

Spring  
2006

# NAMA Newsletter

NORTHWEST ATLANTIC MARINE ALLIANCE



Factory trawlers tied up in Nelson, New Zealand; after privatization occurred consolidation was rapid and corporate vessels soon became the rule.

## New Zealand: Quotas, 20 Years Later

In early March, Craig joined 22 fishermen, academics, political activists, and conservationists on a tour of New Zealand's quota-based fishing industry.

Other New England fisherman on the trip included: Rodney Avila (Mass.), Jan Margeson (Mass.), David Goethel (N.H.), and Bob Baines (Maine).

The trip was organized by Chris Dewees of the University of California-Davis, Sea Grant/Cooperative Extension program, a leading expert on the social, economic, and biological impacts of quotas on New Zealand's fishing industry and coastal communities.

The visit was funded by the Sand County Foundation in Wisconsin and the Moore Foundation of San Francisco.

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## MESSAGE FROM THE COORDINATING DIRECTOR:

**H**appy Spring and a gracious welcome to our new subscriber members. My message for this Newsletter is simple and to the point. Time is running out. We must find the fortitude to set aside differences and come to terms with achieving a common goal-which I would state as –Rebuilding our marine ecosystem in the Gulf of Maine.

In previous Newsletters, Op-Ed's and letters to the editor, I have been pointing out that the movement of management toward quota management is accelerating at a very rapid rate. Congress is debating reauthorization of Magnuson-Stevens, which will include language regarding the establishment of "catch limits."

I have pointed out on a number of occasions that the Bush Administration supports market-based solutions to solve resource management problems and the NOAA Fisheries Director's comments from a couple years ago warning communities to prepare for a future with less boats and that only 300-500 vessels could sustainably harvest the resources in the Gulf of Maine. Recently, I was lucky enough to attend a trip to New Zealand where I got to see all sides of the quota management decision-making and outcomes. If you read this story and it isn't enough to get you concerned and motivated - maybe you should check your pulse?

NAMA invites you to participate in the development of new ideas and possible solutions as we head into this change in management approach. We will be hosting a series of meetings, like we did for Amendment 13, where you will have every opportunity to get your ideas heard, considered, debated and eventually crafted into an acceptable plan. We will post dates, times and locations on our website.

I hope you enjoy the reports in this Newsletter. You will see that NAMA staff is extremely busy but also very aware of the issues facing our communities, fishing families and all who care about marine resources. Read about the disappointing shrimp season which was caused by limited market and now calls for new ideas and new relationships to be developed. Learn how Jen Levin has been interviewing fishermen for the Atlas Project, in an attempt to show the relationship between geographic communities on land and communities of fishing areas on the water. This opportunity has also let Jen introduce herself and NAMA to a larger group of people. And finally, I want to personally welcome my longtime friend and colleague Curt Rice to the NAMA Board of Trustees, he will be a great asset to our organization.

As never before, NAMA needs your help. I urge you to read and subscribe to NAMA's purpose, principles, and goals. If they strike a chord please make a contribution and get involved today. Participation will be critical over the next 12-18 months. NAMA urges you to stay informed, keep in touch and attend meetings. We will let you know when and where you can come to make a difference.



A handwritten signature in dark ink, appearing to read "Craig A. Pendleton". The signature is fluid and cursive.

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New Zealand's experience with quotas dates back to 1986, when the country was in the midst of an economic crisis. At that time, economists from the US and Canada were brought in to help turn things around. Overcapitalized and overfished, fisheries were a top priority for the island nation. The Ministry of Fisheries would turn to a classic economic rationalization model to bring back stocks (and profit) to the country's multi-billion dollar fishing industry.

"Sea Grant provided a neutral unbiased perspective, providing us with a range of literature about quota systems prior to the trip. They did an excellent job at balancing visits to corporate-style quota holders with discussions with small fishermen who had 'sold out.' We also spoke with fishermen who took the middle road, selling part of their quota, but staying in fishing at a decreased level. Finally we visited an indigenous Maori tribe who received a portion of quota. It was a fair and balanced overview," Craig said.

