2004 was a year of major growth and accomplishment for TAG. Our staff made substantial progress in fighting for better research and broader access to treatment.

Basic Science & Vaccines Project Director Richard Jefferys continued to be one of the community’s strongest voices for faster, better AIDS vaccine, microbicide, and immune-based therapy research.

Antiretroviral Project Director Rob Camp’s frequently updated antiretroviral (ARV) pipeline table kept activists informed of progress in this busy field. He also developed TAG’s policies on new drugs that were in development or were recently approved by the FDA, such as Gilead’s Truvada (emtricitabine/tenofovir) and Glaxo’s Epzicom (epivir/abacavir).

In July 2004, TAG’s Hepatitis C Virus (HCV)/HIV Coinfection Project Director, Tracy Swan, published her magnum opus on Hepatitis C Virus (HCV) and HIV/HCV Coinfection: A Critical Review of Research and Treatment, and led activist efforts to focus more resources on deadly HCV coinfection.

In Bangkok at the 15th International AIDS Conference, TAG was honored to participate in a press conference with former South African President Nelson Mandela, who called on the world to respond to the challenges posed by the twin epidemics of HIV and tuberculosis (TB). At the press conference, TAG also announced receipt of a two-year leadership grant from the Bill & Melinda Gates Foundation for our TB/HIV Project.
2004 at a glance


FEBRUARY – The International Treatment Preparedness Coalition World Community Advisory Board (World CAB) met with Boehringer-Ingelheim, GlaxoSmithKline, and Roche in San Francisco, to demand lower anti-retroviral drug prices in developing countries. TAG participated in the 11th Retrovirus conference. TAG condemned Abbott at a press conference on a 400% price hike for Norvir. Richard Jefferys conducted a teach-in on immune-based therapies. TAG met with Thai activists to discuss troubled vaccine trial. Tracy Swan updated the hepatitis C virus (HCV) drug pipeline.

MARCH – Richard Jefferys wrote up a report on the Microbicides 2004 conference, held in London. New U.S. Antiretroviral Treatment Guidelines were posted. Activists from the Alliance for Microbicide Development, the AIDS Vaccine Advocacy Coalition, Gay Men’s Health Crisis, and TAG met with NIAID Director Anthony S. Fauci and colleagues at NIH to provide input on $500 million clinical trials recompetition.

APRIL – Activists demonstrated against Abbott and petitioned NIH to issue generic license for ritonavir based on unreasonable price for government-funded drug. Spurred by TAG, the NIH Office of AIDS Research convened an external review of NIAID trials recompetition. Activists wrote to U.S. international AIDS coordinator Randall Tobias to protest obstructionist U.S. policy regarding the use of generic antiretrovirals in developing countries.

MAY – Mark Harrington represented TAG at the tuberculosis (TB) advocacy workshop at the Bill & Melinda Gates Foundation in Seattle, WA, and testified at NIH meetings on clinical trials recompetition review meetings in Bethesda, MD. Dr. Mathilde Krim graciously hosted an evening event for TAG at her home in New York City.

JUNE – The Irene Diamond Fund awarded TAG $50,000 for its NIH advocacy work. Mark Harrington participated in the WHO TB advisory committee and TB/HIV working group meetings in Geneva, Switzerland. Tracy Swan completed a comprehensive report on HCV/HIV Coinfection. OAR sent recompetition recommendations, with input from TAG, to NIAID.

JULY – TAG had a major presence at the 15th International AIDS Conference in Bangkok, Thailand. Mark Harrington spoke at the Global Fund Partners Forum. TAG published Tracy Swan’s HCV/HIV Coinfection Project Report. TAG announced receipt of a two-year leadership grant from the Bill & Melinda Gates Foundation for our TB/HIV Project at a press conference where Nelson Mandela highlighted the importance of confronting TB along with HIV.
AUGUST – TAG announced an international TB/HIV advocacy grant competition with Open Society Institute (OSI). Richard Jefferys covered the AIDS Vaccines 2004 conference in Lausanne. Rob Camp participated in the AIDS Treatment Activists Coalition Drug Development Committee meeting and updated TAG’s antiviral pipeline. TAG met again with Dr. Fauci at NIH regarding the clinical trials recompetition.

