

2010 Annual Report



Healthy Lungs
Healthy Air



AMERICAN LUNG ASSOCIATION®

When you join the American Lung Association in the fight for healthy lungs and healthy air, you help save lives today and keep America healthy tomorrow.

Our Mission: *To save lives by improving lung health and preventing lung disease.*

Mission Goals

- The American Lung Association will eliminate tobacco use and tobacco-related lung disease.
- The American Lung Association will improve the air we breathe so it will not cause or worsen lung disease.
- The American Lung Association will reduce the burden of lung disease on patients and their families.

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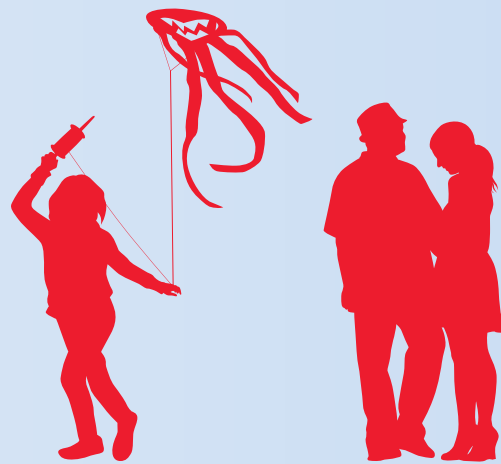
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Healthy Lungs, Healthy Air



From first breath to last breath, our lives are defined by the simple act of breathing. But for far too many, breathing is anything but simple. Tobacco smoke, polluted air and infectious diseases constantly threaten our lungs and lives. At the American Lung Association, we believe healthy lungs and healthy air are worth fighting for. Whether it's searching for cures, keeping kids off tobacco or fighting for laws that protect the air we all breathe, the work of the American Lung Association helps to save lives every day.

Fighting Lung Disease

Lung disease is the number three killer in the United States, responsible for one in six deaths. Lung cancer is the number one cancer killer of both men and women in the U.S. Every year, the American Lung Association funds scientific research to improve treatments and find cures for the more than 37 million Americans with chronic lung diseases. We are also one of America's most trusted sources of support and information for people with chronic lung disease, like asthma and Chronic Obstructive Pulmonary Disease (COPD). Resources include our **Lung Helpline (1-800-LUNGUSA)** which is staffed by registered nurses and respiratory therapists, and our **Better Breathers Clubs** support groups across the country.

Fighting Smoking

Tragically, each day more than 950 kids become regular, daily smokers, and between one third and one half will eventually die as a result of their addiction. The American Lung Association led the decades-long fight to give the U.S. Food and Drug Administration the regulatory power to stop tobacco companies from preying on children and deceiving the American public. This legislation, signed into law in June 2009, saw many of its statutes take effect in 2010. Our smoking cessation programs, like **Freedom From Smoking®**, have helped generations of Americans kick the habit.

Fighting Secondhand Smoke

In the past, we led the fight to get smokefree airlines. Today, we're still fighting secondhand smoke. Twenty-seven states have passed comprehensive laws that met the American Lung Association's **Smokefree Air Challenge** by adopting

comprehensive laws prohibiting smoking in workplaces, restaurants and bars. We won't stop until everyone lives and works in a smokefree state.

Fighting Air Pollution

The American Lung Association fights relentlessly for Healthy Air. We were instrumental in passage of the Clean Air Act. We pushed for the U.S. to clean up cars, trucks and SUVs. We work for the cleanup of dirty diesel trucks, buses, heavy equipment, locomotives and marine vessels — steps to reduce pollution that leads to asthma attacks and premature death. We push EPA to set air pollution standards that protect our health and reduce pollution from power plants and factories.

Fighting Childhood Asthma

Asthma is a leading chronic illness among American children, affecting more than seven million kids. Through our educational programs like **Open Airways For Schools**, we give children the tools they need to manage their asthma so that they can stay healthy in school and be ready to learn. Our **Asthma Clinical Research Centers (ACRC)** conduct large clinical trials that provide immediate and useful information for people who have asthma.

Fighting the Flu

The American Lung Association provides critical funding for research into influenza treatment and prevention. One example is an important research study that found the inactivated influenza vaccine was safe to administer to adults and children with asthma. Every year, we help countless Americans understand the importance of a flu vaccination with programs like our **Faces of Influenza** campaign.

Our Fight Continues

At the American Lung Association, we never take breathing for granted, because millions of Americans fight for each and every breath. It's a huge mission, but we've been dedicated to it for more than a century. We couldn't do it without your generous support and donations.



H. James Gooden,
Chair

AMERICAN LUNG ASSOCIATION® Fighting for Air

Dear Lung Association Family,

Lung disease touches all of us. Each of us knows someone who has been affected — an aunt struggling with COPD, a friend lost to lung cancer or a child fearful of his next asthma attack. Each year, more than 400,000 Americans die of lung disease, making it the third most frequent cause of death in this country. The vision of the American Lung Association is a world without lung disease. In 2010, our work brought us closer to that goal, but also highlighted how far we have yet to go.

This past year we helped advance the understanding of lung disease through several research milestones. The results of two important studies by our Asthma Clinical Research Centers — Trial of Asthma Patient Education and Sinusitis and Rhinitis in Asthma — were published in the *Journal of Allergy and Immunology* and *CHEST* respectively. In addition, a Lung Association grantee and his team discovered a major gene responsible for lung cancer development in mice. This team is also investigating a drug once used to treat rheumatoid arthritis that shows promise in inhibiting this gene, which could lead to an effective new lung cancer treatment.

