

"CAPTAIN'S CATCH"
"CAPTAIN'S MATE"

MARCUS FOOD CO.

FISHERIES DIVISION
1532 SAUSALITO DR.
CAMARILLO, CA. 93010

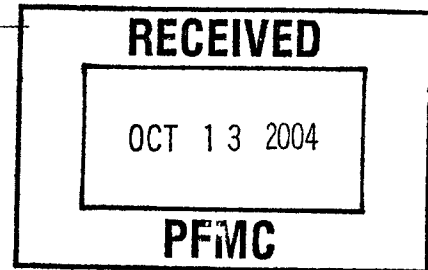
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DATE: October 12, 2004

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Mr Don Hansen, Chair &
Dr. Don Mc Isaac, Executive Director
Pacific Fishery Management Council
7700 Ambassador Place, #200
Portland, Ore. 97220-1384
Fax (503)-820-2299



Subject: Long Term Sardine Allocation:

For the record, I am Rick Mayer of Marcus Food Co. Fisheries Division. I have been involved with marketing California sardines since the first catch quotas were issued by the California Department of Fish and Game many years ago in a then just recovering sardine fishery. I and others involved here in California have seen and can document dynamic changes in both the sardine resource and the world sardine market over time. The purpose of this letter is to communicate to the PPMC that Pacific Sardines are extremely important to those of us here in the California fishing industry involved in catching, packing, and marketing fish caught in California waters. That fact is true both historically and currently, and our desire is that nothing is done with regard to the long term sardine allocation that would put the California wetfish industry in jeopardy. Sardines have been and remain an essential part of California's wetfish catch, which represents more than 80% of the total commercial harvest in California.

Ref. Expansion of the Pacific NW Sardine Fishery - Interim Sardine Allocation:

I attended the April 2003 meeting of the Council where the current sardine harvest quota interim allocation scheme was adopted and at that time expressed my concerns to the Council about expansion of the Pacific NW sardine fishery and the rate of that expansion. Those of us from California who attended that meeting had urged that expanded research be done to determine the true status of the resource in the Pacific NW, instead of using extrapolations from research that had not been done in Pacific NW waters, as the basis for allowing further expansion of the sardine fishery in the Pacific NW. Now, about 18 months later, Pacific NW interests are lobbying again for a larger share of the coastwide sardine quota.

The rationale used for the changes adopted last year (which allowed for further expansion and capitalization in the Pacific NW sardine fishery), were that a). California had not, in recent years, caught the quota allocated to them for those years b). that the economic value of the fishery in the Pacific NW was greater than that of the fishery in California, and c). that the Pacific NW fishing communities needed the shot in the arm that an expanded sardine fishery there might provide.

We felt at the time and still do today that the council's actions allowing further expansion of the Pacific NW fishery ignored the intent of the FMP establishing a limited entry fishery, to prevent overcapitalization. That decision also did not fully recognize the historical and current importance of sardines to the California fishing industry, and the dynamic nature of both the sardine resource and world markets for sardines.

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Long Term Sardine Allocation

We in the California sardine fishery were disappointed with the decisions made by the Council in April 2003 but realized that those decisions would probably not significantly affect us, so long as the coastwide catch quota remained over 100,000 tons. However, at the same time, we realized that should the coastwide catch quota drop significantly in future years, the economic significance to the California wetfish industry of any such allocation decisions would be much much larger, possibly catastrophic. We expressed an urgent need for expanded research of the sardine stocks in Pacific NW waters prior to adoption of any long term, coastwide changes concerning sardine allocation.

