



NATURAL RESOURCES CONSULTANTS, INC.

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May 31, 2010

Mr. Dan Wolford, Chairman
Pacific Fishery Management Council
7700NE Ambassador Place, Suite 200
Portland, Oregon 97220-1384

Re: Reconsideration of Initial Catch Shares in the Mothership and Shoreside
Pacific Whiting Fishery

Dear Chairman Wolford:

Regarding the above matter, Richard Carroll with Ocean Gold Seafoods, Inc., has provided a statement to the Pacific Fishery Management Council that documents major changes that have occurred in the Pacific whiting fishery during the past decade. The focus of the changes described and documented in that statement address development of new whiting product forms since 2004 which have largely replaced the troubled surimi product, diversified marketing of the new product forms both domestically and internationally and the resulting stability and much improved economics that have occurred in the whiting fishery along the Pacific West Coast. Another chapter of parallel change has occurred with the catcher vessels since the early 2000's.

The development of the whiting HGT (headed, gutted, tail off), minced and fillet markets and the diversified marketing of these whiting products was not only favorable to much of the whiting processing industry but also to the catcher vessel fleet. Faster and more efficient processing of whiting resulted in more and better markets for catcher vessels. The diversified marketing of HGT product into Eastern European countries in particular beginning in about 2004 and continuing at present has played a positive role in stronger demand for whiting, higher product prices and higher ex-vessel prices for the catcher vessel fleet. During the years of the domestic whiting fishery prior to 2004, ex-vessel prices for whiting were typically 5-6 cents per pound at the best. By 2007, the fishery was moving more to the north off the Washington coast, the fishery was extending well into the fall season with the northerly whiting migration and the ex-vessel prices had increased to 8-8.5 cents per pound. The 2008 fishery saw stronger market demand for whiting and ex-vessel prices further increased to a range of 12-14 cents per pound

shoreside and remained in the 11-14 cent per pound range through the 2010 season. Ex-vessel whiting prices to mothership markets saw similar price increases during the past 10-15 years as their production also moved away from surimi and into HGT, fillets and minced product forms, and benefited from the more diverse international markets.

The Richard Carroll document addressed the building of the Ocean Gold Seafoods, Inc., processing plant in Westport, Washington, with a focus on high volume and efficient whiting processing. In 2003, their plant provided markets to five commercial whiting trawlers and to one Makah Tribal whiting trawler. Catcher trawler market opportunities further increased to nine vessels during the 2004-2005 seasons, 14 catcher trawlers in the 2006-2007 seasons and a peak of 16 catcher trawlers during the 2010 season (Exhibit 1).

The very substantial changes that have occurred in the West Coast whiting fishery since 2003 have all been a reasonable progression in the building of a more mature fishery—more efficient processing plants able to handle large volumes of whiting, more diverse products tailored to world whitefish demands and a mid-water trawl catcher vessel fleet fishing further north, deeper and later in the fall season with less salmon and rockfish by-catch.

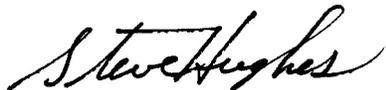
We all await the PFMC/NMFS analysis which we expect will document the timetable of changes that have occurred in the harvesting, processing, marketing and community dependence on the whiting fishery through 2010. We expect the analysis to report the number of active participants in the fishery over time through the recent years and West Coast community dependence on the fishery over the same time period.

Specific to the June 24 and 25, 2012, PFMC agenda item D.7, "Reconsideration of Initial Catch Shares in the Mothership and Shoreside Pacific Whiting Fisheries", plaintiff's support the inclusion of the recent years through 2010. After having had a chance to review the PFMC/NMFS analysis, plaintiffs will provide more specific comments at the public comment session regarding the preliminary preferred alternative.

Thank you for receiving these comments.

