

CHANGING Hearts and Minds— and Animals' LIVES

IN 2004, THE HUMANE SOCIETY OF THE UNITED STATES (HSUS) will celebrate 50 years of protecting all animals, and we are looking forward to our Golden Anniversary with great anticipation. Melding the past with the present in this *Annual Report* gives me an opportunity to delineate a few landmarks I'd like to share with you.

Early in our history, The HSUS was on the front line in the fight for passage of the Animal Welfare Act and the Humane Slaughter Act, federal legislation that affects billions of animals each year. More recently, as a result of an HSUS investigation, the import and sale of dog and cat fur is now illegal in the United States. We continue to lead efforts to make animal fighting illegal in every state, to make animal cruelty a felony, to eliminate egregious forms of hunting, and to free sows from confinement in gestation crates.

We were among the first to work to professionalize the field of animal care and control, and we continue to do so. Today we are pleased to be the preeminent resource for animal shelters around the country. We are developing techniques for nonlethal control of wildlife for animals around the world, as well as bringing to public attention issues such as the cruelty of fur, the horrors of puppy mills, and the tragedy of marine mammals in captivity.

We are also teaching people about the joy of living with companion animals, the wonders of living in harmony with our wild neighbors, and the life-affirming benefits of teaching children to care about animals and the environment.

Throughout 2004 we will mark our history, and celebrate all animals, with a variety of publications and special events. And we invite you to be a part of it.

Please plan now to join us as we launch our anniversary celebration with a very special benefit recital by world-renowned classical pianist Van Cliburn at the Kennedy Center in Washington, D.C., on February 25, 2004. We anticipate that the event will be well attended by members of Congress, diplomats, representatives of the administration, and other Washington dignitaries.

We also hope you'll plan to be one of the thousands of people who will attend one of our next Pet Fest America™ events—we anticipate four events occurring in major metropolitan areas during 2004. Or you might want to stargaze at the annual Genesis Awards gala in Hollywood on March 20, where celebrities and the media mingle and awards are given to those who shine a spotlight on cruelty. It's like the Oscars® for animals. Or perhaps you can join us at Animal Care Expo in Dallas, Texas, March 10–12.

We'll be keeping you up to date on these and other events throughout the year. Even if you can't be with us in person, we will be sharing our anniversary celebration through the media, in special commemorative publications, through the pages of *All Animals*® and our regional newsletters, and on our website, www.hsus.org.

As we honor our past, we also look forward to an even more exciting and productive future and the sharing of a continuing journey whose final destination is a truly humane society.

Thank you.



Paul G. Irwin
President and CEO



HILARY SCHWAB

ONE Goal—MANY Fronts

THE HUMANE SOCIETY OF THE UNITED STATES (HSUS) works on a broad range of fronts to create a humane and sustainable world. We reach out to the public to help keep pets with their families where they belong and to help people live in harmony with wildlife. We educate young and old alike about the importance of having compassion and respect toward all animals, including people. We speak out as advocates for animals and sustainability, providing local, regional, state, federal, and international leadership. And our efforts to relieve the suffering of animal victims of disasters, neglect, and abuse—both domestic and institutional—continue to expand. Through our national and worldwide initiatives, regional offices, and affiliates, we touch the lives of ever more animals, people, and communities.

KEEPING PETS IN THEIR HOMES

In 2002 our widespread efforts to help keep pets and their people together through our Pets for Life® program continued to grow as we assisted both pet owners and the animal sheltering community. We offer a wealth of information online and in print to help solve the problems that separate people from their pets—from housetraining puppies to finding pet-friendly rental housing—and we answered thousands



of inquiries from individuals during the year. Our new Keeping Pets and Families Together

Our Keeping Pets and Families Together program offered aid to military pet owners facing deployment.



program helps military pet owners facing deployment and people affected by corporate layoffs keep their pets—and offers local animal shelters help in developing programs for them.

We launched our Safe Cats™ campaign to make people aware of the importance of keeping cats safely confined—for the sake of pets and wildlife. The overwhelming response to our efforts included a sizable grant to expand the campaign in California, and the Francis V. R. Seeby Trust and Kenneth A. Scott Charitable Trust have also committed generous funding.



Aiding shelters and communities

We spoke at regional, state, and national training conferences for animal care and control professionals, visited dozens of agencies, and helped hundreds of local shelters with direct, personalized assistance and training. Shelter workers from



HSUS staff provided information at animal care and control conferences, as well as helping local shelters and agencies.

LEADING THE CHARGE

AS DIRECTOR OF A SMALL SHELTER in Memphis back in 1979, I got my first real taste of how The HSUS could wield its influence to help dogs and cats around the country.

Back then, homeless dogs and cats in the major animal shelters in Tennessee were destroyed using a high-altitude decompression chamber, a horrible contraption that forced animals to reach simulated altitudes of 60,000 feet in 60 seconds. A small group of advocates from across the state were lobbying the legislature to ban the device, but we were stuck. We lacked the data and expertise on more humane methods that legislators needed in order to be convinced to change the law.

That's when I called The HSUS. Phyllis Wright, The HSUS's top animal sheltering expert, came to our rescue. She supplied us with both the data we needed and someone who could testify before the legislature. Although it took two years and significant grassroots efforts to convince legislators that there were more humane and affordable methods of euthanasia, the bill finally passed and became law.

By 1979, Phyllis was already becoming a legendary figure within the animal sheltering field, and by the time she retired in 1991, her iconic status had been sealed. Today, I'm proud to carry the torch that Phyllis first lit by being there for local animal shelters and their staff any time they need assistance. Every day, my staff and I are called upon as the world's foremost authority on the humane care and sheltering of animals.