Today, given that the Pacific NW seems intent on further expanding the northern sardine fishery, and northern fishing interests are currently seeking to once again change the sardine allocation, we in the Fishing Industry in California are even more concerned and urge the Council to carefully consider the following points with regard to any Long Term Sardine Allocation decisions:

1). The Coastal Pelagic Species Fishery Management Plan adopted by the Council in 1999 established a limited entry fishery in California consisting of 65 purse seine vessels. The Council also adopted a capacity goal satisfied by this limited entry fleet. Fishing vessel owners, processors, and others involved in the California sardine industry on the cold storage, finance, and marketing side of the business made long term strategic plans and capital investments based on the fact that the California sardine biomass appeared to be quite large and, at that time, expanding. We had confidence that with strict controls on the resource (like yearly catch quotas based on scientific estimates of the biomass and a newly created limited entry fishery designed to limit over capitalization in the industry), a large, healthy sardine resource would remain that way for many years into the future. We expected that catch quotas, weather patterns, and world markets might change from year to year, but we never expected that we might in future years have to share up to 50% of the total allowable catch with a newly formed open access Pacific NW sardine fishery. The sardine fishery was supposedly a limited entry fishery. Now, however, sardine population growth appears to have leveled off, and our capital investments are threatened by the rapid expansion of the Pacific NW sardine industry, which wants to expand even more, ultimately at the expense of California.

2). Both the sardine resource and world markets for sardines are dynamic and ever changing. (Japan in the 1980's and 90's was a net exporter of huge quantities of sardines. Today, domestic Japanese sardine resources are depleted and Japan is the most important sardine market for both Pacific NW and California origin Pacific sardines). In the meantime the size of the sardines being caught in California waters has changed over time. We predicted that the size of sardines being caught in the Pacific NW would also vary considerably over time. We have confirmed that a lower percentage of fish caught in the Pacific NW this season fit into the most desirable size ranges from a marketing standpoint. In fact, the northern fishery is now having to deal with small fish similar to California. The trend of dynamic change is likely to continue into the future. The point is that arguments based on the "value" of one fishery vs another are as of a specific moment in time. Both regions market high value and lower value products. Those value considerations will almost surely change considerably over time.

3). With regard to the cyclical nature of the sardine resource, history has proven that what is true today will not necessarily be true next year at this time. It is very possible (and even likely) that dramatic changes will take place over a multi year period. Any Long Term Allocation plans adopted should make use of best available science, and that best available science should include a). current year field research, and b). use of research conducted across the entire range where sardines are going to be targeted for harvest. (Most of the field research to date has been conducted in California waters, and was paid for by the California industry. Extrapolations from data collected only in California waters were used to arrive at the coastwide biomass estimates since no field studies had been conducted in the Pacific NW). From what we have learned, the first field studies of Pacific NW stocks, conducted during cruises last summer, over the winter and this summer, have raised more questions about the sardine stock(s).

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Further field studies of the sardine resource in Pacific NW waters are essential. Only such expanded research can show the dynamics of coastwide sardine migration patterns, the relationship of the Pacific NW stock to the resource, and lead to accurate estimates of the size of the biomass in the Pacific NW, in California, and coastwide.

4). Any Long Term Allocation options considered should begin the season on January 1 to be able to use the most recent field research possible.

5). California's historic limited entry, sardine industry's interests deserve to be protected. No long term allocation formula can equitably address both high quota and low quota situations. Instead we suggest that the Council should consider the need to adopt an allocation system that provides for different harvest guideline allocation formulas depending on whether the harvest guideline for specific years is above or below certain trigger levels. Harvest guidelines below 100,000 tons are very likely to significantly impact the California fishery, particularly in the fall months when sardines caught in California typically have their highest value. Any long term allocation plan that results in no or very little catch quota being left for California to harvest during the Oct.-Dec. period would be particularly harmful to the California industry.

6). Any Sardine harvest guideline allocation system adopted in the coming months should call for further review and update in two years (or whenever the harvest guideline drops) based on new/expanded research data that we hope will then be available about the sardine resource in the Pacific NW and coastwide.

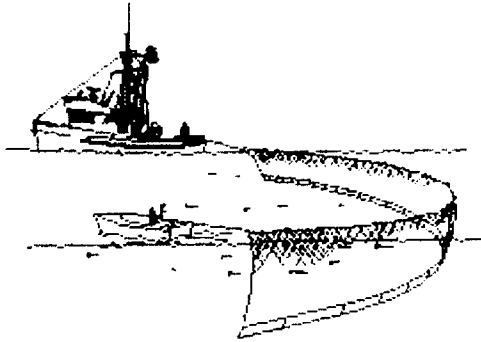
I believe that all of us involved in the California sardine fishery hope that expanded research shows that there is another huge stock of sardines which has not been included completely in previous biomass estimates allowing for possible future growth of both the Pacific NW and the California sardine fisheries. It is our belief that both fisheries should work in concert to push for an expanded knowledge base with the goal of achieving successful, sustainable fisheries in both regions.

