

The Wheel Watch

a newsletter of the
Fishing Vessel Owners' Association
Room 232, West Wall Bldg., 4005 - 20th Ave. West
Seattle, WA 98199-1290
Phone: (206) 284-4720/283-7735
Fax: (206) 283-3341
Website: www.fvoa.org

Robert D. Alverson
Manager

Carol M. Batteen
Executive Assistant

Vol. XVIII, No. 2

April 2004

Sustaining Sponsors

Access Unlimited, Inc.	Alaska Fresh Seafoods	Alyeska Seafoods, Inc.
Ballard Oil	Bank of America	Bellingham Cold Storage Co.
CityIce Cold Storage	Covich & Williams, Inc.	Cummins Northwest
Dana F. Besecker Co., Inc.	Danielson, Harrigan, Leyh & Tollefson	Dock Street Brokers
Empress Int. of California	Farm Credit Services - Fisheries Division	Fishermen's News
Fishing Vessel Owners/Marine Ways	Icelander, Inc	IFQ Brokers, Inc.
Marine Resources Consultants	Marine Service & Supply	Marsh
Mundt MacGregor L.L.P..	Nautilus Seafoods, Inc	Northern Lights Seafoods
Northport Fisheries, Inc.	Northwest Electric Corp.	Ocean Beauty, Inc.
Pacific Fishermen, Inc.	Philip D. Hingston, Inc. P.C.	Offshore Systems, Inc.
Resurrection Bay Seafoods LLC	Rickey & Associates	Royal Aleutian Seafoods
Seafood Producers Co-op	Seafreeze Cold Storage	Seafresh Marketing LLC
Seattle Marine & Fishing Supply	Sitka Sound Seafood	The Fish Factory
The Permit Master	Trident Seafoods	Unisea, Inc.
Viking Community Bank	Westward Seafoods, Inc.	

Thank you for your support!

Dear Longliner

****Pacific Council****

Sablefish. The lower coast season for sablefish will open April 1, 2004. Those of you who will deliver halibut with your sablefish must deliver to ports north of Grays Harbor. You must also have a **[halibut permit from the Halibut Commission]. It must be issued by 4/30/04.** The Commission’s phone number is (206) 634-1838. The permits are free. You may not retain halibut prior to May 1st. The Commission has asked me to remind you of this as some of you goofed last year. I can’t make this one better. Get your license!

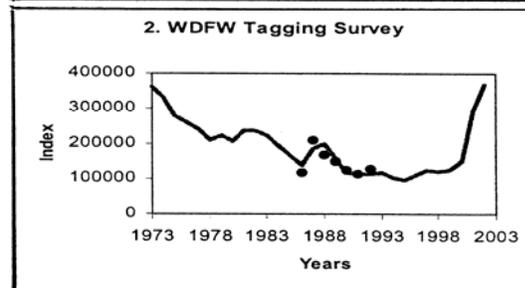
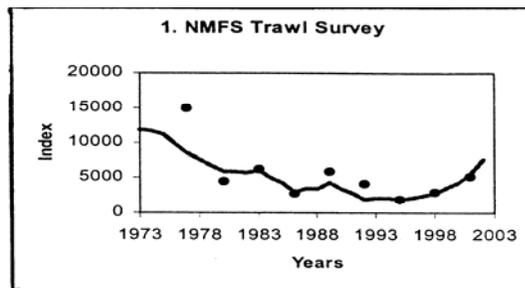
The tiers are not final yet. The amount of halibut you will be allowed will be between 125 lbs. to 150 lbs. per 1000 pounds dressed weight of sablefish. The final decision on this will be at the April Council meeting. Your tiers are up due to the overall quota this year, and the observer reports show fewer discards of sablefish taking place as previously presumed. Proposed tiers will be made final at the April Council meeting in April and are effective May 1, 2004.

Tier 1	69,532 Round weight
Tier 2	31,606 Round weight
Tier 3	13,060 Round weight

Observers. The observer numbers for fixed gear showed a Canary catch of .7 tons, or .2 more than anticipated. The Yellow-eye bycatch was 1.5 tons extrapolated to the fleet, which was higher than anticipated, but less than that which should require the 100 fathom line to be moved out to 125 fathoms. The initial comments from the scientists are that these numbers should not hurt the fixed-gear fleet relative to the fathom restriction.

Some Good News! Whiting will come off the overfished list next year. Ling Cod is now split in two quotas and ABC’s. The northern portion of the resource may be rebuilt. The southern portion is nearly rebuilt. Uncontrolled California recreational activities have been a problem on Canary, Yellow-eye, and Ling cod. The Council is looking at establishing a split ABC to insulate Oregon and Washington from California management issues. Yellow-Eye off Washington seems to be rebuilding.

Graphs for Ling Cod



I want to thank John Crowley for attending the Advisory Panel meeting, and for Paul Clampitt, Mike Deach, Charlie Noggle, Darby Dickerson, Otto Bogen and John Sceeles for coming to the meeting in Tacoma. A special thanks to Frank Mercker from Arrowac for sending a letter on the problem of moving the 100 fathom line on fixed gear fishermen.

****NPFMC News****

Appointments. Governor Murkowski has nominated Stephanie Madsen, the current chair of the Council, and Doug Hodel, a trawl operator from Kodiak, as his preferred representatives for two Alaska seats on the Council. There aren't any Washington seats up this year. Doug Hodel runs the Peggy Joe, and Stephanie Madsen represents the Pacific Seafood Processors Association. I am hopeful this will bring more of a business nature to some regulations and less social engineering.