SEPTEMBER – TAG/OSI TB/HIV advocacy grant review, Montreal, Canada. Mark Harrington gave plenary speech on future treatment at the National Association of People with AIDS (NAPWA) conference in Atlanta, GA, and attended the Global TB/HIV Working Group meeting in Addis Ababa, Ethiopia, where he and 10 AIDS activists provided input to the Global Stop TB Partnership on improving TB/HIV research and policy coordination. Richard Jefferys testified at the FDA’s Vaccines Advisory Committee on the troubled Thai vaccine trial. Rob Camp updated the TAG ARV pipeline.

OCTOBER – TAG held the 3rd International TB/HIV Community Workshop in Paris at the 35th TB Union conference. 45 activists from around the world planned TB/HIV advocacy strategies and met with the Global Stop TB Partnership and TB Union to discuss increasing HIV community involvement in TB. Rob Camp met with Gilead and Tibotec to discuss their new ARVs. Tracy Swan presented on HCV/HIV at the national Harm Reduction conference.

NOVEMBER – Mark Harrington voiced HIV community concerns at WHO HIV oversight committee meeting on 3x5 initiative in Geneva, Switzerland. Tracy Swan addressed HCV/HIV coinfection at the New York State hepatitis C conference.


TAG PROGRAMS

**Antiretroviral Project**

TAG’s Antiretroviral project staff review the state of research on anti-HIV drugs; advocate for greater efforts in this area; focus on innovative drugs that are active against drug-resistant HIV, easier to take, or less toxic. TAG advocates for better post-marketting research on approved antiretroviral drugs to improve standards of care; works on domestic and international treatment guidelines; and educates and mobilizes policymakers, researchers, and the HIV community on anti-HIV treatment research. TAG works with academic researchers, clinicians, federal agencies such as the Food & Drug Administration (FDA) and the National Institutes of Health (NIH), and with domestic and international community coalitions to achieve these ends.

**Basic Science & Vaccines Project**

TAG staff and consultants review the state of basic research on HIV/AIDS, including pathogenesis, immunology, vaccine, microbicide, and pre-clinical drug discovery and development, and advocates for better and faster research into the pathogenesis of HIV infection and the interactions between HIV and the immune system, for research on immune-based therapeutic approaches to HIV infection, for accelerated, scientifically rigorous HIV vaccine and microbicide research, and on projects to educate and mobilize policymakers, researchers, and the HIV community on basic science and vaccine development.
**TAG PROGRAMS**

**HCV Coinfection Project**
Led by TAG’s Coinfection Project Director, TAG staff and consultants review the state of research on the opportunistic complications, infections, cancers, and coinfections related to HIV/AIDS, and advocate for greater efforts in this area while working to educate and mobilize policymakers, researchers, and the HIV community. Current efforts focus on hepatitis C virus (HCV) infection, which may co-infect up to a quarter of all people with HIV in the United States and often leads to end-stage liver disease. TAG works to improve research, treatment, and community awareness of these coinfections.

**Federal Affairs / NIH Project**
TAG staff and consultants work to secure additional funds for the U.S. and international AIDS research, treatment, and public education programs and seek to influence policymakers, researchers, and the HIV community so that the funds are spent effectively and efficiently. TAG closely monitors the AIDS research programs at the National Institutes of Health (NIH) to ensure that they are efficient, effective, and address the highest priority questions in AIDS research and treatment, both domestically and internationally; and advocates in Washington, D.C., for a strong and independent NIH Office of AIDS Research (OAR). To these ends, TAG helps lead coalitions such as the AIDS Treatment Activists Coalition (ATAC), the Coalition for Salvage Therapy (CST), the Fair Price Coalition (FPC), the Federal AIDS Policy Partnership (FAPP), the Research Working Group (RWG), and Save ADAP.