Thank you for your consideration.

Best regards,

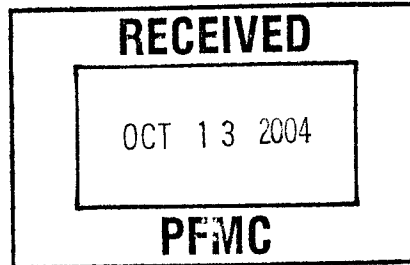
Rick Mayer

Rick Mayer
President/Gen. Mgr. Marcus Food Co. Fisheries Div.
Marcus Food Co. Fisheries Div.



CALIFORNIA WETFISH PRODUCERS ASSOCIATION

Representing California's Historic Fishery



October 11, 2004

Mr. Don Hansen, Chair &
Dr. Don McIsaac, Executive Director
Pacific Fishery Management Council
7700 NE Ambassador Place #200
Portland OR 97220-1384

RE: Agenda Item I.3.c – CPS FMP Amendment – Sardine Allocation

Dear Chairman Hansen, Dr. McIsaac and Council members,

For the record, the California Wetfish Producers Association (CWPA) represents the major sardine processors in both Monterey and southern California, along with fishermen from both regions. We very much appreciate this opportunity, once again, to address the Council on the issue of long-term sardine allocation.

As you've noted in the latest CPSAS report, communications between northern and southern representatives on the CPS Advisory Subpanel have broken down, as it appears the PNW industry has moved away from one of California's key objectives recognized in earlier ad hoc discussions: to acknowledge CA's historic dependence on sardine and protect the limited entry fishery's peak fall season from premature shutdown when the harvest guideline is reduced.

At the conclusion of the CPSAS meeting on September 29, a Pacific Northwest representative presented an "offer", in an effort to reach consensus: accept their preferred allocation alternative – 50 percent of the HG allocated January 1 and 50 percent allocated July 1 – for a period of five years. PNW members were not willing to associate this allocation formula with a quota level, however (e.g. above 100,000 tons). We did not and could not accept this offer because there is no assurance that the biomass and harvest guideline will remain at current levels for another five years, nor can we gamble that sardines will disappear from the north before the quota declines. This scheme would encourage further expansion in the north, promoting overcapitalization, and could shut down the limited entry fishery in California during our peak fall harvest season, the time of year when sardines are usually of optimum size and quality.

PNW interests are intent on expanding the northern fishery, notwithstanding the uncertainties about the resource and cautions about further expansion expressed by the CPS management team and SSC. The northern fishery is unsustainable over time at current harvest levels, and further expansion will result in further overcapitalization, considering the capacity goal approved in Amendment 10, which is satisfied by the existing limited entry fleet.

While CWPA is committed to continue working toward an equitable solution to this allocation conflict, we cannot gamble the future of California's historic fishery, gamble on the livelihoods of the limited entry fishermen, their families, nor the fishing communities in Monterey, San Pedro, Ventura-Hueneme and other areas in California.

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Don Hansen, Chair
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California's sardine fishery and the fishing communities it serves have demonstrated an historic reliance on sardines and that reliance continues today. This industry has invested multi-millions of dollars both in infrastructure and research, and we urge the Council to consider the importance of sardines to this industry when deliberating on long-term allocation options.

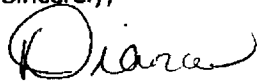
At the September Council meeting I asked the Council for consideration of three points:

- approve allocation options that employ best available science, e.g. spawning biomass and HGs based on current year research. This necessitates beginning the fishing year on January 1.
- because no "one size fits all" allocation formula can equitably address both high-quota and low-quota conditions, consider the need to adopt a framework that provides for different allocation formulas for HGs above and below a pre-defined level – for example, 100,000 tons.
- consider that any "long-term" allocation scheme adopted by the Council should be reviewed and, if necessary, adjusted after two or three years. A framework tied to HG level might be the appropriate benchmark for review, as in the interim allocation process.

