The Voice of the Donor for a Cure

Juvenile Diabetes Cure Alliance

Aaron Gorin

Director of Research Analysis

212.308.7433

apg@thejdca.org

Organizations of Focus:

American Diabetes Association (ADA)

Diabetes Research Institute Foundation (DRIF)

JDRF

Joslin Diabetes Center (Joslin)

A View of the Type 1 Cure Landscape From the Donor Perspective

Conclusions:

• The JDCA has undertaken an analysis of the key segments within the type 1 Practical Cure research landscape to provide a comprehensive overview.

• This analysis lays the foundation for expanding coverage in selected institutions within each segment throughout 2014, including foundations that fund type 1 cure research as well as centers that are directly conducting Practical Cure research.

• This coverage expansion will give donors a more holistic view of type 1 diabetes Practical Cure research and options for giving in the United States.





Specify for Practical Cure research. Use our letter at www.thejdca.org/

Call us for an advisory meeting at 212-308-7433

The JDCA and its employees seek to maintain independence from organizations covered in its research reports. The JDCA and its employees are free from conflicts of interest, receive no compensation from the organizations discussed in its reports, and seek to avoid any relationships with any organizations that could influence its objectivity and independence. Please see Analyst Certification and Other Disclosures at the end of this report.

In this report, we take a fresh look at the type 1 research landscape through donor eyes, endeavoring to offer a broader view of the players who support and conduct type 1 cure research throughout the United States.

This analysis lays the foundation for coverage expansion during 2014. There are two main goals:

- To achieve comprehensive coverage of the type 1 research landscape in the U.S., encompassing both the major non-profit organizations we have been covering (JDRF, ADA, Joslin, and DRIF) as well as additional research centers and regional non-profits that make significant contributions to the field of type 1 cure research.
- To make the JDCA's presence known to all Practical Cure developments, whether they are research center initiatives, individual projects, or even endeavors by private or public companies.

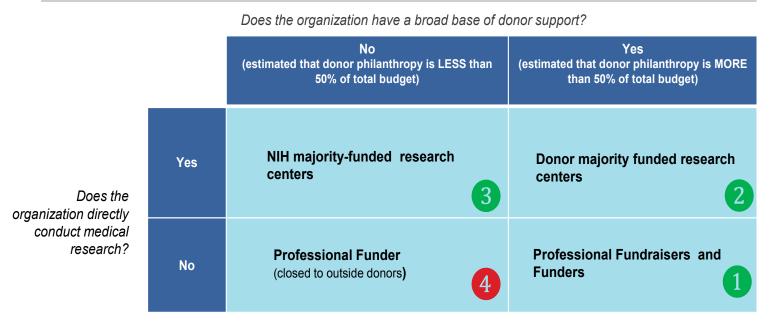
Segmenting the Type 1 Research Universe

In surveying the type 1 research and philanthropic landscape, we sorted organizations according to two key questions:

- 1. Does the organization have a broad base of donor support (i.e. >50% of the total budget)?
- 2. Does the organization directly conduct medical research?

Sorting organizations according to these criteria provides a sense of the donor's role in the organization and potential influence on the research agenda. As depicted in *Donation Segments*, donor involvement ranks from most impactful (to the organization) in group 1 to the least impactful in group 4.

Donation Segments



Group 1: Diabetes Philanthropies

Basic description: Diabetes charities solicit donor contributions, which they channel to fund type 1 research at research institutions; they do not conduct medical research themselves.

Examples: JDRF, the American Diabetes Association (ADA), the Diabetes Research Institute Foundation (DRIF), the Center for Childhood Diabetes (CCD)

Donor interest: Organizations in this group are often the donor's first point of contact with type 1 philanthropy. Diabetes philanthropies often use donor contributions to fund a number of research areas and non-research activities, so donors must specify how they want their donation to be used in order to ensure that their money is used according to their wishes.