We partnered with other lung cancer organizations to launch the Lung Cancer Clinical Trials Matching Service, which helps lung cancer patients identify clinical trials they might participate in. We also introduced a new series of reports that spotlights groups disproportionately affected by lung disease in our society. These reports explored the unequal levels of lung cancer in African Americans, and prevalence of smoking in the lesbian, gay, bisexual and transgender community. And we extended our online reach through a new Freedom From Smoking® Online website, offering

enhanced features for those working to kick their smoking habit.

The year was marked by a number of public policy victories. We helped ensure that the Food and Drug Administration is moving forward with the new law to regulate tobacco products and prevent kids from starting to smoke. We also won a crucial victory when the Environmental Protection Agency set stronger emissions standards, for the first time since 1971, for nitrogen dioxide, which will protect communities along major roads and highways, and for sulfur dioxide, which will protect people who live near dirty coal-fired power plants.

We fought hard for expanded access to quit-smoking treatments under the landmark Patient Protection and Affordable Care Act. The law also puts a major emphasis on prevention and management of chronic diseases including COPD and asthma, and made health care insurance available to millions of uninsured, including those with lung disease. And our highly anticipated reports on the *State of the Air* and the *State of Tobacco Control* again sparked national debate over the continuing threat of unhealthy air and efforts to prevent tobacco use and help people quit.

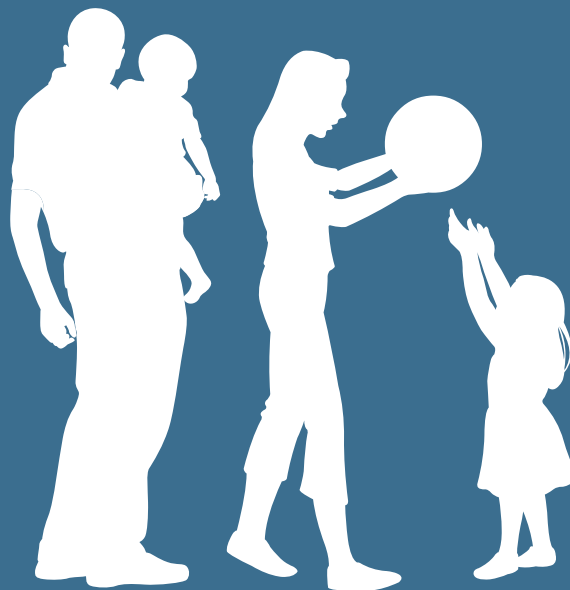
Despite this progress, and much more you'll read about in this report, the way ahead looks treacherous. In 2011, we face a Congress that threatens to remove the protections of the Clean Air Act and roll back health care reform. We're also seeing states poaching funds from cigarette taxes and using them to balance their budgets, instead of using them to prevent smoking and help people quit.

Only with your help, can we face the challenges ahead. During these difficult economic times, we hope that everyone will remember that lung disease will not wait for economic recovery, and that Big Tobacco and Big Polluters still have very deep pockets. We hope that everyone will give as much as they can. With your generous support, the American Lung Association is "Fighting for Air." When you join us in the fight for healthy lungs and healthy air, you help save lives today and keep America healthy tomorrow.

H. James Gooden

Charles D. Connor

Diversity



The American Lung Association is committed to diversity within our organization and in the work we do. We continually strive to ensure that our staff and volunteers reflect the communities we serve. The American Lung Association also partners with national and community-based organizations to broaden our reach into diverse communities.

Lung disease has a disproportionate impact on communities of color and other underserved communities. In our mission and operations, the American Lung Association is committed to eliminating lung health disparities. To this end, all our major nationwide curriculum-based programs have been designed to be culturally sensitive and are available in English and Spanish. The Lung HelpLine allows for bilingual voice messaging and TTY service for speech- and hearing-impaired callers. The Lung

HelpLine also has access to extensive translation services for non-English-speaking callers.

The American Lung Association's National Headquarters has always made reducing health disparities an essential selection criterion in our pass-through grants program to local Lung Associations. Lung Associations receiving incentive grants from the National Headquarters have been successfully delivering programs in underserved communities for more than a decade.

Each year, the American Lung Association awards the Bernard Gregory Award for Diversity, which recognizes outstanding work in diversity by our volunteers.



Advocacy



Every year, the American Lung Association fights for public policies to protect your right to breathe healthy air, free of air pollution or tobacco smoke. In 2009 and 2010, our advocacy efforts again yielded important victories.

Healthy Air

The Lung Association won a crucial victory in January when the Environmental Protection Agency (EPA) set stronger emissions standards for nitrogen dioxide, which will protect communities along major roads and highways, the first tightening of that standard since 1971. Lung Association volunteers testified in Arlington, VA, Houston and Sacramento in February to support the EPA's proposal to lower the nation's limit on ozone pollution. For those living near major seaports, the Lung Association advocated for EPA's new rules, enacted in April, for ocean-going vessels to use cleaner fuel and emissions control technology. The EPA's new sulfur dioxide standard, enacted in June following Lung Association support, will provide additional protection for people living near coal-fired power plants and industrial facilities for the first time since 1971.

Our **State of the Air 2010** report acknowledged progress against air pollution in many communities, but found that nearly six out of ten Americans live in areas where air pollution levels endanger lives. This eleventh annual re-



Fighting for Air Is a Family Affair: THE MCCLOSKEY FAMILY

On hazy August days, asthma makes cheerleading practice challenging for the girls in the McCloskey family. "On a bad air quality day, we stay in until it's time for practice, then we take our inhalers and hope for the best," says

Natalie McCloskey, mother of six and coach of her daughters' cheerleading team.

