



Southwick Study Road Map

New York State Study Highlight

A total of \$85,655,976 in new economic activity and 277 new jobs would likely be created by eliminating commercial fishing for striped bass in New York State and reallocating the present commercial allotment to recreational fishing.

Introduction

The recreational saltwater fishery for wild, migratory striped bass in New York State waters generates approximately \$365 million in economic activity. Nearly 25 percent (24.8%) of all saltwater fishing trips in New York primarily target striped bass. This fishery is located in and around one of the great urban areas in the United States, and is enjoyed by nearly 174,000 residents of New York State. The Fishermen's Conservation Association and Stripers Forever commissioned Southwick Associates, a prominent supplier of socio-economic data to government and industry, to do a study comparing the economics of commercial and recreational fishing for striped bass. Financial support for the study was gathered from a large number of individuals, companies, and organizations. They are listed inside the study's front cover.

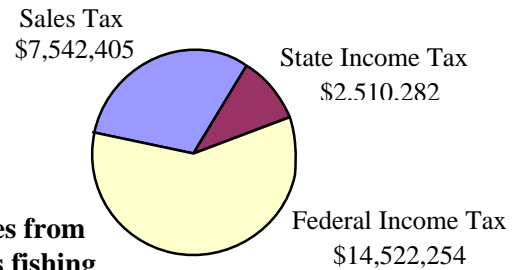
The Southwick Study forecasts economic changes that would be brought about by ending commercial exploitation of striped bass and managing the species only for recreational/personal-use fishing, much like what was done for freshwater game fish and waterfowl early in the 20th century. Additionally, Southwick examined the economics of replacing the wild catch with increased aquaculture production. Striped bass aquaculture already produces over 60% more pounds of striped bass for the marketplace than does the wild harvest.

To indicate just how important the recreational striped bass fishery is to the State of New York, here are some statistics from the Southwick Study:

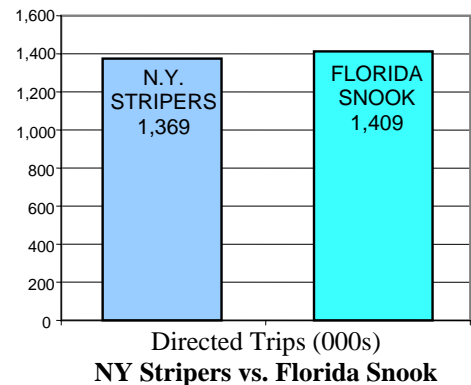
The N.Y. recreational fishery for striped bass produced direct retail sales of \$209,000,000 dollars and provided 2,753 full-time equivalent jobs. The retail sales produced by recreational striped bass fishing were 31.4 times greater than those produced by the commercial fishery, and the jobs were 4.8 times greater. Tables E-2, E-1, page v

- In all, \$2,510,282 in state income taxes, \$7,542,405 in state sales and fuel taxes, and \$14,522,254 in federal income taxes were paid by the recreational fishery. Table 6 page 10

New York Tax Revenues from recreational striped bass fishing



- 173,561 anglers made a total of 1,368,910 fishing trips targeting striped bass in N.Y. Table 1 pages 5 and Appendix 1 page 36
- Of the 1,368,910 trips taken in N.Y. for striped bass, 474,216 were taken by shore-based anglers. That number is 22.7% of all shore-based fishing trips for all species. Table 1, page 5.
- In 2003, a total of 82,507 party and charter boat trips were made targeting striped bass; that is 20.3% of all charter trips made for all species in N.Y. Table 1 page 5
- By comparison to the 1,368,910 directed trips for striped bass taken in the state of New York, there were 1,409,284 trips taken for snook in Florida. Snook have gamefish status in Florida because of the financial value of that fishery to the state. Stripers are even more valuable to N.Y. because of the limited number of species available to support recreational saltwater fishing when compared to those enjoyed by Florida anglers. Table 1 page 5, and Table 16 page 20,21



