# The Wheel Watch

a newsletter of the

Fishing Vessel Owners= Association Room 232, West Wall Bldg., 4005 - 20<sup>th</sup> 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. XXVII, No. 2

**April 2013** 

# **Sustaining Sponsors**

Alaska Fresh Seafoods	Alaska Glacier Seafoods, Inc.	Alaskan Leader Seafoods	
AmericanWest Bank	Ballard Oil	Bellingham Cold Storage Co.	
Calfo, Harrigan, Leyh & Eakes LLP	Covich & Williams, Inc.	Cummins Northwest	
Dana F. Besecker Co., Inc.	Dock Street Brokers	Fishermen's News	
The Fish Factory	Fishing Vessel Owners/ Marine Ways	Haven Boatworks	
Icelander, Inc.	Law Office of Paul L. Anderson, P.L.L.C.	LFS, Inc.	
Mac's Ballard Upholstery	Marine Resources Consultants	Marine Service & Supply	
Mountain Pacific Bank	Northport Fisheries, Inc.	Northwest Electric Corp	
Northwest Farm Credit Services	Ocean Beauty Seafoods LLC	Offshore Systems, Inc.	
Pacific Fishermen, Inc.	Pacific Storm Seafoods Ltd.	Parker Smith & Feek	
The Permit Master	Philip D. Hingston, Inc., P.C.	Port Townsend Shipwrights Co-op	
Resurrection Bay Seafoods LLC	Rickey & Associates	Satellite Technical Services	
Seafood Producers Co-op	Seafreeze/Citylce Cold Storage		
Seattle Bank	Seattle Marine & Fishing Supply	Sitka Sound Seafood & Alas Pacific Seafoods	
Trident Seafoods	Unisea, Inc.	Westward Seafoods, Inc.	

Thank you for your support!

#### **Dear Longliner:**

This newsletter will bring you up-to-date on events through the April North Pacific and Pacific Council meetings as well as events in Washington, D.C., marketing activity, and Coast Guard requirements.

## \*\*Pacific Council\*\*

#### Sablefish.

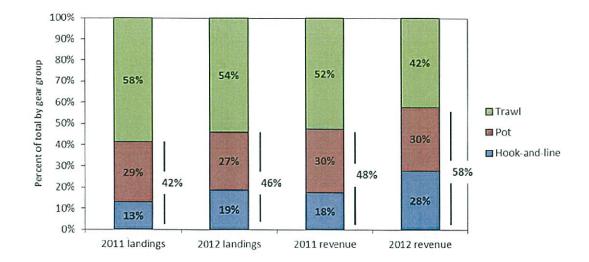
Tier Limits	2013	2014
Tier 1	34,513	37,441
Tier 2	15,688	17,019
Tier 3	8,964	9,725

The next sablefish stock assessment will be done in 2015. There is hope that the 2008 and 2010 year classes prove to be above average.

For those of you who fish north of Pt. Chehalis, you will be allowed a halibut bycatch of 75 lb. halibut to 1000 lb. of sablefish. In order to retain the fish you will need an IPHC halibut permit for the lower coast. You will need to get this **permit by April 30**th otherwise you will not be able to retain halibut. Retention can start on May 1st. You can get the license off the IPHC web site, <a href="www.iphc.int/">www.iphc.int/</a>. For 2014, if the harvest in Area 2C is greater than 900,000 lbs., the bycatch allowance north of Pt. Chehalis will open the same time the season begins on April 1st. Currently, halibut retention begins May 1st while the sablefish season opens April 1st.

<u>Trawl ITQs.</u> Those of you who have leased or purchased trawl sablefish and have a tier permit will get some license relief in 2014. The NMFS is preparing regulations to allow your trawl license and tier license to be recorded together. Unfortunately, this relief will not come until 2014.

The trawl fishery received 58% of the sablefish Total Allowable Catch. However, with the gear switching provision, 46% of the trawl allocation was taken with pots and longline gear. The chart below shows how trawl sablefish was harvested in 2011 and 2012.



<u>Lawsuit.</u> The lawsuit against whiting trawl IFQs was refiled. This will likely extend the NMFS freeze on purchasing trawl sablefish and other species by another year.