The New Jersey family, with kids ranging in age from 7 to 18, regularly volunteers for the American Lung Association. In early 2010, Natalie testified at hearings of the Environmental Protection Agency about the need for stricter federal air quality standards. She has also spoken at press conferences and state Senate ceremonies to bring their very personal experiences about the need for healthy indoor and outdoor air into media coverage and legislative discussions.

Natalie and three of her children have asthma, but the whole family contributes to her comments whenever she speaks publicly about air quality issues. "The kids are with me when I speak, and it makes a difference—our family puts a face on the effect that bad air quality has on people with asthma," she says. "We are real people with asthma—we don't want to be seen as just statistics."

She's Telling Teens About Tobacco Industry's Tricks: CARRIE STAATS

High school senior Carrie Staats wants teens to know that the tobacco industry is trying to manipulate them into smoking. The Wisconsin teen works with a youth tobacco prevention program of the American Lung Association of Wisconsin called FACT (Fighting Against Corporate Tobacco). The program exposes the facts behind the tobacco industry's tricks and empowers youth to take action and create change. More than 15,000 FACT members have successfully launched hundreds of local activism projects.

Carrie has been involved in the creative process of two statewide advocacy campaigns. These have included FACT's "Seven-Five-Ten" campaign to promote the start of Wisconsin's smoke free air law (referring to the July 5, 2010 start date of the law) and a campaign focusing on other tobacco products (smokeless and spit tobacco). To support this effort, she recruited classmates and conducted legislative visits with her state elected officials.

"We are really having an impact. In Wisconsin, since FACT was established 10 years ago, the teen smoking rate has dropped from 33% to 17%," Carrie says. The group sponsors activities ranging from urging teens to change their Facebook status to an anti-tobacco message, to organizing groups of teens to meet with their legislators. "I've really enjoyed the opportunities I've had to get the message out to many different groups of people," she says.



port also found that nearly every major city was still burdened by air pollution, although most of the cities with the highest ozone and short-term particle levels reduced their pollution levels. The **State of the Air** report (www.stateoftheair.org) included a national air quality "report card" that assigned A-F grades to the air quality in communities across the country. It also ranks cities and counties most affected by the most widespread types of pollution, ozone and particle pollution, and details trends for the most polluted cities over the past decade.

Health Care

The American Lung Association fought for expanded access to quit-smoking treatments under the landmark Patient Protection and Affordable Care Act (PPACA). The law extends health insurance coverage to millions of Americans who are currently uninsured — including those with lung disease. The law puts a major emphasis on prevention and management of chronic diseases including COPD and asthma, in part through the creation of a Prevention and Public Health Fund, which will improve our nation's health outcomes by funding the most effective prevention and public health programs.

Asthma

The American Lung Association hosted a daylong workshop in June to develop strategies for national opportunities for improving healthy housing, including the adoption of smokefree public housing to help improve the asthma of especially vulnerable people.

Tobacco Control

The American Lung Association helped ensure that the U.S. Food and Drug Administration (FDA) is moving forward with the new law that gives the FDA effective authority to regulate tobacco products' manufacture, distribution and sale to protect the public health. A new Center for Tobacco Products at FDA in September 2009 banned the sale of candy and fruit-flavored cigarettes that targeted children and teens. In June, the FDA forbade companies from using misleading health descriptors in the names of their cigarettes, such as light, low and mild. Also in June, new restrictions took effect that eliminated cigarette vending machines, tobacco-branded products like t-shirts and hats and prohibited free cigarette samples as part of a suite of requirements to block the sale, marketing and promotion of tobacco products to children.

In November 2009, we issued our second annual comprehensive look at state coverage of tobacco cessation treatment, **Helping Smokers Quit: State Cessation Coverage**. The report showed states are missing a big opportunity to help smokers quit and to save themselves money by covering comprehensive tobacco treatments.

The **State of Tobacco Control 2009** report graded the strength of state and federal laws to protect citizens from tobacco-caused illnesses at the heart of America's chronic disease crisis. The report found that the federal government and most states failed to enact critical policy measures to protect people from deadly tobacco products. No state received all As and six states received all Fs. Our **2009 State Legislated Actions on Tobacco Issues** report and online database provided much of the data that underpins the *State of Tobacco Control* report.

Kansas and Michigan met our **Smokefree Air Challenge**, bringing the total to 27 states as well as the District of Columbia with comprehensive laws protecting people from exposure to deadly secondhand smoke. Eight additional states have strong, but not fully comprehensive, laws.

Health Education



Every year, the American Lung Association helps people manage their lung disease, overcome their nicotine addiction and live healthier lives. The two key components of the National Headquarters' work are supporting our network of local Lung Associations and developing lung health education materials for the public.



She's Helping Teen Smokers Quit: DOROTHY PETERSON

Many of the high school students Dorothy Peterson works with at the Regional Alternative Education Center in Hillsville, Virginia are smokers who face many challenges to become smokefree. Carroll County has a rich heritage in tobacco farming. Most of the teens have parents who smoke, some of whom purchase cigarettes for their teens.

Dorothy, a certified school psychologist, works to change that culture, student by student and class by class.

The alternative education program in Carroll County was set up to deal with long-term suspensions for drug, alcohol and firearm infractions of students in the school system. One of the many services it offers is the American Lung Association's Not On Tobacco (N-O-T) classes.

As soon as she learned about the N-O-T program, Dorothy was eager to be trained as a facilitator. Dorothy became a certified N-O-T facilitator in 2002 and has worked with more than 200 teens. Dorothy encourages students to help each other in the quitting process. These teens have not only quit smoking or reduced their smoking behavior, but often improve their grades after completing the program. "N-O-T is the only scientifically based program I've found that fits in well with the school setting," she says. "The students know that if they fail they can try and try again. The program encourages them to support each other and work through difficult situations."