Much has changed in the companion animal protection arena over the past two and a half decades. The work of visionary leaders such as Phyllis has helped to dramatically cut the numbers of unplanned litters of puppies, increase the numbers of dogs and cats who are spayed or neutered, and reduce the numbers of homeless animals who are euthanized annually at shelters. Shelters have morphed from "dog pounds" located at the town dump into professionally designed animal care and adoption centers that provide a range of services to pet caregivers.

The HSUS, too, has progressed considerably. While our sheltering programs continue to thrive, we have become a national and international force on a host of pet advocacy issues, and a leading advocate of protecting and enhancing the bond between pets and their people. Today, we are pet owners' top source of information about the issues affecting their pets.

Through our signature program, Pets for Life®, we are working to eliminate the "bond barriers" or "bond breakers" that threaten the ability of a pet to keep his or her home. We are working with rental managers to implement responsible pets-in-housing guidelines, educating physicians about the ways to protect their cat-owning pregnant patients from toxoplasmosis, and helping pet owners solve their pets' behavior problems. In short, The HSUS is leading the charge to ensure that every companion animal is guaranteed a lifelong, loving home.

—Martha C. Armstrong, Senior Vice President,
Companion Animals and Equine Protection



WALTER LARRIMORE

The HSUS Animal Care Expo again offered training on a variety of topics to more than 1,000 animal care community members.



the United States and abroad trained to improve the services they offer their communities at our Pets for Life National Training Center, which is entirely funded by foundations, corporations, and individual donors, including lead sponsors Hill's® Science Diet®; the Kenneth A. Scott Charitable Trust, a KeyBank Trust; and Frontline®. And we organized our eleventh annual Animal Care Expo, offering several dozen workshops and intensive courses on a variety of topics to the more than 1,000 participants this year.

Our fee-for-service Animal Services Consultation Program answered requests to help local governments and nonprofits evaluate and improve their operations in several states, and our Rural Shelter Project assisted rural agencies with hands-on workshops, grants for facility improvements, and more.

Our Shelter Partners® program to provide information, revenue-sharing, and cost-saving benefits to more than 1,000 member shelters launched the Hill's Science Diet Shelter

Partners Feeding Program, providing free premium pet food for in-shelter feeding needs and free starter bags of Science Diet for adopters. We again sponsored National Animal Shelter Appreciation Week this year and worked with a coalition of national animal protection groups and the U.S. Postal Service to promote the sale of the spay/neuter stamp released in September.

We also began our Rural Area Veterinary Services (RAVS) program this year to bring veterinary services, outreach, and

We worked to help companion animals wherever there was need—from backyards to major disaster sites.





THE HSUS

The HSUS RAVS brought rural communities at home and abroad veterinary care and humane education programs, while providing experience to veterinary students.

educational programs on responsible animal care to rural communities across the United States, in Central and South America, and in



Micronesia. RAVS teams offered spay/neuter surgeries and

medical care to more than 2,000 dogs and cats in Appalachia and more than 4,000 dogs, cats, and horses on American Indian reservations. RAVS also offers hands-on training not easily gained elsewhere to students from veterinary schools across North America and Europe. And in our Dallas Spay/Neuter and Wellness Clinic, more than 9,000 animals were spayed or neutered and 12,000 received care.

We continued to fight exploitive companion animal industries like greyhound racing, dogfighting, and puppy mills and increased our efforts to educate people about the pitfalls of breed-specific policies in 2002. And in our ongoing efforts to increase awareness of equine welfare issues, we provided information



We fought to curb the inhumane excesses of the greyhound racing industry.

on horse slaughter, Premarin® production, and rodeos.



THE HSUS

We worked to expose conditions in puppy mills and gain regulation of this industry.

We provided information on Premarin production, as well as horse slaughter and rodeos.



WSAP

WORKING WITH THE SITUATION

WILDLIFE IN CAPTIVITY is an issue that has many components, and each one of those can have several more complexities that wind up painting everything in a uniform shade of gray. In many instances, the problems or situations that cross my desk have to be treated as individual cases that may not fit into a policy or point of view or position. There are times when it seems that there are few hard and fast principles that can be applied. There are others, however, that are more easily dealt with; and I wish they were all like that.

Any situation in which a wild animal is kept in captivity comes to me eventually. The biggest areas of activity are zoos, circuses and other



WALTER LARRIMORE

entertainment using wild animals, and wild animals kept as pets. All three of these issues engender strong feelings on the part of animal advocates, the public, and the individuals or institutions involved in them.

My job is to assess a situation and determine what approach to take, if necessary, to resolve any problem.

Interaction and communication with members and constituents is the first and most important priority for all of us here. I get many complaints about zoos and other wild animal exhibitions from around the country and the world. People will see something that concerns or angers them and call or write us about it. It may be the size of an enclosure, or

the lack of food or water in a cage, or the physical appearance of an animal. When the circus comes into town, I'll hear from folks who want to know if what they're seeing is good or bad treatment of elephants or want to know what a particular circus's history has been. Calls come from people who have seen a tiger cub in someone's back yard or found a parrot in miserable condition in a pet shop. I gather as much information as possible from these communications and then figure out the next step.

That next step could be a call to the U.S. Department of Agriculture, an animal control agency, or a state wildlife department. On some occasions, it might mean an assessment of the situation by regional office staff or me. In any case, I try to connect the right agency to the situation to make sure it is examined within the system set up for such matters, and hopefully, resolved to the animal's benefit.

These activities go on against a larger backdrop of activity that is the daily routine of The HSUS. My efforts are aimed at influencing the plight of captive wildlife on another scale through the media, writing and speaking, and legislation on the state, federal, and local levels. My task is to educate by any means at all times, in the hope that awareness of the conditions that animals too often endure in exhibitions, circuses, and the pet trade will lead to changes in the public's attitude toward and tolerance of such activity.

