



January 6, 2010

Mr. Doug Mecum  
Regional Administrator  
NOAA Fisheries' National Marine Fisheries Service, Alaska Division  
PO Box 21668  
Juneau, Alaska 99802-1668  
Via email to: [doug.mecum@noaa.gov](mailto:doug.mecum@noaa.gov)

**Re: 2010 Potential Area 2C Charter Halibut Catch Restrictions**

Dear Mr. Mecum,  
The Southeast Alaska Guides Organization (SEAGO), [www.segoalaska.org](http://www.segoalaska.org) represents charter operators and lodges throughout our region. I write you today out of great concern over additional restrictions being recommended for the Area 2C charter sector.

**Economic Impact** – The Southeast charter industry creates \$300M economic activity, generates 3,000 jobs, and supports 400+ small businesses<sup>(1)</sup>. In 2009, we suffered a 25-40% decline in business and current forecasts show no recovery in 2010<sup>(2)</sup>. This slowdown will cost our local communities an estimated \$200M in economic opportunity, loss of 2,000 jobs, and closure of at least 150 small businesses over a two year timeframe.

	2009-10
<b><u>Area 2C Charter Economics</u></b> <sup>(1), (2)</sup>	<b><u>Impact</u></b>
Financial Loss to Local Communities	<b>(\$200M)</b>
Job Loss	<b>(2,000)</b>
Business Closures	<b>(150+)</b>

<sup>(1)</sup>Data from "Economic Significance of Sport Fishing in Alaska" - <http://www.sf.adfg.state.ak.us/Statewide/economics/>

<sup>(2)</sup>2010 SEAGO forecast study to ADF&G 11/2009

The two key contributors to this decline are the economic slowdown and increased fishing regulations that have seriously affected the regions' reputation as a sportfishing destination.

The impact of sport fish regulations reaches well beyond the guide industry. From Ketchikan to Juneau our communities have limited economic diversity and sport fishing makes a major contribution to our economic health. Alaskans who own restaurants, bed and breakfasts, and operate retail shops derive an important portion of their income from visiting anglers. Short term, these people are directly impacted by decisions affecting our industry. Longer term every citizen of our local communities is impacted via declining real estate values, decreases in government services, and cut backs in transportation infrastructure. This is not a hypothetical situation, it's real. For example, charter contributions to local taxes in Sitka are down more than 28% in 2Q09 causing



a cutback in services and we have begun to see population decreases in other areas throughout Southeast.

Sport fishing has grown to become the fourth largest component of the State’s GDP and needs to be recognized as a significant contributor to the Alaskan economy rather than just a threat to the commercial fishing industry. Now, at a time when the State is working out of the deep recession and looking for growth opportunities, we believe it would be ill advised to take actions that negatively affect its future unless 100% necessary for conservation of the resource.

Sadly in 2009, we have seen sport guide businesses fail, communities have suffered, and good people have seen their life’s work fall upon tough times. We respectfully request that any actions contemplated by NMFS that would cause further strain on our local economies in 2010, be taken with serious forethought.

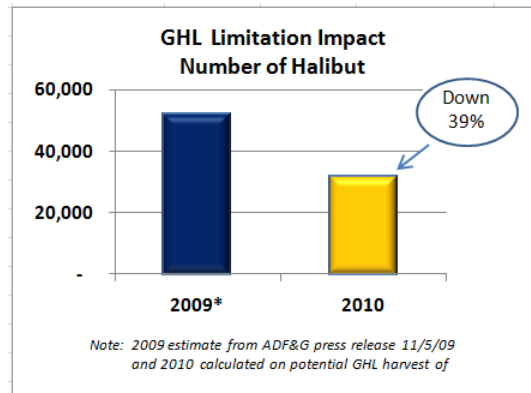
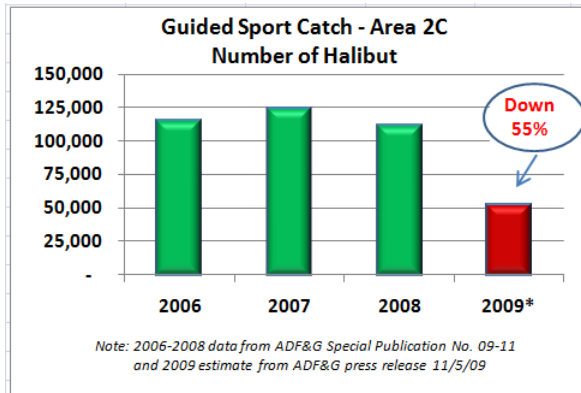
**Charter Participation** – Contrary to assertions by some, guide and lodge owner participation in our fisheries has been flat for some time. In 2008, there were 860 guides operating 759 vessels under 429 businesses. Further, as the following chart shows, our participation has been flat for the past several years. While published data are not yet available, there is no doubt that 2009 will show a significant decline in all of these metrics.