Local Lung Associations rely on us to develop health programs and provide expert training, guidance and materials to support their mission outreach. We are also a trusted resource where the public can find information on myriad lung diseases, make treatment decisions and get support and tools to manage their conditions or care for a loved one. This past year, we provided a wide array of services to help prevent and treat lung disease.

Lung Disease

CONNECTED PATIENTS AND FAMILIES WITH EXPERT ADVICE – In all of our programs and health education materials, people with questions about lung health are referred to the American Lung Association's Lung HelpLine at 1-800-LUNG-USA. In 2010, the nurses and respiratory therapists who staff the Lung HelpLine answered almost 100,000 calls on topics ranging from clean air to helping a family member quit smoking.

Asthma-Friendly Schools Initiative – Keeping Kids Healthy, in School, and Ready to Learn

Asthma is a leading cause of absenteeism in schools across the country. In 2010, as a part of the American Lung Association's **Asthma-Friendly Schools Initiative (AFSI)**, we honored individuals and schools who support and implement asthma programs to help keep children with asthma healthy, in school and ready to learn.

The AFSI Asthma Champion Award honors individual volunteers and school staff who have helped to develop and support comprehensive asthma management strategies. The winners are:

Robert Cincotta, Director of Athletics & Physical Education, *Long Island, NY*

Rita Molloy, School Nurse, *Long Island, NY*

Ellette Hirschorn, Director of Clinical Services and Programs, *Hudson Valley, NY*

Jeanne Schwasman, School Nurse Teacher, *Rochester, NY*

Raymond Kohl, Teacher Advisor, *Los Angeles, CA*

Lea Theuer, School Nurse Teacher, *Rochester, NY*

Rogene McPherson, Director of Special Services, *Kansas City, KS*



The AFSI Excellence Award is given in recognition of schools and school districts that have shown a commitment to creating an asthma-friendly school environment. The winners are:

Rush Henrietta Central School District, *New York (pictured)*

West Sonoma County Union High School District, *California*

"Whether you are talking to the science teachers about air quality in the buildings or empowering a student to have better asthma control, AFSI has really made a positive impact on the community."

Lea Theuer, a school nurse at Rush-Henrietta Senior High School in New York and Recipient of the AFSI Asthma Champion Award

MATCHED LUNG CANCER PATIENTS WITH HELP – The Lung Cancer Clinical Trials Matching Service is specifically designed for lung cancer patients and their families and is being conducted in collaboration with twelve lung cancer advocacy organizations. This service provides personalized education and helps to identify clinical trial options based on a person's specific diagnosis, stage and treatment history. Each person is also assigned a specially trained Clinical Trials Navigator who serves as a guide throughout the process.

PROVIDED AN EASY WAY TO ASSIST LUNG DISEASE PATIENTS – The American Lung Association provides My Fighting for Air Community, a free and easy way for people with lung disease and their families to receive support from those who care about them. Users can create private, secure web pages to post updates on medical matters and other aspects of their lives. They can also use a "care coordination calendar" to post a list of items for which they need help, like transportation, meals or household chores. Friends and family members can then sign up to assist the patient with those tasks.

HIGHLIGHTED DISPARITIES IN LUNG HEALTH – This year, we introduced a new series of reports that spotlight groups disproportionately affected by lung disease in our society. **Too Many Cases, Too Many Deaths** focused on the elevated rate of lung cancer in the African-American population.

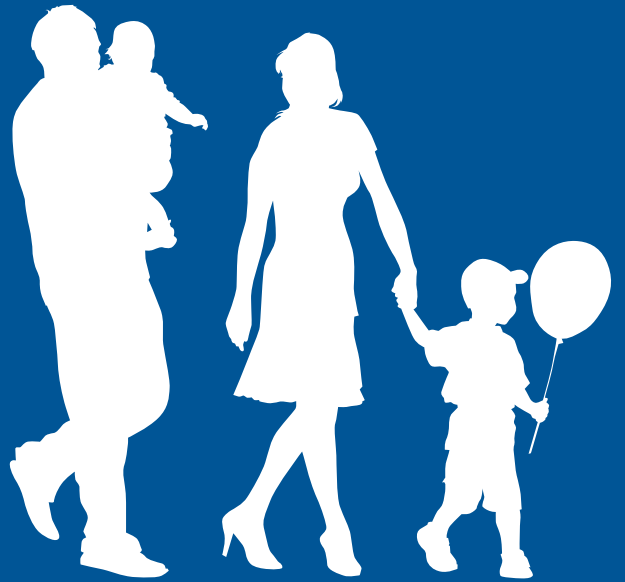
Smoking Out a Deadly Threat investigated the possible causes of and solutions to the high rate of tobacco use in the lesbian, gay, bisexual and transgender (LGBT) community.

Tobacco

HELPED THOUSANDS OF SMOKERS TO QUIT – The American Lung Association's **Freedom From Smoking®** and **Not-On-Tobacco™ (N-O-T)** have helped hundreds of thousands of teen and adult smokers quit. Each program guides the smokers through the quitting process, helping them to determine their smoking pattern, create an individualized quit plan and navigate the first few weeks as a nonsmoker. In 2010, the two programs helped around 25,000 smokers end their addiction to nicotine and transition to a new, smokefree lifestyle.

