



SOUTHWICK STUDY ROAD MAP

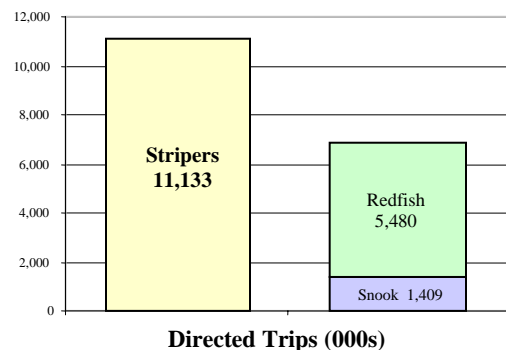
Introduction

The recreational saltwater fishery for wild, migratory striped bass on the Atlantic Coast is one of the most important in America. This fishery is located on the doorstep of the great urban areas of New England, New York, and the Mid-Atlantic regions, and is enjoyed by some 3,000,000 plus anglers each year. 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.

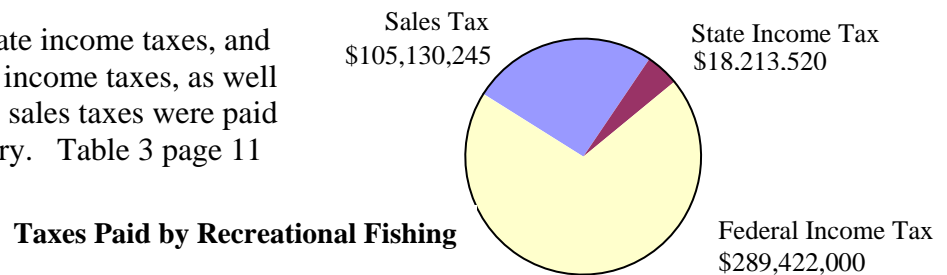
The Southwick Study forecasts economic changes that would be brought about by ending commercial exploitation of striped bass and managing the species only for recreational/personal-use fishing, much like what was done for freshwater game fish and waterfowl early in the 20th century. Additionally, Southwick examined the economics of replacing the wild catch with increased aquaculture production; 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 American public, here are some statistics for 2003 from the Southwick Study:

- 3,018,361 anglers from Maine to North Carolina made a total of 11,133,276 fishing trips targeting striped bass. Table 1, pages 7, 8, and Appendix II, page 52
- Of the 11,133,276 trips taken in states from Maine to North Carolina, 4,460,461 were taken by shore-based anglers. That number is 30.25 percent of all shore-based fishing trips for all species, and includes anglers who cannot afford a boat to go fishing. Table 1, pages 7, 8
- By comparison to the 11,133,276 directed trips for striped bass, there were 5,480,232 trips taken for Gulf of Mexico redfish, and 1,409,284 for snook in Florida. Both of those popular species have game fish status and are not fished commercially throughout most of their range. By comparison, the striped bass recreational fishery is about 60 percent larger than those for redfish and snook combined. Table 13, page 24



- In 2003, a total of 377,104 party and charter boat trips were made targeting striped bass; that is 21.8 percent of all charter trips made for all species taken between Maine and North Carolina. Table 1, pages 7, 8
- In Maryland and Connecticut, striped bass charters accounted for approximately 50 percent or more of all charter trips. Table 1, pages 7, 8
- The recreational fishery for striped bass produced direct retail sales of \$2.41 billion dollars and provided 63,278 full-time equivalent jobs. The retail sales produced by recreational striped bass fishing were 55.9 times greater than those produced by the commercial fishery, and the jobs were 12.6 times greater. Table E-1, page v
- In all, \$18,213,520 in state income taxes, and \$289,422,000 in federal income taxes, as well as \$105,130,245 in state sales taxes were paid by the recreational fishery. Table 3 page 11