**TAGline & Website**
TAG staff and consultants publish ten editions each year of the research and treatment policy newsletter, TAGline, as well as the bi-annual TAG Update, the Annual Report, and frequent updates on the TAG website, www.treatmentactiongroup.org.

**TB/HIV Project**
TAG’s TB/HIV Project seeks to educate and empower communities affected by HIV/AIDS domestically and internationally to understand, mobilize, and respond effectively to the challenges posed by the intersecting epidemics of tuberculosis (TB) and HIV. Worldwide, TB is the leading opportunistic infection and a leading cause of death among people living with HIV. To educate, mobilize, and empower HIV communities, TAG works with the support of the Bill & Melinda Gates Foundation and in alliance with the Open Society Institute (OSI), the Stop TB Partnership, the World Health Organization, and others to increase community understanding of TB/HIV coinfection and to increase the quality and quantity of research, treatment, and resources to combat the two epidemics.

**International Program**
TAG staff and consultants work with individuals and organizations in New York, in Washington, D.C., and around the world to catalyze more effective global interventions against the HIV pandemic. TAG helped organize the International Treatment Preparedness Coalition (ITPC), which in 2004 helped to win a $1 million contract from the World Health Organization to support treatment education and literacy efforts in developing countries. TAG works to mobilize more effective international programs from the Global Fund to Fight AIDS, TB & Malaria (GFATM), UNAIDS, the U.S. government, the World Bank, the World Health Organization (WHO), and others.

**Community Outreach & Education**
TAG staff and consultants work to educate communities around the U.S.A. affected by HIV about the latest developments in research and treatment and to train and mentor individuals to advocate on their own behalf. These activities include playing a leadership role in the North American AIDS Treatment Action Forum (NATAF) and helping to organize trainings for the AIDS Treatment Activists Coalition (ATAC) and its Drug Development Committee (DDC).
## TREATMENT ACTION GROUP, INC.  
STATEMENTS OF FINANCIAL POSITION

### ASSETS

<table>
<thead>
<tr>
<th>Current assets:</th>
<th>Years ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2004</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$403,725</td>
</tr>
<tr>
<td>Investment-donated marketable securities, at market</td>
<td>--</td>
</tr>
<tr>
<td>Due from vendor</td>
<td>--</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>1,506</td>
</tr>
<tr>
<td>Unconditional promises to give - Unrestricted</td>
<td>613,429</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>1,018,660</strong></td>
</tr>
<tr>
<td>Property and equipment - net of accumulated depreciation</td>
<td>12,333</td>
</tr>
<tr>
<td>Security deposits</td>
<td>2,756</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$1,033,749</strong></td>
</tr>
</tbody>
</table>

### LIABILITIES AND NET ASSETS

| Current liabilities: |  |
| Accounts payable and accrued expenses | $12,664 | $8,690 |
| **Total liabilities** | **12,664** | **8,690** |
| Net assets |  |
| Unrestricted | 249,018 | 333,221 |
| Temporarily restricted | 772,067 | -- |
| **Total net assets** | **1,021,085** | **333,221** |
| **Total liabilities and net assets** | **$1,033,749** | **$341,911** |

### STATEMENTS OF CASH FLOWS

**Cash flows from operating activities:**

- Increase (Decrease) in net assets: $687,864 | $ (55,432)
- Adjustments to reconcile increase in net assets to net cash provided by operating activities:
  - Unrealized (gain) loss on marketable securities: -- | (1,440)
  - Realized loss on sale of marketable securities: 466 | --
  - Depreciation: 5,939 | 5,651
  - Donation of marketable securities: -- | (1,705)
  - (Increase) Decrease in current assets:
    - Due from vendor: 3,937 | (3,937)
    - Prepaid expenses: (582) | (104)
    - Contributions receivable: (566,314) | 4,959
  - (Decrease) Increase in current liabilities:
    - Accrued expenses: 3,974 | (8,653)

**Net cash provided by (used in) operating activities**: $135,284 | $ (60,661)

**Cash flows from investing activities:**

- Proceeds from sale of marketable securities: 7,366 | --
- Purchases of property and equipment: -- | (7,518)