—Richard Farinato, Director, Captive Wildlife Protection

PROTECTING WILDLIFE

Our efforts to protect wildlife and help people live humanely with wild animals through our Wild Neighbors™ program saw tremendous growth this year. The HSUS Urban Wildlife Program offered workshops, consultations, and field assistance to professionals who respond to conflicts with black bears and beavers across the nation. Our Urban Wildlife Sanctuary Program membership continued to swell, adding more than 125 new urban sanctuaries, and we



again broadened the scope of our community-based, volunteer-oriented humane Canada goose management initiative. We also joined a team organized by the Federal Highway Administration and the American Association of State Highway

Transportation Officials to investigate European efforts to reduce highway-related wildlife deaths for application in the United States.

The HSUS Cape Wildlife Center on Cape Cod admitted 1,360 injured, ill, and orphaned animals in 2002. The center also offers

training to veterinary and college students from the United States and abroad in wildlife rehabilitation and medical care through our student externship program, and at the Back

to the Wild gala benefiting the center and the Orenda Wildlife Land Trust this year, renowned fashion designer and special guest of honor Oleg Cassini inaugurated the Cassini Animal Rehabilitation Education endowment for students. We also expanded our outreach to community members and advocacy for wildlife in public policy and



CAPE WILDLIFE CENTER

Cape Wildlife Center staff and volunteers cared for 1,360 wild animals in 2002.

Oleg Cassini (left), here with John W. Grandy, Ph.D., senior vice president of The HSUS Wildlife Programs, was our Back to the Wild gala special guest of honor.



MATT SEUSS

A LOT OF TERRITORY

THIS SPRING MARKS the start of my seventeenth year with The HSUS Southeast Regional Office (SERO). Based in Tallahassee, Florida, SERO serves Alabama, Florida, Georgia, Mississippi, and South Carolina. That is a lot of territory, and the issues I deal with are just as broad.

Over the years I have conducted investigations into such issues as animal cruelty, animal hoarders, horse and dog racing, animal fighting, and ritual animal sacrifice. I have lobbied the state legislatures and been instrumental in passing animal protection laws, including ones on felony animal cruelty, humane euthanasia in animal shelters, and pet license plates. The work is often heartbreaking, but never boring.

I am deeply committed to disaster planning and response for animals. My involvement started in August 1992 when Hurricane Andrew smashed into South Florida with winds gusting over 177 miles per hour. Tens of thousands of houses were torn apart and an estimated 170,000 people were left homeless. Animals were blown away, buried in the remains of their former homes, or ran terrorized through devastated neighborhoods.

I spent a month there with other good Samaritans from around the country, helping the homeless pets of Andrew. More than 600 dogs and cats found safety and a new life in our compound, which was composed of Army and camping tents and RVs. Another 2,000 animals were provided emergency medical care.

We all look back at our lives and see defining moments that changed them forever. My experience helping the victims of Hurricane Andrew, both human and animal, was one for me. Since then, I have responded to other disasters, rescuing and sheltering untold numbers of animals. However, more importantly, I have helped develop The HSUS Disaster Services program, preached our message of disaster plans for animals to hundreds of emergency

managers, and been a primary organizer of the first two conferences on animal disaster planning, attracting participants from around the country. For me, it is not enough to rescue animals after a disaster; I want to do what I can to minimize the danger beforehand.

At the same time, I have helped develop Disaster Animal Response Teams (DARTs) in Florida. This intensive training brings together animal lovers from all walks of life to organize teams who both educate their communities to prepare their animals for emergencies and are ready to help animals when disasters occur. The HSUS is now working to offer that training on a national level.

My goal with The HSUS has been to make a difference in the lives of animals. I believe I am on my way to accomplishing that goal and hope to do more in the *next* 16 years!

—Laura Bevan, Director, Southeast Regional Office



THE HSUS



continued to support the Cape Cod Stranding Network's efforts in rescuing stranded marine mammals.

We increased our efforts to educate the public, health care professionals, and animal shelters on

the rising pet trade in wild and exotic animals through our Reptiles as Pets campaign. The HSUS takes the lead in educating people about the fur industry, as well, acting as a driving force in the Fur Free Alliance, which now counts more than 30 animal protection organizations from around the world as members.

We continued to oppose the lethal predator and "nuisance" species control activities supported or carried out by federal agencies, fighting to protect cougars, coyotes, prairie dog colonies, wolves, and more, and we hosted the Protecting Wildlife and Wildlands in Southern Africa symposium on conservation efforts. We also investigated the continuing vast illegal international trade in elephant ivory this year, and we are working with the Kenya Wildlife Service to provide training and resources for the war against poaching.



We worked to protect elephants through immunocontraception studies, habitat preservation, and anti-poaching efforts.

The HSUS took over the management of the Keiko Project in June, in cooperation with the Free Willy/Keiko Foundation. Keiko made his way to a small harbor in Norway, and staff remain on site to monitor his status. We also worked to protect whales from Puget Sound to the

North Atlantic, and we are challenging the military's use of low frequency active (LFA) sonar in the oceans, which threatens the ability of whales and dolphins to navigate. We are also assisting campaigns against proposed and new swim-with-dolphins facilities in several Caribbean nations.





Saving wild lands

Saving wildlife habitat becomes ever more important in our increasingly developed world, and The HSUS has been instrumental in preserving land in South Africa that will protect wildlife across a wide spectrum of habitats. The HSUS Wildlife Land Trust assumed responsibility for nine new sanctuaries this year, and we now protect 59,735 acres in 21 states and four foreign countries. We also were instrumental in convincing Mexico's President Vicente Fox to halt the construction of a huge new airport near Mexico City at Lake Texcoco that would have threatened thousands of migratory birds.



The HSUS Wildlife Land Trust protects wildlife habitat from development, hunting, and trapping.