New Zealand's experience with quotas dates back to 1986, when the country was in the midst of an economic crisis. At that time, economists from the US and Canada were brought in to help turn things around. Overcapitalized and overfished, fisheries were a top priority for the island nation. The Ministry of Fisheries would turn to a classic economic rationalization model to bring back stocks (and profit) to the country's multi-billion dollar fishing industry.

Known as the Quota Management System or QMS. The system has remained virtually unchanged ever since.

Quota was allocated based on vessel/fishermen's historic catch; the more you caught in the past, the more quota you were given. Initially, rules prohibited an excessive concentration of quota, but that soon changed. Today, four major companies control 72 percent of the property rights.

Craig made several observations regarding the apparent benefit of the QMS as he saw it:

- Fish stocks in New Zealand are doing better than before the QMS. Some 80 percent of stocks, which includes a multi-species complex, are rebuilt. The remaining 20 percent are

"rebuilding."

- A level of stewardship seemed to exist by the fishermen who remained.
- On a number of occasions fishermen have voluntarily reduced TACs to protect future productivity.
- New Zealand fish products were very high quality; of which exporting some 90 percent of the landings abroad.
- Because the industry pays a fee to fish, around \$28 million, on the quota they demand (and receive) a high level of efficiency from management.
- Science is fully independent from management and facts - not policy recommendations - are made by scientists.

Craig also noted numerous drawbacks:



A South Pacific species on ice for the market. Today, New Zealand exports nearly 90 percent of its fish products to other parts of the world.

## NAMA Leads Seminar at the Fishermen's Forum Addressing the Market Problems Facing the Northern Shrimp fishery

At the 2006 Maine Fishermen's Forum, NAMA took the lead in organizing a seminar regarding the problem of dismal market and low prices for Northern shrimp (*Pandalus borealis*).

The session sought to engage fishermen, managers, and other stakeholders in a discussion about ways to improve and expand shrimp markets.

Russell Libby, Executive Director of the Maine Organic Farmers and Gardeners Association, was on hand to offer lessons that the state's farmers had learned in their wise use of the market for agricultural products.

The seminar also touched on the idea of forming a shrimp promotion council similar to the Maine Lobster Promotion Council.

Despite a record abundance of shrimp this season, fishermen have been plagued with basement prices and an indifferent consumer, who increasingly prefer a variety of farm-raised shrimp species from Asia.

"This year we've had a tremendous abundance of product and miserable prices," Proctor Wells, a fisherman and NAMA Trustee from Phippsburg said. "The time has come to look at ways to be more competitive in the shrimp market."

The shrimp fishery is not new to boom and bust cycles.

Many fishermen have blamed the ups and downs on the fishery's management strategy, which has historically been inconsistent, discouraging fishermen (and buyers) from investing capital in the face of substantial uncertainty.

Three years ago, the season was set at 28 days, prompting many captains to keep their boats tied to the dock, but, this year, the season was set at 140 days, quickly flooding the market and driving prices down from a high of one dollar per pound ten years ago to merely a quarter this year.

"I just can't bring myself to send my boat out for 25 cent shrimp," Boat owner and NAMA Coordinating Director, Craig Pendleton said. "Look at the family farm. There's no difference between them and family fishermen. We're both going to hell in a hand basket."

According to Libby, there were 1,200 potato farmers and 1,300 dairy farmers in Maine a decade ago; today that number has plum-

meted to 400 and 300, respectively.

He said those who survived learned to focus on developing markets, emphasizing quality, and highlighting the "grown in Maine" factor.

"The consumer is looking for a story. If you can sell a story to the consumer," he said. "Every single product you can get out the door that has the name Maine attached to it is an advantage." Our message is "face, place and taste," Libby said.

Pendleton believes that this is where shrimpers can gain a foothold again in the marketplace

"We face a lot of the same marketing problems you do because we both sell seasonal products," he said. "There are many thousands of Maine families that support local farmers and they could also support local fishermen."

"You have to set a price where you can make a living and then build a market that will support your price," said Libby. "To get market, you have to produce what the market needs."

The seminar at the Forum represented the beginning of a NAMA effort to address the biological, economic, and social impacts in the shrimp fishery. In cooperation with Cliff Goudey of MIT Sea Grant, NAMA has submitted a proposal to the Northeast Consortium to fund a real-time data collection system for the shrimp fishery, allowing participants to avoid bycatch, improve the quality of product landed, and stagger landings to stabilize prices.