EXTENDED OUR ONLINE REACH – We unveiled a new Freedom From Smoking® Online in October 2009. The updated site features expanded social networking capabilities, downloadable relaxation exercises and improved navigation. It also provides members with a space to blog about their experiences, ask questions and give support to one another as they go through the process of quitting smoking. The site includes specific resources for pregnant and postpartum women.

Public Awareness



Understanding of the mission of the American Lung Association is essential to building positive relationships with supporters of the organization. This year, we took steps to further increase our visibility nationwide and to engage people in the mission of the organization through two new public service advertising (PSA) campaigns.



He Doesn't Let Asthma Get Him Down: CAREY POINDEXTER

Twelve-year-old Carey Poindexter's motto is "just because you have asthma, you just can't let it get you down." Carey has had severe chronic asthma his entire life. Carey has been hospitalized 26 times, in the intensive care unit four times and intubated once. He has also endured countless trips to the emergency room and doctor visits. Carey takes six medications daily to assist with managing his asthma.

"We call his major medical problems challenges, because we believe challenges you can overcome," says his mother, Vikita. "Being the mother of a severe asthmatic, there are so many factors I have had to take into consideration just for Carey to have a somewhat normal childhood. We take breathing for granted, but for Carey, it can be a monumental task."

Vikita and Carey, who is a Junior Ambassador for the American Lung Association, asked family and friends to support them as they raised money to help children with asthma through the American Lung Association's Fight for Air Walk in San Diego. Vikita says, "No one should struggle to breathe. That is why I am walking in the Fight for Air Walk."

The American Lung Association continued to raise public awareness by creating and distributing its first nationwide PSA campaign in more than twenty years. Entitled "Fighting for Air," the campaign features television, radio, print and online advertising that drives people to www.FightingForAir.org. The campaign was generously funded through Chesapeake Energy Corporation.



Fighting for Air Banner

He Climbs Great Heights in Memory of His Father: DOUGLAS J. MACNEIL



Over the years, Douglas MacNeil's family has been especially hard hit by lung diseases. "My grandmother, father, uncle and sister all suffered with asthma," he says. "Two of my grandparents died from emphysema and my mom is battling interstitial lung disease." That's why he participated in the American Lung Association's "Fight for Air Climb" fundraiser in New York City. "My dad, James MacNeil, died relatively young, in part due to his lifelong battle with asthma, and my fundraising efforts for the American Lung Association are dedicated to his memory," Doug says. At this event, hundreds of people from the New York metropolitan area and beyond climbed 850 steps to the top of the World Financial Center to support the Lung Association. Doug received support from friends, family and his colleagues at the pharmaceutical company Merck, where he is a scientist.

In the fall of 2010, Doug conducted his own spectacular "Fight for Air Climb" by climbing to the summit of Mt. Kilimanjaro, the tallest mountain in Africa, nearly 20,000 feet above sea level. The extremely strenuous climb, which required hiking 60 miles and climbing nearly 15,000 feet from the base to the peak, raised even more money to fight lung disease. Doug says of his father, "I know he would be an enthusiastic supporter of my African adventure."

The Lung Association also launched a new retro marketing initiative to support its 2009 Christmas Seals® Campaign, the year-end holiday fundraising drive. The approach involved a creative effort to appeal to people's sense of nostalgia by bringing three historic Christmas Seals to life in 15-, 20- and 30-second television PSAs. The campaign also included radio PSAs that generated more than \$3.5 million in donated advertising.



Christmas Seals Campaign

Faces of Influenza Campaign

With heightened consumer and media interest surrounding the emergence of the A/H1N1 influenza virus in early 2009, keeping seasonal influenza top of mind was a key public health priority during the 2009-2010 influenza season, as seasonal influenza is a consistent threat each year. The campaign embraced the influenza season's challenges and continued to act as a strong, credible voice for the need for seasonal influenza vaccination, while supporting public health messages addressing the new influenza virus.

In its fourth year, the campaign, which is conducted in collaboration with sanofi pasteur, continued to help Americans see themselves as "faces" of influenza – those who are recommended by the Centers for Disease Control and Prevention (CDC) to get immunized every year. National spokesperson, Olympic gold medalist and former *Dancing with the Stars* champion Kristi Yamaguchi returned as the campaign's national spokesperson, and focused her efforts to encourage mothers to protect themselves and their families against influenza.

In addition, the campaign's regional, grassroots and Hispanic components continued to garner widespread media attention surrounding the importance of annual immunization. Overall, the campaign reached an audience of more than 1.7 billion Americans.



Research



Funding research has been a cornerstone of the American Lung Association's fight against lung disease for more than a century. This past year, our donors again made it possible to fund high-quality researchers seeking treatments and cures for an array of lung diseases from asthma to lung cancer.



He's a Mentor to Others with Lung Cancer: ERIC BERGESON

Eric Bergeson was shocked when a trip to his physician resulted in the discovery of lung cancer. He underwent surgery that same day. Eric was grateful his lung cancer was caught in time, and that the only treatment he had to undergo was the removal of the tumor. Eric's life has changed greatly from fighting and surviving this disease.

"I had to change my approach to life both physically and mentally," Eric says. "I have become far more aware of the prevalence of lung cancer, and just how important early detection is. My older brother died in 2004 with lung cancer, and by the time he had any symptoms, it was too late. That's why I'm the luckiest man alive. Early detection gave me a second chance."

Eric now acts as a mentor to other people who are fighting against lung cancer. He recommends anyone fighting this disease to "keep a positive attitude, and pay attention to a treatment plan!"

To celebrate his successful fight against lung cancer, Eric rode the 25-mile route in the American Lung Association of New England's Cycle the Seacoast event on May 2, 2010. Eric made it to the finish line with a huge smile on his face, and a newfound sense of accomplishment.

