

# HSUS improves financial standing despite decline in donations for animal activists

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## Summary

According to the December 2006 edition of *Animal People*, the country’s largest animal rights activist group, the Humane Society for the United States (HSUS), increased its donations by a significant 62 percent in 2005 (the most recent available data). This improves the group’s net assets, which total more than \$200 million.

## Background

*Animal People* annually publishes an article, “Who Gets the Money,” which reviews animal charity budgets based on the Internal Revenue Service Form 990 filings these groups are required to file. The list of organizations *Animal People* looks at includes mainstream animal protection groups like the African Wildlife Foundation, Conservation International and The Nature Conservancy, as well as more radical animal rights groups like HSUS, People for the Ethical Treatment of Animals (PETA), Farm Sanctuary and Compassion Over Killing. However, some of the most radical groups, like Stop Huntingdon Animal Cruelty (SHAC), Hugs for Puppies and Animal Defense League, are not included because they did not file tax documents.

## Groups gain despite donations decline

The animal rights movement giant, HSUS, further strengthened its already significant influence in 2005. HSUS was able to improve revenue 62 percent from 2004, even in a year when *Animal People* says overall donations and earnings for animal rights groups declined 2 percent. Revenue for the second largest animal rights activist group, the Massachusetts Society for Prevention of Cruelty to Animals (MSPCA), increased 3 percent in 2005 to total \$49.6 million. The smaller Animal Welfare Institute (AWI), headed by Cathy Liss, actually experienced the greatest revenue gains, increasing 200 percent from \$2.9 million to \$9 million in 2005.

The Connecticut-based Friends of Animals raised its revenue in 2005 to \$5 million, a 27-percent increase from 2004. Other animal rights groups showing double-digit revenue improvements in 2005 were the Animal Legal Defense Fund, International Society for Animal Rights, Farm Animal Reform Movement, Association of Vets for Animal Rights, In Defense of Animals, Compassion Over Killing and Vegan Outreach.

Donations/Earned	2005 (\$millions)	2004 (\$millions)	Change
Humane Society of the United States/Fund for Animals	119.9	74.0	62%
Massachusetts SPCA	49.6	48.2	3%
People for the Ethical Treatment of Animals (PETA)	25.8	28.1	-8%
EarthJustice	20.7	20.7	0%
International Fund for Animal Welfare (IFAW)	17.3	77.5	-78%
Animal Welfare Institute	9.0	2.9	209%
Physicians Committee for Responsible Medicine (PCRM)	7.0	10.2	-31%
PCRM Foundation	6.1	5.8	5%
Friends of Animals (FoA)	5.0	3.9	27%
Farm Sanctuary	4.5	4.2	7%
In Defense of Animals	3.7	3.2	17%
Animal Legal Defense Fund	4.0*	3.6	11%
Doris Day Animal League	3.4	N/A	N/A
Animal Protection Institute	3.3	3.2	2%
Humane Farming Association	2.1	2.2	-5%
Food Animal Concerns Trust (FACT)	0.6*	0.6	-3%
Animal People	0.6	0.4	44%
International Society for Animal Rights	0.5	0.1	407%
Farm Animal Reform Movement	0.5	0.4	26%
Doris Day Animal Foundation	0.5	N/A	N/A
Association of Veterinarians for Animal Rights	0.4	0.2	124%
Compassion Over Killing	0.4	0.3	36%
Vegetarian Resource Group	0.3	0.4	-16%
Vegan Outreach	0.3	0.3	12%
VIVA (UK)	0.2	N/A	N/A
United Poultry Concerns	0.1	0.2	-37%
VIVA (US)	0.1	N/A	N/A

\*Not available from *Animal People*. Number appears as reported on Charity Navigator, a third party charity evaluation site.

The accompanying table details earning and donation changes for 23 animal rights organizations that focus at least part of their efforts against animal agriculture. Overall, the combined revenues for these groups declined from about \$290 million in 2004 to about \$286 million in 2005.

**Total assets significantly improve**

Although revenue for animal rights activist groups leveled off in 2005, total assets improved 33 percent. HSUS led the surge, with its assets expanding 80 percent or \$89.1 million. Many other activist groups saw increases in assets during the year, led by a \$7.9 million addition to the Animal Welfare Institute’s financial resources. Multiple activist groups registered double-digit gains in assets, including Animal People (up 250%), the Physicians Committee for Responsible Medicine (up 39%), Compassion Over Killing (up 36%), the Association of Vets for Animal Rights (up 30%), the Animal Protection Institute (up 26%), Farm Animal Reform Movement (up 22%), the Humane Farming Association (up 21%) and Friends of Animals (10%). Overall, total assets for the most influential activist groups increased 33 percent – more than \$100 million – from about \$310 million in 2004 to more than \$410 million in 2005.