I followed the Council's suggestion and discussed these needs with the Advisory Subpanel; however, in light of the division now apparent in the CPSAS, I again approach the Council for your consideration of these points.

We very much appreciate the Council's consideration.
Thank you very much for your attention.

Sincerely,



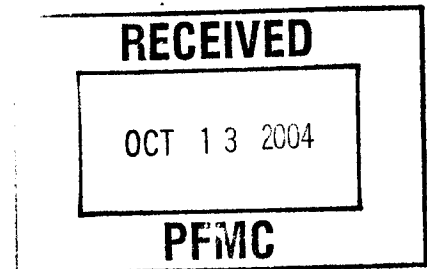
Diane Pleschner-Steele
Executive Director

cc: Rod McInnis
Dan Waldeck

David Haworth
F/V Barbara H Inc.
4369 Niagara Avenue
San Diego, CA 92107

October 12, 2004

Mr. Don Hansen, Chair; Dr. Donald McIsaac, Executive Director and
Members of the Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 200
Portland, OR 97220



SUBJECT: LONG-TERM SARDINE ALLOCATION

Dear Chairman Hansen and Council members,

As a California fisherman with a federally authorized CPS limited entry permit, I'm writing to ask the Council to consider the importance of sardines to California's wetfish industry; this reliance has continued for over a hundred years. The sardine fishery in California operates year-long and is a very important part of my livelihood.

When the Council adopted the Coastal Pelagic Species Fishery Management Plan in 1999, it established a limited entry fishery in California consisting of 65 purse seine vessels; it later adopted a capacity goal including these 65 boats, which the Council found to have a harvest capacity equal to approximately 110,000 mt, and with physical capacity available to harvest peak period amounts of finfish, 275,000 mt.

I believe it is very important to acknowledge this harvest capacity, as well as the intent of the FMP when establishing a limited entry fishery in California - to avoid overcapitalization. Some veteran California fishermen, including several in San Diego, were denied limited entry permits, and the final ruling said these boats could harvest sardine in the "open access" fishery north of Pt. Arena. But fishermen with CPS limited entry permits cannot catch sardines in Oregon or Washington unless they also have state permits because both state fisheries went limited entry and gave permits to individuals—some do not even have boats. The fishery that has grown up in the Pacific Northwest and now wants more sardine quota developed without federal oversight, and without consideration of the capacity goal and restrictions now faced by the limited entry fishermen in California.

As history shows, sardines are a cyclical resource with large swings in abundance. In order to provide a sustainable fishery for as long as possible, I ask the Council to adopt a range of options that considers the long-term impacts on the jobs and families of California's historic fishing communities - including Monterey as well as southern California - and protects this historic, limited entry fishery.

In addition, I believe it is important for the Council to employ best available science and adopt allocation options that use current year field research to determine spawning biomass and harvest guidelines.

In summary, I request that Council members:

- adopt a range of allocation options based on best available science, which means that the season should begin January 1.

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Long-Term Sardine Allocation

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- approve different allocation plans for high and low quota years that protects CA's limited entry fishery when the harvest guideline drops, to avoid shutting down the CA fishery during our peak fall season in years when the quota is reduced.
- revisit this issue in two-to-three years, after more information becomes available on the status and trends of the sardine resource.

I also feel it is important to continue and expand research on the full range of sardine stocks, and not just study southern California waters to develop the biomass and quota levels.

Thank you for your consideration of these concerns.

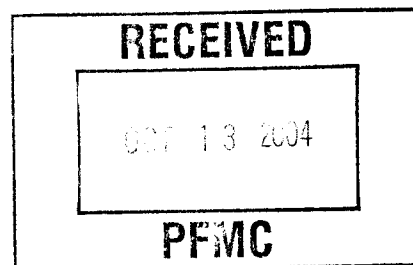
Sincerely,



David Haworth
F/V Barbara H

October 10, 2004

Mr. Don Hansen, Chair; Dr. Donald McIsaac, Executive Director and
Members of the Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 200
Portland, OR 97220



SUBJECT: LONG-TERM SARDINE ALLOCATION

Dear Chairman Hansen and Council members,

As fishermen with federally authorized CPS limited entry permits, we are writing to ask the Council to consider the importance of sardines to California's wetfish industry; this reliance has continued for at least a hundred years. The sardine fishery in California operates year-long and is a very important part of our livelihood.