Northern shrimp (*Pandalus borealis*) are "pan-subarctic" species (found throughout around the northern hemisphere below the polar icecap.) Efforts to rebuild populations - helped greatly by the collaboratively developed Nordmore grate - led to a strong 2006 year class. Unfortunately, market factors drove prices down as low as 25 cents per pound. NAMA is exploring marketing options to bring the price of shrimp back up to profitability in cooperation with a variety of agricultural marketing and scientific specialists.

# NAMA's Levin Serves as Community Researcher in a Program Designed to Define Fishing Communities In New England

The purpose of the research is to produce an atlas of fishing areas in the Northeast. The maps will show major fishing areas and they will indicate which ports are strongly linked to each area.

**W**hat is a fishing community? It is a seemingly simple question with a seemingly simple answer? New Bedford, Gloucester, Portland are all fishing communities, right? Well, yes, but it turns out the answer may be more complicated than “a place and a space where fishing boats are docked and fish are landed.”

After all, fishermen from many of these most prominent “fishing communities” utilize the same grounds at sea. Does that then constitute a kind of fishing community? Furthermore, we know that vessels from Portland often land their fish in Gloucester and sometimes vice versa.

What does this action mean for the definition of fishing community?

The bottom line is that what we mean when we say “fishing community,” at least in the context of management decisions, can have substantial consequences. In an ocean scribbled with arbitrary man-made lines, knowing who fishes where, and from what port, has all sorts of implications for impact assessments, changes in fishing effort, and industry profiles.

To get at the answer social scientists Kevin St. Martin of Rutgers University and Madeleine Hall-Arber of MIT Sea Grant designed a project three years ago, known as “An Atlas-Based Audit of Fishing Territories, Local Knowledge, and the Potential for Community Participation in Fisheries Science and Management.”

The purpose of the research is to produce an

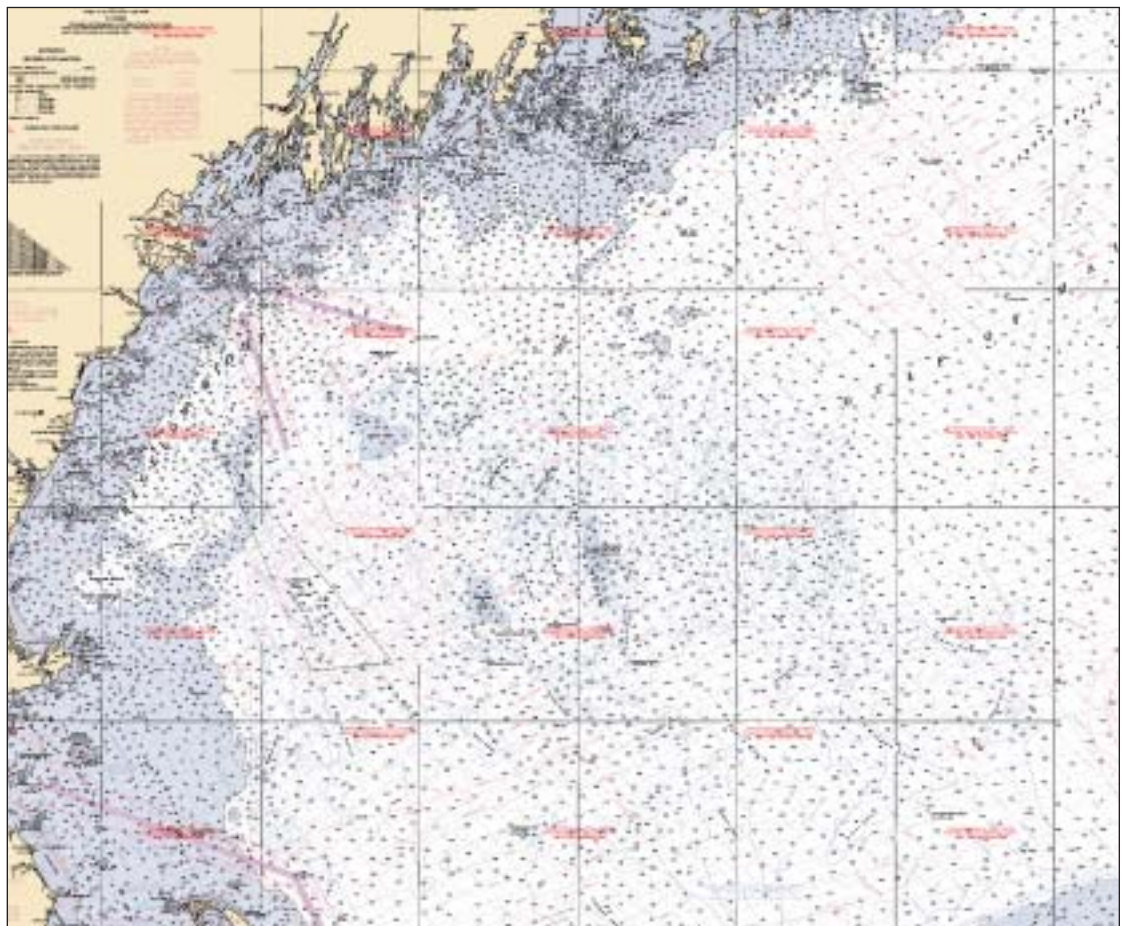
atlas of fishing areas in the Northeast. The maps will show major fishing areas and they will indicate which ports are strongly linked to each area.

