

2005-2006

MANY FACES
ONE
&
VOICE

Annual Report

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As board chair of Susan G. Komen for the Cure, I'm often asked if we're any closer to finding a cure for breast cancer.

In response, I say with absolute certainty that yes, we're closer than ever before in bringing an end to this devastating disease. As proof, today there are more than two million breast cancer survivors living in the United States — a statistic that would have been inconceivable 25 years ago when the disease was often considered a death sentence.

In 1982, the year Nancy G. Brinker started this organization in memory of her sister, Susan G. Komen, the five-year survival rate for breast cancer was only 74 percent. Today, it's 98 percent when caught early and confined to the breast. We now know the importance of early detection — the earlier breast cancer is caught, the greater the chance for survival. But back then, mammography was not widely used as a screening tool and there were no national statistics for its use until 1987. And then, only 30 percent of all women over 40 reported having had a mammogram. Today, that number is nearly 75 percent.

This significant increase in survival and screening rates is directly linked to the many faces of Komen for the Cure who work diligently as one unified voice to accomplish our goal to save lives and end breast cancer forever.

In 2007, it will be 25 years since we launched the breast cancer movement. Since then, there has been no scientific advance made that has not been touched in some way by a Komen grant. In 2006, we had our largest funding year to date with more than \$56 million invested in research and awards. Because we know there will never be one single cure to this complex disease, we focus on attacking it from all possible angles by funding research that will provide multiple answers, treatments and preventive measures. Some of the most promising research being funded today is highlighted on page 2.

And while research is one piece of the cure, at Komen we know it's about more than curing a medical condition — it's about overcoming the cultural, social and financial conditions that prevent women from getting screened and receiving life-saving breast health care and treatment.

Our vast Affiliate Network — comprised of more than 100,000 advocates and survivors spanning more than 120 U.S. cities and three foreign countries — plays a key role in making sure that everyone, no matter their age, race or income, has access to the care they need. In 2006, our Affiliates had an enormous impact in their communities, providing more than \$67 million in funding to help those who need it most. For a better understanding of all the ways our Affiliates are making a real difference in the fight against breast cancer in their local communities, I urge you to read page 3.

It's been 25 years since Nancy promised her sister, Susan, that she would do everything possible to rid the world of breast cancer. Since then, millions of people like you have joined in her promise and made it your own. Together, we have truly transformed the world — changing the way people talk about and treat breast cancer, turning millions of breast cancer patients into breast cancer survivors.

Each year, new scientific advances and expanded access to screening and care help save lives. But in order to achieve a world without breast cancer, it's going to require all of us — the many faces of this breast cancer movement — to speak and act with a singular passion, using our one, powerful voice to end this disease forever.



LaSalle D. Leffall, Jr., M.D.
Board Chairman
Susan G. Komen for the Cure



BEING BOLD COMES WITH THE TERRITORY

When we started in 1982, we did the unthinkable: we talked about breast cancer in public. We spoke to lawmakers, pushing for increased funding for research and screening programs. We raised money to fund groundbreaking research that wasn't getting funded anywhere else. And we worked in our local communities to increase awareness of the disease and ensure quality care for all women, everywhere.

Our attitude hasn't changed much over the last 25 years. We're still committed to blazing new trails and looking for cures in places and in ways that no one's looked before.

On the research front, that means funding the work of scientists like **Robert Weinberg, Ph.D.**, a founding member of the **Whitehead Institute for Biomedical Research at the Massachusetts Institute of Technology**.

In 2006, Dr. Weinberg was awarded a Komen grant to further explore cancer stem cells. His work may help explain why some cancers return or spread after they've been treated and appear to be gone. One theory is that current therapies might only be killing certain kinds of tumor cells (the differentiated ones), but leaving the cancer stem cells unharmed and therefore able to produce more cancer cells later. If true, this could lead to the identification of cancer stem cells as treatment targets at a very early point, making it possible to stop the cancer before a tumor or metastatic disease ever exists.

And while cancer stem cell research holds great promise, we're not limiting ourselves to one area of study. Our research grants support a variety of projects at leading institutions around the globe. In fiscal year 2006, we funded a total of 247 research grants. We are committed to finding out what causes breast cancer so we can eventually prevent the disease.

