff</td>
<td>Wilma Remeny</td>
<td>Wendy Slavit</td>
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<tr>
<td>Anthony T. O’Toole</td>
<td>Lindsay Restle</td>
<td>Anita Smith</td>
</tr>
<tr>
<td>Eric Palakovich Carr</td>
<td>Elisabeth Rice</td>
<td>Jo Ann Solomon</td>
</tr>
<tr>
<td>Neel Pandya</td>
<td>Diana B. Richter</td>
<td>Elizabeth Sorensen</td>
</tr>
<tr>
<td>Fredric W. Parsons</td>
<td>Elaine Ringroot</td>
<td>Katharine Spanish</td>
</tr>
<tr>
<td>Alva Lee Patton</td>
<td>Jamie Rose</td>
<td>Margaret Spray</td>
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<tr>
<td>Adam Paz</td>
<td>Sheila Ross</td>
<td>Anna M. Spriggs</td>
</tr>
</tbody>
</table>

*Senator Charles K. Scott*
Individual Donors

Carolyn Stalgaitis
Philip Stamato
Jeanne Stellman
Kathleen Stephenson
John & Anna Stewart
Donald Stryker
Robert Stuart
Matthew Sullivan
Michael & Marianna Sullivan
Patricia Swieconek
Pamela Szeto
Ryan Szur
Bernice Teller
Kristen Tertzakian
Seema Tevar
Kevin Townsend
Pat Tsang
Alysse Vaccaro
Dr. Donna Vallone
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Christine Van Horne
Jorge Varela
Ellen J. Vargyas
Andrea Villanti
Joel & Blanche Waldstreicher
Mary Walsh Meidlinger
Jonathan Ware
*Attorney General Lawrence & Tracey Wasden
Elizabeth Watson
Patricia Watson
Suzanne Watson
Ella Watson-Stryker
Eugene & Clare Weber
Noah Weiss
Edward & Victoria Welch
*M. Cass Wheeler
Michael Wheelock
Doris T. White
Antoinette Better Willis
Winifred WindRiver
Wanda B. Wingfield
Jonathan Winickoff
David Witkowski & Karen Silvernail
Dennis Woolam
Gay Wright
Jill Wurtzelman
Laura Wurtzelman
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James Xiao
Frederick & Laurien Yang
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Sura Zaatari
Seymour R. Zitner
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President, Southern California Region, Kaiser Foundation Health Plan and Hospitals, Pasadena, CA

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Career Placement Director, Wright Career College, Overland Park, Kansas

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United States Circuit Judge, U.S. Court of Appeals for the Third Circuit
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Smart Growth Leadership Institute
Former Governor of Maryland

The Honorable Christine O. Gregoire
Former Board Chair
Governor of Washington State
Former Washington State Attorney General

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Olla S. Stribling Distinguished Chair for
Cancer Research

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Preventorium at the Washington Cancer
Institute, Washington Hospital Center,
Washington, DC
Former President, American Cancer Society

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Former Governor of Utah

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Department of Health and Human Services
Former Associate Dean for Public Health
Practice, Harvey V. Fineberg Professor
of the Practice of Public Health
Former Director, Division of Public Health
Practice, Harvard School of Public Health

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Health and Human Services
Former Administrator, Environmental
Protection Agency
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Center at the University of California,
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Former Michigan State Senator and President
Pro Tempore of the Senate (1993-2002)

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University of North Carolina at Chapel Hill Alumnus

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Assistant Commissioner for Public Affairs, U.S. Food and Drug Administration
Former Chief Medical Correspondent for ABC News

Kenneth E. Warner, PhD
Avedis Donabedian Distinguished University Professor of Public Health
Professor, Health Management & Policy, School of Public Health, University of Michigan
Saving lives takes innovation, creativity and collaboration.

Legacy’s initiatives, counter-marketing campaigns, research and outreach all add up to one important mission: stemming the deadly epidemic caused by tobacco. We are challenged by an industry that spends millions of dollars a day to promote their deadly products, yet we remained charged for this battle in hopes of saving lives.
# Financial Highlights