Key complexities: Diabetes non-profits may be classified as either broad or dedicated. Non-profits in the broad category (e.g. JDRF, the ADA) distribute funds to researchers at a vast number of research centers across the United States and internationally. In contrast, captive philanthropies direct funds exclusively to a single research center. For example, the CCD raises funds for the Barbara Davis Center, and the DRIF raises money only for the Diabetes Research Institute.

Group 2: Research Centers with High Philanthropic Support Group

Basic description: Donor-Majority Funded Research centers solicit donor contributions to apply directly towards medical research conducted at their institution as well as for patient care.

Examples: Joslin Diabetes Center, the Diabetes Research Institute (University of Miami), the Barbara Davis Center (University of Colorado, Denver), the Sanford Center (University of South Dakota), the Schulze Center (University of Minnesota)

Donor interest: Donors can make a significant impact by directing funds to research centers that derive their budgets mostly from donor capital.

Key complexities: Different research centers amass donor support through different channels. At those with the highest level of donor support, contributions often come from two main sources: a single donor or family who has endowed the center (e.g. Barbara Davis, Sanford, and Schulze), and/or a diabetes philanthropy that raises money specifically for the research center (e.g. the CCD for Barbara Davis, the DRIF for the DRI). Still others sponsor significant fundraising events themselves (e.g. Joslin, the Chicago Diabetes Project).

Group 3: Research Centers with Low Philanthropic Support

Basic description: Government-Majority Funded Research centers obtain government grant funding, primarily from the NIH for conducting medical research as well as for patient care. Donor contributions are not a significant driver of research priorities.

Examples: The sidebar lists the top 20 organizations in this group, as defined by the size of their annual type 1 NIH research budget.

Donor interest: Although these research centers' budgets rely mostly on the NIH or other government funding, they readily accept secondary support from donors.

Group 3 Examples

Albert Einstein Beth Israel Deaconess Columbia University Duke University Emory University George Washington University Johns Hopkins University La Jolla Institute Mass General Hospital Medical College of Wisconsin University of Michigan University of Pittsburgh University of Washington UCSF University of Chicago University of Pennsylvania Vanderbilt University Virgina Mason (Benarova) Washington University Yale University

Key complexities: Because donors do not determine or prioritize research goals, research centers with low philanthropic support may have a less coordinated research agenda.

Group 4: Private Foundations

Basic description: Private foundations obtain funding from a single private entity (individual, family, or corporate trust) for funding type 1 research at research institutions. They do not conduct medical research themselves.

Examples: The Helmsley Trust

Donor interest: While initiatives at private foundations may be of interest to donors, supporting these organizations directly is not an option. For this reason, while the JDCA may report on the private foundations' activities from time to time, but we not plan to include them in our coverage expansion

Key complexities: Researchers seeking grants from a private foundation may pitch their objectives and methods to foundation leadership, or may apply for funding as part of a specific initiative that the private foundation is sponsoring.

Donor Implications

Donors should seek to align their Practical Cure stipulated donations with those organizations who most closely match their needs in terms of driving impactful research, degree of involvement and specificity of project/approach funding, and/or other personal preferences. In addition to this enhanced coverage set, the JDCA also intends to expand our Donor Advisory Service in 2014 to help donors personalize and tailor their individual giving needs and ensure their funds are impactful.



14 East 60th St, Suite 208 New York, NY, 10022

Phone: 212-308-7433

Email: info@thejdca.org

Website: thejdca.org

Analyst Certification

The JDCA analyst responsible for the content of this report certifies that with respect to each organization covered in this report: 1) the views expressed accurately reflect his own personal views about the organizations; and 2) no part of his compensation was, is, or will be, directly or indirectly, related to the specific views expressed in this research report.

Other Disclosures

All Rights Reserved. The JDCA and its employees will not be liable for any claims or lawsuits from any third parties arising from the use or distribution of this document. This report is for distribution only under such circumstances as may be permitted by applicable law. All information expressed in this document was obtained from sources believed to be reliable and in good faith, but no representation or warranty, express or implied, is made as to its accuracy or completeness. All information and opinions are current only as of the date of this report and are subject to change without notice.