

INSPIRING TOBACCO-FREE LIVES



**truth
initiative**

INSPIRING
TOBACCO-FREE
LIVES

2015
Annual Report

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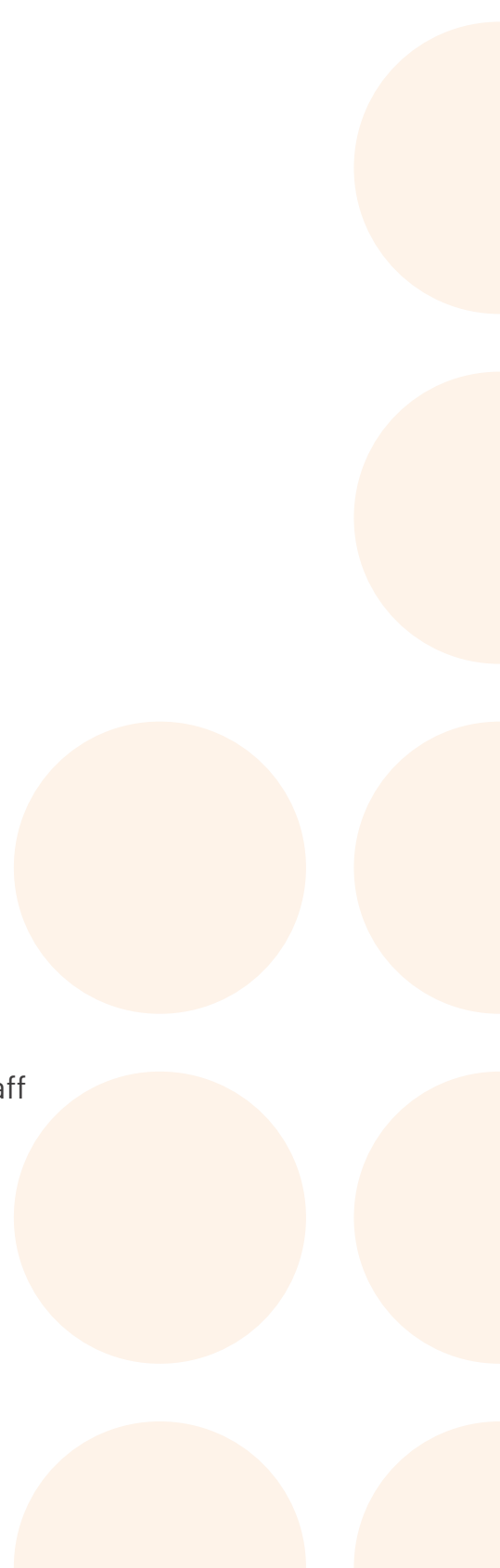
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LETTER FROM ROBIN KOVAL CEO AND PRESIDENT

In the closing days of 2015, we learned that teen cigarette use in the United States had dropped to a new low of seven percent. It was affirmation that our work had contributed to another one-year drop of more than ten percent in teen smoking rates.

That was the perfect capstone to a year of dramatic forward progress toward our mission of achieving a culture where youth and young adults reject tobacco. It was also a transformative year for our organization, complete with a new name, new brand look and new themeline that tie together our youth public education, research and policy, and community and youth engagement programs under the truth banner with a clear and definitive statement of purpose: “**Inspiring Tobacco-Free Lives.**”

Our new home at 900 G Street, N.W., and new website also reflect the transformation we have undergone in service to our vision of a tobacco-

free culture. Like our new brand, our new headquarters and online presence were built to speak to our beliefs and identity and the work we do. Our core values - **courage, curiosity, collaboration and commitment** - are literally enshrined in their designs. Our physical and online spaces look and feel like the places where a dedicated team works tirelessly with and for teens and young adults to change culture and save lives.

Over 15 years, Legacy had built a reputation for delivering **creative and effective public education to youth and young adults, founded in science and delivered with indelible impact**. As Truth Initiative, we connect the equity, notoriety and respect for **truth**[®] with our larger public health organization and the multi-faceted nature of the work done by our 120 talented team members. The Truth Initiative team includes some of the nation’s most respected tobacco control



researchers, community organizers and social media experts. As *Fast Company* magazine helped us explain when they unveiled our new brand, the changes we

ushered in 2015 will make our work more visible, more valuable and more clearly connected to the anti-tobacco efforts that have been at the organization's core since it was founded.

In this annual report, you will read about the advancements we made in 2015 **speaking, seeking and spreading the truth about tobacco**, and how we are fostering a change in culture that is ending the tobacco epidemic.

truth's Finish It® campaign is in the midst of a multi-year creative push to engage members of Generation Z to use their social influence to end tobacco use. In 2015, the paid advertisements, as well as live experiences and social media, have

earned critical praise and distinction from peers in the advertising, research and public relations fields. Since the start of **Finish It**, we estimate that total engagements have surpassed 353 million. Most significantly, our Evaluation Science and Research team have demonstrated they are already having an impact on the attitudes and beliefs of youth and young adults.

The **Schroeder Institute®** and our fact-driven policy work are contributing to a robust public dialogue on the shape of the tobacco control challenges of the future. Scientists from Truth Initiative **published more than 40 scholarly articles** in 2015, while **securing new grants and contracts** originating with the National Cancer Institute and the National Institute on Drug Abuse, among other agencies. At the same time, they are using science-based approaches to saving lives through tobacco cessation efforts aimed at young adults.

Tobacco-Free HBCU Initiative



Launch event for HBCU initiative

Our work with **Historically Black Colleges and Universities and Community Colleges** is bringing tobacco-free environments to campuses that serve young adults at the highest risk of smoking. Through those programs, we helped 87 schools launch initiatives in 2015 to protect their students, faculty and staff by making their campuses tobacco-free communities.