To that end, **Kenneth Offit, M.D., M.P.H.**, at **Memorial Sloan-Kettering** received a Komen grant to study why everyone with the BRCA2 gene mutation (often known as the breast cancer gene) doesn't get breast cancer. He's working to identify a potential "gene modifier" that could lead to additional testing tools to help understand a woman's risk for developing breast cancer beyond BRCA testing. Also in the area of prevention, **Geoffrey Pietsz, Ph.D.**, at the **Austin Research Institute** received a Komen grant to study the development of potential breast cancer vaccines.

And while prevention is our ultimate goal, we remain committed to helping those with breast cancer today. We're looking for ways to improve treatment options by funding scientists like **Stephen Gottschalk, M.D.**, at the **Baylor College of Medicine** who's developing a technique that would stimulate immune cells, possibly protecting a patient against recurrence and avoiding the side effects of current therapies like radiation and chemotherapy. Similarly, **Michael Hoffman, Ph.D.**, at the **University of Wisconsin, Madison** is studying the "Neighbor Effect" in tumors to determine how cells interact with each other, turning normal tissue into cancerous tissue. His research could provide insight into how and why cancer spreads.

MANY FACES
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VOICE

ENSURING QUALITY CARE FOR ALL

Research is only one part of the equation, though. Without education and access to much-needed screening and treatment, a world without breast cancer will never exist. And it's our job to make sure it does. And so, in 2006 we invested \$111 million in education, screening and treatment programs and services that saved lives and had a real impact on those touched by breast cancer.

Our **Ozark Affiliate** funded a program that provides screening, diagnostic and ultrasound mammograms and overall breast health information to women living in rural Arkansas who lack the financial resources or insurance for proper care. The program helps these women — many of whom are isolated because of language, cultural issues or lack of education — navigate the health care system if breast cancer is found. Since the program began in 2001, more than 600 mammograms have been provided and numerous lives saved through early screening and subsequent treatment.

Meeting the needs of underserved women like those in rural Arkansas is one of our core objectives and similar programs are funded throughout the United States. In **Hawaii**, our Komen Affiliate supports a program called Woman to Woman, providing Micronesian women with the training and resources necessary to become lay educators to increase breast health knowledge among their peers. Similarly, our **Orange County Affiliate** funds a program that reaches out to underserved Asian Pacific Islanders, a group with some of the highest breast cancer morbidity and mortality rates, yet with some of the lowest screening rates. Because of this program, about 3,000 Native Hawaiians, Marshallese, Chamorros, Samoans and Tongans receive the message that consistent and early breast cancer screening saves lives.

To learn more about the grants we're funding and the depth of our advocacy work, please visit www.komen.org.

Beyond education and screening, we also support patient assistance programs like the one funded by our **Vermont-New Hampshire Affiliate**. The Cancer Patient Emergency Fund helps patients undergoing cancer treatment pay for pain medications, home oxygen tanks, childcare costs for mothers undergoing chemotherapy, basic rent and food costs when women become unemployed due to their cancer care, psychiatric support and many other needs not covered by traditional sources. And in Boston, funding from our **Massachusetts Affiliate** helps provide the city's only free, nutritious home-delivered meal program to homebound individuals with life-threatening illnesses who are unable to shop or cook for themselves.

Another way we're working to ensure quality care is through advocacy efforts at the local, state and federal level. In 2006, through our Komen Champions for the Cure™ program — an online advocacy campaign — 43,000 letters were sent to members of Congress in support of increased funding for the Nursing Reinvestment Act. As a result, funding was increased by more than \$150 million, a substantial increase that will help address the current nursing shortage and enhance patient access to quality care.

Beyond our nation's capital, all across the United States Komen Champions worked tirelessly — and with great results — on state issues, raising their voices to help increase state funding for critical early detection programs for low-income women. Because we know silence is breast cancer's greatest ally, we speak for those who can't.

And we will not stop until our job is done. We're more committed than ever before to fighting breast cancer at every stage — from the causes, to the cures, to the pain and anxiety of every moment in between.

