



ANNUAL REPORT 2019

Championing Equal Access to Quality Education for Kids in Need





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Education Rewrites Futures

My dad was born to a poor family in Ohio. His father was disabled and his mother supported the family as a cleaning lady and a short order cook. I remember the house they lived in — it was Pepto-Bismol pink and had what amounted to an open sewer running along the back of the lot. It was a tough life. Everyone was struggling.

But after serving in World War II, the G.I. Bill gave my dad something he didn't have before — access to education. He went to college and everything changed for him, and in turn, for me and for all my brothers and sisters, and for our children. These breakthrough moments are the times when education rewrites the future for entire families and the generations that follow.

That's why at First Book, we fiercely champion abundant access to quality education. Every child should be able to get a good education, no matter how much money their family has or where they grow up. And stories like my dad's keep us hopeful. Education changes lives, and every year, we continue getting books and resources to kids who need them, and producing research and insights that advance the field. In these pages, you'll read about the milestones we've reached with our comprehensive approach to break down the barriers standing between kids in need and a quality education.

Educational inequity is a complex problem, but addressing it is not impossible — not with an amazing group of partners and supporters, and nearly half a million educators committed to making sure their students reach their fullest potential. We thank each one of you for joining us in our work to help every child have access to a quality education.



With gratitude,
Kyle Zimmer
President, CEO, Co-founder



The Why: Every Child Deserves a Quality Education

For many children, access to quality education is a given. With books in their backpacks and their stomachs full, they go to schools equipped with the resources and support they need to reach their full potential.

But getting the same kind of educational experience is often out of reach for the more than 50 percent of U.S. public school students that come from low-income communities. For them, books and educational materials — even the basics like food and warm clothes — are scarce and unaffordable. As a result, they are at a disadvantage from the start.

The solution starts with making sure kids have everything they need to learn, and their educators have everything they need to provide the best education possible, from books to backpacks to up-to-date teaching resources. That's where First Book comes in.

The How: First Book's Solution to Educational Inequity

Our Model



Since 1992, First Book has made sure that educators serving kids in need have affordable access to new, high-quality books and resources. But the lack of books isn't the only thing preventing kids in need from getting a quality education.

First Book is tackling the range of barriers to quality education faced by kids in need with an integrated family of complementary social enterprises. Together, the enterprises create a comprehensive solution that works to bring equal access to quality education for all kids, no matter where they live.



A Family of Social Enterprises

With more than 450,000 educators and 1,000 more joining each week, the First Book Network is the largest and fastest-growing community of educators serving kids in need.



The **First Book Marketplace** provides the First Book Network with thousands of affordable, new, and curated books, educational resources, and basic necessities for kids in need from birth to age 18.



First Book Research & Insights aggregates the voices of the First Book Network to assess their needs, inform content on the First Book Marketplace, and generate original data that ultimately advances the fields of education and poverty research.



The **First Book Accelerator** turns current research into actionable tools that are distributed to the more than 450,000 educators in our network — so members don't have to wait months or years to use research-based best practices in their classroom.

2019 at a Glance

5 million kids

received brand new books & school supplies

50,000+ educators

joined the First Book Network, bringing the number of educators we serve to more than 450,000

13 million+ books

distributed through the First Book Marketplace

\$4.7 million in book credits

distributed through the OMG Books Awards, First Book's largest-ever grant

2x the distribution

of learning games and toys, educational resources, classroom supplies, and everything we do that goes beyond books

28 exclusive

First Book Special Edition titles added to the First Book Marketplace

21 quantitative studies

conducted through First Book Research & Insights

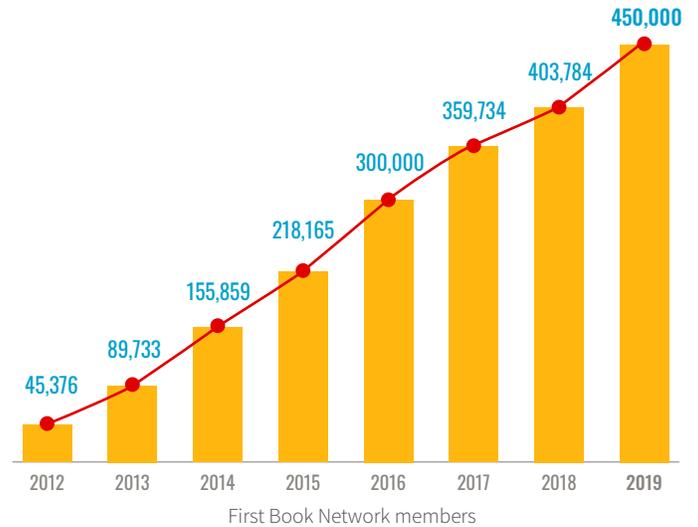
First Book Network: A Growing Community of Educators Serving Kids in Need

Educators know that First Book is so much more than books: 55 percent of educators list “adding their voice to a movement” as one of the reasons they joined.