**AMERICAN LEGACY FOUNDATION & AFFILIATE CONSOLIDATED BALANCE SHEETS**
June 30, 2012 And 2011 (In Thousands)

## Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$109,220</td>
<td>$131,444</td>
</tr>
<tr>
<td>Investments</td>
<td>868,997</td>
<td>888,740</td>
</tr>
<tr>
<td>Accrued interest receivable</td>
<td>3,075</td>
<td>394</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>604</td>
<td>381</td>
</tr>
<tr>
<td>Grants receivable</td>
<td>771</td>
<td>239</td>
</tr>
<tr>
<td>Trades to be settled</td>
<td>468</td>
<td>25,704</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>629</td>
<td>632</td>
</tr>
<tr>
<td>1724 Mass. Ave. building, net</td>
<td>26,994</td>
<td>27,520</td>
</tr>
<tr>
<td>2030 M Street building, net</td>
<td>27,165</td>
<td>24,827</td>
</tr>
<tr>
<td>Bond issuance costs, net</td>
<td>501</td>
<td>535</td>
</tr>
<tr>
<td>Other assets</td>
<td>312</td>
<td>168</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,038,736</strong></td>
<td><strong>$1,100,584</strong></td>
</tr>
</tbody>
</table>

## Liabilities and Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants payable</td>
<td>$ –</td>
<td>$ 144</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>7,884</td>
<td>7,049</td>
</tr>
<tr>
<td>Loans payable</td>
<td>19,274</td>
<td>20,615</td>
</tr>
<tr>
<td>Bonds payable</td>
<td>28,000</td>
<td>28,000</td>
</tr>
<tr>
<td>Refundable advances</td>
<td>171</td>
<td>72</td>
</tr>
<tr>
<td>Liability on interest rate swap agreements</td>
<td>7,851</td>
<td>3,996</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>1,365</td>
<td>1,103</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>64,545</strong></td>
<td><strong>60,979</strong></td>
</tr>
</tbody>
</table>

| Commitments And Contingencies                   | 974,191  | 1,039,605 |

| **Net Assets - Unrestricted**                    | **$1,038,736** | **$1,100,584** |
### American Legacy Foundation & Affiliate

#### Consolidated Statements of Activities

June 30, 2012 And 2011 (In Thousands)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue and Support:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Rental income</td>
<td>$2,433</td>
<td>$4,513</td>
</tr>
<tr>
<td>- Other income</td>
<td>4,004</td>
<td>2,590</td>
</tr>
<tr>
<td>- Investment (loss) income, net of fees</td>
<td>(19,235)</td>
<td>182,155</td>
</tr>
<tr>
<td><strong>Settlement proceeds:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Public education</td>
<td>121</td>
<td>109</td>
</tr>
<tr>
<td><strong>Total Revenue and Support</strong></td>
<td>(12,677)</td>
<td>189,367</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Program expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Counter marketing, communications and government affairs</td>
<td>$18,601</td>
<td>$33,435</td>
</tr>
<tr>
<td>- Grants</td>
<td>3,558</td>
<td>5,663</td>
</tr>
<tr>
<td>- Other programs</td>
<td>10,016</td>
<td>7,831</td>
</tr>
<tr>
<td>- Schroeder Research Institute</td>
<td>3,371</td>
<td>2,833</td>
</tr>
<tr>
<td><strong>Total Program Expenses</strong></td>
<td>$35,546</td>
<td>$49,762</td>
</tr>
<tr>
<td>- Supporting services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Development</td>
<td>$1,294</td>
<td>$1,467</td>
</tr>
<tr>
<td>- General and administrative</td>
<td>6,099</td>
<td>6,194</td>
</tr>
<tr>
<td>- Building expenses</td>
<td>9,798</td>
<td>5,654</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$52,737</td>
<td>$63,077</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>(65,414)</td>
<td>126,290</td>
</tr>
<tr>
<td><strong>Net assets: Beginning</strong></td>
<td>1,039,605</td>
<td>913,315</td>
</tr>
<tr>
<td><strong>Net assets: Ending</strong></td>
<td>$974,191</td>
<td>$1,039,605</td>
</tr>
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</table>
### Financial Highlights

**AMERICAN LEGACY FOUNDATION & AFFILIATE CONSOLIDATED STATEMENTS OF CASH FLOWS**

June 30, 2012 And 2011 (In Thousands)

<table>
<thead>
<tr>
<th>Cash Flows From Operating Activities</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets</td>
<td>$(65,414)</td>
<td>$126,290</td>
</tr>
</tbody>
</table>

**Adjustments to reconcile change in net assets to net cash used in operating activities:**

- Realized and unrealized loss (gain) on investments: 33,151 (174,370)
- Other investment gain: (5,151) (1,348)
- Depreciation: 1,610 1,640
- Change in interest rate swap agreements: 3,855 (592)
- Amortization of bond issuance costs: 34 34