Our Nationwide Research Awards and Grants foster laboratory, patient-centered and social behavioral research to prevent, treat and cure all lung diseases. This past year, our program funded 55 grants to further promising, cutting-edge research. Additional support in funding this past year's research program came from partnerships with the Alpha-1 Foundation, LUNGevity Foundation, the CHEST Foundation, NTM Info and the National Sleep Foundation.

In 2009-10, the American Lung Association continued its Scholar Program, which highlights the best and the brightest young investigators our organization is funding by major disease topic.

The Lung Association's Asthma Clinical Research Centers Network (ACRC) continues to contribute major improvements to asthma treatments through a network of 18 clinical centers throughout the country. In 2009-10, the ACRC conducted two trials: the Study of Acid Reflux in Children with Asthma (SARCA) and the Study

She's Examining the Relationship Between Sinonasal Disease and Asthma: ANNE DIXON



Researchers for the American Lung Association-Asthma Clinical Research Centers (ACRC) have found rhinitis and sinusitis (infection of the sinuses or nasal passages) often appear in conjunction with asthma, and have an effect on asthma symptoms and control. This finding led ACRC investigators to question whether treating chronic rhinitis and sinusitis would improve the control and management of asthma.

Anne Dixon, M.D., Associate Professor and Acting Chief of the Pulmonary and Critical Care Medicine Division at the University of Vermont, hopes to answer this question through the ACRC investigation called the Study of Asthma and Nasal Steroids (STAN). As the study's lead investigator, Dr. Dixon hopes to enroll 380 patients ages 6 and up with poorly controlled asthma, whose physicians might consider treatment with a nasal steroid to improve the management of their asthma symptoms. Participants will either be given the nasal spray, mometasone, or a placebo spray once daily for six months, along with their regular asthma medicine. Symptoms of chronic rhinitis and/or sinusitis will be determined by the ACRC Sino-Nasal Questionnaire, a simple and reliable five-item questionnaire identified by the Network to be more sensitive and specific than costly and inconvenient sinus CT scans and nasal endoscopy.

She's focusing on people with poorly controlled asthma because she feels they could greatly benefit from such a treatment. "This research is important because it will allow us to determine if treating sinonasal disease in patients with asthma also affects their asthma management," says Dr. Dixon. "This research may provide a breakthrough in asthma management for the more than 23 million Americans with asthma."

of Methacholine Bronchoprovocation – Influence of high potency Inhaled corticosteroids Core Study (MeCIS). SARCA studied the interaction between acid reflux and asthma in children, while MeCIS studied whether the methacholine challenge was still a sensitive test in the diagnosis or confirmation of asthma. Methacholine is an agent that, when inhaled, causes the airways to spasm and narrow if asthma is present.

Two ACRC studies, the Trial of Asthma Patient Education (TAPE) and Sinusitis and Rhinitis in Asthma (SIRNA) were published in the *Journal of Allergy and Clinical Immunology* and *CHEST*, respectively. TAPE was designed to evaluate the relationship between increasing patient expectations of a drug's effectiveness and their subsequent response to treatment. The study found that participants who took a placebo and received "enhanced" messages about their drug's effectiveness reported an improvement in their asthma symptoms even though there was no improvement in lung function.

SIRNA identified a simple and reliable five-item questionnaire, based on the frequency of nasal symptoms, that could be used to accurately screen for nasal and sinus disease. The use of this tool is expected to significantly reduce the need for expensive CT scans and invasive endoscopy.

Also this year, the ACRC received funding from the National Institutes of Health to conduct two studies. The Study of Soy Isoflavones in Asthma (SOYA) will examine whether a dietary supplement of soy isoflavones is an effective treatment in patients with poorly controlled asthma. The Study of Asthma and Nasal Steroids (STAN) will examine whether treatment of sinusitis (chronic disease of the nose and sinuses) with nasal steroids will improve asthma control.

The Lung Association's quarterly **Promise of Research** newsletter highlights current American Lung Association research initiatives and stories of patients and volunteers whose lives have been improved by research efforts. *Promise of Research*

delivers stories of hope and proof that painstaking research does pay off. For example, a Lung Association/LUNGevity Foundation awardee, Alan P. Fields, Ph.D., and his team discovered a major oncogene responsible for lung cancer development in mice and that a drug once used to treat rheumatoid arthritis shows promise in inhibiting this gene in some types of lung cancer. Building on the data that Dr. Fields gathered through his American Lung Association/LUNGevity Foundation Lung Cancer Discovery Award, he and his colleagues are planning to soon start a Phase II trial to look at the effectiveness of the drug in combination with another targeted agent as a treatment for lung cancer.

In March 2010, the American Lung Association released the **State of Lung Disease in Culturally Diverse Populations** report. This resource provides statistics, background material and ongoing research about important lung health issues as they relate to racially, ethnically and culturally diverse communities.

Every Dollar Matters



Each and every dollar makes a difference as the American Lung Association is Fighting for Air through education, advocacy and research.



She's Giving Back to Help Other Families with Lung Disease: CARLEE HARMONSON

Carlee Harmonson knows lung disease. When she was a child, her mother's COPD led the family to move further north in California where the air was cleaner. Later, in college, Carlee realized that she, too, had chronic breathing difficulties—in her case,

asthma. Carlee's daughter, Erin, was diagnosed with asthma at the age of four.