HELPING ANIMALS IN CRISIS

Responding to disasters

This summer several huge wildfires threatened animals in western states, and we were there to help. In Arizona a fire burned more than 460,000 acres and displaced 30,000 people from their homes, and The HSUS National Disaster Animal Response Team (N-DART) helped treat the animal victims and temporarily house pets. We also quickly responded to fires in California, Colorado, Montana, Oregon, and South Dakota.

Flooding plagued the eastern states, and N-DART delivered more than 4,000 pounds of donated pet food to animal victims in West Virginia. And when Tropical Storm Isidore and Hurricane Lili hit the Gulf states, N-DART responded.

The HSUS Disaster Dog program now has 10 sponsored teams to respond to disasters around the country and abroad. Our staff also gave presentations on disaster preparedness to hundreds of emergency management personnel, government officials, and disaster volunteers, as well as veterinary, humane, and animal control personnel. Our National Conference on Animals in Disaster in Fort Worth, Texas, drew more than 200 animal protection and disaster professionals from across the country, and we also offered training at the National Hurricane Conference and our Animal Care Expo.

We continued our close cooperation with the Federal Emergency Management Agency and were the only outside organization invited to participate in the American Red Cross's Disaster Leadership Conference. And we are a major participant—and the only animal protection organization—in the National Voluntary Organizations Active in Disaster.

We supported the Cape Cod Stranding Network's efforts to rescue stranded marine mammals (above left). The HSUS N-DART responded to floods and wildfires throughout the country with personnel and supplies (center). And we assumed management of the Keiko Project to reintroduce the famous orca into the wild (right).



The HSUS Disaster Dog program sponsors teams of search and rescue dogs, which respond to disasters around the country and abroad.

Fighting abuse

In 2002, we again offered many rewards for information to bring perpetrators of animal cruelty across the nation to justice. And our Animal Cruelty Response Team (ACRT) responded to hundreds of animal cruelty cases nationwide. We helped obtain significant sentences for animal cruelty in California, Louisiana, New York, and Virginia. We also helped prosecutors win unprecedented felony animal cruelty convictions in Missouri and Maryland, and the first felony indictment in Alabama. Through our First Strike® campaign, we conducted more than 40 workshops on the connection between animal abuse and human violence. We also promoted our second annual Animal Cruelty/Human Violence Awareness Week, focusing on teen perpetrators this year.

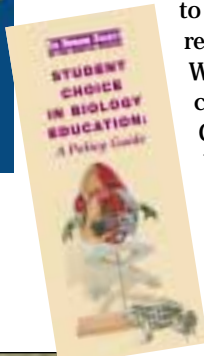


J.A. HALLETT





2002 THE FOURTH WORLD CONGRESS ON ALTERNATIVES AND ANIMAL USE IN THE LIFE SCIENCES, HELD IN NEW ORLEANS THIS YEAR, FOR SCIENTISTS AND OTHERS CONCERNED WITH ALTERNATIVES TO ANIMAL TESTING.



Ending suffering in laboratories and on farms

The HSUS coordinated the Fourth World Congress on Alternatives and Animal Use in the Life Sciences, held in New Orleans this year, for scientists and others concerned with alternatives to animal testing. We also led a coalition that gained a formal voice at the Organization for Economic Cooperation and Development (OECD)—which administers a test guidelines program that potentially affects millions of laboratory animals—

to promote testing methods that replace, reduce, or refine research using animals.

We gained a place on the advisory committee of the Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM), the federal government's focal point for assessing alternative methods in research. We also helped convince two school districts to adopt policies that allow students to choose alternatives to classroom dissection.

In our efforts to reduce the suffering of animals on factory farms, we targeted our Halt Hog Factories campaign on Iowa this year, providing public outreach and grassroots leadership to fight the spread of industrial farming. We were closely involved with the launch of national standards for organic food production, and we cosponsored the Soul of Agriculture conference for farmers and others concerned with sustainable food production.

LEADING THE WAY

Speaking out internationally

The HSUS participated in the twelfth meeting of the Conference of the Parties to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in Chile, advising member governments and serving as a permanent member of the Transport Working Group in the CITES Animals Committee—as well as collaborating with the more than 60 organizations comprising the Species Survival Network. The meeting resulted in broad success for global conservation with a strong commitment to protect a wide variety of wildlife.

We worked to replace, reduce, and refine research using animals by coordinating the Fourth World Congress and speaking out at the OECD and ICCVAM.



At the 2002 International Whaling Commission (IWC) meeting in Japan, we continued to press the U.S. delegation to make all efforts to prevent the lifting of the commercial whaling moratorium and institute tougher measures against countries that continue to kill whales and undermine the agreement. At the IWC meeting in England, we tried to stop Iceland from rejoining the IWC with an objection to the whaling moratorium and we continue working to minimize the effects of its admittance.



HSUS staff again worked to maintain the moratorium on commercial whaling.

We also attended the first meeting of the Inter-American Convention (IAC) for the Protection and Conservation of Sea Turtles in Costa Rica, where we took a lead role in the first international agreement with the sole purpose of addressing all sea turtle protection issues.

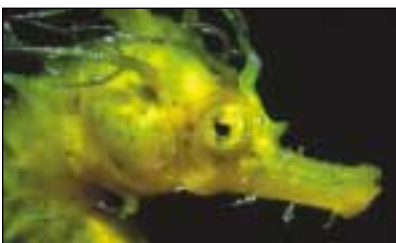
World leaders met at the World Summit on Sustainable Development in South Africa in August to adopt actions and targets for improving implementation of Agenda 21—the program of action for sustainable development worldwide. The HSUS, which holds the highest recognized nongovernmental status at the United Nations, played an important role in negotiations on the oceans segment of this agreement, working with several government delegations to maintain protection for whales.

We also continued working with the U.S. Trade Representative's Office (USTR) and the Environmental Protection Agency (EPA) as a member of the Trade and Environmental Policy Advisory Committee to include animal welfare issues in the current World Trade Organization (WTO) negotiations.