Our cultivation of high school and college students is spreading our life-saving messages and building the **Finish It** movement at the grassroots level. We are developing our **next generation of social change leaders** through more than 30 college and graduate student fellows and high school youth from more than 36 states who participated in those programs in 2015.

That would be a performance to be proud of in any year, but 2015 was even more special because of all we were also able to accomplish in terms of organizational transformation.

We are not, however, the only aspect of tobacco control that's transforming. **The nature of tobacco use itself is changing.** Some might look at that transformation and our extraordinary success in reducing teen cigarette use and

overlook new challenges: the same survey that showed us that only seven percent of teens are using cigarettes also showed us that teens are using other combustible products like hookah and little cigars. In fact, if you add up all forms of combustible tobacco use, we are looking at more than one of every ten American teens using deadly tobacco products.

So, as we reflect upon a transformational 2015, we draw inspiration from our successes, our new identity, a new home that supports our mission, and the knowledge that our work inspiring tobacco-free lives is not yet done. The lives of more than 5.6 million young people alive today are at stake, and we are resolute in **our commitment to create a culture where all youth and young adults reject tobacco.**

I hope you will join me in saluting the tremendous work of our dedicated and brilliant team and the tireless commitment of our board of directors. They give me confidence that we will indeed **Finish It.** I feel incredibly grateful to be part of this inspired and effective ensemble.

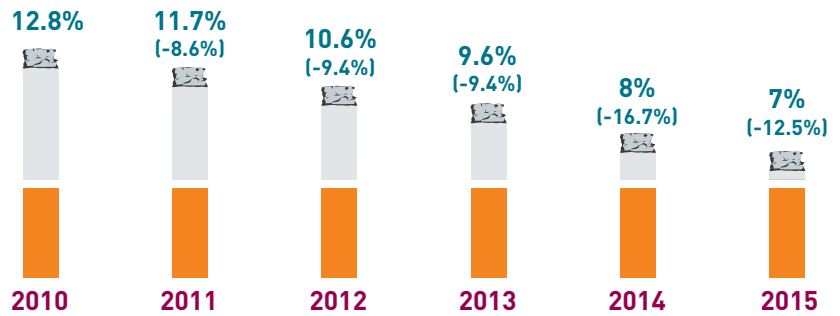
Sincerely,

Robin Koval

Youth cigarette use continues to decline, and at faster rates

TEENS WHO SAID THEY SMOKED CIGARETTES IN THE LAST 30 DAYS

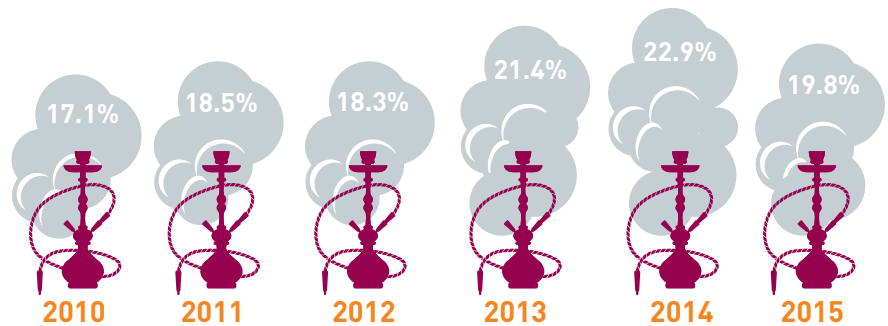
(8th, 10th and 12th graders, via Monitoring the Future)



Total tobacco use – including e-cigarettes, hookah and little cigars – has not declined

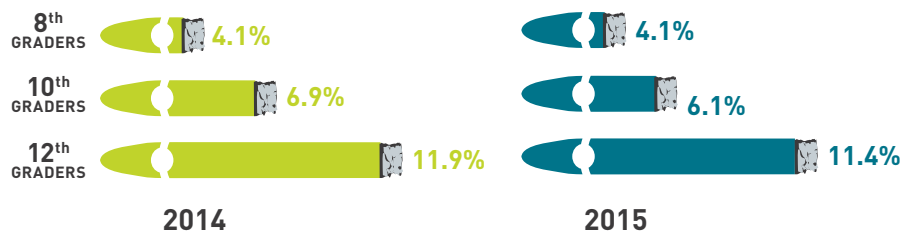
TEENS WHO SAID THEY SMOKED HOOKAH AT LEAST ONCE IN THE LAST YEAR

(12th graders, via Monitoring the Future)



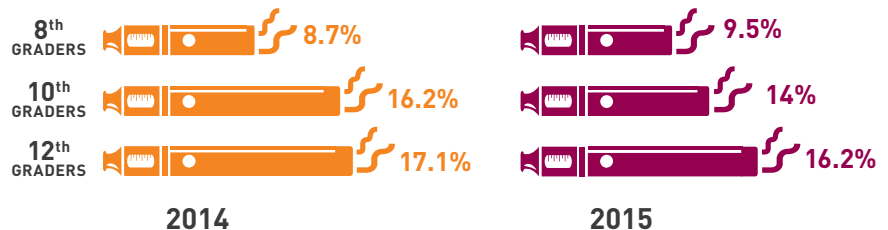
TEENS WHO SAID THEY USED FLAVORED LITTLE CIGARS IN THE PAST 30 DAYS

(8th, 10th and 12th graders, via Monitoring the Future)



TEENS WHO SAID THEY USED E-CIGARETTES IN THE PAST 30 DAYS

(8th, 10th and 12th graders, via Monitoring the Future)



speaking truth

truth[®] is our award-winning,
life-saving, national tobacco prevention,
counter-marketing campaign that speaks to youth
and young adults on their terms, through the
channels they understand and trust.