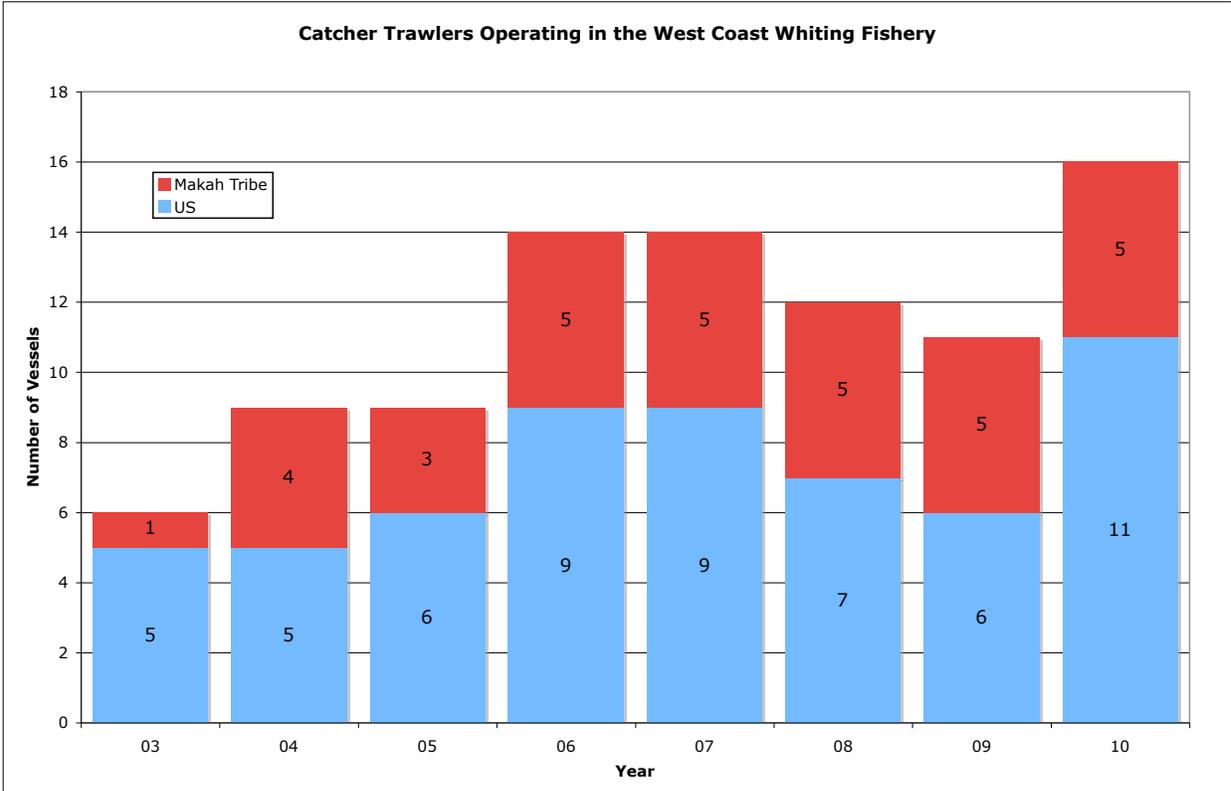
Sincerely,

NATURAL RESOURCES CONSULTANTS, INC.

A handwritten signature in black ink that reads "Steve Hughes". The signature is written in a cursive, flowing style.

Steve Hughes
President

Exhibit 1. Number of U.S. commercial catcher boats (blue) and Makah Tribal catcher boats (red) that delivered Pacific whiting to the Ocean Gold Seafoods, Inc., processing plant in Westport, Washington, 2003-2010.



SEADAWN FISHERIES, INC.
P. O. Box 352
Newport, Oregon 97365

June 8, 2012

Mr. Dan Wolford, Chairman
Pacific Fisheries Management Council
7700 NE Ambassador Place, Suite 200
Portland, OR 97220-1384

RE: Agenda Item D.7 Reconsideration of the Initial Catch Share Allocations in the
Whiting Fishery

Dear Chairman Wolford and Council Members:

I am the managing owner of the trawler SEADAWN which is a long term participant in the Whiting fishery. Further, we are long term participants in the Council process and support the Council's efforts to rationalize this fishery which has long been overcapitalized.

The court is now requiring the Council and NMFS to reconsider the dates it used to allocate Whiting in the IQ and Mothership Whiting fishery. While the history dates must be reconsidered so as to more carefully consider recent history, there is no requirement that the Council change the allocation dates if the Council is satisfied after full reconsideration that its original decision is the most fair and equitable.

As a long term and continuous participant in the Whiting fishery (since 1982) it is my belief that the Council's original decision is sound and that therefore the "no action" alternative should be adopted. The "no action" alternative uses the control date in the final allocation criteria for harvesters, which is very important so as to maintain the credibility of the allocation in this program and to confirm the precedent of the validity of control dates for future programs.

