

The Wheel Watch

a newsletter of the
Fishing Vessel Owners' Association
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Dear Longliner

This newsletter will bring you up-to-date on the January IPHC Annual Meeting, the February North Pacific Council meeting, and events in Washington, D.C.

****North Pacific Council****

Community IFQ Purchases. The Council will likely take final action on this proposal in April or June. We testified in opposition and provided some alternatives that may mitigate the effect of the villages purchasing IFQs. Overall, community purchase caps are proposed in order to limit the effect of villages being able to buy quota. There are about 40 qualified villages and they would be able to buy halibut and sablefish IFQs and lease them back to people who live in their communities. Should this be approved, the most immediate effect will be an increase in the value of quota shares. The Council was mostly focused on developing a Bering Sea crab IFQ program.

****General Regulation Requirements****

The NMFS is looking into relaxing certain IFQ requirements in an expedited process, which means changes for **2003**. The items they are looking at include the following: (1) the functional need for the 6-hour prior notice of landings—is it needed? It is noteworthy that the Pacific Council did not see a need for this on their stacking program; (2) Offload time from 6 a.m. to 6 p.m. may be relaxed; (3) Shipping reports for processors; HANA is working on this for relief; (4) vessel clearance leaving Alaska with IFQ fish may be relaxed.

Seabird requirements for 2002 are as follows:

1. Remember, you will need to have a complete extra set of tory lines on board the vessel. This is a regulation for having a backup set of tory lines.
2. For those who must have two tory lines, should the wind blow **30 knots**, it is acceptable to fly a single streamer. In winds exceeding 45 knots, crew safety supersedes deployment of streamer lines.
3. **Seabird Avoidance Plan (SAP).** You must have on board a Seabird Avoidance Plan. It can be one page. It must include (1) vessel name, (2) masters name, (3) type of bird avoidance utilized, (4) diagram of sequence for deploying, adjusting tory line gear, (5) if you throw fish heads overboard for strategic discharge, a sentence of where to throw them and where not to throw them; this is the F/V Grant amendment; (6) signature of master, who will verify that all crew are familiar with the SAP.

Revised Table 1a. Alternative 4-Seabird Avoidance Requirements for Vessels, based on Area, Gear, and Vessel Type.
Reference Table for COINCIDENT MOTION

Location/Gear	Vessel Type					
	≤26 ft LOA	>26 to 32 ft LOA (with masts, poles, or rigging)	>26 to 32 ft LOA (without masts, poles, or rigging)	>32 to 55 ft LOA (without masts, poles, or rigging)	>32 to 55 ft LOA (with masts, poles, or rigging)	> 55 ft LOA
Inside	Exempt	Buoy with Performance Standard			Single Streamer	
EEZ	Exempt	Single Streamer + Other Device	Buoy w/Perf. Std. + Other Device		Single Streamer + Other Device	Paired Streamers
IPHC Area 4E (halibut) (0 to 3 nautical miles)	Exempt	Exempt	Buoy w/Perf. Std. + Other Device		Single Streamer + Other Device	Paired Streamers
Snap Gear	Exempt	Single Streamer w/Mod. Perf. Std. + Other Device	Buoy w/Perf. Std. + Other Device		Single Streamer w/Mod. Perf. Std. + Other Device	

See text for performance standards.

Other device = added weights to groundline, buoy (as above), strategic offal discharge, steamer line

The following measures or methods may be used on a vessel, but must be accompanied by the applicable seabird avoidance requirements: night-setting, line shooter, and lining tube.

FOR ALASKA

If a vessel participates in the:	Then it must have a:	Which is valid for:	Unless the vessel is:
Retention of groundfish	Federal Fisheries Permit 50CFR679.4(b)	3 year cycle	
Directed fishing for a License Limitation Groundfish	License Limitation Program Permit 50CFR679.4(k)	Specified Fishing Year	1) <26' LOA fishing in the GOA 2) <32' LOA fishing in the BSAI 3) < or= 125' LOA built for CDQ only 4) C/V and C/P<60' jigging in the BSAI
Halibut or Sablefish fisheries	IFQ Permit IFQ Card IFQ Buyers Permit* 50CFR679.4(d)	Specified Fishing Year	CDQ Halibut

CATCHER VESSEL LOGBOOKS (FOR ALASKA)

50CFR679.5

If a catcher vessel:	And who's length is:	The following logbooks and reports are required:
Retains groundfish and uses non-trawl gear	60' or greater	-C/V Longline/Pot Daily Fishing Logbook -Vessel Activity Report*

A VAR must be sent before you leave Alaska to exit out of 200 mile waters and before leaving Seattle to enter Alaska waters. Have proof of purchase of your bait on board as well.