By speaking truth about tobacco to young people, we work through our **truth**[®] campaign to change tobacco attitudes, knowledge, beliefs and behavior and to prevent young people from experimenting and progressing with tobacco use. In 2014, we introduced **truth** to a new generation with **Finish It**[®], integrating public education with social action to empower post-millennial youth (Generation Z) to engage in our mission and **speak truth across their social networks and create the generation that ends smoking.**

In 2015, **Finish It** entered into its second year. We worked with partner organizations and individuals in and outside of the public health community to build collaborative programs, promotional campaigns, experiential events and **truth**-inspired merchandise, all designed to make our **truth** brand and message highly aspirational in youth culture. That work coincided with an accelerating drop in teen cigarette use. Last year, the rate of **teen cigarette use reached a historic low of seven percent.**



LEFT SWIPE DAT



During the 57th Grammy Awards we introduced “Left Swipe Dat,” a music video that used humor to make the case that smoking is not only deadly, it is unattractive. Research from dating apps shows that profile pictures that include smoking are twice as likely to be rejected with a left swipe. We partnered with Internet and music superstars, including **Becky G., Fifth Harmony, King Bach, Grace Helbig, Harley Morenstein, and Alphacat**, to activate the **Finish It** campaign and drive that point home. “Left Swipe Dat” became a pop culture phenomenon. The **video secured more than 48 million views** online. The #LeftSwipeDat hashtag exceeded #GRAMMYS hashtag as a trending topic on the night of the Grammy broadcast and we ultimately drove **more than 1.9 million visits to thetruth.com**.

“Left Swipe Dat” was honored with a **Gold CLIO Healthcare Award**, one of two CLIO awards that **Finish It** earned that year, as well as a Cannes Lions Award for Original Use of Music. It would go on to earn two top honors from PR Week – Arts, Entertainment & Media Campaign of the Year and Nonprofit Campaign of the Year, as well as the coveted **Gold David Oglivly Award from the Advertising Research Foundation**.

SMOKING IS SMOKING

We know that despite much progress driving down teen cigarette use, total combustible tobacco use is not falling as fast, due to the rising popularity of other combustible products, such as flavored little cigars and hookah. We also know that **youth and young adults misperceive risks associated with what they call “social smoking” or “party smoking.”** While just about all teens understand that regular smoking is very risky to their health, many believe occasional smoking carries very few risks.

Later in 2015, we tapped into another cultural moment to set the record straight on social smoking and alternative combustible tobacco products like flavored cigars and hookah. During the 2015 MTV Video Music Awards, we warned: **“It’s a Trap.”** Our social media meme-filled effort amused while dismantling the misperception that social smoking isn’t smoking. In a follow-up effort called **“Big Tobacco Be Like,”** we partnered with some of the biggest Vine stars in the world, including **Logan Paul, Christian DelGrosso, Allicatt,** and **Jerry Purpdrank,** to spread our message to a teen audience that even if you don’t consider using flavored tobacco or occasional smoking to be “real smoking,” Big Tobacco does, and they get paid every time you light up. **“It’s a Trap” and “Big Tobacco Be Like” were each viewed more than 59 million times.** Throughout the campaign, **thetruth.com received more than one million visitors.**



BUILDING A MOVEMENT

Throughout 2015, we brought a singular message to young people: let's be the generation to "Finish It" and end tobacco use for good.

We headed out on our 16th **truth** summer tour with more than 100 stops at theme parks, sporting events and music festivals, including the Vans Warped Tour, Six Flags theme parks, the Vans East Coast Surfing Championships, the Mad Decent Block Parties, the U.S. Open of Surfing, SXSW, the Safe in Sound Festival, High School Nation, the Oddball Festival and Vans Brooklyn House Parties. All told, **we reached more than 1.7 million people during our 2015 travels.**

In June, we hosted an art event with the innovative and influential **New York graffiti artist Faust**, who was joined by **L.A.-based artists Kidwiseman** and **Miser** to create customized graffiti tags personalizing the Twitter handles of followers of **@truthorange**, the handle for the **truth** campaign. Followers used the hashtags **#RollCall** and **#PickMe** on Twitter for a chance to receive a virtual, personalized, Twitter-handle signature. Periscope, a live video-streaming app, captured Faust at work as he created the custom graffiti tags. More than 800 **Finishers** received custom tags and helped us reach **7.24 million youth** with life-saving messages about the negative effects of tobacco use.



Every year, 1.69 billion pounds of cigarette butts end up as waste. We partnered with American rapper **Jake Miller** and DoSomething.org in a campaign to **Get The Filters Out (GTF0)**. Youth activists who joined the movement received free kits to pick up cigarette butts cluttering our streets and became eligible for a \$10,000 scholarship. A total of 78,755 members participated in the movement and picked up a total of 3,733,832 cigarette butts. **Our program was hailed by DoSomething.org as the second most successful effort they have ever undertaken.**

PARTNERING TO TELL THE TRUTH

Through our partnership with **Vans**, the action sports apparel and footwear brand, we launched the **limited edition Vans x truth apparel line**. The line features Vans Authentic shoes, a t-shirt and a hat, and helps to extend truth's message by giving young people a way to creatively express something for which they stand. A **portion of the proceeds come back to the organization** in the form of royalties to support **truth's** work. In December, we partnered with **artist Kevin Lyons** to create a mural in Raleigh, North Carolina, that spread inspirational messages from young people and offered a glimpse of the future design direction for the apparel line.

We collaborated with **TYRA Beauty**, the new cosmetics line from **supermodel Tyra Banks**, to change the way people see beauty with a one-of-a-kind cosmetics experience: **"Smoke Your Eyes, Not Cigarettes."** The campaign launched in conjunction with the release of their 'SMIZE Smoky Eyes' eye shadow palette.