<u>June Council Meeting.</u> The Council will begin to look at options to adjust the current tiered program ownership and control limitations. The June Council meeting is at the Hyatt Regency Orange County in Garden Grove, California from June 20-25, 2013.

**Newport, Oregon news.** Researchers working with the Pacific Northwest's groundfish industry have tested a new device that shows promise of significantly reducing the incidental bycatch of halibut from commercial bottom trawl fishermen.

In a series of tests off the Washington coast, commercial fishermen used a "flexible sorting grid excluder" to reduce the number of halibut taken as bycatch by 57 percent, while retaining 84 percent of the targeted groundfish, according to Mark Lomeli of the Pacific States Marine Fisheries Commission.

<u>VMS.</u> If you purchased a VMS for use off the lower coast, you can get reimbuirsed. For further information, call the Pacific States Marine Fisheries Commission at (503) 595-3232.

### \*\*North Pacific Council\*\*

<u>Current Membership.</u> Congratulations to Duncan Fields and David Long. Both individuals received endorsements from Governor Sean Parnell for two Alaska council positions. Also thanks to outgoing Council member, Sam Cotton for his help on the observer program and halibut bycatch reduction efforts.

### **Vessel IFQ Caps - 2013**

	Vessel Use Cap %	Annual IFQ TAC	Vessel Use Cap
Halibut	1% of 2C Halibut IFQ TAC	2,970,000 net pounds	29,700 net pounds
	.5% of all halibut IFQ TAC	21,810,800 net pounds	109,054 net pounds
Sablefish	1% of SE Sablefish IFQ TAC	7,032,674 round pounds	70,327 round pounds
	1% of all sablefish IFQ TAC	28,013,851 round pounds	280,139 round pounds

<u>New Observer Program.</u> The Council is monitoring the comments from the fleet as to problem areas in the newly constructed observer program. The following are issues the Council has heard from the fleet on and will be advising the NMFS on later this year.

- 1. The scientific integrity of having a vessel that harvests 2 million pounds of fish and one that harvests 3000 pounds of fish having the same probability of having an observer is highly questionable.
- 2. The contract for observers has resulted in the cost for an observer being \$1000/day as opposed to the ongoing observer costs in the Pacific Council and Bering Sea of \$450/day. This results in half the observers that can be employed.
- 3. Tenders: NMFS' last minute definition changes that defines a trip for those delivering to tenders. If you keep offloading to a tender, you do not have to put your vessel name back in the hat for being chosen for an observer. The Council is monitoring this. FVOA has asked to change the definition back to the original intent (i.e. the trip ends when you make an offload regardless of delivery to a tender or a shore plant).

4 | Page April 2013

4. The call-in process for vessels >57.5' has generally worked okay. FVOA has proposed that the vessels <57.5' be treated the same as the vessels >57.5'. The two month requirement for smaller vessels is too onerous and there is no scientific rationale to treat the vessels differently.

5. Electronic Monitoring (EM) – The Council has set up a working group to address this. The Council would like to see a faster integration of EM. Duncan Fields pointed out that EM should be available for larger vessels not just the small vessels, particularly if it can reduce costs.

<u>Grenadiers.</u> There are those scientists that are pushing for an ABC and harvest limits for grenadiers. Should that occur, the fear that a sablefish shut down could occur due to grenadier bycatch is a big concern. The Council will take an initial look at this in June. FVOA is working with the Freezer Longliners, the Petersburg fleet as well as the Marine Conservation Alliance on this issue.

**Bycatch Requirements.** Halibut – when targeting halibut you can have 20 percent pacific cod and you can use it for bait. The 20% includes the bait used plus the cod you keep for delivery. When targeting halibut you can have 5% of rock fish complex. **Sablefish** – you can have 15% of the rockfish complex; note, idiots are not part of this complex and can be kept in addition to it. IPHC has had a couple of bait studies using Pollock for their annual surveys instead of chum salmon. The bycatch of cod was markedly reduced, they noticed.