**Executives well paid for their efforts**

The *Animal People* article also reports the salaries for chief executives, top-paid staff and consultants – showing these activist get well paid for their efforts to end animal agriculture. For example, HSUS’ Past-President Paul Irwin was paid more than \$175,000 in 2005, even though he retired in 2004. But at least he made less than the top nine HSUS executives, who were paid an average of \$195,000 each for their 2005 services.

The six-digit salaries continue with MSPCA, which has been successfully hijacked by animal rights extremists. It paid president Larry Hawke an outrageous \$402,634 in 2005. According to GuideStar, an independent guide to charities, the average salary for presidents of \$50-million-plus charities increased to \$345,100 in 2006, up 7.7 percent from \$320,307 in 2005.

Several animal rights group leaders received significant raises in 2005. Martha Armstrong, senior vice-president at HSUS, received a 71 percent pay increase. MSPCA employees Louise Mackisack, Carter Luke, Christine Anderson and Howard Levy – all originally making more than \$150,000 – received more than 20 percent in pay increases.

**HSUS budget sheds light on its priorities**

Analysis of the HSUS financial operations report shows the organization allocated more than \$11 million of its 2005 budget to “Campaigns, legislation and litigation.” This new category seems to be a consolidation of the items listed in 2004 as “cruelty investigations and regional offices” (\$5,945,404); “legal assistance, litigation and government relations” (\$2,591,006); and “laboratory bioethics and farm animals” (\$1,669,685). Conveniently, the new bookkeeping makes it harder for outsiders to interpret the HSUS agenda.

Individual	Group	Position	2005 Salary
Larry Hawk	MSPCA	President	\$402,634
Fred O'Regan	IFAW	CEO	\$273,829
Louise Mackisack	MSPCA	CEO	\$272,833
Vawter Parker	Earth Justice	Executive Director	\$234,869
Carter Luke	MSPCA	V-P	\$234,044
Martha Armstrong	HSUS	Senior V-P	\$224,375
Wayne Pacelle	HSUS	President	\$223,328
Frederick Thomson	Jane Goodall Institute	CEO	\$221,954
Andrew Rowan	HSUS	Executive V-P	\$213,770
John Bowen	MSPCA	V-P	\$206,656
Patricia Forkan	HSUS	External Affairs	\$206,199
Christine Anderson	MSPCA	Oncology	\$201,578
Michael Bernstein	MSPCA	Director of Medicine	\$199,803
Thomas Waite	HSUS	CFO	\$195,307
Howard Levy	MSPCA	V-P	\$192,754
Michael Pavletic	MSPCA	Director Surgery	\$192,695
Ann Marie Manning	MSPCA	Chief Medical Officer	\$191,932
Azzedine Downs	IFAW	Executive V-P	\$189,072
Kelly Beck	MSPCA	Director-Radiology	\$188,580
Roger Kindler	HSUS	General Counsel	\$186,490
Dana Ramischi	MSPCA	V-P	\$180,513
Kathleen Collins	MSPCA	V-P	\$177,063
Paul Irwin	HSUS	former President	\$176,440
John Grandy	HSUS	Senior V-P, Wildlife	\$163,930
Mike Markarian	HSUS	V-P, External Affairs	\$161,668
Mary Bege	HSUS	Assistant Treasurer	\$135,919

In 2005, HSUS also appeared to shift nearly \$28 million of its budget to the new item “Regional and local programs,” which could account for the plethora of small, anti-agriculture activist groups willing to cooperate on the HSUS agenda in areas like Iowa. Also of concern, HSUS created a new, \$4-million budget item in 2005, “international external affairs.” This new international emphasis may explain the presence of HSUS staffer Paul Shapiro at a recent conference in Toronto, where he told attendees that “Eggs are the new veal.” The conference, themed “Delivering Humane Food in Canada,” was sponsored by the Canadian Coalition for Farm Animals, an umbrella organization of 27 humane societies and animal welfare groups that already has held several protests outside grocery stores.

Importantly, HSUS does not dedicate any money to research into the animal welfare issues it claims are problems on American farms.

*The beef industry’s Checkoff-funded issues management program supports the Animal Agriculture Alliance in its efforts to provide a united voice for those involved in the animal agriculture and food industries, communicating science-based information to a broad-based audience of consumers and media.*

## Key Points

- The combined revenue for 23 of the animal rights organizations that campaign against animal agriculture declined from about \$290 million in 2004 to about \$286 million in 2005. However, total assets for these groups improved 33 percent.
- According to *Animal People’s* annual article reviewing the financial influence of animal rights groups, HSUS was one of the few to experience improved revenue (up 62%) and growing assets (total assets up 80%) in 2005.
- The senior people on staff with these animal rights groups are well-paid for their efforts. Their salaries range from nearly \$200,000 for a former HSUS president who retired in 2004 to more than \$400,000 for the current president of MSPCA.
- The HSUS operating budget for 2005 shows the organization may be shifting its focus and attempting to hide its agenda. It rolled several more poignant budgets into one general budget in 2005, and created two new budgets that suggest an emphasis on local and international activities.