After the control date was adopted the majority of Industry relied on that date and worked in good faith within the Council process to formulate a comprehensive trawl rationalization program which is now Amendment 20. Without the control date the race for fish would have drastically increased across the board. However, most believed in the control date and therefore did not expand their participation in the Whiting fishery. Now those who followed the rules, relied in good faith on the control date and did not increase the level of their participation in the fishery should not be adversely impacted by now giving credit to those who ignored the control date. In summary, the "no action" alternative is the best alternative and is legally sound provided the justifications therefore are adequately explained so it is clear that the conclusion is not arbitrary and capricious.

Alternative 1 is also a legitimate option for the Council to consider. It relies on the control date for both harvesters and processors and therefore addresses one of the chief concerns of the Court. The justification for the different date for the processors was based on political compromise which is reasonable if adequately explained. However, in this case it is my understanding the primary beneficiary was not satisfied with the political compromise made for its benefit so there is no reason to continue forward with a different date for the processors if the program would be more supportable by having a single date.

Alternatives 2, 3 and 4 must be considered by this Council because that is the appropriate procedure, however, from the Council's analysis it is clear that those alternatives are clearly unfair to the long term participants in the fishery and must be rejected. Alternative 3 and 4 are the most draconian and, in fact, are so extreme in the manner in which they would create a large windfall to those who ignored the Council's control date and at the same time take away from those who followed the rules. This is simply not a reasonable result and in fact would, by its nature, be arbitrary and capricious to now benefit recent participants disproportionately to those who followed the rules and did not increase their participation after the control date.

It must be remembered in this process that when the plaintiffs claim their history (recent history) is somehow better than the history of long term participants, that this fishery has long been overcapitalized. It was overcapitalized before 2003 so why should so called "recent participants" be rewarded for adding to this overcapitalization? To do so would be arbitrary and capricious.

Thank you for considering our comments.

Sincerely,



Fred A. Yeck
President

June 9, 2012

Agenda Item D.7
Supplemental Public Comment

Mr. Dan Wolford, Chairman
Pacific Fisheries Management Council
7700 NE Ambassador Place, Suite 200
Portland, OR 97220-1384

RE: Agenda Item D.7 Reconsideration of the Initial Catch Share Allocations in the
Whiting Fishery

Dear Chairman Wolford and Council Members:

I am the captain of the F/V Blue Fox, I share this duty with long time Captain Hank Kentta. Hank Kentta has been catching whiting in the mothership whiting fishery since 1982 and in the shoreside whiting fishery since 1989. I have been a commercial fisherman for eleven years, seven years as engineer and going on my 4th year in the wheelhouse. The Blue Fox's main fisheries are Bering Sea P. Cod, Bering Sea Pollock, and Pacific Whiting both at-sea mothership and shoreside whiting.

In my short fishing career I have participated in two derby fisheries, Pacific Whiting and Bering Sea P. Cod. The West Coast whiting fishery was a derby disaster, it was by far the worst managed fishery under the Pacific Councils jurisdiction. From the day the control date was set for the Catch Share Program (2003) to the day it was implemented was chaos. What was already an overcapitalized fishery became much worse, whiting was the target of latent permitted vessels with little or no history. The whiting fishery was unstable and took tremendous effort by a few industry representatives to keep this fishery operating until Catch Shares could be implemented.

The lawsuit that now has the Catch Share Program back before the Council has far worse consequences than the derby fishery we rationalized. Reallocation is a disaster, there is no analysis that can demonstrate how this is possible when there was a control date in place. Most fishermen respected this date, while others speculated, this leads to inconclusive analysis, only thing you can do is speculate. The ability to use control dates is extremely important in fisheries management, even with my lack of experience I can recognize what a disaster it would be not having this available. There're fisheries in the Bering Sea, and the Gulf of Alaska that are considering going to some form of Catch Share Program, what message are we sending if a Council flops on a control date. What type of industry buyoff do you think you can get for Fisheries Management Plans if control dates are unusable and easily overturned in court?

There are only two options before the Pacific Council that would not alter the program or impact other Regional Councils. The status quo option has been supported by industry, Pacific Council, and the Secretary of Commerce. Alternative one is also valid, besides status quo, alternative one would be the least disruptive and leave the control date intact protecting future FMP's. Your decision is extremely important to longtime captain Hank Kentta and I, any changes in the harvesters control date will have serious impacts on us. Keep the excess capacity out, focus on the goals of the program, capacity reduction being the most important.

We sincerely appreciate the ability to participate in the whiting Catch Share Program, thank you.

Larry Jincks, Captain F/V Blue Fox
Hank Kentta, Captain F/V Blue Fox