IPHC Annual Meeting

The new harvest levels will be as follows: (in million pounds)

Area	2001	2002
2A	1.14	1.31
2B	10.51	11.75
2C	8.78	8.50
3A	21.89	22.63
3B	16.53	17.13
4A	4.97	4.97
4B	4.91	4.18
4C & D	2.03/each	2.03/each
4E	.39	.39

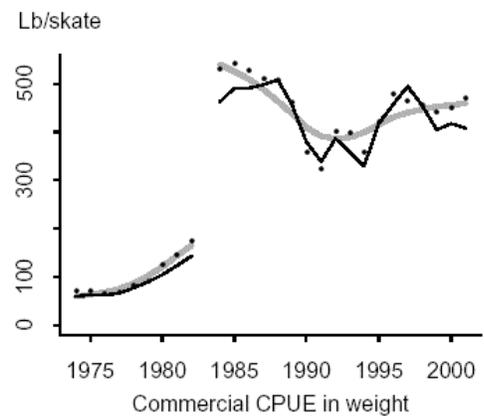
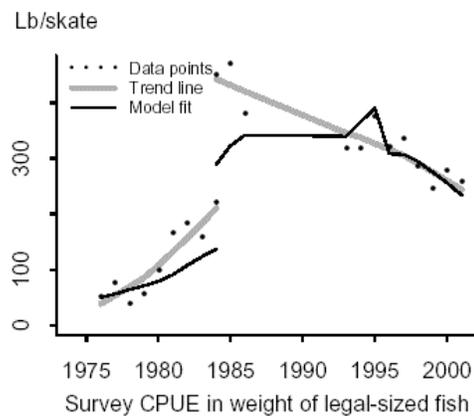
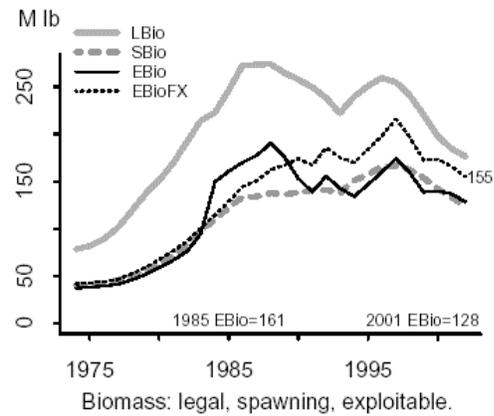
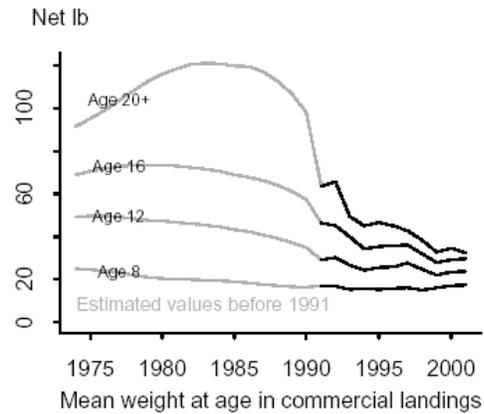
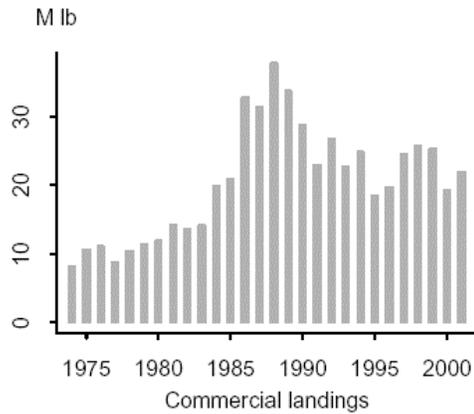
The staff recommendations were generally accepted, except in 4B where the quota was reduced from last year but was more than the staff recommendation. The concern in this area is due to reducing survey CPUEs and a reduced area of habitat where halibut are assumed to be. The IPHC was using 0 to 500 fathoms and they went to 0 to 300 fathoms for habitat area. Area 4B survey CPUE numbers are as follows: 1997-282 lbs./skate; 1998-216 lbs./skate; 1999-204 lbs./skate; 2000-216 lbs./skate; 2001-171 lbs./skate.

The Commission's scientists warned again that they believe there is evidence that the Pacific Decadal Oscillations (PDO) has occurred. This is where the weather patterns change and result in cooler ocean surface temperatures and poor juvenile survival conditions for egg-laying fish. Below are the commercial CPUE's by area and year.

	2A	2B	2C	3A	3B	4A	4B	4C	4D	4E
1995	116	219	234	416	476	349	189	—	475	—
1996	159	226	238	473	556	515	269	—	—	—
1997	226	241	246	458	562	482	275	335	671	—
1998	194	232	236	451	611	525	287	287	627	—
1999	342	213	199	437	538	498	310	270	535	—
2000	263	227	186	443	577	548	318	223	556	—
2001	142	209	205	465	405	459	284	197	517	—

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Below are the recruitment trends for Area 3A, weight at age graphic, biomass trend and CPUE graphic all for area 3A. These trends are similar for most IPHC areas. IPHC scientists say the new recruit class that showed up in 2001 is from 1994 spawning. It is above average. However, all expectations are that cooler surface conditions will not be positive for future year classes during the next 10 years.