“THE ONLY THINGS I SMOKE ARE MY EYES.”

Tyra

[instagram.com/tyrabanks](https://www.instagram.com/tyrabanks)



CHANGING ATTITUDES AND BELIEFS

truth exists to change youth attitudes, beliefs and, ultimately, behaviors related to tobacco use. We assess how we are doing that with a major investment in evaluation – including surveying a nationally representative sample of more than 10,000 young people, aged 15-21, and ongoing media monitoring. The **truth** Longitudinal Cohort is interviewed every six months since our baseline measurement in mid-2014. That work will continue through 2017. Twelve months post campaign launch data demonstrate that the **truth** campaign has generated advertising awareness of 75 percent and brand awareness of 80 percent and **we are seeing significant associations**

between campaign awareness and changes in key targeted attitudes, as well as intention not to smoke. Moreover, we are seeing these shifts in attitudes and intention ahead of our projected timeframe and with dose effect (i.e. the more of the campaign to which youth are exposed, the more impact we are having.) **Future data will examine the extent to which campaign awareness is associated with behavioral change.** We have also been very pleased to see that our investment in **truth** is working in a complementary manner to youth-targeted efforts being implemented by the FDA and the CDC's adult-targeted public education program.



seeking truth

Our Schroeder Institute[®] and Evaluation Science and Research teams use rigorous science to seek answers to our tobacco control challenges, and we share their findings with those empowered to build and support policies and programs that prevent youth and young adults from using tobacco and help current tobacco users quit.



truth CEO, Robin Koval, speaking at the Delnevo Hill Event

In order to achieve a tobacco-free generation, we are committed to informing and activating policymakers, journalists, educators, student activists and collaborators.

Over the past year, we've invested even more in **delivering the facts about key tobacco control issues and providing information about where we stand on those issues.** We've published research and commentary in leading academic journals - *Journal of the American Medical Association*, *American Journal of Public Health*, *Tobacco Control* and *Addictive Behaviors* – including nearly 40 articles in 2015. We've built an impressive pipeline of work **securing new grants and contracts**, originating with the National Cancer Institute and National Institute on Drug Abuse, among others.

Through the **Schroeder Institute** and the **Evaluation Science and Research** team that evaluates all aspects of our programs for their impact on our mission, **we are delivering fact-driven policy science that is contributing to a robust public dialogue to shape the future of tobacco control.**



**WE'VE
PUBLISHED
NEARLY
40
ARTICLES IN
2015**

YOUTH/YOUNG ADULT TOBACCO USE

Our work includes careful examination of how many teens are using tobacco and how they are using it. We've seen **teen cigarette use drop to historic lows**, according to both Monitoring the Future and the National Youth Tobacco Survey, but we've also seen youth and young adults changing what products they use to consume tobacco. **We brought our insights about youth use of little cigars and hookah to Capitol Hill** for a policy briefing that attracted an audience of more than 150 people.

That briefing drew upon our published research pointing to the use of little cigars and other non-traditional combustible products. Later in the year, we contributed to the first scholarly article to emerge from the National Institute on Drug Abuse's Population Assessment of Tobacco and Health study – also known as PATH – which focused on the [influence of flavors](#) on youth tobacco use. The study found that **over 70 percent of all current youth tobacco users have used a flavored product in the past 30 days**. That finding has attracted the attention of policymakers at the local, state and federal

levels, and is consistent with other 2015 studies showing that [menthol cigarette use nearly doubled the odds of increased smoking](#) behavior in the past year among U.S. young adults. Other work on menthol examined the potential reaction of menthol cigarette smokers to a [ban on menthol in cigarettes](#).

We also published on [hookah use by young adults](#), finding that college enrollment; alcohol, marijuana and cigarette use; and the **perception that hookah is less harmful than cigarettes** were all predictors of hookah trial among young adults aged 18 – 24.

In late 2015, our researchers published another study on the makeup of those who reported using [blunts, cigars, and non-blunt marijuana](#) in the past 30 days. In this national survey of more than 54,000 U.S. adults aged 18 and over, researchers found that **those who reported smoking blunts or both blunts and cigars were more likely to report alcohol or other drug use in the past 30 days** and had lower-risk perceptions of using marijuana, compared to non-blunt users.



ELECTRONIC NICOTINE DELIVERY SYSTEMS

The emergence of **Electronic Nicotine Delivery Systems (ENDS)** continues to be a controversial, but significant, area for policy making. Our scholarship has focused on how ENDS – also referred to as e-cigarettes – are being marketed to youth. This year we incorporated the latest figures on ENDS marketing in an update to our [Vaporized](#) study, which we released at the same time as a publication on youth exposure to e-cigarette advertisements in randomized control trials. Our own research showed the potential for [unrestricted e-cigarette advertising to entice young adults](#) to try e-cigarettes, as **exposure to e-cigarette ads was associated with greater curiosity to try an e-cigarette** and greater trial of e-cigarettes over a six-month period.

Our researchers also collaborated on studies of young adult and adult e-cigarette use, including analysis of data from the 2014 National Health Interview Survey. They found that **12.6 percent of all adults report having ever tried e-cigarettes, and nearly half (49 percent) of daily cigarette smokers had ever tried e-cigarettes**. They also discovered that experimentation was high in current cigarette smokers and young adults, but daily e-cigarette use was most common in recent, former smokers and older adults. Those recent quitters were four times more likely to be daily users of e-cigarettes than current cigarette smokers. These findings indicate that, among U.S. adults, some recent cigarette quitters may have quit with the assistance of e-cigarettes.