Observers. The Council continues to discuss changes to the current program. However, there is now a petition to the Labor Department that would give observers pay for 24 hours based on the theory that when they are finished with their eight hours, they are restricted to one place, i.e. the boat. They can't go have a Big Mac! This could double or triple the cost of observers. Things could be on hold until this issue is resolved.

At the subcommittee meeting in Seattle at the end of March, the NMFS representatives indicated they were instructed not to talk about the observer pay situation as it is in court. The Council has an option that would put all the Gulf and Bering Sea 30% vessels and unobserved boats in a new program. It would include halibut vessels as well. This program would tax you 1% of gross, matched by 1% by the processors. This is being recommended because of the disparity in observer coverage in the sablefish fleet, no coverage on the halibut fleet, and an allegation that the Gulf trawl fleet is masking their bycatch with the current observer rules. I suspect the observer options will get further delayed at the April Council meeting until the court action has run its course on observer pay.

IFQ Amendments. These are not scheduled for further action until the June Council meeting.

HAPC's. This stands for Habitat of Particular Concern. The Council is required to put management procedures in place in order to identify HAPC's by court order. The Council need not implement closures, but will likely do so on several proposed areas. There were twenty-eight proposed areas for closure and some areas include large sections of the Aleutian and Bering Sea. The Council will be eliminating some of these options. After the April Council meeting, we should have some definable areas to worry about.

Washington, D.C. The rumor mill is that we should not expect any serious changes to the Stevens-Magnuson Act until after the elections. The crab program is a done deal and supposed to be functional by fall of 2005. The House has a bill that we are issuing comments on.

Comments by your elected officials:

Tony Knowles running for the Alaska Senate - 'raise CDQ percentage from 10% to 12.5% because that's what Alaska charges the oil companies for royalties'.

Senator Lisa Murkowski running for Senate - ‘move the Alaska Science Center, now in Seattle, to Alaska.

Other. The IPHC was shorted \$400,000 in 2003 because the Salmon Commission failed to be funded. Was some Senator asleep at the wheel over that one? For 2004, State Department wants \$600,000 out of the IPHC budget because IPHC can sell fish for their budget. Senator Murkowski’s office, according to Mr. Bolten at State, says this is okay. Senator Murray and Senator Cantwell have been silent on these issues.

****Markets****

Halibut. Halibut markets have started off strong. QFC and others have big halibut ads. Larry’s Markets say halibut, just prior to Lent, is their big kickoff for the new year. The Blue Ocean Institute is promoting halibut as an ‘ocean friendly’ seafood. We got the Monterey Aquarium to clear up the difference between Atlantic Halibut, California Halibut, and Pacific Halibut. Special thanks to Dr. Bruce Leaman on that. Prices have been in the \$2.85 to \$3.25 levels in Seward.

Individual Fishing Quota (IFQ) Allocations and Landings						
From 29-FEB-04 through 25-MAR-04						
				TAC		
	Vessel	Total Catch	Allocation	Remaining	Percent	
Area	Species	Landings	Pounds	Pounds	Pounds	Landed
2C	halibut	179	862,291	10,500,000	9,637,709	8
3A	halibut	179	2,829,090	25,060,000	22,230,910	11
3B	halibut	21	314,207	15,600,000	15,285,793	2
4A	halibut	3	292	3,470,000	3,469,708	0
4B	halibut	3	48,634	2,248,000	2,199,366	2
4C	halibut	1	672	860,000	859,328	0
4D	halibut	0	0	1,204,000	1,204,000	0
4E	halibut	0	0	0	0	0
Total		386	4,055,186	58,942,000	54,886,814	7

Sablefish. The yen vs. the dollar moved to 109 yen to the dollar, still about 12% better for U.S. exports than last year. There has been increased volume from all regulatory areas on the West Coast this year. Total volume could reach 30,000 mt. for the entire West Coast, including Canada. There were reports of some excess cold storage holdings at the beginning of the season. Prices to FVOA vessels have been reported at \$3.00 for 1-2's to \$3.85 for 7 & up in Seward.

Individual Fishing Quota (IFQ) Allocations and Landings						
From 29-FEB-04 through 25-MAR-04						
				TAC		
Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
AI	sablefish	4	36,014	4,100,556	4,064,542	1
BS	sablefish	8	83,065	2,557,336	2,474,271	3
CG	sablefish	55	431,697	12,874,864	12,443,167	3
SE	sablefish	34	593,001	8,311,342	7,718,341	7
WG	sablefish	0	0	5,167,582	5,167,582	0
WY	sablefish	16	293,123	4,925,076	4,631,953	6
Total		117	1,436,900	37,936,756	36,499,856	4

Chart. Please find enclosed a pricing chart done by Dr. Dan Huppert with regards to a sablefish study that should be out in April. This chart shows that prior to IFQs, there were considerable margins being made above the fishermen’s price and that after IFQs began in 1995, there were still margins for everyone. However, coast prices seem to be depressed.

****Eat on the Wild Side****

The Marine Stewardship Certification process is moving slowly forward. We received the list of questions, 28 pages from the MSC review team relative to science, management structure and ecosystem issues. The questions came about six months delayed. FVOA has hired Bob Trumble, retired IPHC, to assess questions concerning halibut, and Jack Tagart, retired WDFW, to review the questions on sablefish. These reports should be done by the end of April. Then they will be forwarded to the MSC review team. I do not expect this process to be completed until late fall. It is like trying to get the county to give you a permit for a deck or garage. It takes time.

****Second Watch****

Please welcome **Albert J. Utter, F/V Southern Seas, Blaine, WA** as a new Associate Member. Thank you for your support!