It has always been First Book’s priority to develop meaningful relationships with the educators we work with, who serve kids in need day-in and day-out. We’re proud of the **First Book Network’s** uninterrupted growth — and of the stories behind each one of them. In just seven years, the First Book Network grew a whopping **891.7 percent**.

The First Book Network continues to grow at a rate of 1,000 educators each week and has active members in all 50 U.S. states, the District of Columbia and Puerto Rico, and all 10 Canadian provinces.

In 2019 alone, the First Book Network grew 11 percent, from 403,784 educators to more than 450,000.





First Book Marketplace: Relevant, Affordable Books and Resources in the Hands of Kids in Need

The [First Book Marketplace](#) provides the First Book Network with affordable, 24-hour, year-round access to thousands of new, high-quality, curated books — some for just the cost of shipping — educational resources, and basic necessities for kids in need from birth to age 18. This year, the Marketplace more than doubled the distribution of learning games and toys, educational resources, and classroom supplies.

We also added 28 exclusive First Book Special Edition books, which First Book develops in partnership with publishers to ensure educators can access low-cost editions of popular books that are usually only available in expensive formats.

Impact Numbers

13 million
books and resources distributed

48%
more users on the site
in 2019 compared to 2018

\$54.6 million
in savings of First Book members
by shopping on the Marketplace*

*This accounts for publisher discounts, donated inventory, and supplemental partner funding.



JOYCE SAYS:

Whenever I give new books to the kindergarten students at Owens Primary, they can't believe it. They're opening them right away, and they're lying down on their tummies looking at them right away saying, "This is mine, I'm reading it now!" Their parents think it's a mistake.

They bring the books back to school, and I tell them, "No, it's yours to keep!" This happens quite often, and teachers tell me that it still happens. The kids are in awe that these beautiful books are really theirs to keep forever.

Many parents will speak to me in Spanish, roughly translating to, "Teacher, do I pay you for it? How much is it?" When the parents realize this gift, they're overwhelmed. They tell me, "We love the books so much! We'll take good care of them."

**Joyce Victor, First Book Member,
Owens Primary School, CA**

Research & Insights: Advancing the Field by Amplifying Educators' Voices

First Book Research & Insights leverages the extensive knowledge and expertise of the First Book Network to generate original data that advances the fields of education and poverty research. As part of the 21 studies we conducted in 2019, we partnered with ImpactED at the University of Pennsylvania to ask the Network to identify the most common barriers to learning faced by kids in need.

Members reported that the most common barriers faced by their students have nothing to do with what goes on in the classroom — they are all related to the toxic stress of poverty.

ACCORDING TO EDUCATORS, THE FIVE MOST SIGNIFICANT OBSTACLES PREVENTING KIDS FROM LEARNING ARE:		WITH THE RIGHT SUPPORT, EDUCATORS FELT THAT THEY COULD IMPACT ALL FIVE OF THE MOST COMMON BARRIERS.	
Lack of family engagement	Cited by 72%	90%	felt they could impact lack of family engagement
Complicated family structure <i>(including deported, absent, or incarcerated family member)</i>	71%	70%	felt they could impact the stress of a complicated family structure
Inadequate access to emotional/behavioral/mental health support	67%	87%	felt they could impact the effects of inadequate access to emotional/behavioral/mental health support
Lack of books that are culturally relevant and of interest to kids	63%	98%	felt they could address the lack of books that are culturally relevant and of interest to kids
Experiencing trauma or extreme stress	62%	87%	felt they could impact the effects of trauma or extreme stress

First Book Education Barriers Survey, September 2019

” Educators are on the front lines of a crisis in our public schools that has its roots in poverty. We have to equip educators — and schools as a whole — to address the full spectrum of health and social needs that are showing up in their classrooms, or we will lose a generation of kids.