Carlee remains dedicated to increasing the public's knowledge about lung disease. "People don't know enough about COPD. They don't know that asthma can kill," says Carlee, who is a banker. Carlee and her husband elected to join the Emily Bissell Heritage Society, which recognizes supporters who have remembered the American Lung Association in their estate plans. The Society is named after the woman who created the first Christmas Seal® in 1907. "My husband's mother died of lung cancer, so lung health is important to both of us," she says. "We support the work of the American Lung Association as a memorial to our mothers."

Donations large and small come from individuals who provide their gifts through the mail, online, over the telephone, through their employer, in conjunction with an event and with the ultimate gift from their estate. While the majority of the gifts are unrestricted, some funds are targeted to programs and research. The greatest portion of individual giving is through the mail. Long credited with the invention of direct mail thanks to Emily Bissell's creation of Christmas Seals®, the American Lung Association receives more than a million contributions during our annual **Christmas Seals® campaign.**

Foundations like the Turner Foundation in Atlanta play a critical role in underwriting our work. Turner has been a supporter since 2008. As part of their Healthy Planet focus aimed at ensuring the health of future communities and the planet, they have provided funds at the national level that allow the American Lung Association to fight for truly protective healthy air standards.

They're Tackling Tobacco in Native American Communities

The American Lung Association of New Mexico is helping Native Americans in the state to quit smoking. Native Americans have the highest smoking rates of any group in the U.S., with about one-third of the adult population smoking. As such, this group is particularly at risk for smoking-related illness.

In one initiative, the Lung Association is funding a program to help Native American youths in the state correctional facility for juveniles to quit smoking through the **N-O-T (Not on Tobacco™)** program. "For a lot of the youths, quitting smoking just hasn't been on their radar screen at all before," says Rita Martinez, project coordinator for American Indian Development Associates, which facilitates the N-O-T program. "Smoking is a huge problem for them. A lot of tribes use tobacco in ceremonies, and it's hard for youths to differentiate between ceremonial and commercial tobacco use. N-O-T helps them distinguish between the two. It's a great curriculum."

The American Lung Association of New Mexico is also bringing the gold-standard Freedom From Smoking® program to the Native American communities of New Mexico. The Lung Association has trained volunteer Freedom From Smoking® facilitators from Navajo and Pueblo communities around the state to deliver the smoking cessation program to those communities more effectively. Freedom From Smoking® program materials have also been translated into Navajo.



Our **corporate partners** play a vital role in our push for healthy lungs and healthy air with gifts focused in specific areas like smoking cessation, lung disease awareness and influenza. They also provide much needed unrestricted dollars. This past year, **Astra Zeneca** and **Boehringer Ingelheim** provided funding that allowed us to produce information and disease management tools for those who suffer from chronic obstructive pulmonary disease (COPD). **Pfizer** continued to work with the American Lung Association on a smoking cessation awareness program that gave hope to those addicted to tobacco with a program entitled Quitter in You. With a major flu season marked by H1N1 as well as seasonal flu, we were grateful to continue the educational partnership with **sanofi pasteur** that has been responsible for the *Faces of Influenza* campaign. The Faces campaign has demonstrated its effectiveness through the increased demand for vaccination.

Donor Spotlight: Cause-Related Marketing

In addition to outright donations, the American Lung Association is fortunate to receive funds that derive from cause-related marketing efforts. American Lung Association is proud to spotlight three cause partners — **Bank of America**, **Organic Bouquet**, and **Shutterfly**.

Opening a checking account and using the American Lung Association Visa® credit or debit card bring funds from the Bank of America. The bank provided a contribution for opening a qualified account as well as a portion based on the total card charges.

Shutterfly is the leading Internet-based social expression and personal publishing service in the U.S. During the holiday season, Shutterfly offered holiday cards that could be personalized with family photos and personal messages. For every purchase of an American Lung Association card, Shutterfly donated a portion of net sales.

Through purchases of sustainably grown plants and flowers, Organic Bouquet donates a portion of the retail price back to the American Lung Association, which teamed with Organic Bouquet to promote the sales in conjunction with Valentine's Day, Mother's Day, Thanksgiving and Christmas.

Our cause partners help the American Lung Association achieve our mission with their financial support and exposure from the marketing around the products and activities. Together, we are Fighting for Air.

Bank of America 

**ORGANIC
BOUQUET**

shutterfly 

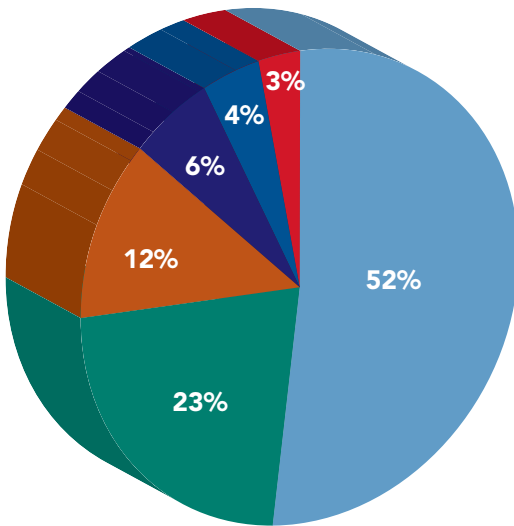
Where Your Donation Goes

Your gift to the American Lung Association helps us save lives by improving lung health and preventing lung disease in three areas proven to be effective: advocacy, education/programs and research. Every single gift makes a real difference in helping us fulfill our lifesaving mission. As a Better Business Bureau accredited charity, we are committed to being the best possible stewards of donated funds. We are

dedicated to honoring donor intent and practicing financial transparency.