We attended the Free Trade Area of the Americas Ministerial Meeting in Ecuador to help representatives develop international trade and animal protection programs in Latin America. We also formed a coalition that successfully urged the United States this year—after 12 years since signing the protocol—to ratify the Protocol on Specially Protected Areas and Wildlife (SPA), which protects ecosystems in the Wider Caribbean region.



The HSUS Halt Hog Factories campaign to alleviate the suffering of pigs on factory farms by fighting the spread of industrial agriculture targeted Iowa in 2002 with public outreach and grassroots leadership.



Our efforts in the CITES meeting in Chile this year helped win protection for seahorses, as well as for whale and basking sharks, Black Sea bottlenose dolphins, and Brydes and minke whales.

"STAGE LEFTS" AND "ANIMAL RIGHTS"

I AM VERY FORTUNATE in having realized two great passions in my life. The first is my career on stage and screen, with television and film roles and eight Broadway shows—including the original *Guys and Dolls* and *Damn Yankees* and the last Cole Porter Broadway musical, *Silk Stockings*. The other is the opportunity I have had to improve the lives of animals.

I began my crusade for animals in 1966 after visiting a dog pound in Warwick, New York. The conditions were abysmal and the impounded dogs were regularly trucked to a laboratory to be used in experimentation. That very day I vowed that I would do something.

And "do something" I did—less than two years later, the new Warwick Animal Shelter's doors opened! I managed the shelter for 10 years while continuing to pursue my acting career. This marked the beginning of my relationship with The HSUS, as well, when its staff helped me with the process of creating the shelter.

In 1971, I was invited to be the first woman to sit on the American Society for the Prevention of Cruelty to Animals' board of directors.

In 1972, the late Cleveland Amory asked me to join The Fund for Animals' board, where I served as vice chairperson until 1991. In fact, I have had the opportunity to serve on the boards of 13 animal organizations over the years.

In 1979, I initiated work on a Resolution of Animal Rights authored by California State Senator David Roberti. California became the first state in the nation to adopt such a resolution. In 1981, I successfully led the fight in Los Angeles to repeal "pound seizure"—the selling of shelter cats and dogs for medical research.

I am also happy to have had the opportunity to create the annual Genesis Awards, which recognize members of the major news and entertainment media who have helped raise public awareness of animal issues. It is terribly important to encourage the media, with its awesome power to change the world by changing minds, to bring the plight of so many animals into the spotlight.

I presented the first Genesis Awards with The Fund for Animals in 1986. In 1991, I founded The Ark Trust, Inc., to focus exclusively on interacting with the media and presenting the galas. Genesis Awards ceremonies are taped for broadcast as television specials, originally airing on the Discovery Channel but now broadcast on Animal Planet.

In August 2002, The HSUS joined forces with The Ark Trust to form The HSUS Hollywood Office. I am delighted to continue to serve as chairperson of the Genesis Awards and executive producer of the television special, and now as vice president of the Hollywood Office. The visibility of the Genesis Awards can only help The HSUS's programs, while The HSUS's stature will benefit our work with the media. And I will have more time to lobby screenwriters to include storylines with animal protection messages. The union of our organizations promises ever more progress toward a truly humane society.

—Gretchen Wylar, Vice President, Hollywood Office



SEBASTIAN ARTZ
NYPD Blue's Charlotte Ross was one of many stars who came out to shine at the 2002 Genesis Awards to recognize the entertainment and major media industries for advancing animal protection.

We fought to maintain the integrity of the dolphin-safe label for tuna, and in the culmination of a five-year effort by The HSUS and Humane Society International (HSI), our international arm, the beginning of the year marked the European Union's complete ban on the use of drift nets. We helped monitor Italian waters to fully enforce this law.

This year, we merged with the Los Angeles-based animal protection organization The Ark Trust, Inc., to form The HSUS Hollywood Office, which will continue to produce the annual Genesis Awards to recognize the entertainment and media industries for advancing animal protection. The HSUS Hollywood Office also works with producers, writers, and others to develop more television episodes, print stories, and films that raise awareness of animal issues for audiences around the world.

Acting nationally

The 107th Congress saw both major achievements and serious setbacks for animal protection. Most of the measures we pushed for in the massive farm bill detailing U.S. agricultural policy were killed in committee. In the culmination of our three-year effort, though, a provision to ban the interstate shipment of birds used in cockfighting and the export of fighting birds and dogs was kept in the final bill, as well as a resolution that the U.S. Department of Agriculture (USDA) should fully enforce the Humane Slaughter Act.



We helped win substantial victories for animals in the annual appropriations process, when Congress addressed the funding of government operations. The USDA received a record funding increase to better enforce minimum humane standards at puppy mills, laboratories, zoos, circuses,

and airlines. And more funds were approved to begin addressing the USDA's failure to enforce the Humane Slaughter Act, which requires that livestock be rendered unconscious before slaughter. Programs to protect endangered wildlife and habitats got record funding, and funds were marked to begin building a national chimpanzee sanctuary for animals formerly used in biomedical research. The Environmental



We urged Congress to fund the promotion of hoop barns as more humane alternatives to factory farms.

Protection Agency was directed to devote funds to develop non-animal test methods. And the promotion of "hoop barns," which allow farm animals more freedom of movement and access to pasture, was funded.

We also were instrumental in the drafting and introduction of legislation to restrict nontherapeutic use of antibiotics at factory farms, and we helped develop legislation banning the interstate movement of big cats and bears for use as pets. At our 2001 Humane Awards gala in April, we developed a host committee of more than 200 members of Congress and provided Humane Lifetime Achievement Awards to recognize deserving legislators.

