

Subject: BSAI Crab Coop Voluntary Responses To NPFMC Request- December 2013

From: Rob Rogers <ROBR@IcicleSeafoods.com>

Date: 12/5/2013 9:23 PM

To: "sarah.marrinan@noaa.gov" <sarah.marrinan@noaa.gov>, "gail.bendixen@noaa.gov" <gail.bendixen@noaa.gov>

CC: Pat Hardina <PatH@IcicleSeafoods.com>, Rob Rogers <ROBR@IcicleSeafoods.com>, Kris Norosz <KrisN@IcicleSeafoods.com>

North Pacific Fishery Management Council
605 West 4th Avenue
Suite 306
Anchorage, AK 99501

Dear Council Members,

I represent the Crab Producers and Harvesters LLC, a BSAI Crab Cooperative. This coop is not associated with ICE or ACE. Its comprised mainly of independent BSAI Crab QS holders, crab boat owners and it is affiliated with Icicle Seafoods Inc. The main purpose of the coop is to ensure that its members can efficiently and safely harvesting their crab.

Rather than sending one email representing the coop's position attached are 4 individual emails to the Council regarding the issues of QS lease rates and transfer of QS to active participants. These represent 3 different views. Two from active crab captains, one from an initial recipient QS holder that is actively fishing in other AK fisheries but not for crab, and one from a crab boat owner representative &coop manager.

Sincerely,

Rob Rogers

Crab Producers and Harvesters LLC
P.O. Box 79003
Seattle, WA 98119
206-281-5365

1. What measures are you taking to facilitate the transfer of quota share to active participants? This includes both crew members and vessel owners.

As Crab Producers and Harvesters LLC Coop President I am in contact with all members and generally familiar with when there are active buyers or sellers of crab QS in the coop. I contact coop members that I know are buyers if I know of quota available for sale. This is true whether it's IFQ in the coop or on the open market. The C share QS that has been available for purchase in the coop has been purchased by active captains/crew in the fishery. It has been priced less and there are qualified C share buyers in the coop looking for QS. If prices are reasonable, based on the current market, purchases usually occur quickly.

For A and B share QS that I know of for sale I contact all coop members that have expressed an interest in buying more quota. Usually these buyers are well informed on their own about available quota for sale outside of the coop.

2. How effective have these measures been?

These informal measures worked well when there was considerable amounts of QS available in the first 3-4 years or so of the program. In the last 2-3 years there has been less QS available for sale of any kind. In recent years prices have been considerably higher and fewer buyers, both active or inactive participants, can make the economics work.

3. What measures are you taking to address the issue of how high lease rates affect crew compensation?

The boat owners in our coop have individually chosen to not charge lease rates for the initial issuance of crab QS. Some boat owners choose not to lease additional QS and some do. It's an individual decision. Also, leases are generally confidential arrangements within the coop. However, I am generally aware of what most of the lease rates are since members often contact me about what the market lease rates are doing. When crab prices are lower and crab is harder to catch, the lease rates are lower, and conversely they are higher when crab prices are higher and crab is easier to catch. Some of the crew on the boats in the coop have QS that they lease for the same market rates to the boat owners as any other QS leases. My perception is that it's best for lease rates to be set market conditions rather than by some independent standard.

4. What future measures do you plan to take to address the council's concerns over active participation and lease rates as they affect crew compensation?

To contact active participants that are members of the coop and make sure they are aware of QS that may become available for purchase. However, at current QS prices and concerns about future BSAI Crab TACs, there are few buyers.

Rob Rogers
Crab Producers and Harvesters
P.O. Box 79003
Seattle, WA 98119

Subject: Laferriere response.txt
Request for Voluntary Annual Report to the NPFMC

NPFMC Members,

I don't have any exact answers on any of these questions. All I know is that there are not many transfers of quota shares going on because there are not many for sale any more. If I did sell my CPC shares, I would go to our coop first to help the situation out. IFQ share holders should consider the crew fishing their shares first if selling any IFQ's. On another thought, what is preventing me from buying anymore CPC shares is the uncertainty of the new rules and unfortunately, I have not made a crab delivery in the last 365 days, so currently I can not buy anymore at this time. I do try to buy more of all IFQ crab shares when they come up for sale.