<u>Sablefish Bering Sea.</u> The current allocation in the Bering Sea is 50/50 fixed gear/trawl. Almost all the trawl quota is unused. The Council has asked the industry to develop some options to utilize this quota and present those options at the October Council meeting

Allow Area 4 Halibut to be retained in IFQ Sablefish Pots. The Council has sent this option back to the IPHC for consideration at its Annual Meeting in 2014.

# \*\*Washington, D.C.\*\*

<u>Washington, D.C.</u> The Alaska delegation renewed their commitment to protecting Alaskan commercial fishermen by introducing the <u>Maritime Lien Reform Act of 2013</u>. This legislation would prohibit maritime liens from being imposed on commercial fishing permits, while protecting the rights of fishermen as they continue to engage in the commercial industry in order to provide for their families.

<u>H.R. 584 and S.B. 248</u> to amend the Federal Food, Drug & Cosmetic Act to require labeling of genetically engineered fish. Status: Referred to the House Committee on Energy and Commerce: Health

<u>Senate Bill – Pirate Fishing Elimination Act.</u> Paul Watson, one of the founders of Green Peace now with the Sea Shepherd, has been found to be a pirate for his escapades shown on the TV series, Whale Wars. The 9<sup>th</sup> Circuit Court in San Francisco, overturned the District Court in Seattle and declared Paul Watson to be a pirate first class. *Arrrrrr* 

<u>The Magnuson-Steven's Act Amendment</u> process started with testimony on March 23<sup>rd</sup> in Washington, D.C. The process is estimated to last two congressional cycles, 2013-2016.

# \*\*Second Watch\*\*

<u>Please Welcome</u> a new Sustaining Sponsor, <u>Port Townsend Shipwrights Co-op</u>, Port Townsend, Washington, Martin Mills, owner; and Dave and Andrew Olsen, <u>F/V Major</u>, Edmonds, Washington as a new Voting Member of the FVOA. Thank you for your support!

**Rule #5.** When you have an observer on the vessel, you will be required to have a wheel watch at night, unless you anchor near land.

<u>Coast Guard Authorization Act of 2012.</u> The following are updates to existing requirements.

#### The changes will:

- Establish parity with respect to equipment requirements for state-registered and federallydocumented vessels operating beyond 3 nautical miles of the baseline.
- Establish the "demarcation line" beyond which certain equipment requirements apply as 3 nautical
  miles from the territorial sea baseline or 3 nautical miles from the coastline of the Great Lakes
  instead of the Boundary Line.
- Require installation of a survival craft that ensures no part of an individual is immersed in water on all commercial fishing vessels operating beyond 3 nautical miles of the baseline.
- Require individuals in charge of commercial fishing vessels operating beyond the 3 nautical mile demarcation line to keep a record of equipment maintenance and required instruction and drills.
- Require periodic dockside safety examinations on all commercial fishing vessels operating beyond the 3 nautical mile demarcation line.
- Require training, or demonstration of knowledge and competency, for all individuals in charge of commercial fishing vessels operating beyond the 3 nautical mile demarcation line.
- Require new commercial fishing vessels, built after January 1, 2010, that are less than 50 feet overall
  in length to be constructed in a manner that provides a level of safety equivalent to the minimum
  standards established for recreation vessels.
- Require new commercial fishing vessels, built after July 1, 2013, that are 79 feet or greater in length to be assigned a load line.
- Require new commercial fishing vessels, built after July 1, 2013, that are at least 50 feet overall in length and will operate beyond the 3 nautical mile demarcation line to meet survey and classification requirements. Commercial fishing vessels built to class requirements before July 1, 2013 must remain in class.
- Require certain commercial fishing vessels that undergo a major conversion to comply with an "alternate safety compliance program" to be developed for both load line and construction standards requirements.

For more information contact:

(206) 217-6208 - Seattle Mr. Scott Wilwert - Juneau (907) 463-2248 Petty Officer Aaron Jessup (907) 486-5918

# \*\*Eat on the Wild Side"

MSC Russian Pollock. U.S. producers of Pollock in the Bering Sea and the World Wildlife Fund have objected to the MSC certification of Russian Pollock due to the lack of observer coverage and other conservation measures. The debate continues and will go to an adjudicator. MSC is very important for European sales and European buyers see Russian certification as a way to play the market between Bering Sea production and Pollock from the Sea of Okhotsk. ... www.intrafish.com

<u>Icicle Begins Limited Harvest of Farmed Blackcod.</u> So why has the US lagged behind in black cod production?