SUMMARY OF FINANCIAL INFORMATION

Susan G. Komen for the Cure is committed to making a real difference in the lives of those affected by breast cancer. As part of our commitment, we are extremely careful when it comes to spending the dollars we raise, dedicating as much money as possible to our promise to end breast cancer. By relying on a team of volunteers and keeping administrative and fundraising expenses extremely low (14 percent), in fiscal year 2006 we were able to invest more than \$155 million in grants and programs related to breast cancer research, education, screening and treatment. Komen currently has grants payable of more than \$140 million, representing commitments made to grantees in these focus areas. To ensure these dollars are used efficiently, we make periodic payments to the grantees based on successful progress reporting.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Dollars in Thousands
As of March 31, 2006 and 2005

	2005	2006
Assets:		
Cash and investments	\$ 148,069	\$ 195,423
Receivables	31,407	37,495
Net property, plant and equipment	2,810	2,705
Other assets	<u>3,556</u>	<u>2,529</u>
Total Assets	<u>\$ 185,842</u>	<u>\$ 238,152</u>
Liabilities:		
Accounts payable and accrued expenses	\$ 9,876	\$ 7,725
Grants payable	<u>110,764</u>	<u>140,525</u>
Total Liabilities	120,640	148,250
Total Net Assets	<u>65,202</u>	<u>89,902</u>
Total Liabilities and Net Assets	<u>\$ 185,842</u>	<u>\$ 238,152</u>

SUMMARY OF FINANCIAL INFORMATION

For the fiscal year ending March 31, 2006, Komen recognized \$268 million in cash and in-kind revenues to fight breast cancer, thanks in large part to the hard work of our Affiliate Network and volunteers who helped generate nearly \$120 million through our signature event, the Komen Race for the Cure®. We received in-kind gifts (contributed goods and services) including advertising, legal services and Race giveaways like water, bananas and yogurt, that totaled more than \$50 million in fiscal year 2006. Because of these donated goods and services, **84 cents of every dollar spent was invested in research, education, screening and treatment.**

CONSOLIDATED STATEMENT OF ACTIVITIES

Dollars in Thousands		Where Does Your Dollar Go?		
		2006 Value of Contributed Goods & Services	Year Ended March 31, 2006 Net	
Years ended March 31, 2006 and 2005	2005	2006		
Public support and revenue:				
Contributions	\$ 87,128	\$ 132,961		
Komen Race for the Cure	134,563	119,893		
Other public support and revenue	9,986	14,680		
Total gross revenue	231,677	267,534	\$ 50,260	\$ 217,274
Less:				
Komen Race for the Cure direct costs	(22,335)	(24,916)	(13,721)	(11,195)
Net public support and revenue	209,342	242,618	36,539	206,079
Expenses:				
Program services:				
Research and awards	57,796	60,617		
Public health education	59,018	70,581		
Health screening services	20,314	27,127		
Treatment services	12,369	13,454		
Total program services	149,497	171,779	17,233	154,546
Supporting services:				
General and administrative	22,672	20,935	6,081	14,854
Fundraising	28,428	25,205	10,201	15,004
Total expenses	200,597	217,919	33,515	184,404
Change in net assets	8,745	24,699	3,024	21,675
Net assets beginning of year	56,458	65,203		
Net assets end of year	\$ 65,203	\$ 89,902		

84¢ of every dollar spent was invested in research, education, screening and treatment.

Ernst & Young, LLP performed the 2005-2006 consolidated audits for Komen. Audited financial statements are available upon request.

To become a part of the cure or to review our audited financial statements and IRS Forms 990, visit www.komen.org.

BOARD OF DIRECTORS

The Board of Directors of Susan G. Komen for the Cure functions to advise, assist and aid in our efforts to create a world without breast cancer.



Ken Bentsen

From 1995 to 2003, Mr. Bentsen represented the 25th District of Texas in the U.S. House of Representatives serving on the Budget, Financial Services and Small Business Committees. He helped craft the legislation to establish the Children's Health Insurance Program extending health care benefits to more than 5 million children of working families and successfully sponsored numerous measures enhancing the nation's academic medicine and health research programs. In addition, Mr. Bentsen was actively involved in the drafting and passage of the Balanced Budget Act of 1997 and helped to modernize the nation's banking and securities laws, the U.S. response to the Asian financial crisis and the Sarbanes-Oxley Act which enhanced federal oversight of U.S. capital markets. Mr. Bentsen earned a Master of Public Administration from American University and a Bachelor of Arts from the University of St. Thomas.



Norman Brinker

Mr. Brinker is chairman emeritus of Brinker International, a restaurant group that includes Chili's Grill & Bar and Romano's Macaroni Grill, among others. Mr. Brinker began his career in the restaurant industry in 1957 with Jack-In-The-Box. He established Steak and Ale restaurants in 1965. Steak and Ale merged with Pillsbury in 1976, and in 1982, he became president of the Pillsbury Restaurant Group, overseeing such restaurants as Steak and Ale, Burger King and Bennigan's. In 1983, he invested in and became chairman and CEO of Chili's, Inc., now known as Brinker International. He has served on the Komen Board since 1982.



