

# Last Chance for Animals 2015 Annual Report

To all current and future supporters of Last Chance for Animals:

Last Chance for Animals (LCA), known as "The FBI of Animal Rights," is an international nonprofit organization dedicated to fighting animal cruelty. LCA's Special Investigation Unit (SIU), conducts in-depth undercover investigations to expose horrible cruelty and misuse of animals. The SIU team focuses on validating information, detecting suspect activity, exposing illegal or unethical activities and reporting them to local, state and federal authorities for prosecution. The information obtained in LCA's investigations is used to develop campaigns, provide grassroots education and outreach to the public and draft legislation that will bring real permanent changes for animals.

LCA recognizes all animals as sentient beings that should not be subjected to exploitation by humans for food, entertainment, clothing or scientific curiosity and deserve to live their lives free from pain. LCA advocates conscious and informed lifestyle decisions and is committed to disseminating truthful information about societal animal abuse in order to improve the manner in which animals are treated worldwide.



# Here are Some of LCA's Investigative Work and Campaigns Combatting Animal Abuse in 2015



<u>The End of Class B Dealers:</u> In December 2015, U.S. Congress passed a ban on all funding of USDA Class B licenses for dealers selling "random source" dogs and cats to medical research. This will effectively shut down these unscrupulous dealers, who will not be able to renew their licenses in 2016.

This victory follows more than <u>35 years</u> of LCA's numerous undercover groundbreaking investigations, prosecutions and campaigns against Class B dealers that contributed significantly to their decline. Class B dealers are known for the horrendous cruelty they inflict on animals and routinely violate the law by acquiring them from undocumented sources; many have been proven to be stolen family pets, strays or obtained under false pretenses through "free to good home" ads.

LCA was the first animal rights group to procure state and federal prison sentences for Class B dealers in 1991. LCA's harrowing undercover investigation and bust of the biggest and most notorious Class B dealer, C.C. Baird and Martin Creek Kennels in Arkansas, was the subject of the 2006 Emmy award-winning HBO America Undercover documentary, *Dealing Dogs*. Baird's facility, Martin Creek Kennels, alone supplied thousands of animals for years to research labs. The documentary brought the truth about

Class B dealers' cruelty to prime time and spurred a national movement against the Class B dealer industry.

In 2012, the National Institute of Health (NIH), the largest funder of biomedical research in the U.S., stopped funding research that involved cats obtained from Class B dealers. In 2014, the NIH enacted a similar ban on dogs. LCA's undercover investigative work was a key influencer in this historical action and was referenced in the official report.



Exposing the Cruelty at Christensen Pig Farms: In the spring of 2015, LCA conducted a four-month undercover investigation into a Christensen Farms facility located in Minnesota. The facility, which is the fourth largest pork producer in the U.S., is a "breed-to-wean" factory farm where 2,500 mother pigs, producing over 1,300 piglets each week, are confined to small metal crates for their entire lives. The investigation uncovered multiple incidents of systematic neglect and cruelty and documented workers dragging, slapping, kicking, and stabbing downed sows with ballpoint pens; workers improperly euthanizing injured sows and piglets; and management neglecting pigs suffering from debilitating illnesses and injuries for periods as long as ten weeks.

Following the investigation, LCA submitted a criminal complaint to the Minnesota Rock County Sheriff's Office detailing 18 incidents of animal cruelty, 17 incidents of animal mistreatment by neglect. Five Christensen Farms employees were fired as a result of LCA's investigation.

After receiving LCA's complaint, the Sheriff's Office contacted the Minnesota Board of Animal Health, who declined to provide a veterinarian to inspect the pig farm and informed the company they were under investigation. When Christensen Farms was tipped off, they immediately "cleaned house" and killed every sick and neglected sow in their barn. This clearly points out the need for law enforcement training in animal cruelty cases, as well as the need to appoint special prosecutors. LCA is pressuring for the filing of charges to multiple agencies.



Rabbit Cruelty – Largest Rabbit Slaughterhouse in US Exposed: LCA's undercover investigations revealed the true horror of the largest rabbit slaughterhouse in the U.S.; the Pel-Freez processing plant in Rogers, Arkansas. LCA's findings, consisted of daily observation reports over several months, with detailed written reports and extensive video documentation showing Pel-Freez workers putting rabbits through a torturous slaughtering process. The plant slaughters 3,000-6,000 rabbits weekly; many of them are ineffectively stunned and are fully conscious while having their legs broken and their heads cut off. The dead rabbits are sold for meat – sometimes under the "humanely raised" label – and their brains and blood are sold to biomedical companies.