We summarized that work and more in a comprehensive summary of the science on ENDS, including their health effects. The

12.6% OF ALL ADULTS REPORT HAVING TRIED E-CIGARETTES



49% OF DAILY SMOKERS HAVE TRIED E-CIGARETTES

[Truth About ENDS](#) is now online and speaks to the science and to our science-informed policy position on ENDS regulation. It also addresses the opportunity that well-regulated ENDS products may offer in terms of population-level harm reduction when compared with the use of traditional combustible cigarettes by adults who are not otherwise able to quit smoking while, at the same time, making clear our position that no product containing nicotine should be available to or used by young people.

We submitted comments to the Food and Drug Administration, Federal Trade Commission and other federal agencies on an array of topics, including **maximizing ENDS benefits and minimizing potential harms**, expanding the collection and reporting of tobacco marketing and sales data to include ENDS, and [child-resistant packaging standards](#). Our work on models and methods for assessing the utility of [emerging tobacco products](#), published in 2015, will help the Food and Drug Administration regulate the manufacture and sale and build a new public health standard for products like ENDS.

TOBACCO-FREE CULTURE



Still from "Played: Smoking and Video Games"

For more than a decade, we have supported research on the negative impact of smoking imagery in motion pictures. That work continues. In 2015, we saw smoking in [youth-rated movies](#) decline in films produced by the major studios, while Disney stepped up to improve their existing tobacco-free policy and extend it across their studios. The independent studios, which tend not to have policies that would guide them to produce youth-oriented films that are tobacco-free, now make up the lion's share of tobacco depictions on screen. We continue to **advocate for R-rating for films with tobacco imagery to ensure youth-rated films are smoke-free.**

Our reason for focusing on movies is their cultural currency. In recent years, however, more youth are consuming a wider variety of media. Prominent among those channels is video games. So we set out to understand the role of smoking in video games – particularly those played by youth and young adults. We assessed the presence of smoking in video games and the steps that public and private actors can take to limit youth access to smoking imagery. [Played: Smoking and Video Games](#) showed, among other things, that **smoking in video games appears to make characters seem tough or "bad ass" to young players.** The report also shed light on shortcomings in the gaming industry's ratings board, which fails to catch much of the tobacco use in games on the market today.

Another study on video games showed their [promise for increasing anti-tobacco attitudes](#) when anti-tobacco content can be successfully integrated within a mobile game.

At the same time, we've worked in collaboration with the Campaign for Tobacco-Free Kids and other partners to raise awareness of efforts taking root in cities across the U.S. to eliminate the cultural influence of smokeless tobacco use by professional baseball players. In 2015, we saw Boston, San Francisco and Los Angeles act to ban tobacco products of all kinds at ballparks in those cities, including AT&T Park and Dodger Stadium. The result is **a 2016 Major League Baseball season that will be played in several completely tobacco-free ballparks** for the first time in the history of America's favorite pastime.

We also helped to bring attention to another tobacco-free milestone: achievement of **smoke-free public spaces in New Orleans**. Perhaps no other U.S. city is better known for its entertainment and nightlife than "The Big Easy." In December, we helped to share this story by hosting a Warner Series discussion with the community activists who helped turn that beacon of good times into a smoke-free environment for the men, women and children who visit, live and work in New Orleans.

Environmental influences continue to be a focus. Throughout the year, we worked on a number of grants and projects that will extend the influence of our earlier work on the retail environment for tobacco products, including a new project for the Washington, D.C. Department of Health that has us collaborating

with New York University. We published findings from one study examining [neighborhood-level tobacco outlet density](#) via a nationally representative sample of young adults, aged 18 – 34, that suggests the **density of tobacco retail outlets around one's residence may influence tobacco use among young adults**. Another study examined cigarette pricing in all tobacco [retail outlets in Washington, D.C.](#) in relation to area high schools. The authors found that overall prices and those for Newport menthol cigarettes were significantly lower at outlets near traditional and charter public schools compared with outlets near private schools, and ponder the contribution of such lower cost products to tobacco-related health disparities in minority and low-income populations.

Our researchers also published a study on public and smoker [support for point-of-sale tobacco-control policies](#). A nationally representative sample showed that **more than 80 percent of respondents supported restrictions on minors' access, and more than 45 percent supported graphic label warnings**. Support was lowest for plain packaging (23 percent), black-and-white advertising (26 percent), and a ban on menthol cigarettes (36 percent).

In concert with 77 other non-profit and government agencies, corporations and individuals, we submitted comments urging the U.S. Department of Health and Human Services to include tobacco control measures as [part of Head Start](#), the program that promotes school readiness for children from low-income families through education, health, social and other services.

THE ART AND SCIENCE OF QUITTING


Since 2008, we have been innovating our online cessation program – [BecomeAnEX](#)® – which provides free, evidence-based tools to help smokers re-learn life without cigarettes. Every year, thousands of smokers turn to BecomeAnEX for help quitting.

In 2015, we received two multi-year grants that will extend this work. A grant from the National Cancer Institute will use insights from BecomeAnEX to develop and assess the effectiveness of a web-based smoking cessation program targeted to people living with HIV/AIDS. Through a multi-year grant from the National Institute on Drug Abuse, we are examining optimal ways to integrate a web and text intervention for smoking cessation.

These trials will add to a growing body of research on Internet-based cessation efforts. A 2015 study [demonstrating the important role](#) of online social networks in promoting abstinence found that **smokers who used**

an Internet smoking cessation program to quit smoking were more successful if they actively participated, or even just lurked, in the online community than smokers who did not participate in the community.

For young adults who are looking to quit smoking, we've adapted our experience with BecomeAnEX to launch [This is Quitting](#), a mobile app and text messaging program that leverages social media to help smokers quit. Available on both iPhone and Android, the app aggregates social media posts from real smokers about their quitting experiences. **This is Quitting** allows users to share their quitting success or post frustrations about their failure to quit, extend congratulations or encouragement to others, feel part of a global **community of young adult quitters**, and use training tools to coach them through quitting 24 hours a day, seven days a week.