SouthEast Saltwater Logbook Data				
<i>From ADF&amp;G Special Publication No. 09-11</i>				
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>Percent Change 2006-2008</b>
<b>Participation</b>				
Number of Charter Businesses	439	430	429	-2.3%
Number of Vessels	747	768	759	1.6%
Number of Trips	39,088	39,599	37,449	-4.4%
Number of Angler Days	154,549	158,551	150,793	-2.5%
Number of Active Saltwater Guides	881	873	860	-2.4%
Note: Number of Halibut Caught	114,422	123,571	110,554	-3.5%

Further, the charter sector has endured a continuous stream of increased regulations. In the past few years we have seen a near total loss of king salmon opportunities for half of an entire season, imposition of slot limits and short seasons for lingcod, yellow eye bag limit and annual limit reductions, and lowered rockfish allocations that will be very hard to live within. Combined with a reduction in halibut limits from two fish, to two fish with size limitation rule, and now down to one fish this past summer, the cumulative effect has resulted in a significant decrease in the viability of Southeast as a sport fishing destination. Visiting sport fishermen have other options and many are now going elsewhere. Once gone, these visitors are hard to win back. The impacts to jobs and business income in local economies are already significant.



The chart below illustrates that we took a 50%+ catch reduction with the introduction of the one halibut rule in June, 2009. We recognize that because of an average weight increase, our poundage did not show a commensurate decline.



We understand that various alternatives are being considered to limit the guide sector to 788,000 lbs for 2010. Based on the 2009 average weight, such a move would further reduce our catch to just over 30,000 fish, resulting in an additional 39% reduction.

**Equal Consideration** - The IPHC has demonstrated flexibility with the 20% target harvest rate to mitigate economic situations. The commercial fleet has benefited from this process for the past three or four years. This has been acceptable to the IPHC because they consider the resource strong (even at low levels) and resilient. These measures were implemented to offset extreme economic impacts in a down cycle such as we are encountering at this time. We ask for similar consideration for the charter sector in 2010.

**Recommendations** – Clearly, our primary recommendation is that the current ‘one fish rule’ remain unchanged and that no further restrictions be implemented for 2010. We assume the impact of this decision will be for the charter fleet to catch approximately the same number of fish as last year.

There are very few other alternatives that we believe are viable. If pressed, we would recommend an acceleration of the Moratorium and have it implemented during the 2010 season. This would of course reduce the number of guides eligible to fish with a corresponding reduction in catch. Frankly, we fully expected this initiative to be implemented this year and were surprised to learn that it will be delayed.

The upcoming catch sharing plan has multiple components, including IFQ lease, which the NPFMC designed to mitigate some effects. This plan will be implemented in 2011 and we feel strongly that pushing one piece through (ie GHL allocation) without the mitigating impacts of the other pieces will leave local economies further damaged.



**Your Assistance is Requested** – Alaskan coastal communities and charter fishermen need your consideration. SEAGO welcomes the opportunity to work with all involved to arrive at decisions that are in the best interests of our communities, the sustainability of our halibut fishery, and the health of commercial fishermen and the guided sport sector.

Please feel free to call on us with any questions, concerns, or ideas on how all of us can find a way to get through the current low ebb in halibut stocks with the minimal damage to all involved.

Sincerely,

John A. Blair  
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925-366-6638

Copy via email:

Mr. Bruce Leaman, Executive Director, International Pacific Halibut Commission,

[bruce@iphc.washington.edu](mailto:bruce@iphc.washington.edu)

Mr. Denby Lloyd, Commissioner, Alaska Department of Fish and Game,

[denby\\_lloyd@fishgame.state.ak.us](mailto:denby_lloyd@fishgame.state.ak.us)

Mr. Eric Olson, Chairman, North Pacific Fishery Management Council, [eolson@gci.net](mailto:eolson@gci.net)