Our grassroots staff continued to coordinate the Humane Activist Network with The Fund for Animals and other grassroots programs through workshops, daily outreach, and conference presentations. And our fourth annual Legislative Fly-In brought nearly two dozen attendees from 20 states to Washington, D.C., to learn lobbying strategies and meet with members of Congress.

Working in every state

Voters passed five of the six state ballot measures we advanced during this election cycle. Working to defeat measures that would weaken animal-friendly legislation, we helped prevent expanded gambling at greyhound racing tracks in Arizona, which would have provided new revenue for this industry. In Oklahoma we helped stop an amendment to the state constitution that would have almost doubled the number of signatures needed to qualify animal



protection measures for the ballot. And we helped ensure that Sunday hunting was defeated in six West Virginia counties.

Our efforts for pro-animal legislation were equally successful. In Florida we helped pass a groundbreaking measure—the first of its kind in the nation—to ban the caging of pigs in gestation crates. We led a successful move to approve a special spay/neuter license plate to generate funds for spay/neuter programs in Georgia. And Oklahoma became the forty-eighth state to ban cockfighting.

THE HSUS



Our staff's efforts led to New Jersey's new spay/neuter license plate, designed by Mutts' cartoonist Patrick McDonnell.

We created coalitions of animal protection, domestic violence, law enforcement, and criminal prosecutors in seven states where felony anti-cruelty legislation is pending. We also worked to develop solid relationships with legislators in Maryland, organizing the Maryland Friends of Animals Caucus, creating a scorecard on animal protection legislation in the 2002 Maryland legislative session, and coordinating a high-profile Bear Conservation Program. We also won in securing the veto of a bill to establish a mourning dove hunting season in Iowa. Our outreach to legislators reached



a high point when our staff attended the national Conference of State Legislators and met with 35 legislators from 23 states. And we continue to coordinate the Legislative Circle, a group of specialists working on animal-friendly legislation in each state.

Teaching compassion

The National Association for Humane and Environmental Education (NAHEE), our youth education division, continued to teach children and teens the importance of compassion and respect toward all animals. Our award-winning classroom newspaper, *KIND News*™, had an estimated readership of nearly 1.2 million children in 2002, and we conducted several Teach Kids to Care professional development workshops for animal care and control personnel. NAHEE continued to develop new materials for children, including two Spanish/English coloring books. In February, we launched a new award program—The National Humane Education Achievement Award—to recognize agencies that have committed to providing community-wide youth education.



Humane Society University (HSU) launched our leadership development program and an online graduate program for animal care and control workers, and in 2002 HSU helped train more than 1,000 students on topics ranging from compassion fatigue to combating illegal animal fighting. HSU developed a partnership with the Law Enforcement Training Institute (LETI), which provides training for animal control and law enforcement personnel at the National Cruelty Investigation School, and contracted with Regis University to provide an online graduate certificate program in Nonprofit Management, Humane and Environmental Studies.

Thanks in part to our work, Florida's pigs (above left) will never suffer in gestation crates again. We coordinated a high-profile Bear Conservation Program in Maryland (center). And our efforts helped stop a proposed mourning dove hunting season in Iowa (right).

HUMANE SOCIETY
UNIVERSITY

SAVING LIVES BY SAVING LAND

RECOGNIZING THE IMPORTANCE of creating a land trust to protect wildlife not only from development but also from other forms of avoidable, human-caused violence, The HSUS formed the Wildlife Land Trust to establish a network of *true* wildlife sanctuaries in which no animal would ever be hunted or trapped. Soon after the Trust's formation, I was appointed its executive director, and nothing has pleased me more than to be associated with this undertaking.

Walking the land with the many compassionate individuals who've entrusted the safekeeping of their properties to The HSUS, I have encountered a persistent truth that lives at the core of our mission. Land preservation is not about saving majestic landscapes, though they are part of the picture as often as not.

It is about saving the humble and subtle beauties of grassy fields, windswept prairies, rustling woods, and all the mysterious and familiar creatures stirring in them. These, and all the microscopic layers of life that comprise them, are what make life possible, beautiful, and worthy of every effort we can make in its defense.

While the Trust is neither the largest nor the oldest national land trust, it was established with a unique philosophy to give wildlife a *genuine* opportunity to flourish. And that has made all the difference—for the landowners who choose to work with us and for the wildlife living on their land. Where others might see an opportunity to have nature "pay its way" by sacrificing parts that have economic or recreational worth—a stand of trees, selected mining rights, or hunting opportunities—as part of a deal to protect the remainder of a landscape, we see each property as an opportunity to protect the

landscape as a whole, allowing the land and animals to live their delicately interconnected lives as nature intended.

While some land trusts are focused solely on properties with hundreds or thousands of acres, we recognize the significance of smaller properties to local populations of birds and animals. Such places are often crucial to their survival, and they add immeasurably to the community's sense of health and wholeness.

However large or small a property may be, viewed up close any healthy habitat holds microcosms of infinite diversity and intricacy, likenesses of landscapes seen on a grander scale in celebrated places, only writ small, in the architecture of a leaf, a flower, or a pair of iridescent dragonfly wings. In the morning chatter of songbirds or the evening calls of owls, there are echoes of all who have lived in that particular place through suns and moons gone by. These connections between and among all living things, between past and present, must prevail, and The HSUS Wildlife Land Trust strives to see that they will.