"It's as simple as juvenile supply," Morton told IntraFish. "The technical barrier to entry is hatchery

**6** | Page April 2013

production of juveniles. This is one of those [species] where the hatchery development stage is slow and difficult."

He said his company has been successful because it has "been doing it for longer and we have bigger facilities than anybody else."

U.S. National Oceanic and Atmospheric Administration (NOAA) Northwest Fisheries Science Center Division Director Walt Dickhoff told IntraFish the "big hurdle is trying to get them to reproduce in captivity."

"There's not a lot known about black cod, their reproduction or growth and development in captivity," he added.

NOAA scientists catch the brood stock about 40 miles off the coast; they spawn from January through about April or May, Dickhoff said. They then have a "fairly long" hatching and larval periods – nearly two months – before they are put into larger tanks.

"The success rate isn't really high," Dickhoff said. "We've been able to produce at our experimental facility about 20,000 to 50,000 of the larvae per year."

The US is slowly breaking into the farmed sablefish arena, however, NOAA is conducting extensive studies at a Washington state hatchery, and in 2011, Icicle Seafoods put 20,000 juveniles in NOAA-owned cages adjacent Washington state salmon farm. Troutlodge, based south of Seattle, is also dipping its toes into the species, Dickhoff said.

Icicle's juveniles from 2011 "are doing well," Alan Cook, the company's vice president of aquaculture, told IntraFish.

"We did a small harvest in September to check flesh characteristics and processing yields," Cook said. "The fish from that harvest were beautiful but a bit smaller than we liked, so we [are] delaying harvesting for a few months.

<u>Frankenfish.</u> "I am concerned with recent news that the FDA is moving forward with approval of genetically modified fish." ... Senator Lisa Murkowski

<u>Salmon exposed to deadly virus</u> pose no risk for Canadian exports being sold to the United States, the Canadian Food Inspection Agency said during a news conference Friday.

The CFIA has been <u>criticized for its decision</u> to allow about 240,000 salmon that had been exposed to infectious salmon anemia (ISA) to grow to market size in open-sea cages near Shelburne, N.S. The salmon were then <u>shipped to News Brunswick for processing</u> to be sold at market. ... Cassie Williams, CBS News

As much as one-third of seafood sold in restaurants and grocery stores is fraudulently labeled. ...Washington Post

## \*\*Markets\*\*

<u>Halibut.</u> FVOA vessels received early April prices of \$5.25 and \$5.50 in Seward. These prices were falling in mid-April. In early March processors holding frozen inventory took a loss and moved their inventories. Fresh halibut fillets in Seattle were in the \$16-\$22/lb. range representing a drop from last year from \$19-\$22/lb. Halibut still commands a premium on restaurant menus; however, there are fewer entrees reflecting the much reduced quotas and volume on the market.

#### Individual Fishing Quota (IFQ) Allocations and Landings For Fishing Year 2013

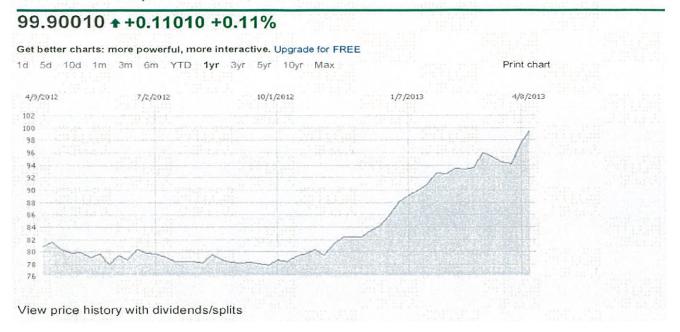
Area				[		
	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
2C	halibut	100	376,320	2,970,000	2,593,680	13
ЗА	Halibut	121	899,630	11,030,000	10,130,370	8
3B	Halibut	8	52,242	4,290,000	4,237,758	1
4A	Halibut	***	***	1,330,000	***	***
4B	Halibut	***	***	1,160,000	***	***
4C/4D	Halibut	***	***	1,030,800	***	***
	Total	233	1,370,228	21,810,800	20,440,572	6