The information for the maps comes from logbook data collected by NMFS. Subsequent interviews with fishermen will verify, correct, and add to the logbook maps.

The planned output is an atlas showing primary fishing locations, and the community characteristics of each location (e.g. ports that dominate, type of gear used, species targeted, average size of boat and crew, degree of overlap with other areas, and a range of environmental information available from local fishermen).

The information will be collected and presented in a GIS format.

Jen Levin, NAMA's Director of Operations, has played a key role in the process by conducting eight interviews with fishermen from Maine is taking a GIS course at USM.



The project seeks to draw correlations between fishing communities on land and fishing grounds at sea. (chart courtesy of NOAA)

## In Other News...

### Captain Curt Rice Joins NAMA Board

**N**AMA is pleased to announce that Captain Curt Rice, a 30-year veteran fisherman, has joined NAMA's Board of Trustees.

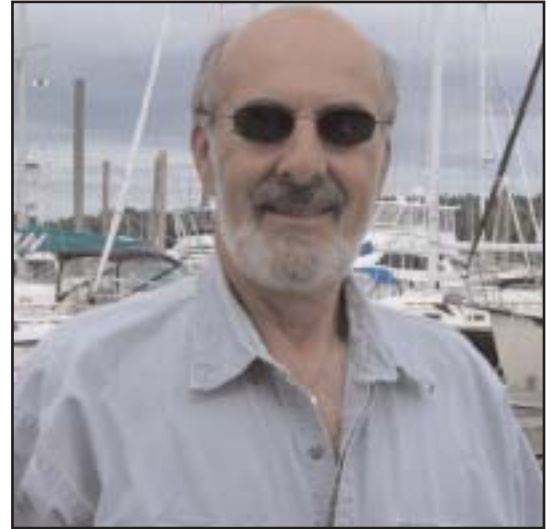
Rice operates the fishing vessel Robert Michael out of Portland, Maine, and has been the captain for the Maine/ NH Inshore Trawl survey for going on six seasons.

Rice said that he has long promoted the interests of fishermen and fishing communities, years ago becoming the first deckhand to join the Maine Fishermen's Cooperative Association.

"In the next 18 to 36 months there are changes coming that will make all past regulatory actions seem insignificant. The time for fishermen to be organized is now, and NAMA provides the credibility and know how to do the right thing during this watershed moment," Rice said.

He added: "A lot of fishing organizations have come and gone over the years, but NAMA is still here. I think that speaks to the inclusive nature of NAMA organizational structure.

Fishermen can't afford to fight amongst ourselves anymore, the time has come for cooperation across diverse stakeholder lines and NAMA has shown us how to do it."



### Chris Weiner Joins NAMA as Intern

**C**hris Weiner, a tuna fisherman and recent graduate of Bowdoin College joined NAMA this winter as an intern. Originally from Andover, Massachusetts, Chris now lives in Ogunquit, and fishes out of Perkin's Cove.