Linda Custard

Ms. Custard is a full-time volunteer with a wide range of experience in educational, cultural and social service boards. She has served as president of the Junior League of Dallas, vice chair of the United Way of Metropolitan Dallas, chair of the Board of Trustees of the Hockaday School, president of the Community

Council of Greater Dallas and president of the Dallas Woman's Club. Presently, she serves as a Trustee of Southern Methodist University and as a Director of the Dallas Center for the Performing Arts Foundation.



LaSalle D. Leffall, Jr., M.D.

Chairman of the Board

Dr. Leffall is the Charles R. Drew Professor of Surgery at the Howard University College of Medicine. He is a surgeon, oncologist, medical educator and leader in professional and civic organizations. In May 2002, Dr. Leffall was appointed by President George W. Bush as a member and chair of the President's Cancer Panel. In 1948, he graduated summa cum laude from Florida A&M University with a B.S. degree. He received his M.D. from Howard University College of Medicine, ranking first in his class. He was an intern at Homer G. Phillips Hospital, St. Louis, MO; assistant resident and chief resident in surgery at Freedmen's Hospital, Washington, D.C.; and senior fellow in cancer surgery, Memorial Sloan-Kettering Cancer Center, New York, NY. Dr. Leffall began his military career at the rank of Captain, M.C., serving as Chief of General Surgery, U.S. Army Hospital, Munich, Germany, 1960-61. He joined the faculty at Howard University in 1962 as assistant professor and he continued with appointments as acting dean and professor. Dr. Leffall became chairman of the department of surgery in 1970, a position he held for 25 years.



Connie O'Neill

Ms. O'Neill has been involved with Komen since 1992, serving as treasurer for two years previously and chairing the National Awards Luncheon in 1994. In 2000, she was again appointed treasurer and served for three years. Ms. O'Neill also serves on the boards of Children's Health Services of Texas, Children's Medical Center Foundation and Presbyterian Healthcare Foundation. She is a member of the Leadership Dallas Alumni Association and the Crystal Charity Ball. She was formerly president of the Junior League of Dallas and has also served on the boards of the United Way of Metropolitan Dallas, St. Paul Medical Center Foundation and the Southern Methodist University Alumni Association. Ms. O'Neill is a 1977 graduate of SMU and worked as a certified public accountant for Ernst & Young from 1977 to 1985. She is married and is the mother of four children.



Lisa Schneider

Ms. Schneider was elected by the Komen Affiliate Network to serve as their representative on the Komen Board of Directors. She began her involvement with the Komen Salt Lake City Race for the Cure® in 1996 and was a founding member of the Komen Salt Lake City Affiliate. Ms. Schneider served as the Affiliate’s Race director from 1997-2003 and as president in 2004-2005. She feels strongly about Komen, its volunteers and mission, and frequently speaks to groups and organizations about Komen’s work and general breast health. Ms. Schneider earned her Bachelors of Science in finance from the University of Utah and her MBA from the University of Houston. She is finance director for the State of Utah School and Institutional Trust Lands Administration.



Robert Taylor

Mr. Taylor is president of Taylor Lohmeyer Corrigan, P.C. Counselors and Attorneys at Law. He also serves as chairman of the Dallas/Fort Worth Duke University Alumni Admissions Committee and is past chairman of the Highland Park United Methodist Church Board of Trustees. Mr. Taylor received his A.B. and J.D. from Duke University and received his L.L.M. and S.J.D. in Taxation from Georgetown Law Center.



Melissa Waggener Zorkin

Ms. Waggener Zorkin is chief executive officer, president and founder of Waggener Edstrom, one of the largest independent public relations firms in the world. She is widely recognized for pioneering now-standard approaches to the field of public relations, and her vision and leadership are instrumental to Waggener Edstrom’s worldwide reputation as a premier communications agency. The agency was recognized as *PRWeek’s* 2004 Agency of the Year and its work with a biotech client was awarded Healthcare Campaign of the Year. *PRWeek* also cited Ms. Waggener Zorkin as one of the 100 Most Influential PR People of the 20th Century and one of the 50 Most Powerful Women in PR in 1999. She received an outstanding alumni award from Lewis & Clark College, and has been recognized by numerous publications for the strategic vision she brings to the industry. Ms. Waggener Zorkin also is involved in a variety of nonprofit and community projects including a board position with the Technology Alliance, as well as

offering long-time support to the Technology Access Foundation, the Fred Hutchinson Cancer Research Center and the Komen Race for the Cure® in Portland and Seattle.