- The social and economic benefits of recreational striped bass fishing are not simply realized by harvesting fish. Increases in the quality of striped bass fishing will bring about greater economic benefits even if the recreational community chooses to manage the resource by conserving some or all of the striped bass currently killed in the commercial striped bass fishery. This is an important consideration in managing a fishery with a cyclical history. The commercial fishery, by comparison, has no value at all without landings. 4.2 Approach #2, page 19

An Overview of the Southwick Study

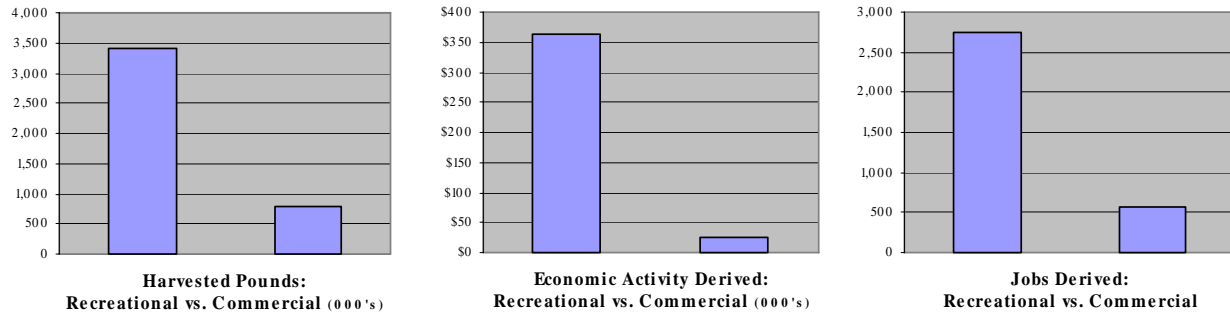
Economic studies are often dry and confusing, victims of the precise terminology that is necessary to make them accurate. In this brief overview of the Southwick Study, we have summarized the findings of the study outline and pointed out the policy changes that would be of greatest benefit to the general public.

“Impacts of Recreationally Harvested Striped Bass to Commercially Harvested Striped Bass” –

Recreational fishers in N.Y. harvested 3,409,572 pounds of stripers, or 4.3 times as many as the 785,765 pounds taken commercially. The total new economic activity derived from these

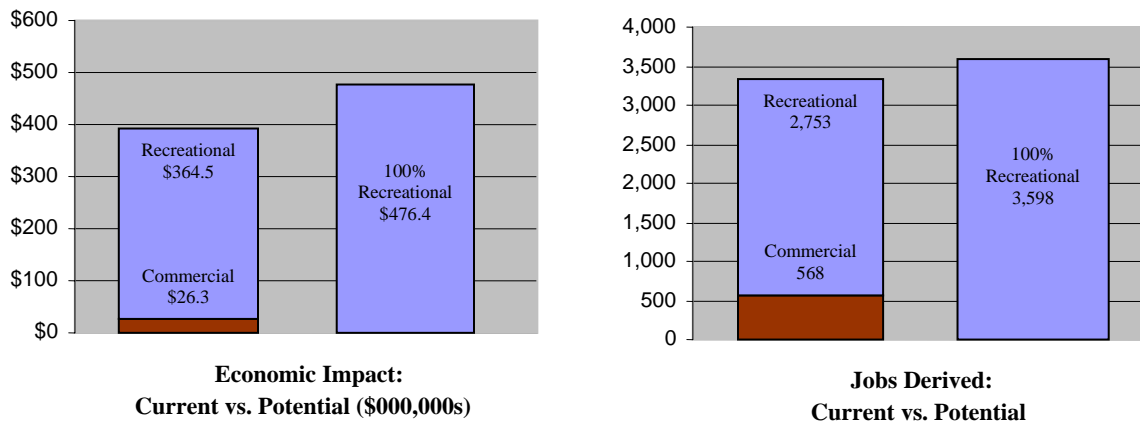
respective harvests – calculated by multiplying the retail sales from each activity by a generally accepted number, or “multiplier,” that reflects the influence one transaction has on the next in the economy – is \$26,300,000 for the commercial landings, and \$364,500,000, or 13.9 times more for the recreational fishery. Jobs produced by the recreational fishery (2,753) similarly outpace those for the commercial sector (568). Table E-1, page v.