▶▶ Kyle Zimmer, President, CEO, and Co-founder of First Book



First Book Accelerator: Making Research Work for Educators

The **First Book Accelerator** responds to educators' needs by turning current research into actionable classroom tools. We match the resources with books, and we do it in a matter of weeks — a drastic reduction in the current amount of time it takes for educators to benefit from up-to-date research, which can sometimes take years.

In 2019, the Accelerator responded to educator feedback with toolkits, teaching guides, and a cultural calendar that promote respect, empathy, and diversity, and held standing-room only workshops on the Trauma Toolkit and an unconscious bias self-assessment tool. The Trauma Toolkit, which gives educators guidance and tools for working with kids affected by trauma, has reached nearly half a million children since launching in 2017.

The second edition of the Cultural Calendar, launched in August, reached more than 165,000 children by the end of the year.

Cultural Calendar Impact Numbers

90%

of educators felt more comfortable discussing cultures other than their own, with the help of the calendar

70%

of educators shared the calendar with other educators

” Every educator across the country should have this resource in their classroom.

▶▶ First Book Network member on the Trauma Toolkit





OMG Books Impact Numbers

Awarded \$4.7 million

to 81 organizations and 20,000 educators

Reached 600,000

kids in need

Distributed 1.5 million

culturally relevant, high quality books and eBooks with an estimated value of \$12 million

Reached 33

states and territories across the U.S.



KRISTI SAYS:

Our school was blessed enough to be included in the grant for multicultural/ bilingual books for our students. Our English Language Learners were so excited to hear about these books. It is important for these students to be recognized and their diversity celebrated. They need to see their own lives and situations mirrored in these amazing stories.

Kristi Cool, a reading specialist at Municipal Elementary School in Roy, UT

Kristi is a member of the American Federation of Teachers Utah that received a \$52,000 OMG Books grant for more diverse and bilingual books in the classrooms.



A child’s potential is compromised by the absence of resources, but there are educators working to put good books in the right places. Inspiring a lifelong love of reading is essential, and that means creating regular access to books that kids want to read. That’s what First Book does, and what the OMG Books Awards program aims to amplify — we spark the innovation that breaks down barriers to education.

▶▶▶ Kyle Zimmer, President, CEO, and Co-founder of First Book



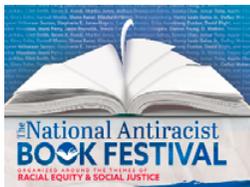
2019 Highlights

Accolades

- First Book becomes a milestone winner in the \$1M Adult Literacy XPRIZE Communities Competition
- First Book and Pizza Hut win the 2019 Silver Halo Award for Best Consumer-Activated Corporate Donation Campaign for raising more than \$800,000 and bringing books to over 750 schools, community organizations, and nonprofit programs

Events

- First Book co-sponsors the National Antiracist Book Festival, hosted by American University's Antiracist Research and Policy Center



- First Book and Disney bring iconic Star Wars characters and Lucasfilm book illustrator Brian Kesinger to East Los Angeles kindergartners for story time and a drawing lesson

- Former U.S. First Lady Michelle Obama meets 15 girls from Toronto's C.W. Jefferys College in partnership with First Book Canada and a Toronto teen girls' book club
- KPMG's Family for Literacy celebrates their donation of 5 million books to kids in need since the program's founding in 2008 with 85 students from Ignacio Zaragoza Elementary School in Dallas, Texas
- Pi Beta Phi Fraternity for Women hosts their bi-annual convention in Washington, DC, where First Book President and CEO Kyle Zimmer is inducted into the fraternity as an Honorary Alumna

Partnerships

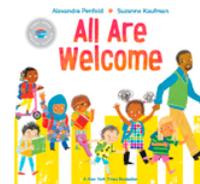
- Disney|ABC Television and Disney Publishing Worldwide donate 1 million books for 7th Annual Magic of Storytelling Campaign



- Super Bowl Champion Chris Long donates 27,000 Books to kids in Tampa, Los Angeles, Mississippi, and New York
- First Book and The Rise Up Foundation bring \$130,000 in new books to disaster-hit schools and programs
- SHOWTIME's *The Chi*, First Book, and Simon & Schuster Children's Publishing bring 10,000 new and diverse books to public schools in Chicago's South Side
- First Book and the New York Life Foundation bring books and resources on grief to educators



- Chicago Bears' Kyle Long and First Book bring 12,000 new books to Chicago kids
- Penguin Random House and Random House Children's Books create 15,000 copies of a First Book-exclusive paperback edition of *All Are Welcome* to help educators create inclusive classrooms