—John F. Kullberg, Ed.D., Executive Director, Wildlife Land Trust



Spreading the word electronically

In February we relaunched our website with a new design and easier navigation, as well as new feature-length stories every week. Our website highlights our programs and provides

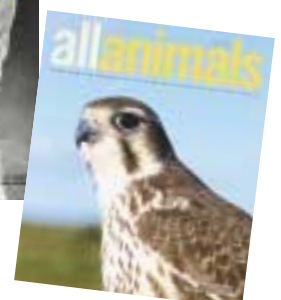
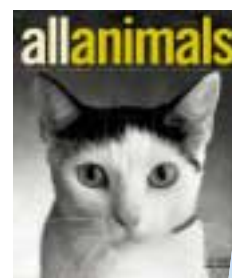
information on many important animal issues. Our multimedia site, www.animalchannel.org, remained at the forefront of the nonprofit community's use of streaming media. And our video production team filmed, edited, and produced videos and DVDs documenting our educational

work, legislative victories, programs and initiatives, and disaster rescues, as well as several public service announcements. We also provided footage for the Discovery Channel and National

Geographic Television, among others. And *HUMANElines*, our electronic newsletter coproduced with The Fund for Animals, continued to provide positive, productive avenues for humane action for 25,000 activists around the world.

... and on the printed page

We continued to produce *All Animals*, our membership magazine, and many newsletters to support our programs and





initiatives, including *Humane Activist*, *Wild Neighbors™ News*, *Wild News and Views*, *Goose Tracks™*, *Kindred Spirits News*, *Because You Care News*, *Pain & Distress Report*, *Wildlife Lands*, and *Shelter Partners®*. We also created brochures, flyers, fact sheets, posters, and more for our Pets for Life program, the Cape Wildlife Center, our Disaster Services projects, our living tributes program, and the Safe Cats campaign, as well as supporting materials for events like Animal Care Expo, the 2001 Humane Awards, our Protecting Wildlife and Wildlands in Southern Africa symposium, and the Cape Wildlife Center's Back to the Wild benefit gala and Patricia Lambert Awards ceremony. We also produced scorecards of congressional voting on animal measures for federal legislation and Maryland state legislation, *The HSUS Guide to Major and Planned Giving*, and the *2001 Diary of Kindred Spirits*.

We are gratified by the response our materials continue to merit. Newark, New Jersey, ordered 50,000 of our posters warning of the danger in leaving dogs in parked cars, and our materials won awards and professional recognition in several competitions.



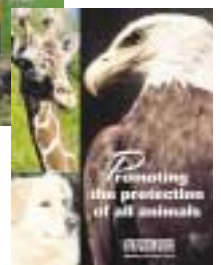
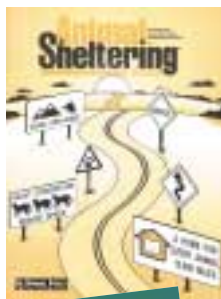
Competing with for-profit agencies, we received awards for design excellence from Creativity for our Born to Lose dogfighting poster, Shame of Fur bus taillight,



Promoting the Protection of All Animals booth graphic, and three *Disaster Preparedness* brochures. Our January/February 2001 *Humane Activist* newsletter, *The HSUS 2000 Annual Report*, and the fall 2001 issue of our *Wild Neighbors News* newsletter were all awarded APEX Awards of Excellence for design and editorial content in 2002. Competing with 10,000 for-profit agency submissions, we received 2002 American Graphic Design Awards for our Cape Wildlife Center Helping the Wild Ones fundraiser invitation, the first stand-alone *HSI Annual Report*, an issue of *Wild Neighbors News*, our Humane Legacy™ logo, and two ads. And the Society of National Association Publications awarded our *Humane Activist* newsletter and Major and Planned Gifts "It's a Jungle Out There" ad gold awards for design and



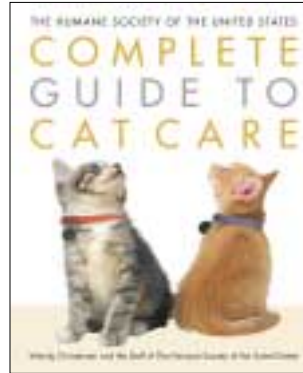
Nearly 8,000 subscribers now receive *Animal Sheltering®*, our bimonthly magazine for animal care and control professionals, and we published the fourth edition of *Shelter Pages®*, our national directory of manufacturers, suppliers, and service providers for the animal care and control community. The directory was distributed to 15,000 humane organizations across the country.





content. Our Kindred Spirits™ ad will appear in a college marketing textbook and our Ron Burns HSUS ad was requested for three other textbooks—all as examples of what works well.

Humane Society Press (HSP) published *Community Approaches to Feral Cats*, by Margaret R. Slater, in July and *The HSUS Euthanasia Training Manual*, by Rebecca H. Rhoades, D.V.M., in October. This book filled a huge void in the animal sheltering field and immediately became the definitive training guide. We joined St. Martin's Press to publish *The HSUS Complete Guide to Cat Care* in June. The book won two major awards in the Cat Writers Association annual competition. And HSP books were adopted for course work at The University of Vermont, Regis University, York University, the University of Minnesota, and Humane Society University.



THIS YEAR—AND NEXT

Our efforts have had much success this year. We have helped more people and shelters care for pets. We have protected wildlife and relieved the suffering of many animals in crisis. We have given animals a voice where public policy is made, from local school board meetings to international treaty negotiations. We have even been recognized for providing an “Excellent Place to Work” by the Maryland Work-Life Alliance.

The world is certainly a more humane place now than it was a year ago. Much remains to be done, however, and with your continuing support we will strive to ensure that every year is a better one for all animals.



SUPPORT AND PARTNERS

Our efforts to create a more humane and sustainable world would be impossible without generous financial support, and donors help protect animals in the future with Humane Legacy™ gifts. We gratefully acknowledge the support of the following people—and our anonymous donors—who intend to name us as a beneficiary in their wills.