<u>Sablefish.</u> FVOA boats in Yakutat received early April prices of \$5.25 for 7 ups; \$4.75 for 5-7's; \$4.25 for 4-5's; \$3.75 for 3-4's; and \$3.00 for under 3's. FVOA vessel deliveries on the lower coast received similar prices for sablefish. Sablefish total volume should be less than 2012. The Pacific Council harvest will be down 24%. British Columbia is down while Alaska is down 6% overall.

			[———TAC——]			
Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
Al	Sablefish	3	24,941	2,830,706	2,805,765	1
BS	Sablefish	***	***	1,393,307	***	***
CG	Sablefish	33	254,744	9,770,787	9,516,043	3
SE	Sablefish	73	1,353,184	7,032,674	5,679,490	19
WG	Sablefish	***	***	3,086,440	***	***
WY	Sablefish	28	691,975	3,899,937	3,207,962	18
	Total	139	2,358,964	28,013,851	25,654,887	8

The Yen vs. the dollar is at 99.4 to the dollar, representing a 23% change since October 2012. This is reflective of Japanese Prime Minister Shinzō Abe's money supply policy to devalue the Yen and make Japanese labor and products more competitive. However, this policy puts Japanese fish buyers in the situation of having 23% less buying power for imports. All seafood headed to Japan will be facing this during 2013. A stronger Japanese economy should, over the long run, strengthen the Yen. Note: Arne Arnesen of Mountain Pacific Bank, one of our sustaining sponsors, (425) 263-3532, advised us that APICDA's Atka plant is interested in halibut/sablefish. Call John Sevier at (907) 770-4204 for information.

#### US Dollar to Japanese Yen (USDJPY)



## \*\*Centennial Celebration\*\*

"In 2014, the Fishing Vessel Owners' Association will celebrate its 100th Anniversary. For one hundred years FVOA has represented the interests in one of the most profitable and sustainable fisheries in North America. The families who refined the technique of longline fishing for halibut, and later black cod, created what was one of the first distant fleet fisheries developed in the North Pacific. \*...cwb

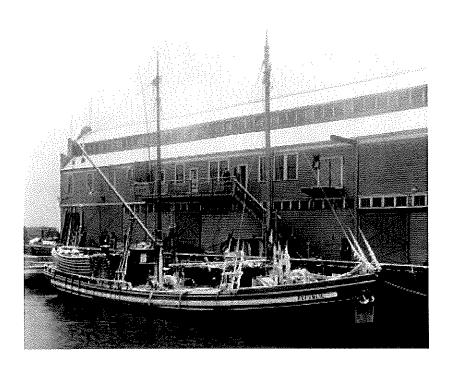
"The founding of FVOA was among a number of significant events during the first decades of the 20<sup>th</sup> century." ...cws. We are pleased to be working in conjunction with the Center for Wooden Boats (CWB) who will be documenting FVOA's history and working to provide exhibits in time for our 100<sup>th</sup> celebration at the MOHAI Museum in February 2014. Please make yourself available for interviews and photos when either Carol from FVOA or Andrew Washburn with the Center for Wooden Boats contacts you. We look forward to hearing your history and preserving it for our future.

In addition to working with the CWB, an FVOA Planning Committee is putting together an anniversary "Commemorative Cookbook" featuring your favorite seafood recipes, but focusing on halibut, blackcod, pacific cod and rock fish recipes. This cookbook will be published and available for purchase by February 15, 2014. Laura Odegaard and Carin Clampitt are spearheading this project. Laura's phone number is (206) 546-9463; Laura's email is <a href="mailto:fvoacookbook@gmail.com">fvoacookbook@gmail.com</a>; Carin's phone number is (425) 775-4139. Please look for the FVOA letter outlining specific requirements in the mail. The committee is looking for volunteers as well.