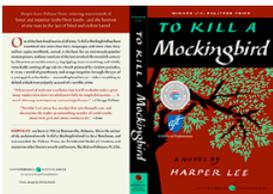




- First Book and the Aerospace Industries Association bring 25,000 new STEM books to kids in need



- Oakland Raiders' Clinton McDonald, First Book, and the University of Memphis bring thousands of books to Memphis kids
- First Book and the American Federation of Teachers distribute 10,000 special edition copies of *To Kill a Mockingbird* to Title I schools



New Launches

- First Book releases “Title Raves” list: 10 books that make an impact, according to the First Book Network



- Foundation for Appalachian Ohio and First Book launch research to assess needs of kids in rural Appalachia



- First Book Research & Insights and ImpactED at the University of Pennsylvania release the “Education Barriers Study” to identify top barriers to learning for kids in need
- First Book and Games & Learning launch product-testing site for educational digital resources on First Book Marketplace with \$250,000 grant from the National Science Foundation

OMG Books Awards

- First Book awards more than \$700,000 for new books and eBooks to schools and programs serving kids in need across nine states
- First Book awards Urban Librarians Unite and the REFORMA Children in Crisis Task Force nearly \$100,000 to bring books to migrant children in foster care
- The Jefferson County Sheriff's Office launches “Books Not Bullets,” a community policing effort where Sheriff's deputies hand out books to kids from the trunks of their patrol cars





About First Book

First Book believes that all children should be able to get a quality education, no matter where they live or where they go to school. We create access to quality education by making books, educational resources, and basic necessities affordable to educators serving kids in need, advancing the education field with original research, and providing educators with access to the latest educational innovations.

In 1992, First Book President, CEO, and Co-founder Kyle Zimmer — then a private attorney — was a volunteer at Martha's Table, a well-known Washington, D.C.-based organization increasing access to quality education programs, healthy food, and family support resources. From her volunteering experience and after speaking with community leaders, Kyle was struck by the lack of educational materials available to those serving children in need.

With colleagues Peter Gold and Elizabeth Arky, Kyle created a market-driven solution that would provide a supply of books and educational resources to those who need them most. First Book partnered with educators all over the U.S. and realized, based on their feedback and insights, that opportunity gaps keep quality education out of reach for thousands of kids. As a result, First Book has grown into a family of social enterprises that work together to address all the barriers preventing kids from achieving their full potential — from a lack of resources in the classroom to a robust body of research on how to best serve kids in need.



Financials

Statement of Financial Position (Unaudited) For December 31, 2019

ASSETS	2019	2018
CURRENT ASSETS		
Cash and cash equivalents	\$ 3,040,229	\$ 7,655,268
Accounts receivable	2,192,835	1,947,522
Prepaid expenses	236,274	201,321
Investments	25,851	41,550
Inventory		
Donated (fair market value)	38,222,367	35,534,662
Purchased	2,573,820	2,331,376
TOTAL CURRENT ASSETS	46,291,376	47,711,699
PROPERTY AND EQUIPMENT		
Furniture and equipment	269,308	290,806
Software	29,772	22,622
	299,080	313,428
Less accumulated depreciation and amortization	(141,670)	(201,265)
TOTAL PROPERTY AND EQUIPMENT	157,410	112,163
TOTAL ASSETS	\$ 46,448,786	\$ 47,823,862
LIABILITIES AND NET ASSETS	2019	2018
CURRENT LIABILITIES		
Current maturities of short-term debt	\$ 420,973	\$ 490,768
Accounts payable	3,716,307	2,687,519
Pension payable	298,574	286,483
Accrued expenses	284,140	181,293
TOTAL CURRENT LIABILITIES	4,719,994	3,646,063
LONG-TERM DEBT, less current maturities		465,935
		4,111,998
NET ASSETS		
Without restrictions – cash	2,161,963	1,888,071
Without restrictions – non-cash	38,222,367	35,534,662
Net assets without restrictions	40,384,330	37,422,733
With restrictions – cash	1,344,462	6,289,131
With restrictions – non-cash	-	-
Net assets with restrictions	1,344,462	6,289,131
TOTAL NET ASSETS	41,728,792	43,711,864
TOTAL LIABILITIES AND NET ASSETS	\$ 46,448,786	\$ 47,823,862



Perfect score for accountability and transparency

BBB

First Book meets the Better Business Bureau's 20 Standards for Charity Accountability.

