

## **A PERFECT STORM OF CIRCUMSTANCES**

### **Who we are, and why are we rallying?**

#### ***Who we are***

We are the Northeast groundfish industry. We are small businesses. We are working together for the future of this fishery.

There are approximately 450 groundfish vessels operating in the groundfish fishery today. Our vessels range in size from 30 to 90 feet using a variety of fishing gear including otter trawl, sink gillnet and demersal longline. Our fishery is defined by small, family-owned businesses that operate from ports all along the Northeast coastline—from Maine to New Jersey. In 2011, our fishery landed more than \$121 million of fish in those ports.

Our industry is not only comprised of fishers. Shore-side businesses, fishing dependent communities and seafood consumers make our industry whole. One segment cannot exist without the other.

#### ***Why we're rallying***

Less than two years ago, federal scientists projected the future of the groundfish fishery to be very bright. Their science indicated many of our key stocks would be fully rebuilt and achieving the maximum sustainable yield by 2014. Since then our fishermen have adhered to strict management measures and their catch remained well within the scientific limits. Yet, today we are facing a catastrophic “perfect storm” of circumstances far beyond the control of our fishermen. The long history of the northeast groundfish fishery for such iconic species as cod, haddock and flounder has been defined by hardships of every kind imaginable. The fact that our fishermen are still standing here today three centuries later is a testament to just how resilient and resourceful they are. They are the very best fishermen in the world. Yet this may be the end of that long journey. The crippling cuts in catches as much as 78 percent due to go into effect later this week is more than even our fishermen can survive.

Through the Groundfish Industry Rally our industry has come together to bring their fate to the attention of federal and state leaders who are in a position to help. Our industry did not cause these problems and there is nothing they can do to fix them. We need their help.

## **A Perfect Storm of Circumstances**

### ***Storm Fronts***

- **Natural Cycle of Ecosystem**

The groundfish industry is part of a highly complex and dynamic ecosystem. Much work has been done to better understand environmental conditions, which include predator-prey relationships and the effects of oceanographic conditions such as water temperature on stock productivity. Seasoned fishermen know from experience that there are factors beyond our

control that affect natural fluctuations and cycles in the ecosystem. For instance, while codfish may be extremely catchable for a period of time, the catch rate may fluctuate while another species, such as yellowtail flounder, may be more catchable.

- **Rebuilding Requirements in 2014**

The Magnuson-Stevens Act is the federal statute which governs the management of most US fisheries including our groundfish fishery. This statute requires the status of fish stocks to be evaluated relative to what is believed to be the level of abundance that can produce the maximum sustainable yield for the fishery. If a stock is believed to be below 50 percent of this level of abundance, fishery managers are required to initiate a rebuilding plan that reduces fishing to a level that in most cases will allow the stock to fully rebuild in 10 years or less. Rebuilding plans for groundfish stocks were first implemented in 2004. As recently as 2010, scientists projected that the key stocks our fishery depends on would be fully rebuilt in 2014. The upcoming years were supposed to be a time of prosperity. Instead, we've seen reduction after reduction on critical groundfish stocks across the board. While we believe Congress built far more flexibility into the Magnuson-Stevens Act that would provide a bridge for our fishermen to survive, federal agency regulators have repeatedly refused to apply these tools. Once our waterfront infrastructure is lost, it's lost forever.

- **Reinvestment in the Fishery**

Of those small businesses that remain in operation today, many have managed to survive the constant barrage of federal regulations by investing and reinvesting in their fishing businesses. They made those investments based on the promise of a rebuilt fishery that according to federal scientists would be realized as soon as next year. Unfortunately, many fishing business owners had no choice but to mortgage their homes and other personal assets just to keep their heads above water while these stocks were supposedly rebuilding. There is nowhere for these businesses to turn after May 1.

### ***Wreckage of the Storm***

- Loss of fleet diversity
  - Reductions are the ultimate consolidator. The 2013 Annual Catch Limits do not support today's groundfish fishery.
- Loss of investment in the fishery
  - Many fishing business owners have personal assets tied into their businesses as collateral. With limited income, many groundfish dependent fishermen will be unable to simply pay existing debts.
- Loss of harvesting capacity
  - With consolidation comes a loss of the fishing fleet.
- Loss of infrastructure
  - The groundfish fleet cannot survive without reliable port infrastructure. Vessels and functioning ports need ice, fuel, repair, electronics, and more to operate.
- Loss of U.S. market share

- Currently, over 90 percent of seafood consumed in the United States is imported, according to NOAA. The Northeast groundfish fishery will lose market share with less supply going to market. In turn, the market share has the potential to be permanently lost once consumers source other seafood products.
- Far reaching economic consequences
  - The economic impacts of the annual catch limits (ACLs) being proposed will be devastating. These reductions will have life-altering impacts for ALL small businesses dependent upon the groundfish fishery — from fishing entities and shore-side businesses to restaurants and grocery stores that depend on fresh, local seafood products. Many of the ACLs being proposed are the lowest catch levels ever set in the history of the groundfish fishery.
- Loss to American seafood consumers
  - American seafood consumers that expect to eat locally harvested fish from the Northern Atlantic Ocean will have limited supply and see steep prices at their fish market.
- Loss of historical fishing culture
  - Fishing has been the fabric of fishing communities up and down the Northeastern United States coastline for centuries. With the proposed 2013 reductions, there is not enough fish to sustain today's industry. This will ultimately result in a loss of fishing culture, families, and a way of life.

#### ***How can we weather the storm?***

- Aggressively seek and create additional harvesting opportunities through improved access to fishing grounds and increase allowable catches when and where possible.
- Secure economic relief for groundfish dependent businesses both through new funding for federal fishery disaster declarations and through existing financial assistance programs.
- Secure a long term commitment for federally funded monitoring programs.
- Foster confidence in the fishery by promoting fishery policies that seek stability in regulations and catch limits Seek greater flexibility in the application of the Magnuson-Stevens Act and regulations where such flexibility exists.

#### ***How can we prevent future storms?***

With almost 10 years of experience with rebuilding under our belt, now is the time to reevaluate. Since 2012, NSC has repeatedly called for everyone in the groundfish community—the scientists, managers and policy-makers—to acknowledge and accept the reality that the current process is just not working. NSC has repeatedly stated it's time to “step out of the weeds” and examine the bigger picture: there are critical elements of science, management, and the law that all need to be fixed. The fishery cannot remain in the same box, performing the same rituals and expect a different result. We need fundamental change.