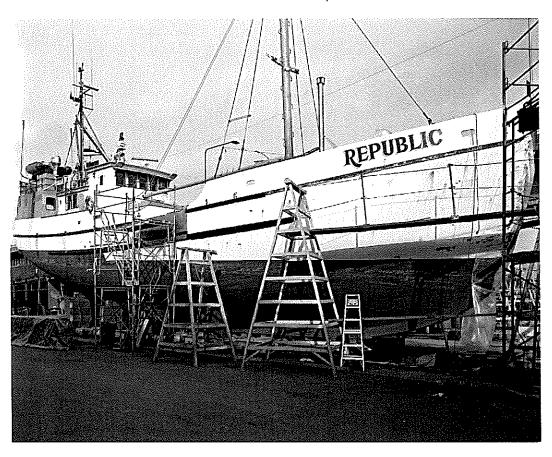
\*\*\*\*\*\*

The Republic, pictured on page 9, celebrates its 100<sup>th</sup> birthday this year. The Republic is owned by Duane Torgeson from Sitka, Alaska. Dewey is the 4<sup>th</sup> owner of the Republic and he bought it from Thor Olsen. The first picture on page 9 is circa 1925 and is part of the H.E Lokken collection featured on the FVOA website, www.fvoa.org. The second picture is current and it was taken at FVO/Marine Ways.

The Republic was built by Strand Shipyard in Seattle, Washington in 1913.



Notice the dories†



The Republic is currently receiving a new bow stem at Fishing Vessel Owners/Marine Ways in Seattle. This project started approximately March 24, 2013 and expected completion is April 30<sup>th</sup>.

# \*\*Calendar of Events\*\*

May 5, 2013	Seattle Fishermen'	Fishermen's Terminal
2:00 pm	Memorial Service -	Seattle, WA
	Names Ceremony	
June 3-11, 2013	NPFMC Meeting	Juneau, AK
June 20-25, 2013	PFMC Meeting	Hyatt Regency Orange Co.
Advisory Bodies begin Tue., June 18 Council begins Thurs. June 20		Garden Grove, CA 92840
September 7, 2013	Fishermen's Fall Festival	Fishermen's Terminal Seattle, WA
Sept. 12-17, 2013	PFMC Meeting	Riverside Hotel
Advisory Bodies begin Wed., Sept. 11 Council begins Thurs., Sept. 12		Boise, ID
Sept.30-Oct. 8, 2013	NPFMC Meeting	Anchorage Hilton
		Anchorage, AK
Nov. 1-6, 2013	PFMC Meeting	Hilton Orange County
Advisory Bodies begin Thurs. Oct. 31 Council begins Fri. Nov. 1		Costa Mesa, CA
Dec. 9-17, 2013	NPFMC Meeting	Anchorage Hilton
		Anchorage, AK



# **Satellite Technical Services**

Connecting Fishermen with Markets!
www.satellitealaska.com
Phone: (206) 321-6896
"Proud supporter of the
Fishing Vessel Owners' Association"



# Manne Uphalowy

VILLEURE & COMMINGIAL MORTS

. Galleys



- Cushions
- Mattresses
- Curtains
- Covers
- Dodgers
- Headliners



Mobile Services Free Estimates

## Fast Quality Work Insurance Claims



- CarpetsFoam
- Repairs
- Custom Bedding
- Sheets



Comforters

Pick-Up & Delivery Available

vww.mactops.com



Keep Us in Mind Every Time Your Vessels Come to Port!



JUNEAU 2



**ALASKA** 

Phone: (907) 586-2442 Fax: (907) 364-2282

#### **FISHERY CONSULTING**

We assist fishermen and fish processors in satisfying the State and Federal government requirements for fishing operations in Alaska.

#### **WE CAN EXPEDITE:**

- Entry permits and vessel licenses
- All federal permits and licenses
- Permit transfers
- QS/IFQ transfers
- USCG vessel registration

**PERMIT, IFQ AND LLP BROKERAGE:** Buyers and Sellers please call for Permit, IFQ and LLP listings.

Visa and MasterCard Accepted

12 | Page April 2013