Clearing in Area 4. The Commission announced that beginning in 2003, if you use a VMS (Vessel Monitoring System), on your vessel, this can be used instead of physically clearing in and out of the Bering Sea (Area 4). For this year, 2002, National Marine Fisheries Service will waive the clearing requirements if you acquire a VMS for your vessel. VMS can be purchased through North American CLS in Maryland. Contact Sharon Moesel at (301) 341-1814. For more enforcement information, contact Guy Holt, NMFS, (907) 586-7225. (Note: a vessel only doing IFQ harvest and retaining the Pacific cod within bycatch limits does not need a VMS; however, if you applied to NMFS to endorse your LLP license this year for cod, you must have an operating VMS unit even while targeting for IFQ species. You need not get the endorsement to keep your license viable.

Aquaculture. There was a long discussion on farmed-raised halibut. The Conference Board did not approve the Commission's involvement in any aquaculture of Atlantic halibut or use of gene material from Pacific halibut. There is some Icelandic raising of halibut in Eastern Canada. It was told to us that it is primarily a land-based program with marginal production taking place during the winter or our closed period from November 15 to March 15. The product cost was over \$3.00/lb./U.S.; however, the market value in the eastern seafood market during the winter, without our competition, was close to \$6.00/lb. On January 1, 2002, the government of British Columbia took off restrictions for salmon pens so they can raise other species.

Seasons. Both the Canadian and U.S. harvesters supported a two-week earlier opening of March 1 and a later closing of November 30. We got neither. We were hopeful that such an extension of the season would allow us to defend our markets against aquaculture during the winter months. The processors were not very excited about a later season as it would bump up against Thanksgiving and turkey sales. The objection to an earlier season this year came from the staff but they indicated they could do it for 2003. The Commission did none of the above largely due to the Canadian Government's representatives. The issue will simmer this year and be readdressed at the annual meeting next year. The season for 2002 will be from March 18 to November 18. The slightly later date for opening is based on the processors claiming the fresh fish market can be accessed better during the first week. I would have to say the harvesters came away from this meeting feeling that aquaculture potential for halibut should not have a full four months to sell their product without our product being available as well.

Stacking of West Coast Permits. In order to keep halibut in Area 2A while fishing sablefish, you must have an IPHC license, which is free. Last year, the fleet only took half of their allowed halibut. This year, I expect your halibut amount to be 50% greater. The Pacific Council will finalize tiers in March and halibut allowances in April.

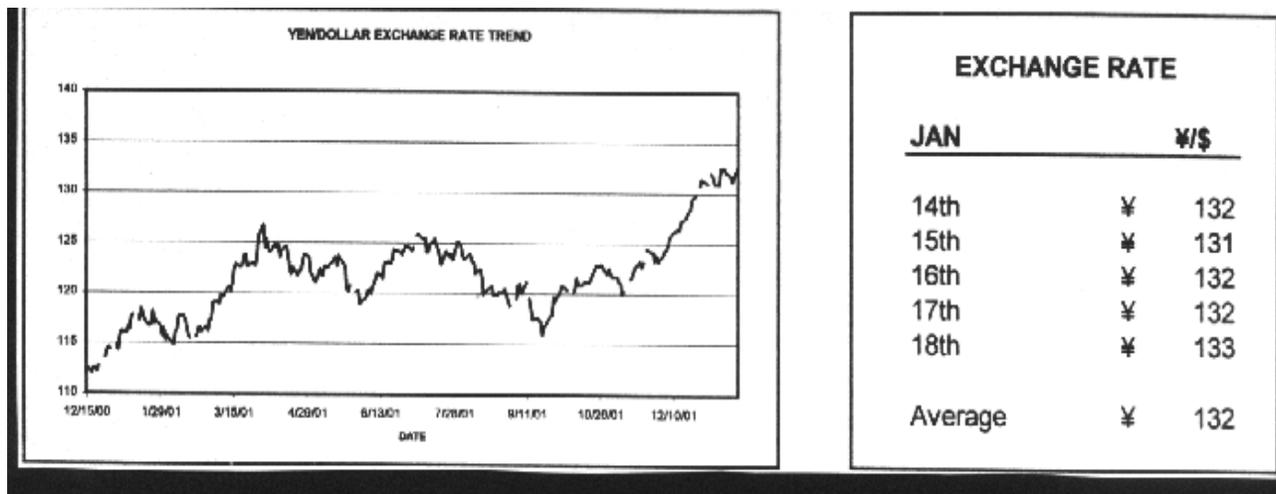
****Market Information****

Halibut. Halibut inventories were preliminarily listed at 7 million pounds at the end of December. This is 1.5 million less than the year before. The fleet in 2001 landed 2.7 million less than the approved harvest, which is now helpful to the current market. The IPHC increased the overall harvest from 2002. One buyer at the IPHC Annual Meeting thought prices in the Seward area would be similar to 2001, the end of the 2001 season (\$2.00 plus). The restaurant

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trades have been hit by the recession, however, I have seen frozen fillets of halibut in North Seattle retail stores at over \$9.00/lb. Most of the inventories should be gone by March 15.