Clova and Lyle Abrahamson
 Richard J. Arabian (in loving memory of Ballerina, Muffy, and Sherman)
 Joyce S. Baggett
 Beth and Don Ballard
 Tracy L. and Sonja S. Beach
 Gloria Bruns
 Carol K. Cerney
 Rosann (Zan) Clay
 Bethia S. Currie
 Margaret Daugherty
 Janet B. Dempsey
 Edith M. Fath
 Daniel V. Fleming and Louis M. Hartman
 Pamela Lynne Gillespie
 Philis L. Gold
 Gale L. Hayden

Laura Helgeson
 V. Starr Hutchison
 James J. Kirchheimer
 Judi Larabee
 G. E. Maugere
 Michael and Marybeth Morsberger
 Drs. Marty Nager and Denise Shapiro
 Gloria A. Nelson
 Jane M. Norton
 Ted and Beverly Paul
 Nancy Pearlmutter (in memory of Moolah Pearlmutter)
 Misty Reddington
 Ginny and David Rice
 Mary P. Rogers
 Ronnie Rogers
 Drs. Eli and Janet Marley Rose
 Eva M. Sewall
 Mary Lou Surrette
 Apryl Taro
 Christina Taylor
 Frank and Joanne Tomasulo
 Sidney Udell (for Frank J. Rueda)
 Ethel Valentine
 Alice Welch and Kay Maloney
 Jade Whittley
 Charles B. Yochim

Our Business Development and Corporate Relations staff worked with nationally respected companies on innovative programs to generate revenue and increase brand awareness for The HSUS and to carry our message to an ever greater audience. We thank all of our corporate partners for their support and commitment.

Advocate EAP
 American Red Cross
 Art Impressions
 Bradford Exchange
 Build-A-Bear Workshop
 Citibank, USA
 Custom Direct
 The Financial Network Group, Inc.
 GreaterGood.com
 Hill's Pet Nutrition
 John H. Harland Company
 Memberdrive, Inc.
 PetSafe Training Systems
 Saab Cars USA
 Taymark Corporation
 Time Inc. Custom Publishing

THE HUMANE SOCIETY OF THE UNITED STATES
 COMPARATIVE FINANCIAL OPERATIONS REPORT
 FOR THE YEARS ENDED DECEMBER 31, 2002 and 2001

Consolidated Statement of Financial Position

	December 31	
	2002	2001
Assets		
Cash and cash equivalents	\$7,200,698	\$8,424,107
Receivables	3,617,857	683,868
Prepaid expenses, deferred charges and deposits	2,926,685	1,888,343
Investments, at market value	76,778,364	85,359,256
Fixed assets, net of depreciation	9,817,932	9,945,377
Intangible pension asset	867,119	—
Total Assets	<u>\$101,208,655</u>	<u>\$106,300,951</u>
Liabilities		
	\$13,067,482	\$9,722,183
Net Assets		
Unrestricted	61,531,825	70,291,641
Temporarily restricted	6,031,018	5,740,373
Permanently restricted	20,578,330	20,546,754
Total Net Assets	<u>88,141,173</u>	<u>96,578,768</u>
Total Liabilities and Net Assets	<u>\$101,208,655</u>	<u>\$106,300,951</u>

Consolidated Statement of Activities

	Unrestricted	Temporarily Restricted	Permanently Restricted	Year Ended December 31	
				2002 Total	2001 Total
Revenue, Other Additions, and Transfers					
Contributions and grants	\$50,808,503	\$5,885,782	\$6,522	\$56,700,807	\$48,800,136
Bequests	11,261,150	496,687	12,820	11,770,657	6,672,551
Investment income	3,842,823	641,020	—	4,483,843	3,619,657
Sale of literature and other income, net	3,176,185	—	—	3,176,185	3,136,531
Total Revenue and Other Additions	<u>\$69,088,661</u>	<u>\$7,023,489</u>	<u>\$19,342</u>	<u>\$76,131,492</u>	<u>\$62,228,875</u>
Transfers (Net Assets released from restrictions)	5,886,917	(5,886,917)	—	—	—
Total Revenue, Other Additions, and Transfers	<u>\$74,975,578</u>	<u>\$1,136,572</u>	<u>\$19,342</u>	<u>\$76,131,492</u>	<u>\$62,228,875</u>
Expenses and Other Deductions					
Animal-protection programs					
Public education, membership information, and publications	\$22,300,523	—	—	\$22,300,523	\$18,004,052
Cruelty investigations and regional offices	5,069,431	—	—	5,069,431	4,748,183
Wildlife, animal-habitat, and sheltering programs	9,282,107	—	—	9,282,107	8,945,904
Youth and higher-education programs	2,852,855	—	—	2,852,855	2,850,841
Legal assistance, litigation, legislation, and government relations	2,264,877	—	—	2,264,877	1,962,172
Animal research issues and bioethics and farm animals	1,962,006	—	—	1,962,006	1,676,188
Supporting services					
Management and general	5,630,311	—	—	5,630,311	5,385,645
Membership development	1,406,064	—	—	1,406,064	1,242,884
Fund-raising	21,709,193	—	—	21,709,193	19,304,781
Total Expenses and Other Deductions	<u>\$72,477,367</u>	<u>0</u>	<u>0</u>	<u>\$72,477,367</u>	<u>\$64,120,650</u>
Change in Net Assets before net appreciation in fair value of investments	\$2,498,211	\$1,136,572	\$19,342	\$3,654,125	(\$1,891,775)
Minimum pension liability adjustment	(451,206)	—	—	(451,206)	—
Net assets received in acquisition of The Ark Trust, Inc.	198,774	—	—	198,774	—
Net appreciation in fair value of investments	<u>(11,005,595)</u>	<u>(845,927)</u>	<u>12,234</u>	<u>(11,839,288)</u>	<u>(10,186,318)</u>
Change in Net Assets	<u>(\$8,759,816)</u>	<u>\$290,645</u>	<u>\$31,576</u>	<u>(\$8,437,595)</u>	<u>(\$12,078,093)</u>

The HSUS is tax exempt under Section 501(c)(3) of the Internal Revenue Code. Contributions are tax deductible to the extent allowed by law. The HSUS's audited financial statements are available upon request.