When the Council adopted the Coastal Pelagic Species Fishery Management Plan in 1999, it established a limited entry fishery in California consisting of 65 purse seine vessels; it later adopted a capacity goal, approving the management team's recommendation that these 65 boats had a "normal harvesting capacity equal to the long-term aggregate finfish target harvest level, approximately 110,000 mt, and with physical capacity available to harvest peak period amounts of finfish, 275,000 mt."

We feel it is very important to acknowledge this harvest capacity, as well as the intent of the FMP when establishing a limited entry fishery in California – to avoid overcapitalization. Some veteran California fishermen were denied limited entry permits, and the final ruling commented that these boats could harvest sardine in the "open access" fishery north of Pt. Arena. In fact, fishermen with CPS limited entry permits cannot catch sardines in Oregon or Washington unless they also have state permits; however, both state fisheries went limited entry and gave permits to individuals—some do not even have boats. The fishery that has emerged in the Pacific Northwest and now seeks more sardine quota developed without federal guidance, and without consideration of the capacity goal and restrictions now faced by the limited entry fishery in California.

As history shows, sardines are a cyclical resource with dramatic swings in abundance. In the interest of providing a sustainable fishery for as long as possible, we ask the Council to adopt a range of options that considers the long-term impacts on the jobs and families of California's historic fishing communities – including Monterey as well as southern California – and protects this historic, limited entry fishery.

In addition, we believe it is important for the Council to employ best available science and adopt only those options that use current year field research to determine spawning biomass and harvest guidelines.

In summary, we ask the Council to:

- adopt a range of allocation options based on best available science (use of best available science – current year field research – necessitates beginning the season January 1).
- approve a two-tier allocation system that protects CA's limited entry fishery when the harvest guideline drops, to avoid shutting down the CA fishery during our peak fall season in years when the quota is reduced.
- revisit this issue in two-to-three years, after more information becomes available on the status and trends of the sardine resource.

Thank you for your consideration of our concerns.

The following Southern California CPS Limited Entry Fishermen strongly support this letter.

<u>Fisherman</u>	<u>Boat</u>
<i>Ujima</i>	<i>ENDURANCE</i>
<i>Ben</i>	<i>Maria</i>
<i>the Capt.</i>	<i>MARIAT</i>
<i>Bill Hazgrave</i>	<i>Midnight Hour</i>
<i>John Aiello</i>	<i>RETRIEVER</i>
<i>John Mattern</i>	<i>PIONEER</i>



STATE FISH COMPANY, INC.

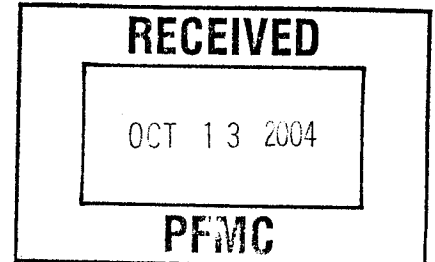
Tel: 310-832-2633 Fax: 310-831-2402

October 11, 2004

Mr. Don Hansen, Chair and
Members of the Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 200
Portland, OR 97220

PFMC FAX: (503) 820-2299

Subject: Long Term Pacific Sardine management



Dear Chairman Hansen and Council Members:

State Fish Company is a family-owned company that has operated in San Pedro, California, for five generations. I am writing this letter on behalf of our hundreds of employees, whom we consider an extended family, as well as the fishermen, their families and the broader fishing community in San Pedro, and further, the fishing communities in Ventura - Pt. Hueneme and Monterey, California, all of whom have depended on sardines for a substantial part of their livelihoods yearlong since the turn of the 20th century.

As the Council deliberates options for long-term sardine allocation, we ask you to acknowledge the importance of sardines to the historic sardine fishery in California, which has come full circle, from heavy fishing in the 1950's, to collapse, a near 20-year moratorium and eventual rehabilitation of the resource. This FMP amendment addresses LONG TERM allocation, and the decision made by the Council has serious implications for future of California's sardine industry.