Catch, Jobs and Economic Impact



“Actual and Hypothetical Economic Impacts” -- If the striper was made a game fish and 100 percent of the fishery was allocated to the recreational fishing public, total retail sales influenced by the accepted multipliers would increase from the current estimate of \$364,500,000 for the recreational fishery and \$26,300,000 for the commercial – a total of \$390,800,000 - to a new estimated total of \$476,400,000. That is an increase of \$85,655,976, or about 22 percent. Also, jobs would increase from 3,321 to 3,598, up 277 or about nine percent. Table E-2, page v

Actual and Hypothetical Economic Impacts



Aquaculture As a Substitute

In 2003, the last data year of the study, aquaculture produced 11.5 million pounds of striped bass (called “hybrids” in the industry), or 61.6 percent more than the 7.1 million pounds taken in the wild harvest. The price to the consumer was almost exactly the same on average at \$2.78 a pound for wild fish vs. \$2.75 for farm-raised product. As Southwick points out, the equal pricing means that the market does not view one as superior to the other, a subjective argument often raised by some. Page vii.

Nationally, if the current wild catch was simply replaced with increased production of stripers raised through aquaculture, realized economic value would increase from \$34,300,000 to \$48,500,000 million or 29.2 percent, direct employment would increase slightly from 342 jobs to 349, and total wage payments would drop slightly from \$11.6 million to \$9 million due to efficiency gains. The important information here is that the net economic benefits of commercial striped bass fishing do not exceed those of fish produced through aquaculture. Table E-3, page vii.

The production of striped bass farms has increased 222% in the past 10 years, indicating that the ability of this industry to expand production to meet consumer demand is real. Page viii.



Summary Point

Aquaculture stands ready to offer a comparably priced product to replace wild striped bass, and to expand the production of farmed fish to meet any future demand.

Stripers Forever and The Fisherman's Conservation Association on the Net Effect of Making Striped Bass a Game Fish, While Assuming Aquaculture Replacement of the Commercial Harvest

While the Southwick Study is an economic analysis based on current realities, it should also be pointed out that wild striped bass are subject to great fluctuations in supply due to unpredictable population levels. Aquaculture would be able to insure that the public had a dependable supply of fresh fish available. Also, the supply of wild striped bass is very finite and harvests are already at all-time high levels. No sustainable increase in wild catch is possible, and given the fact that the spawning stock biomass of wild striped bass has been steadily declining for several years, maintaining the current level of wild harvest is uncertain at best. Striped bass aquaculture is pursued in enclosed tanks or earthen rearing ponds, most located far from the coast. The environmental issues associated with ocean pen rearing, as in Atlantic salmon farming, are not present in striped bass aquaculture.

In economic terms, including full-time equivalent jobs, and with regard to providing food for the general public, a combination of recreational fishing, personal-use consumption of wild fish constrained at levels that will allow a high quality fishery, and an increase in product raised through aquaculture offer society the greatest possible benefits. The current commercial fishery for wild striped bass detracts from U.S. jobs and economic activity. Further, the wide seasonal price fluctuations in the wild catch act as a disincentive to expanding the aquaculture industry for striped bass.



The Solution

The Fishermen's Conversation Association and Stripers Forever support legislation at the state or federal level which would eliminate all commercial fishing for wild striped bass throughout their range. We are also in favor of exploring incentive options to buy out those licensed commercial harvesters who can document that a significant portion of their income is derived from historical landings of wild striped bass. Information on funds that could be raised in this way is on page 23 of the N.Y. report.

To find out more about Stripers Forever, including contact information, and to read the full Southwick Report, please see our website at <http://www.stripersforever.org>. The website for The Fishermen's Conservation Association is <http://www.joinfca.com/>.