Sablefish. We heard some startling news at the IPHC meeting from Canada. The Canadians may have a zero commercial harvest of sablefish this season. Where the Alaska quotas have declined steadily since 1995, by about 45%, and the lower Pacific coast quotas by 60%, Canada has had a stable harvest. The Canadian biologists are now realizing that the poor juvenile recruitment of sablefish during the 90's has affected their stocks as well. The lower Pacific reduced their harvest by 38% for this season alone, and Chatham Strait is also down. These reductions in harvest should have an upward effect on the market. The troubling news out of Japan is their 10-year recession and the recent movement in the Yen vs. the dollar. The higher the yen, the worse it is for U.S. harvesters and exporters. With significantly reduced harvests of sablefish, I believe this market will be strong in the fall as it becomes evident that supplies will be short. The beginning of the season could reveal a cautionary market.



On the lighter side of all this resource gloom, NMFS has indicated in Alaska the 95, 97, and 98 year classes all appear above average. Off Washington, Oregon, and California, the NMFS survey showed the highest level of sablefish recruits ever recorded for the 99 year class. It takes about 6 years for sablefish to recruit to the fixed gear fleet.

Good News! The Academic Advisory Council for Prevention of Fish Disease reported that regular consumption of fish is effective for releasing stress and prevents Alzheimer's and other diseases.

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Here is a ranking of the West Coast Seafood Processors and how they fair in the top 25.

COMPANY	HEADQUARTERS	2001 SALES	2002 SALES
(1) Starkist	California	\$1.3 billion	\$1.2 billion
(4) Trident	Seattle	\$600 million	\$600 million
(5) Pacific Seafood	Portland	\$550 million	\$450 million
(7) Ocean Beauty	Seattle	\$420 million	\$290 million
(8) American Seafoods	Seattle	\$350 million	\$270 million
(10) Aqua Star	Seattle	\$320 million	\$324 million
(17) Icicle Seafoods	Seattle	\$225 million	\$220 million
(23) Peter Pan	Seattle	\$175 million	\$200 million

****Second Watch****

- Please welcome two new Sustaining Sponsors. **Viking Community Bank, Seattle, Washington, Dan Icasiano, Vice President, Marketing;** and, **Echo Belle, Inc., Kodiak, Alaska, Richard Powell, Corporate Representative.** Thank you for your support!
- **First Aid/CPR Class** scheduled for **Thursday, February 28, 2002, from 8 a.m. to 5p.m. at the Nordby Conference Center at Fishermen's Terminal.** This class is sponsored by Washington Sea-Grant and historically, has always been an excellent class. Please contact either Sarah Fisken (UW) at (206) 543-1225 or Carol Batteen (FVOA) at (206) 283-7735 to register for this class. The cost is \$40.
- **From Seattle News Fax - 12/19/2001.** A fish monger was fined almost \$200 by a court in Helsinki for allowing his fish to suffer while on sale at a local market, a Finnish newspaper reported. A veterinarian took fisherman Magnus Ekstrom to court, complaining that his burbot, a fresh water fish, at the Helsinki market hall were still moving their gills and wiggling around on the shop counter, suffering from unnecessary pain. Ekstrom whacked his fish to prove they were dead, but when the fish continued to flop around, the dissatisfied vet called in the police, who arrived on the scene with wailing sirens.
- Bernie Heiam passed away on January 30, 2002. Bernie fished on such boats as the Majestic, Vigorous, Thor and Arrow. Bernie was 86 years old.

****Calendar of Events****

March 10, 2002 2:00 p.m.	Blessing of the Fleet Fishermen's Terminal	Fishermen's Memorial Seattle, WA
Week of March 11, 2002	PFMC Meeting	Red Lion Hotel Sacramento, CA
Week of April 8, 2002	NPFMC Meeting	Hilton Hotel Anchorage, AK
Week of April 8, 2002	PFMC Meeting	Doubletree Hotel - Columbia River Portland, OR
Week of June 3, 2002	NPFMC Meeting	Dutch Harbor, AK
Week of June 16, 2002	PFMC Meeting	Park Plaza Intl. Hotel San Francisco, CA

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