Every year, thousands of smokers turn to [BecomeAnEX](#) for help quitting.

CONTRIBUTING TO A ROBUST DEBATE

During 2015, the Obama administration did not complete its work in bringing all tobacco products under the Food and Drug Administration's jurisdiction to regulate a full array of tobacco products, including ENDS. The proposed regulations were mired in ongoing delays.

While Truth Initiative does not engage in lobbying, **we helped bring attention to state and local government actions, as well as work being undertaken by non-government actors,**

to advance effective tobacco control policies.

We saw states begin to take action after the Institute of Medicine issued its comprehensive report on the potential public health **benefits of raising the national minimum age for sale of tobacco to 21**, including the potential benefits for delaying or preventing teen smoking initiation. Hawaii became the first U.S. state to raise its minimum age of sale. We expect to see more states following their lead in 2016.



spreading truth

We empower individuals, coalitions and organizations to take action in their communities, and inspire and train future leaders to help us counter tobacco's influence, especially with youth and within communities of color and low-income populations. These community partners and emerging leaders spread truth and opportunity so that everyone in the U.S. can enjoy the chance for a tobacco-free life.

INSPIRING YOUNG PEOPLE TOWARD ACTIVISM AND ADVOCACY



Engaging youth and young adults is at the heart of our efforts to create our nation's first tobacco-free generation.

Our **Youth Activism Fellowship** offers 12 months of training and skill development on **activism and leadership through the lens of tobacco control and social justice**. In 2015, we welcomed to the program 30 young fellows, 17 to 23 years of age, from 20 states. These young adults brought diverse backgrounds, many levels of activism experience and a singular passion: **to be the generation that ends tobacco use**.

With an eye toward the power of teens, we hosted our inaugural **National Summit on Youth Activism** in Orlando, Florida. We brought together more than 70 teenagers, who dedicated a week of their summer break, to learn and grow as individuals and teams. Four

days of educational sessions – including a day of media training at the **University of Central Florida** – helped prepare these students to kick off personalized tobacco control projects upon their return home.

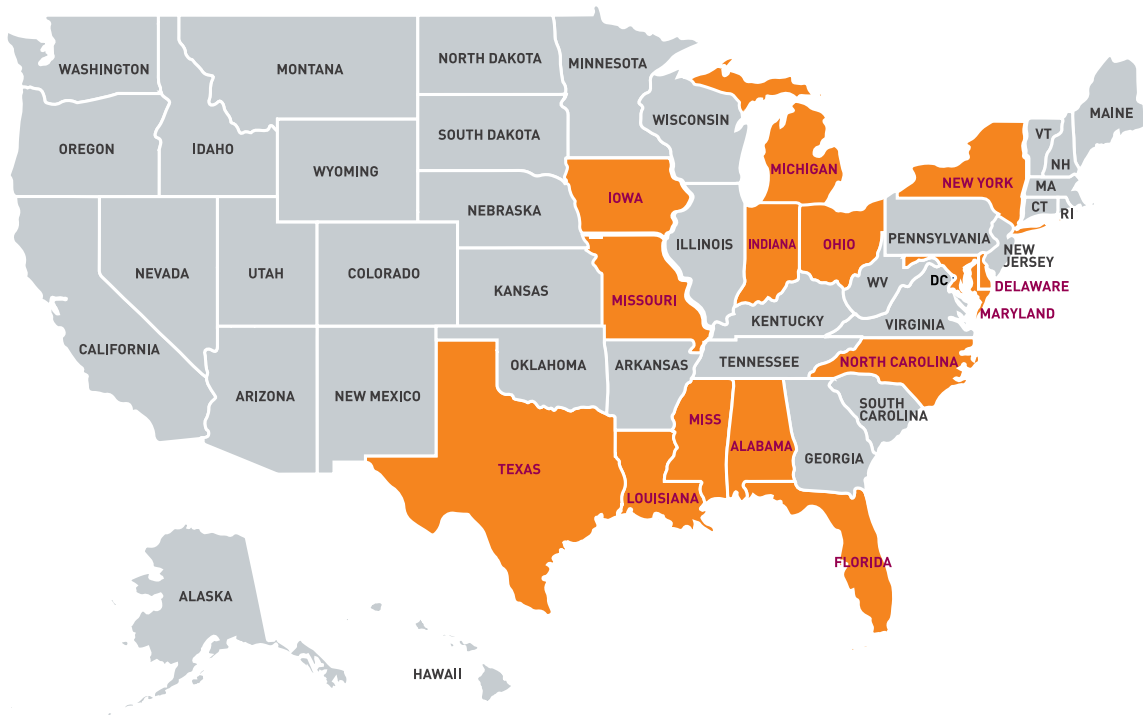
Students from Indiana's **Tobacco Free Boone County** coalition planned and executed an event – modeled after a Truth Initiative Leadership Institute they attended – for 50 high school youth leaders in early 2015. The Indiana teens, along with youth activism staff, invited **Truth Initiative Board Member and Indiana Attorney General Greg Zoeller** to participate in the event, which included team-building exercises and interactive workshops on street activism, social media activism and emerging tobacco products.

We spread the truth about tobacco far and wide in 2015. We traveled to speak to **thousands of young people at community rallies, statewide summits and tobacco control conferences**. Through keynotes, workshops and hands-on exercises, we brought to life the power of activism and the facts about tobacco industry marketing and the harms of tobacco products.