LCA submitted a criminal complaint to the Arkansas Benton County Prosecutors Office outlining deliberate infliction of pain and suffering and violations of the state animal cruelty statute. LCA's documentation showed 193 instances where rabbits were

exhibiting clear signs of pain and/or distress all occurring while being subjected to procedures routine at the facility and 323 instances where conscious rabbits experienced intentional infliction of major physical injury during the slaughter process. This was all overseen by plant managers and many times witnessed by USDA inspectors. Information of Pel-Freez violations was reported to the USDA requesting an investigation and suspension of Pel-Freez's dealers license.

LCA also filed a complaint with the Federal Trade Commission (FTC) against meat retailer D'Artagnan, Inc., that sells rabbit meat packaged at Pel-Freez, for deceptive and unfair advertising practices. D'Artagnan boasts they only partner with facilities that "raise and process rabbits humanely." LCA's multiple protests and petitions aimed at Gelson's, Bristol Farms and Harris Teeter grocery store chains, resulted in all of them pulling Pel-Freez rabbit meat from their shelves.



Stopping the Dog Meat Industry in China: LCA's full-time investigation team continues to work on the ground in China to expose the barbaric dog meat industry and provide documentation to authorities to get dog meat slaughterhouses shut down. Information gathered by LCA's China team showing the extreme cruelty inflicted on dogs was given to authorities in Northern China, which resulted in the permanent closing down of two dog meat slaughterhouses: Zhao Zhiyong and Wangyajun. The Zhao Zhiyong slaughterhouse alone was killing an estimated 200,000 dogs a year. LCA's Stop

Dog Meat campaign is focused on ending the dog meat trade and the annual Yulin Dog Meat Festival. Every year, an estimated 10 million dogs are killed for their meat in China. The dogs are trucked long distances in cramped wire cages before they are tortured, beaten, boiled and skinned alive.

LCA's online anti-dog-meat petition garnered nearly half a million signatures in just two weeks. LCA's viral online video was viewed over <u>eleven million</u> times on Facebook and a massive protest in Los Angeles was attended by more than one thousand outraged citizens.



Investigation into the NYC Horse Carriage Industry: LCA investigated the New York City horse carriage industry and exposed routine violations of the laws and regulations that protect both horses and people. LCA's undercover footage revealed carriage horses operating in dangerous traffic conditions, deprived of access to water, and forced to work while injured.

In November 2015, LCA filed complaints with the Department of Mental Health and Hygiene, Department of Transportation, Department of Consumer Affairs and the American Society for the Prevention of Cruelty to Animals, all of which are responsible for enforcing New York City's carriage horse laws and regulations.



LCA also launched a massive campaign that included billboards in NYC that were aimed at New York's City Council urging them to pass Intro 573 banning horse-drawn carriages and bus stop posters in key districts to target specific council members. LCA produced a Public Service Announcement (PSA), narrated by Emmy award-winning actress Edie Falco, that aired on major cable news networks, including CNN, Fox News and MSNBC throughout the five boroughs of NYC urging citizens to contact their council members to pass Mayor de Blasio's proposed ban on horse-drawn carriages. The carriage industry isn't just cruel; it threatens the safety of both New Yorkers and tourists.



**Defeating Ag Gag Bills:** Ag gag bills are in response to a series of highly publicized undercover investigations by animal activists and journalists. These investigations have

led to criminal convictions, lawsuits and major food recalls and have allowed consumers to see the hidden practices of agribusiness. Ag gag bills are state legislation aimed at punishing whistleblowers on factory farms and threaten to take away first amendment rights. LCA monitors and campaigns against pending ag gag bills. In March 2015, LCA successfully defeated Arkansas bill HB 1774, which would have banned audio recording between anyone in an employment relationship unless all parties consented. After LCA exposed the bill to the media and circulated a petition against it, HB 1774 died quietly in committee. Ag Gag bills are in response to a series of highly publicized undercover investigations by animal activists and journalists. At the end of 2015, there are 8 states that have passed ag gag bills.

**Puppy Mill Awareness Day (PMAD):** LCA held the 12<sup>th</sup> annual PMAD in September 2015 in Austin, TX. The event, attended by approximately 500 people, sponsored by LCA, seeks to end the cruel business of puppy mills by educating the public about the deplorable conditions and encouraging people to adopt animals through rescue organizations and shelters.

# **Public Education and Outreach:**



**Animal News Van:** LCA and the Animal News Van (ANV), attends special events, conferences, schools and fundraisers. LCA's custom-made, donated ANV is equipped with two large plasma televisions screens, a speaker system and led ticker tape. The

ANV uses the powerful medium of video to educate citizens about the current conditions animals live in by showing investigative reports and disseminating breaking news stories. Attendees at each event range from 30-300.

LCA's ongoing educational campaigns include extensive efforts to educate the public about animal suffering and ways to combat it using peaceful and lawful methods such as petition-signing, letter-writing, civil disobedience demonstrations and product boycotts. Special emphasis is given to schools to encourage the younger generation to adopt a compassionate, cruelty-free lifestyle.