Barney Young

Mr. Young is general counsel at the law firm of Locke Liddell & Sapp LLP. He joined the Komen Board in 2000. He has served as chair of the Boards of Trustees of three Dallas schools: The Lamplighter School, The Hockaday School and St. Mark’s School of Texas, and is a Life Trustee of the latter two schools. He is a member of the Yale Development Board and a former member of the Board of Trustees of the National Association of Independent Schools. He is a member of the Board of the Friends of the Center for Human Nutrition and is a former member of the boards of several other Dallas nonprofit organizations. A magna cum laude graduate of Yale University, Mr. Young received his LLB with honors from the University of Texas Law School.

2005-2006 STAFF LEADERSHIP

Patrice Tosi

Acting CEO and Chief Operating Officer

Nancy Byrd

Vice President, Domestic Affiliate Network

Rebecca Garcia, Ph.D.

Vice President, Health Sciences

Andrew Halpern

Vice President, General Counsel

Cindy Schneible

Vice President, Cause Related Marketing

Before my sister Susan died of breast cancer, I promised her that I would do everything in my power to bring an end to the disease. In 1982, I started this organization in her memory.

Since then, millions have joined in the original promise, sparking a global breast cancer movement that has literally changed the world. Twenty-five years later, I am proud to be a part of Susan G. Komen for the Cure, the world's largest and most progressive grassroots network of breast cancer survivors and activists fighting to cure breast cancer at every stage.

Some people might not consider themselves an activist — but that's exactly who we are and what we do. We are active, vigorous advocates of a cause. A cause that is at the root of my original promise. We are the many faces of breast cancer speaking in one, loud, thunderous voice to save lives and end this disease forever.

Because lives are at stake, our promise requires that we be bold, question the status quo and never take no for an answer. It's up to all of us to push harder and speak louder than ever before.

As we embark on our 25th year, we look to the future with steadfast determination. At the same time, we pay homage to all those who have helped us get this far in our journey. We could never have gotten here without you, our generous donors, corporate and community partners, volunteers and survivors, all advocates in our cause to discover and deliver the cures. We thank you for making our promise your own.

We thank the community health care worker in Washington, D.C., who helped a poor, uninsured single mom navigate the health care system following a breast cancer diagnosis. And we thank the 100,000 Komen activists located across the United States who saw similar needs and gaps in quality care in their communities and worked tirelessly to fund solutions.

We thank the million-plus individuals who joined the Komen Race for the Cure®, the world's largest and most successful education and fundraising event for breast cancer. And we praise the strength and courage of all those who participated in the Breast Cancer 3-Day, enduring 60-miles with one goal in sight: end breast cancer forever.



We thank the thousands of Komen Champions for the Cure™ who sent a letter to their Congressman or worked with state lawmakers for increased funding for improved screening programs and mammograms for low-income women.

We thank corporate partners like our Million Dollar Council members who in addition to making a financial contribution of at least \$1 million, have spread the message of early detection and engaged new audiences in our fight. Thank you American Airlines, BMW of North America, Inc., The Carlisle Collection, Ltd., Ford Division, Hallmark Gold Crown® Stores, Kellogg Company, KitchenAid, Lean Cuisine, The Val Skinner Foundation, M&M'S® Brand Chocolate Candies, Mohawk Industries, Inc., New Balance Athletic Shoe, Inc. Payless, Pier 1 Imports, Quilted Northern Ultra®, Rally For A Cure®, RE/MAX Real Estate, Titleist, Cobra and FootJoy Worldwide, United States Bowling Congress, Wyndham Hotels & Resorts, Yoplait USA, Zeta Tau Alpha Fraternity and Coldwater Creek.

We thank the scientists who each day bring us one step closer to answering our two most pressing questions: “What causes breast cancer?” and “How do we prevent it?”

We will find the answers to these questions. How soon is up to all of us.

Thank you for lending your voice to our promise. Together, we will see a world without breast cancer.

A handwritten signature in black ink that reads "Nancy Brinker". The signature is written in a cursive, flowing style.

Nancy G. Brinker

Founder

Susan G. Komen for the Cure



www.komen.org

1-800 I'M AWARE