I have concerns and don't want to loose my CPC shares because I am not considered an "active participant" in the crab fishery anymore per say. I have been a commercial fisherman all my life and have been fishing crab in Alaska since 1973. I have been buying crab shares since the start of IFQ program in 2005. I am no longer fishing crab myself physically, just leasing my shares as we have sold our crab boat. However, with the new owners, I am now fishing for bottom fish in Alaska. I do still consider myself a fisherman and pay taxes accordingly. In the old days, we participated in all fisheries to stay alive and just pay our bills. I would hate to see myself not considered an "active participant" just because I don't crab fish exclusively anymore.

I would like to see the "active participant" as those fishing in any fishery, not just the crab fishery to qualify. Why should I be penalized for being diversified in other fisheries? I still buy an Alaska fishing license each year and consider myself an "active" fisherman. Hopefully this will be considered and will be another option so I won't have to sell my CPC shares in the future. I have spent several hundred thousand dollars buying crab quotas in my 3-entities and would hate to have to sell any because I was considered not "active".

I know the lease rates are high, but if you have to buy them they are very expensive and it takes lots of money to pay back the bank. Most of the time you have to reach in your pocket for extra money as the payment is more than the lease for the first 10-years. The long time crewmembers are making more money now and know what they will be making. These are the new times for the fisheries and it was the industry came up with these lease rates, not myself.

I hope the council, IFQ holders, boat owners etc. will be considerate for all in any aspect of the fishery as this rationalized program is a great solution for the future of all fisheries.

You can call me anytime. 206-683-7198

Thanks!

Louis P. Laferriere Captain - CPC shares L&M Enterprises Inc. President -
CPO & CVO shares LPL Quotas LLC President - CPO shares.
47550 SE 162nd St.
North Bend, WA 98045
E-mail: loubobjr@yahoo.com<mailto:loubobjr@yahoo.com>

Morton Response.txt

From: RICHARD & SANDRA [lofoten@comcast.net]
Sent: Wednesday, December 04, 2013 3:32 PM
To: Rob Rogers

To: NPFMC, I am a C share holder in the Bering Sea, Bristol Bay, and St. Mathew crab fisheries and a member of the Crab Producers and Harvesters Co-operative. I operate the F/V Adventure and am asked by the crew about being able to buy shares for the fishery. They see very few shares on the open market and only hear of private sales after the fact. The pool of A and B shareholders need to held to the same standards as C shareholders as far as participation in order for any quantity of shares to change hands. On the subject of lease rates, I see that the attitude and low turnover of crew goes hand in hand with a smaller lease rate, this also makes for safer operations having a crew returning each season.

Contact: Capt. Richard Morton / 425-239-1233 / lofoten@comcast.net

weaver response.txt

From: Jimmy Weaver [inletbeauty@yahoo.com]
Sent: Thursday, November 28, 2013 8:32 PM
To: Rob Rogers
Subject: council letter

Dear Council,

My name is Jim Weaver, I am 51 years old, 50 of those year as an Alaska resident. I have been actively participating in crab fisheries through out the state of alaska for the past 33 years. I have fished crab in Cook Inlet, Kodiak, Ak Peninsula and Bearing Sea, starting as a deckhand and working through the ranks to captain. From 1995-2005 I was a partner in a crab vessel, we sold the vessel in the buy back program in 2005 . After the buy-back/rationalization of the crab fishery I have worked deck and recently asked to run a crab boat again. I currently work for Icicle Seafood's and share the skipper duties with another captain. I was issued skipper shares (c-shares) during rationalization,I have since bought more quota.I have, and currently fish these shares on the Adventure.

Quota shares are hard to buy most changing hands by word of mouth a never making it to the open market. There is also not alot of crew quota, 3 % doesn't leave alot to go around for 500 crew members and skippers. A program that allows crew (active-participates) to join a list if there interested in buying quota could be handled at the co-op level. Not sure what the exact definition of (active- participation) is but seems to me that making one trip every three years or so is not active. Active are the crews working every year to harvest the quota.

High lease rates have affected crew shares since the inception of crab rationalization, crews may be making more but their working months catching more crab for less pay/pound then before rationalization. Some vessel owners have chosen not to charge their crew lease fees on original issued quota, most have NOT, choosing to charge crews lease rates on quota that was given to them. Greed is a funny thing, one boat owner put it to me this way, if I charge high lease rates, in 10 years all the deckhands will be gone that remember non-lease crabbing and the new generation of crew will know no difference.

I was am still in support of crab rationalization, it is no doubt a safer fishery, there are still good jobs to be had but there are alot of crews working to make a few absentee owners alot of money.

Jim Weaver

po box 664

homer, alaska 99603 cell#907-299-1870