**Net cash provided by (used in) investing activities**: 7,366 | (7,518)

**Net increase (decrease) in cash balance**: 142,650 | (68,179)

**Cash, beginning of year**: 261,075 | 329,254

**Cash, end of year**: $403,725 | $261,075
TREATMENT ACTION GROUP, INC.
STATEMENTS OF ACTIVITIES

Years ended December 31,

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue and support:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bequests</td>
<td>$</td>
<td>$ 1,705</td>
</tr>
<tr>
<td>Direct mail</td>
<td>36,034</td>
<td>40,694</td>
</tr>
<tr>
<td>Donations</td>
<td>13,850</td>
<td>8,167</td>
</tr>
<tr>
<td>Grants</td>
<td>386,000</td>
<td>508,309</td>
</tr>
<tr>
<td>Special event income</td>
<td>70,853</td>
<td>105,590</td>
</tr>
<tr>
<td>Travel and other reimbursement</td>
<td>3,733</td>
<td>5,190</td>
</tr>
<tr>
<td>Interest and dividend income</td>
<td>1,429</td>
<td>2,467</td>
</tr>
<tr>
<td><strong>Total unrestricted revenue and support</strong></td>
<td><strong>511,899</strong></td>
<td><strong>672,122</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Expenses</strong></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Antiviral project</td>
<td>101,046</td>
<td>97,377</td>
</tr>
<tr>
<td>Federal Affairs/OAR project</td>
<td>11,822</td>
<td>19,916</td>
</tr>
<tr>
<td>Basic Science project</td>
<td>96,060</td>
<td>95,291</td>
</tr>
<tr>
<td>HCV Coinfection project</td>
<td>95,113</td>
<td>33,066</td>
</tr>
<tr>
<td>TB/HIV Project</td>
<td>246,841</td>
<td>–</td>
</tr>
<tr>
<td>Community outreach program</td>
<td>10,228</td>
<td>67,092</td>
</tr>
<tr>
<td>TAGline/Website</td>
<td>73,568</td>
<td>73,549</td>
</tr>
<tr>
<td>International program</td>
<td>13,895</td>
<td>178,114</td>
</tr>
<tr>
<td><strong>Total services expenses</strong></td>
<td><strong>648,573</strong></td>
<td><strong>564,405</strong></td>
</tr>
</tbody>
</table>

| **Supporting services expenses** |            |            |
| Management and general | 91,129 | 101,771 |
| Fundraising | 65,497 | 62,818 |
| **Total services expenses** | **805,199** | **728,994** |

| **Other income (expenses)** |            |            |
| Realized gain (loss) on sale of marketable securities | (466) | – |
| Unrealized gain (loss) on marketable securities | – | 1,440 |
| **Total other income (expenses)** | **(466)** | **1,440** |

| (Decrease) Increase in unrestricted net assets |            |            |
| Temporarily restricted net assets |            |            |
| Grants | 979,189 | – |
| Net assets released from restrictions: | (209,563) | – |
| Interest income | 2,441 | – |
| **Increase in temporary restricted net assets** | 772,067 | – |

| **Increase (Decrease) in total net assets** |            |            |
| **333,221** | **388,653** |

| **Net assets, beginning of year** |            |            |
| **333,221** | **388,653** |

| **Net assets, end of year** |            |            |
| **$ 1,021,085** | **$ 333,221** |
$100,000 or more
The Bill & Melinda Gates Foundation

$50,000-99,000
Paul L. Newman
Roche Pharmaceuticals

$25,000-$49,999
Bristol-Myers Squibb Virology
The Irene Diamond Fund
JP Morgan Chase

$10,000-$24,999
Boehringer Ingelheim Corporation
The Gesso Foundation
Gilead Sciences, Inc.
GlaxoSmithKline Inc.
Richard M. Lynn & Joseph Evall

$5,000-$9,999
Broadway Cares/Equity Fights AIDS
Randall G. Drain
The Mary Wohlford Foundation

$2,500-$4,999
Michael A. Becker & Tee Scatuorchio
Marcus Edward
M. Lee Garrison
Alby P. Maccarone, Jr.
Mark O’Donnell
The Open Society Institute