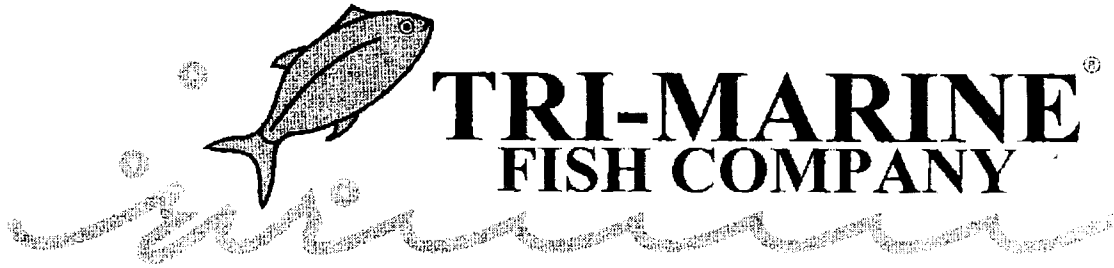
The history of the sardine fishery demonstrated that sardines are a cyclic resource subject to dramatic natural fluctuations in addition to impact from fishing pressure. We encourage the Council to employ best available science and adopt only those options that are based on the most recent (e.g. current year) field research. That necessitates beginning the fishing season in January. In light of the potential to curtail the California fishery during its peak fall season as the quota declines, we also urge the Council to adopt a range of options that will minimize negative impacts and potential premature shutdown on these historic fishing communities when the harvest guideline is reduced.

We suggest a two-tier allocation system, employing different allocation formulas for high and low quota situations, would provide a more flexible framework to achieve optimum yield when the harvest guideline is high, yet protect California's historic, federally permitted limited entry fishery from premature shutdown during its peak fall harvest season when the harvest guideline falls. Thank you for your consideration of our concerns. We will continue to emphasize the importance of sardines to California, as well as the need to protect the historic fishery and the communities it serves, as this amendment process continues.

With Thanks,

Vanessa DeLuca

Cc: Dr. Bill Hogarth, NMFS
Rod Mcinnis, NMFS SW Region
Senator Dianne Feinstein
Cong. Dana Rohrabacher



220 Cannery Street – San Pedro, CA 90731 - Phone: (310)547-1144 – Fax: (310)547-1166

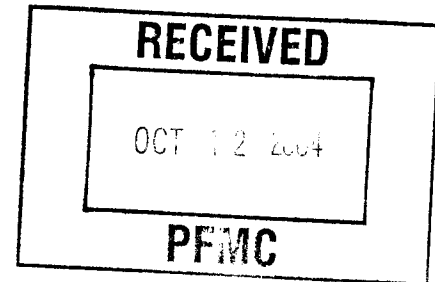
fmateljan@trimarine-usa.com

October 12, 2004

Mr. Don Hansen, Chair
Members of the Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 200
Portland, Oregon 97220

Subject: Long Term Pacific Sardine Management

Dear Chairman Hansen and Council Members,



I am writing this letter on behalf of Tri-Marine Fish Company, a California “wetfish” processor based on Terminal Island. We are a privately held company with deep roots in the San Pedro fishing community as well as an employer of 75 people. We, along with our cohorts in Ventura, Port Hueneme and Monterrey, are deeply concerned about the future of the all-important sardine fisheries that has been such a big part of all of our lives and those of our families for the past century. Sardines have always been the foundation of the California commercial harvest and the general dynamics of the fisheries has been one of tremendous resiliency.

We understand the complexity and the ever changing science and data that is available to us that make this a big part of the decision making process. The simplicity of the entire fisheries is its ability to sustain itself given accurate data. We understand that there are certain peak times that have historically yielded higher portions of the entire catch and we would suggest a two-tier allocation system that would employ a formula for both peak and off season times. We understand that the big picture is still the preservation of this historic fishery.

As long as the council has the flexibility to adopt a range of allocation based on best available science, then we see no reason why the long standing tradition of sardine fishing that has been such a big part of these fishing communities, cannot continue to be sustained.

Regards,

Vince Torre
General Manager