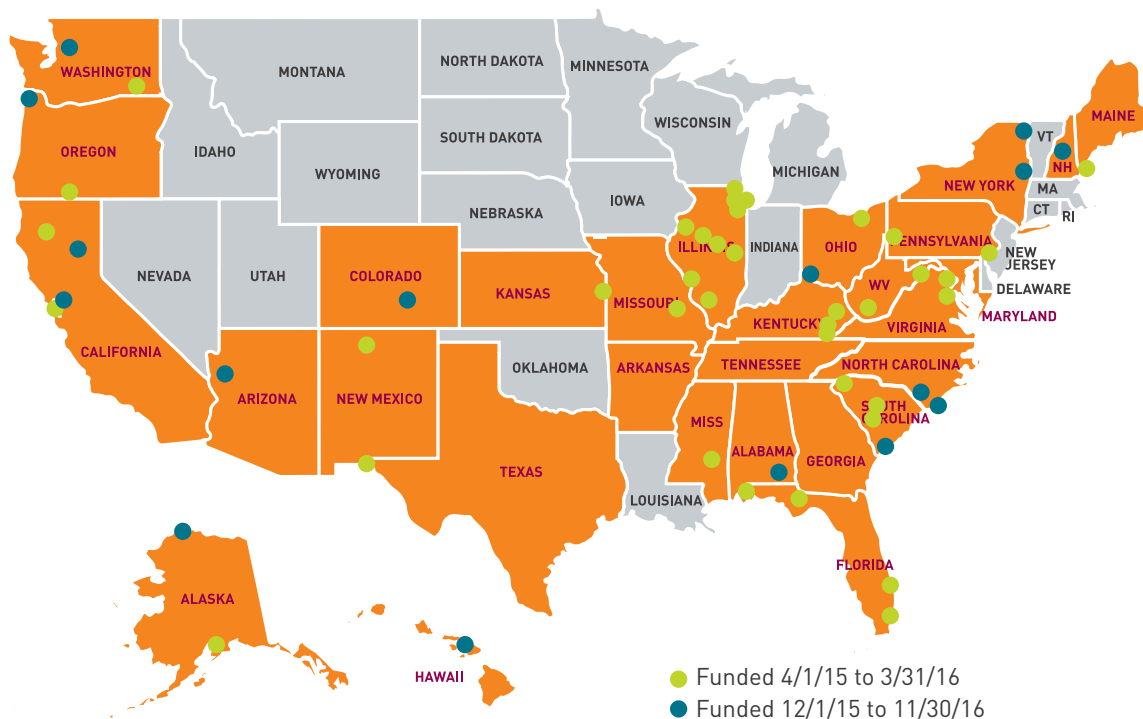
- Cleveland, Ohio:** Led the **Healthy Eating, Active Living–Tobacco Control** event in partnership with the Center for Reducing Health Disparities and The Centers for Families and Children
- Detroit, Michigan:** Partnered with local recording and performance artist **Mike Ellison** to host tobacco control activism events at two high schools
- Dover, Delaware:** Presented at the **Kick Butts Generation** youth leadership summit
- Florida:** Provided the keynote address at the **Students Working Against Tobacco (SWAT)** regional retreat
- Michigan:** Participated in the first **Youth Leadership and Advocacy Training for Commercial Tobacco Prevention**
- Mississippi:** Supported the **Generation FREE** statewide, six-site “**Inspiring Future Leaders Youth**” Conference
- Montpelier, Vermont:** Motivated youth at a tobacco control leadership summit
- Phoenix, Arizona:** Rallied students from Gateway Community College, Arizona State University and Phoenix College at the **IGNITE Spring Tobacco Summit**
- St. Louis, Missouri:** Worked with **Kingdom House** and the **After School for All Partnership** to speak with students about tobacco prevention

We recognized two outstanding students through our **Dr. Alma S. Adams Scholarship for Outreach and Health Communications to Reduce Tobacco Use Among Priority Populations**. These deserving students demonstrated a commitment to community service and use of the creative arts to reduce tobacco use in priority populations. **Deanne Knapp**, a student at Baker College of Muskegon in Michigan and an aspiring teacher, developed a lesson plan for third graders on the harmful effects of tobacco use. **Elizabeth Orlan**, a graduate student at the University of North Carolina and a Fulbright scholar, collaborated with others to organize and pilot a five-module tobacco control education program for middle school students in Jakarta. Each student received \$5,000 in scholarship funds to cover costs related to their education.

Truth Initiative reached an estimated 37,029 young people through our advocacy efforts in 2015.



HBCU and Community Colleges where Truth Initiative grants were allocated.



CHANGING LIVES THROUGH POLICY AND PROGRAMS



Our commitment to making colleges tobacco-free took root in 2015. A grant initiative that encourages community colleges and **Historically Black Colleges and Universities (HBCUs)** to adopt and implement comprehensive smoke-free or tobacco-free policies hit its stride as we funded academic institutions in 29 states by the end of the year.

The grants to 54 community colleges and 33 HBCUs offer funding to spur students, faculty and staff to work together to assess tobacco use on campus and then design and implement a campaign that establishes a comprehensive tobacco-free policy. We support these efforts with **webinars and in-person trainings, as well as useful materials such as model policies.** By the end of 2015, those 87 schools had started the process of going tobacco-free.