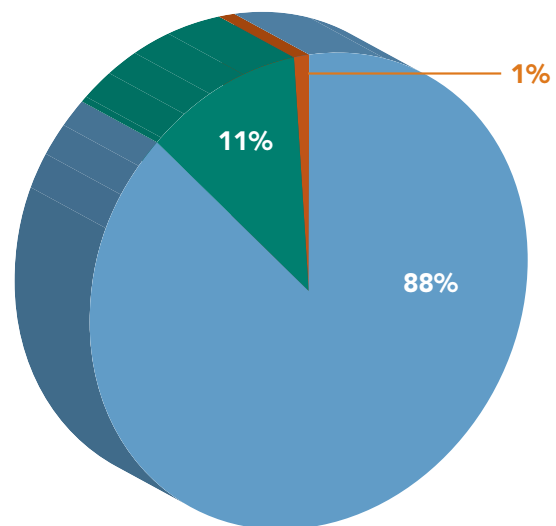
These charts illustrate a breakdown of expenditures in both real dollars and percentage of total income. The second chart, in particular, illustrates the outstanding operating efficiency of the American Lung Association, with 88 cents out of every dollar going to program services.

Program Services



Program Services	Actual Dollars
Public Health Education	\$25,198,699
Field Fundraising	11,308,857
Research	6,017,545
Field Program Development	2,831,593
Field Management Advisory	1,708,457
Advocacy	1,411,821
Total	\$48,476,972

Total Expenses



Total Expenses	Actual Dollars
Program Services	\$48,476,972
Management and General	5,776,292
Fundraising National Headquarters	712,971
Total	\$54,966,235

Donor Spotlight: Chesapeake and Fighting for Air

Anxious to spread the message of the American Lung Association's work to a wider audience, we embarked on a branding effort that resulted in a new platform, Fighting for Air. We chose Fighting for Air because of its double meaning — battling to protect our country's air while depicting the struggle of the lung disease sufferer. But like a car without an engine, our new platform had no funding to promote it.

Thankfully, Chesapeake Energy provided the funds that allowed the American Lung Association to create a new public service campaign based on the Fighting for Air platform. In addition to traditional radio and television advertisements, the campaign includes online components, print and even outdoor advertising. The campaign launched toward the end of our fiscal year and has already generated substantial interest and online traffic.



Financial Statement

Balance Sheet

	2010	2009
ASSETS		
Current assets		
Cash and cash equivalents	\$8,383,816	\$3,560,033
Receivables, net of allowance for doubtful accounts	4,149,762	8,130,218
Prepaid expenses	746,881	990,880
Total Current Assets	13,280,459	12,681,131
Notes receivable	142,564	791,981
Investments	13,076,303	12,498,563
Beneficial interest in trust	1,217,089	1,094,222
Property and equipment, net	448,967	548,395
Other assets	180,094	163,142
Total Assets	\$28,345,476	\$27,777,434
LIABILITIES AND NET ASSETS		
Liabilities		
Current Liabilities		
Accounts payable and accrued expenses	2,107,948	4,033,391
Borrowing under line of credit	2,670,318	3,030,274
Awards and grants payable	2,530,340	2,542,055
Deferred revenue	1,618,561	1,172,694
Total Current Liabilities	8,927,167	10,778,414
Due to Chartered Associations	2,272,872	2,398,167
Pension and postretirement plans benefit liability	5,473,531	4,862,756
Other liabilities	4,014,006	2,047,864
Total Liabilities	20,687,576	20,087,201
Net Assets		
Unrestricted	5,068,395	5,343,566
Temporarily restricted	791,862	549,024
Permanently restricted	1,797,643	1,797,643
Total Net Assets	7,657,900	7,690,233
TOTAL	\$28,345,476	\$27,777,434

Statement of Activities 2010

	2010 Total	2009 Total
PUBLIC SUPPORT		
Contributions from individuals, corporations, and foundations	\$1,320,008	\$305,639
Program service contracts	5,989,194	4,199,510
Contributions from Chartered Associations	9,271,401	8,116,073
In-kind contributions	7,415,484	2,911,615
Federal grants	796,159	865,473
Bequests	788,638	316,158
Contributions from Chartered Associations for program reimbursement	27,977,401	34,788,346
Total Public Support	53,558,285	51,502,814
REVENUE		
Interest and dividend Income	371,289	470,017
Royalties	614,448	586,491
Other income	165,047	101,321
Total Revenue	1,150,784	1,157,829
Total Public Support and Revenue	54,709,069	52,660,643
COST OF PROGRAM AND SUPPORTING SERVICES		
Program services	48,476,972	47,417,747
Supporting services	6,489,263	7,365,766
Total Cost of Program and Supporting Services	54,966,235	54,783,513
OTHER INCOME (EXPENSE)		
Realized gains (losses) on investments	479,911	(1,953,680)
Unrealized gains (losses) on investments	95,510	71,047
Pension and postretirement plans benefit liability adjustment	(350,588)	(818,800)
Change in Net Assets	(32,333)	(4,824,303)
NET ASSETS		
Beginning of year	7,690,233	12,514,536
End of year	\$7,657,900	\$7,690,233

The amounts shown for the years ended June 30, 2010 and 2009, respectively, in the above statements of activities and functional expenses, present summarized totals only and are included to provide a basis for comparison. Accordingly, the totals are not intended to present all information necessary for a complete presentation. Certain amounts in the 2009 financial statements have been reclassified to conform to the 2010 presentation.

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We will breathe easier when the air in every American community is clean and healthy.

We will breathe easier when people are free from the addictive grip of tobacco and the debilitating effects of lung disease.

We will breathe easier when the air in our public spaces and workplaces is clear of secondhand smoke.

We will breathe easier when children no longer battle airborne poisons or fear an asthma attack.

Until then, we are fighting for air.