The Government & Legal Studies major/ History minor has a keen interest in fisheries policy and has written on various fisheries issues including: a thesis on the Magnuson Act and it's

"In the tuna fishery, I have seen what can happen when environmentalists and fishermen go head to head. It is a battle that will always be lost by not only the fishermen, but also, the fish. I truly believe that fishermen - most fishermen - are the ideal conservationists, and given the right tools this will be realized. Only by working together will anything be accomplished."

Reauthorization, Atlantic Bluefin tuna management , New England's groundfish history and the Maine sardine industry.

"I wanted to dig my hands into fisheries policy issues while I decide what to do next in my career. I'm considering a graduate degree in a related discipline, but nothing beats the real world experience you get working at an organization like NAMA that is on the front lines in the management debate," Chris said.

Chris has written two *Collaborations* articles and has proven to be an invaluable researcher on issues related to Magnuson and the promise of co-management.

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fish. I truly believe that fishermen- most fishermen- are the ideal conservationists, and given the right tools this will be realized. Only by working together will anything be accomplished."

"I have been blessed to have grown up on the ocean and want to use the skills I have learned to ensure that there are fish - and fishermen- in the future."

-QMS is run purely based on neoclassical economics; social considerations are barely considered. Mom-and-pop operations are deemed economically inefficient and represent the majority of the “losers” in the system. Thus “profitability” is the most important measuring stick used in gauging the success of the program and coastal communities are regarded as “communities with fishing in it” not as fishing communities.

-The QMS export model has created a situation where over 90 percent of New Zealand’s fish are exported; those that remain are often too expensive for the average consumer to afford. A similar situation exists in the country’s lamb industry.

-Consolidation was fast. Four companies now control 72 percent of the quota. What few independent fishermen remain have few venues to sell their fish.

-Most of the seafood companies are publicly traded, creating intense pressure for profitability (many demand an eight percent return on the stockholders investment). This often means that cost reductions are passed down to the fishermen.

-A high level of bitterness exists with those fishermen who sold

out early, who feel like they were misled. The Maori received a 20 percent quota and that has been a source of tension between that group and other fishermen. Also, the initial allocation did not consider the recreational sector, which is growing rapidly, and setting up the potential for a huge battle.

-Finally, many fishermen reported to feeling like “hired hands” and at the mercy of their company. Under this QMS there is little incentive for companies to share in profits with fishermen, though the fishermen carry a substantial part of the risk.

-Bycatch is an issue, as may be high grading, as is the case in all quota systems. To make QMS work New Zealand was in many ways forced to turn a blind eye to bycatch in the multi-species fisheries. These fisheries do not shut down when bycatch limits are reached.

“Considering where we are in New England, the trip to New Zealand was fortuitous. As the question of quotas increasingly becomes a reality in our own backyard, a number of the fishermen from our region have firsthand knowledge of the costs and benefits of such a management strategy.”



**ACT TODAY!** In order to serve you better, NAMA has developed a “Subscriber Program.” NAMA’s subscribers come from many walks of life, including fishing, research, conservation, and education, and they share a common desire to manage our marine resources sustainably and fairly. We believe this can be accomplished by promoting collaborative approaches to fisheries research and management, where the fishery’s diverse community is united by a shared sense of responsibility for building a resilient northwest Atlantic ecosystem. We cannot do this without your help. Please consider supporting our efforts to to protect fish and fishing communities for future generations.

I subscribe to NAMA’s Principles and my \$35 subscription fee is enclosed,

\_\_\_\_\_ Date \_\_\_\_\_

Your Signature \_\_\_\_\_

Support NAMA’s Programs! NAMA works on a multitude of programs that benefit fishermen and the resource. Your tax-deductible contribution and support will enable us to continue to promote and advance excellence in fisheries management, science, and harvesting through networking, information-sharing, visits to Capitol Hill, and maintaining a resource center in Saco, Maine.

Enclosed is \$\_\_\_\_\_ to assist NAMA in continuing its excellent work in advancing the welfare of fishermen and the resource in the northwest Atlantic.

Detach this form and mail it with your check to: The Northwest Atlantic Marine Alliance; 200 Main Street, STE A; Saco, ME 04072 Or, visit us online at [www.namanet.org](http://www.namanet.org) to subscribe or donate by clicking on the Network For Good icon.

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