**Changes in Assets and Liabilities:**

- **(Increase) decrease in:**
  - Accrued interest receivable: (2,681) (38)
  - Trades to be settled: 25,236 (26,452)
  - Other assets: (144) 378
  - Prepaid expenses: (223) (26)
  - Grants receivable: (532) 234
- **Increase (decrease) in:**
  - Accrued expenses: 835 (210)
  - Grants payable: (144) 32
  - Refundable advances: 99 (54)
  - Other liabilities: 262 477

**NET CASH USED IN OPERATING ACTIVITIES**

<table>
<thead>
<tr>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$(9,207)</td>
<td>$(74,005)</td>
</tr>
</tbody>
</table>

**Cash Flows From Investing Activities**

- Purchase of property and equipment: (3,419) (201)
- Proceeds from sale of investments: 4,049,098 3,312,891
- Purchases of investments: (4,057,355) (3,228,552)

**NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES**

<table>
<thead>
<tr>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$(11,676)</td>
<td>$84,138</td>
</tr>
</tbody>
</table>
## AMERICAN LEGACY FOUNDATION & AFFILIATE
### CONSOLIDATED STATEMENTS OF CASH FLOWS
June 30, 2012 And 2011 (In Thousands)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows From Financing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Principal payments on loan payable</td>
<td>$(1,341)</td>
<td>$(1,340)</td>
</tr>
<tr>
<td><strong>NET CASH USED IN FINANCING ACTIVITIES</strong></td>
<td>$ (1,341)</td>
<td>$(1,340)</td>
</tr>
<tr>
<td><strong>Net (decrease) increase in cash and cash equivalents</strong></td>
<td>(22,224)</td>
<td>8,793</td>
</tr>
<tr>
<td><strong>Cash And Cash Equivalents:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Beginning</td>
<td>131,444</td>
<td>122,651</td>
</tr>
<tr>
<td>• Ending</td>
<td>$ 109,220</td>
<td>$ 131,444</td>
</tr>
<tr>
<td><strong>Supplemental Disclosure Of Cash Flow Information</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cash paid for interest</td>
<td>$ 1,669</td>
<td>$ 1,762</td>
</tr>
<tr>
<td>• Cash paid for income taxes</td>
<td>$ 358</td>
<td>$ 320</td>
</tr>
</tbody>
</table>
AMERICAN LEGACY FOUNDATION GRANTS

Fiscal Year Ended June 30, 2012

LEGACY EVALUATION AND RESEARCH NETWORKS

- Michigan Public Health Institute
- The National Center on Addiction and Substance Abuse at Columbia University
- Weill Medical College of Cornell University

Legacy Evaluation and Research Networks Total ➔ $376,837

SMALL INNOVATIVE GRANTS

- Alaska Native Tribal Health
- Center for Pan Asian Community Services
- JSI Research and Training Institute, Inc.
- Metro Public Health Department
- Montefiore Medical Center
- Public Health Advocacy Institute
- Public Health Foundation Enterprises / CYAN
- Southside Medical Center - Georgia State University
- The Research Foundation of New York (SUNY)
- Umatilla-Morrow Head Start, Inc.

Small Innovative Grants Total ➔ $92,511
**STRATEGIC ALLIANCE**

- American Nonsmokers’ Rights Foundation
- Breathe California of Sacramento - Emigrant Trails
- Lung Cancer Alliance
- National Board of Public Health Examiners
- National Coalition on Health Care
- Partnership for Prevention
- Public Health Foundation Enterprises / CYAN
- Regents of the University of Michigan

**Strategic Alliance Total**  $842,947

**QUITLINE**

- Northern Mariana Islands Department of Public Health - CNMI

**Quitline Total**  $22,625

**OTHER**

- National Dialogue on Cancer
- The National Center on Addiction and Substance Abuse at Columbia University
- University of California, San Francisco

**Other Total**  $298,581

**PRIORITY POPULATIONS**

- Alaska Native Tribal Health Consortium

**Priority Populations Total**  $23,058
TECHNICAL ASSISTANCE AND TRAINING

- Emory University
- National Association of Community Health Centers

Technical Assistance and Training Total  $165,630

EX GRANT SUPPORT

- American Academy of Pediatrics

EX Grant Support Total  $164,027

EVALUATION AND RESEARCH

- Dana Farber Cancer Institute
- Johns Hopkins University
- The Board of Trustees of the University of Illinois
- The Trustees of Columbia University in the City of New York

Evaluation and Research Total  $83,969

CAMPAIGN FOR TOBACCO-FREE KIDS

- Campaign for Tobacco-Free Kids

Campaign for Tobacco-Free Kids Total  $1,350,000

GRAND TOTAL  $3,420,185