Leadership

Kyle Zimmer

President, CEO, and Co-founder

Jane Robinson

Chief Strategy Officer and
Chief Financial Officer

Daniel Stokes

Chief Administration Officer

Peter F. Gold

Co-founder and Senior Advisor

Becki Last

Executive Vice President,
Network Engagement

Carey M. Palmquist

Executive Vice President,
eCommerce and Operations

Chris Stine

Senior Vice President,
Information Technology

Board of Directors

Dr. Martha Molina Bernadett

Acting Chairman, First Book Board
of Directors;
President and Founder,
The Molina Foundation

Christopher Cerf

Co-founder and President,
Sirius Thinking Ltd.

Libby Doggett

Libby Doggett Consulting

Kathy Franklin

President, Franchise Development,
Lightstorm Entertainment

William Matassoni

Founder and CEO,
The Glass House Group

Debbie Hubley Ozanus

Co-chair, KPMG's Family for Literacy

Karen Kehela Sherwood

Co-chair, Imagine Entertainment

Paul W. Whetsell

President and CEO,
Capstar Hotel Company

Kyle Zimmer

President, CEO, and Co-founder;
First Book

Publishing Committee

Terry Downes

Vice President, Publishing Operations,
Disney Book Group

Chip Gibson

Laura Geringer

Judith Haut

Senior Vice President and Associate
Publisher, Random House Children's
Books

Susan Katz

Former President and Publisher,
HarperCollins Children's Books

Craig Low

President and Owner,
Lee & Low Books

Barbara Marcus

President & Publisher,
Random House Children's Books

Kristina Peterson

Director, International Publishing;
Workman, Algonquin, and Artisan
Books and Calendars; Workman
Publishing Co., Inc.

Rick Richter

Literary and Entertainment Agent,
Aevidas Creative

Don Weisberg

President, MacMillan Publishers U.S.

Advisory Council

Robin Adelson

Executive Director, Books for Kids

Elizabeth Arky

Co-founder, First Book;
Principal, Arky Group Consulting, LLC

Nina Barjesteh

Senior Vice President, Product
Development & Global Sourcing,
DICK's Sporting Goods

Jennifer Bohler

Owner, Alliance Management

Meghan Bracken

National Director, Corporate
Responsibility - Citizenship,
KPMG

Andrea Camp

Harold Clarke

Senior Adviser, New Hope Capital, LLC

David Dotson

President, The Dollywood Foundation

Julie Baker Finck

President, Barbara Bush Houston
Literacy Foundation

Gina Goff

Senior Director,
Community Involvement,
C&S Wholesale Grocers, Inc.

Leslie Goodman

Communications and
Public Affairs Consultant

Susan Grode

Partner, Katten Muchin Rosenman
LLP

Lisa Holton

President, Classroom, Inc.

L. Spencer Humphrey

Principal, Rocky Hill Group; Co-chair,
First Book Advisory Council

Brian Kagan

Brian Kagan Company

Ilene Left

Independent Management Consultant

James M. Loy

Senior Counselor, The Cohen Group

Colleen Ludington

Co-chair, First Book
Advisory Council

Elsa Palanza

Strategic Advisor,
Bill & Melinda Gates Foundation
Project Everyone: Goalkeepers

Jenn Plagman-Galvin

Grand Vice President, Community
Relations, Pi Beta Phi Fraternity
for Women

Carol Rasco

Former President and CEO,
Reading is Fundamental

British Robinson

President and CEO, Barbara Bush
Foundation for Family Literacy

Susan Roman

Dean and Professor, Graduate School
of Library and Information Science,
Dominican University

Harriett Sanford

Former President and CEO,
The NEA Foundation

John Schreiber

CEO, New Jersey Performing Arts
Centre

Ralph Smith

Managing Director, Campaign for
Grade-Level Reading

Heather Steinmiller

Senior Vice President and General
Counsel, Conner Strong & Buckelew

Jamienne S. Studley

Former Deputy Under Secretary
of Education, U.S. Department of
Education

Mary Tatum

Randi Weingarten

President, American Federation
of Teachers

Judee Ann Williams

Co-Executive Director, Creative
Artists Agency Foundation;
Co-head, Social Impact,
Creative Artists Agency

Ginger Young

Founder and Executive Director,
Book Harvest

Judith Zimmer

”

A book in the hand of a child is an invitation to go anywhere.

► **April Insley**, *First Book Community Educators*



1319 F Street NW, Suite 1000, Washington, DC 20004
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