$1,000-$2,499
Katherine C. & Thomas M. Ash
Concerned Parents For AIDS Research
David Corkery
Michael Cowing
Constance D’Aurizio
Richard A. & Barbara Knowles Debs
David Dechman
Lynda Dee, Esq.
Paul L. Dietz
Gene D. Falk & Tim Savin
Richard & Judith Harrington
David Hollander
Lawrence H. Hoskins
Mathilde Krim, Ph.D.
Carey C. Maloney
J. Michael McCune, M.D. &
Karen Kaye Smith-McCune
Jason I. Osher
James J. Porcarelli & Scott R. Gerst
The Rockefeller Foundation
Bruce R. Schackman & Edward K. Sikov
Evan Schwartz & Robert Fitterman
Brien & Cynthia Stafford
Tommy Tune
W. Kirk Wallace & Mark M. Sexton
The Zacks Family Foundation

Pierre G. Durand
Michael Field & Jeffrey Arnstein
Joseph T. Flynn, M.D.
Steven Frank & Elizabeth S. Powell
James C. Hormel
Barbara F. Hughes
Jed Kapnos & Luis Fernandez
Horace S. Kenney, III
Richard M. Kielar &
Christian Zimmermann
Noel E.D. Kirnon & Michael D. Paley
Michael Longacre
Loring R. McAlpin
Laura A. Morrison
Judith D. & Samuel P. Peabody
John & Patricia Pollok
Mary C. Rieth
Marvin Shulman
John A. Silberman
Jane Silver
Ted Voss

$250-$499
Daniel H. Baldini
Mike R. Barr
Paul Beirne
Frank V. & Meredith C. Bove
Frank A. Bove
David C. Bright, O.D.
Lynne Brown
Mark A. Callahan, M.D. &
Lisa Rowland Callahan, M.D.
Randall E. Cooper
Scott B. Cook
Charles C. J. Carpenter, M.D.
Paul A. Dierkes
Peter Difflay
Joseph DiNorcia &
Mary Ann Sheehan-DiNorcia
Benjamin F. Doller

Thomas K. Duane
Jay Episalla
Carol H. & John L. Field
Hartly Fleischmann
Alison Flynn
Gerald H. Friedland, M.D.
David Gold
Neal Graumann &
Michael Gambardella
Carolyn Hall
Chris Harrington & Daphne Powell
Mark Harrington
Paul Kawata
Edward J. Kennedy
Paul E. Kennedy
Dannielle Leigh
James McKay Harcus
Alan E. Lindgren
Kenneth T. Monteiro &
Leo J. Blackman
Robert E. Monteleone
George J. & Mirla Morrison
Donna M. Pauldine
Kenneth F. Rash & Scott L. Oftstead
Arthur Rubinstein
John Rutigliano
Nina Schwalbe & Sally Girvin
James C. & Susan Shehan
Betty C. Sikov
Peter R. Staley & Gary Schwartz
Mort & Margaret Steinberg
Monte Steinman
Mary Tokar
William J. Zwart &
David W. Berchenbriter

Thank You!
TAG MISSION STATEMENT

Founded in January 1992, the Treatment Action Group, or TAG, is the first and only AIDS organization dedicated solely to advocating for larger and more efficient research efforts, both public and private, towards finding a cure for AIDS.

The Treatment Action Group (TAG) fights to find better treatments, a vaccine, and a cure for AIDS and to ensure that all people living with HIV receive the necessary treatment, care, and information they need to save their lives. TAG focuses on the AIDS research effort, both public and private, the drug development process, and health care delivery systems. We meet with researchers, pharmaceutical companies, and government officials to encourage exploration of understudied areas in AIDS research and speed up drug development, approval, and access. We work with the World Health Organization and community organizations globally, and strive to develop the scientific and political expertise needed to transform policy. TAG is committed to working for and with all communities affected by HIV.

TAG is a non-profit corporation with 501c (3) status. Contributions are tax deductible to the extent allowed by law.