Throughout the year, LCA was interviewed for television and radio shows, online news outlets and conducted numerous lectures at educational institutions. LCA also organized and attended civil disobedience demonstrations, tabling events and conferences with leaflets and petitions, educating the public about animal cruelty and what can be done to stop it.



LCA's President Chris DeRose Inspiring Others to Take Action for Animals

<u>Social Media & Websites:</u> LCA strives to educate the public about animal issues through websites, email alerts and social media. These educational tools are valuable resources for the public as they contain information on a variety of animal rights issues, encourage readers to take action and provide an opportunity to update members about LCA's programs. LCA's network of websites and social media includes <u>LCAnimal.org</u>, <u>StopDogMeat.com</u>, <u>RabbitCruelty.com</u>, <u>FactoryFarm360org</u>, <u>StolenPets.com</u>, <u>EndAgGagLaws.com</u>, <u>NoCircusCruelty.com</u>, <u>FurFreeFriday.com</u>, <u>BanPuppyMills.com</u>, <u>DealingDogs.com</u>, <u>LCASavingGorillas.org</u>, <u>EatCrueltyFree.com</u>, <u>twitter.com/LC4A</u> and facebook.com/LastChanceForAnimals.

High Accreditations from Charity Rating Websites: LCA is highly committed to accountability and financial transparency: Better Business Bureau Wise Giving Alliance - give.org - LCA has met all 20 standards and is an accredited charity. GuideStar - guidestar.org - LCA is a Gold level (highest level) GuideStar participant. Charity

Navigator - charitynavigator.com - LCA has received a four out of four-star rating.

**Financial Information:** LCA is a nonprofit, tax-exempt 501(c) (3) organization funded by over 150,000 individual donors around the globe. Our annual budget is far below that of many other animal advocacy groups. We are committed to using our funds in the most cost-effective and efficient manner possible. In the fiscal year ending December 31, 2015, LCA received a total income of \$2,439,378 broken down as follows:

Total	\$ 2,439,378		
Interest & dividend income	 28,201		
Royalties	908		
Loss on sale of securities	(12,869)		
Books & merchandise	1,179		
Bequests	1,229,586		
Donations and contributions	\$ 1,192,374		

**2015 Expenses:**LCA allocates expenditures to Programs, Fundraising and Management/General.

	Education & Public			Management /		
	Outreach	Investigations	Fundraising	General		Total
Payroll Expense	298,623	309,644	19,632	8,965	\$	636,864
Direct Mail	332,329	0	83,082	0	\$	415,411
Investigations Fees & Expenses	0	182,836	0	0	\$	182,836
Professional Fees	109,895	9,515	11,090	1,859	\$	132,358
Advertising	116,059	0	1,338	0	\$	117,397
Insurance Expense	41,974	39,094	424	409	\$	81,900
Computer Expense	49,324	13,773	2,041	4,928	\$	70,066
Rent & Parking	34,914	27,931	4,190	2,793	\$	69,829
Employee Benefits	13,000	36,400	1,560	1,040	\$	52,000
Public Relations	29,000	5,900	0	0	\$	34,900
Delivery & Postage	20,675	5,091	4,133	41	\$	29,940
Travel	16,606	10,360	0	0	\$	26,966
Depreciation Exp	22,660	5,963	0	0	\$	28,623
Animal News Van Expenses	22,934	0	0	0	\$	22,934
Donation Processing Fees	0	0	22,053	0	\$	22,053
Meals & Ent Expense	9,700	8,508	54	67	\$	18,329
Campaigns	14,523	0	0	0	\$	14,523
Charitable Registration Fees	0	0	12,581	0	\$	12,581
Telephone Expense	6,014	4,809	757	921	\$	12,502
Investment Advisory Fees	0	0	0	11,558	\$	11,558
Film & Video	8,020	495	0	0	\$	8,515
Press Conferences & Releases	5,518	2,966	0	0	\$	8,484
Office Expense	4,227	2,351	349	711	\$	7,638
Education & Outreach	5,943	144	0	0	\$	6,088
Bank & Interest Charges	1,712	2,266	255	137	\$	4,371
Loss on disposal of assets	0	0	3,548	0	\$	3,548
Protest Expenses	3,250	0	0	0	\$	3,250
Animal Welfare Expenses	2,944	0	0	0	\$	2,944
Printing & Reproduction	1,956	693	0	0	\$	2,649
Automobile Expense	1,498	962	0	0		2,461
Staff Recruiting	290	651	0	0		941
Per Diem	585	0	0		\$	585
Contributions/Support Other Grp	514	0	0	0	*	514
Gift Expense	0	0	145	0	\$	145
Miscl Expense	\$1,174,719	0 \$ 670.254	0 \$ 167.221		\$	31
Totals	\$ 1,174,718	\$ 670,354	\$ 167,231	\$ 33,429	\$	2,045,733

**Programs** include expenses directly related to LCA's work to expose and end animal

cruelty and abuse. This includes funding for program activities of undercover

investigations and campaigns, purchasing investigative equipment, working with the

media and government entities and creating informational materials to inform people

about animal exploitation.