In order to expand the reach of tobacco-related service learning, we kicked off a collaboration

with the **Saint Louis-based Wyman Center**, a nonprofit with more than 117 years' experience helping teens from economically-disadvantaged circumstances in 190 communities. Wyman's programs have reached 250,000 teens nationwide. Together, we are developing and testing a curriculum to **educate and engage students on tobacco use and substance abuse prevention.**

The seven-lesson curriculum is a supplement to Wyman's innovative **Teen Outreach Program® (TOP®)**, a results-driven, youth-development approach that transforms teens and communities by empowering them with the tools and opportunities needed to avoid risky conduct and build a foundation of healthy behaviors, life skills and a sense of purpose. **More than 400 teens in Missouri and Illinois are participating in pilots to test the curriculum.** The results will be released in 2016.

financials



Truth Initiative and Affiliate Consolidated Balance Sheets

June 30, 2015 and 2014 (In Thousands)

ASSETS	2015	2014
Cash and cash equivalents	\$ 152,511	\$ 156,345
Investments	877,648	939,983
Accounts receivable from building sale	18,792	-
Accrued interest receivables	168	221
Grants receivables	973	608
Note receivable	19,850	-
Prepaid expenses	423	893
Trades to be settled	-	426
Property and equipment, net	302	328
1724 Massachusetts Avenue building, net	25,447	25,870
2030 M Street building, net	-	25,979
Bond issuance costs, net	406	437
Other assets	271	417
TOTAL	\$ 1,096,791	\$ 1,151,507
LIABILITIES AND NET ASSETS		
Liabilities		
Grants payable	\$ 239	\$ 375
Trades to be settled	10	-
Accrued expenses	14,630	7,668
Bonds payable	28,000	28,000
Refundable advances	-	84
Liability on interest rate swap agreement	4,849	3,907
Other liabilities	1,051	926
TOTAL	48,779	40,960
NET ASSETS - UNRESTRICTED	1,048,012	1,110,547
Total Liabilities and Net Assets	\$ 1,096,791	\$ 1,151,507

Truth Initiative and Affiliate Consolidated Statement of Activities

June 30, 2015 and 2014 (In Thousands)

REVENUE AND SUPPORT		2015		2014
Rental income	\$	2,742	\$	2,653
Sponsored projects and other income		2,817		1,911
Investment income, net of fees		22,752		146,870
Gain on sale of building		14,270		-
Settlement proceeds:				
Public education		125		126
TOTAL REVENUE AND SUPPORT	\$	42,706		151,560
EXPENSES				
Program expenses:				
Counter marketing and communications	\$	69,001	\$	30,213
Evaluation science and research		7,098		5,432
Schroeder Research Institute		5,972		4,463
Grants		3,315		3,264
Community and youth engagement		2,796		3,040
Other programs		3,879		2,641
TOTAL PROGRAM EXPENSES	\$	92,061	\$	49,053
SUPPORTING SERVICES				
General and administrative	\$	7,073	\$	6,721
Building expenses		6,107		5,175
TOTAL EXPENSES	\$	92,061	\$	60,949
CHANGE IN NET ASSETS	\$	(62,535)	\$	90,611
NET ASSETS				
Beginning	\$	1,110,547	\$	1,019,936
Ending	\$	1,048,012	\$	1,110,547

Truth Initiative and Affiliate Consolidated Statement of Cash Flows

Years Ended June 30, 2015 and 2014 (In Thousands)

CASH FLOWS FROM OPERATING ACTIVITIES	2015	2014
Change in net assets	\$ (62,535)	\$ 90,611
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Gain on sale of building	(14,270)	-
Realized and unrealized gain on investments	(7,088)	(131,454)
Other investment gain	(7,933)	(11,130)
Depreciation	1,843	1,787
Change in interest rate swap agreements	942	(923)
Amortization of bond issuance costs	31	32
Changes in assets and liabilities:		
(Increase) decrease in:		
Accrued interest receivables	53	156
Trades to be settled	436	(921)
Other assets	146	(254)
Prepaid expenses	470	(182)
Grants receivables	(365)	985
Increase (decrease) in:		
Accrued expenses	6,962	(10,733)
Grants payable	(136)	289
Refundable advances	(84)	-
Other liabilities	125	(1,036)
NET CASH USED IN OPERATING ACTIVITIES	\$ (81,403)	\$ (62,773)

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sale of building	\$ 531	-
Purchase of property and equipment	(318)	(467)
Proceeds from sale of investments	378,137	4,129,934
Purchases of investments	(300,781)	(4,051,208)
NET CASH PROVIDED BY INVESTING ACTIVITIES	\$ 77,569	\$ 78,259

Truth Initiative and Affiliate Consolidated Statements of Cash Flows — continued

Years Ended June 30, 2015 and 2014 (In Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES

	2015	2014
Principal payments on loan payable	\$ -	\$ (17,933)

NET CASH USED IN FINANCING ACTIVITIES

NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS

	\$ (3,834)	\$ (2,447)
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CASH AND CASH EQUIVALENTS

Beginning	\$ 156,345	\$ 158,792
Ending	\$ 152,511	\$ 156,345

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid for interest	\$ 955	\$ 1,384
Cash paid for (refund from) income taxes	\$ 6	\$ (2)

SUPPLEMENTAL SCHEDULES OF NON-CASH FINANCING ACTIVITIES

Accounts receivable from building sale	\$ 18,792	-
Issuance of note receivable from building sale	\$ 19,850	-

Truth Initiative Grants

Fiscal Year Ended June 30, 2015

Action on Smoking and Health		
Altarum Institute		
American Academy of Pediatrics		
American Heart Association		
American Nonsmokers' Rights Foundation		
Asian Pacific Partners for Empowerment & Leadership		
Breathe California of Sacramento - Emigrant Trails		
Campaign for Tobacco Free Kids		
C-Change		
Citizens Commission to Protect the Truth		
Georgia State University		
Harvard School of Public Health		
Johns Hopkins University		
Lung Cancer Alliance		
Northeastern University		
Partnership for Prevention		
The National Center on Addiction and Substance Abuse at Columbia University		
The Trustees of Columbia University in the City of New York		
University of California, San Francisco		
Wyman Center		
SUBTOTAL	\$	3,533,649
Smoke-Free and Tobacco-Free Community College Grants Initiative	\$	189,749
Historically Black Colleges and Universities Tobacco-Free Campus Initiative	\$	15,000
GRAND TOTAL	\$	3,738,398

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as of December 2015

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