**Fundraising** includes expenses, which have a primary purpose of raising revenue to

allow LCA's mission and work to continue. This includes efforts to solicit donations and

expenses related to those efforts. 20 percent of direct mail costs is fundraising expense

and 80 percent is the program cost of educating our members and calling them to action.

Management/General includes expenses for supporting and maintaining the business

side of LCA and includes filing paperwork with appropriate agencies to ensure LCA

operates as a responsible and legal nonprofit organization. These expenses are not

directly related to LCA's work to expose and end animal abuse.

Depending upon the nature of the staff position, salaries vary in their percentage reported

as program, fundraising and management/general expense.

Overall breakdown of expense categories as a percentage of total expenses is as follows:

**Programs** 

**Fundraising** 08%

Mgmt/General 02%

**Ending Net Assets: \$2,107,900** 

90%

LCA's 2015 Board of Directors and Officers:

Ariel Gale - Board Chairman

Mary Jo Greenberg - Board Vice Chairman

**June Averseng** - Board Secretary/Treasurer

**Rikki Rockett** - Board Director, animal activist and drummer for Poison

**James R Balesh** - Board Director, Civil Litigations Attorney

Chris DeRose - Board Director, President & Chief Executive Officer

**Cindy Beal**, Chief Financial Officer

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LCA was founded in 1984 to expose and end animal cruelty, focusing on ending animal-based experimentation (vivisection) through education and non-violent civil disobedience. For more than three decades, LCA has grown and broadened its focus to include all areas in which animals are abused in society: the fur industry, factory farming industries, wildlife management, stolen pets for research and product testing on animals.

In 2016, LCA will continue to work hard as the "FBI of Animal Rights" through undercover investigations, campaigns and the media.

Thank you for caring enough about your donation and your involvement with LCA to read our annual report. I hope you feel as much pride as I do about Last Chance for Animals, because without your support, none of our work is possible.

For the animals,

Chris DeRose

Founder and President

Last Chance for Animals

Last Chance for Animals is a nonprofit organization incorporated in the State of California, and since 1985 has been categorized with Federal I.D. #95-4013155 by the IRS as a tax-exempt 501(c) (3) organization. Donations are deductible to the fullest extent allowed by law.





#### **Mission Statement**

Last Chance for Animals (LCA) recognizes all living beings as possessing intrinsic value and, as such, are entitled to certain basic rights. Non-human animals are sentient individuals and should not be subjected to exploitation by humans.

LCA does not accept that a difference in species justifies wanton exploitation or oppression for any purpose. For this reason, LCA opposes the use of animals for our food, entertainment and scientific curiosity. In addition, LCA recognizes the use of non-human animals in experimentation designed to cure human disease as both immoral and of questionable scientific validity. LCA advocates conscious and informed lifestyle decisions and is committed to disseminating truthful information about societal animal abuse.

## **Cost-Effective Fundraising**

LCA is dedicated to helping animals. In the process, we are looking for ways to reduce our fundraising expense while, at the same time, meeting the needs of our donors. We examine ways to increase the amount of donations that go directly to helping animals and provide donors with several convenient and innovative options for gift-giving.

## **Planned Giving**

LCA is available to help you with your estate planning. In addition to leaving LCA in your will, there are other planned giving options that not only benefits the animals, but also <u>benefits you</u> through tax deductions. Planned giving is an important source of financial support for the animals.

**Non-Cash Gifts** 

LCA accepts non-cash gifts, and will either use the gift or sell the gift to help fund our

investigations and campaigns. Any property of value can be donated to LCA; including,

but not limited to, real estate and stock portfolios. By donating stock before selling it, you

not only deduct the value of the portfolio, but you also avoid paying capital gains taxes.

**Autos for Animals – Turning Cars into Care** 

Help save animals' lives by donating your used automobile, boat or RV to LCA. It's

quick and tax deductible to the fullest extent allowed by law. Click on the link to donate

your vehicle at <u>LCAnimal.org</u>.

Gifts of Goods or Services

In-kind donations of goods and services allow LCA to reduce its expenses. If you have

skills that could benefit LCA, or if your company has products or services that could

assist LCA in its fight against animal cruelty, please contact us.

Special Investigations Team - Automatic Monthly Giving

Support LCA's undercover investigations by becoming a Special Investigations Team

member by signing up to donate monthly via automatic withdrawals from your credit

card or checking account. Recurring donations help LCA establish regular funding that is

convenient to donors and helps reduce fundraising expenses.

For more details on any of these programs, please call 310-271-6096, ext. 28.

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