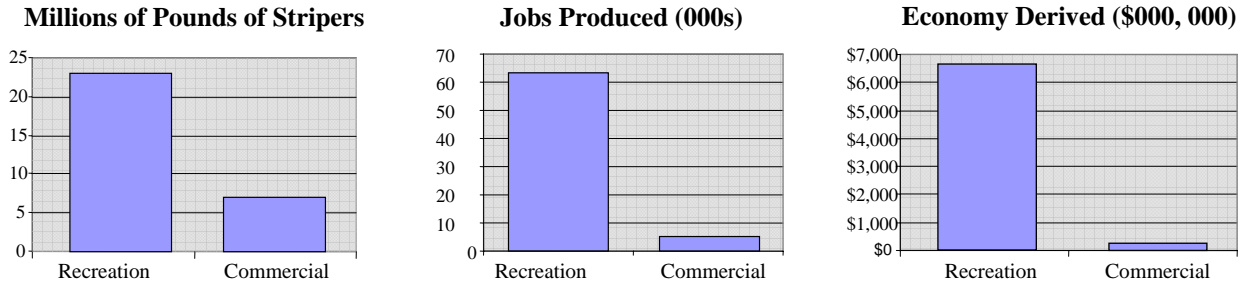
- The social and economic benefits of recreational striped bass fishing are not simply realized by harvesting fish. Increases in the quality of striped bass fishing will bring about greater economic benefits even if the recreational community chooses to manage the resource by conserving some or all of 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. Tables 12, 13, 14, pages 23, 24, 25, 26

An Overview by Stripers Forever 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.

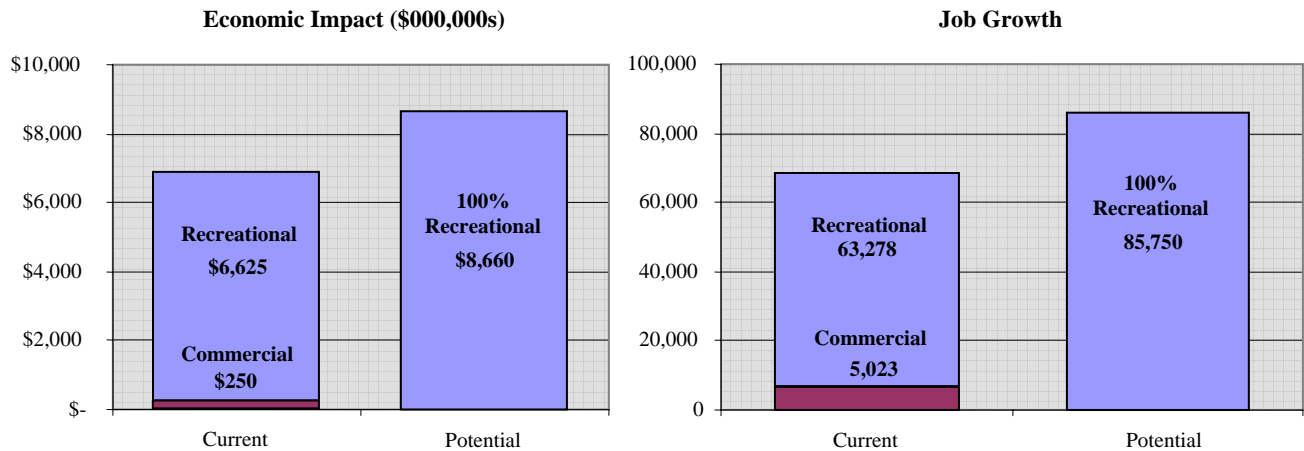
“Impacts of Recreationally Harvested Striped Bass to Commercially Harvested Striped Bass” -- Recreational fishers harvested 23 million pounds of stripers, or 3.2 times as many as the 7 million taken commercially. The total new economic activity derived from these respective harvests – calculated by multiplying 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 \$250 million for the commercial landings, and \$6.63 billion, or 26.5 times more for the recreational fishery. Jobs produced by the recreational fishery (63,278) dwarf those in the commercial sector (5,023). Table E-1, page v.

Catch, Jobs and Economic Impact



“Actual and Hypothetical Economic Impacts” -- If the striped bass 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 \$6.63 billion for the recreational fishery and \$250 million for the commercial – a total of \$6.88 billion - to a new estimated total of \$8.66 billion. That is an increase of \$1.79 billion, or about 24 percent. Also, jobs would increase from 68,301 to 82,750, up 14,400 or about 24 percent. Table E-2, page vi.

Actual and Hypothetical Economic Impacts



Summary Point

A total of \$1.79 billion in new economic activity and 14,400 new jobs would likely be created by eliminating commercial fishing for striped bass and reallocating the present commercial allotment to recreational fishing.

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.

If the current wild catch was simply replaced with increased production of stripers raised through aquaculture, realized economic value would increase from \$34.3 million to \$48.5 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.

Stripers Forever 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.



The Solution

Stripers Forever supports legislation at the state or federal level which would eliminate all commercial fishing for wild striped bass throughout their range. Stripers Forever is also in favor of using funds raised through the sale of a dedicated recreational striped bass stamp 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.

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>.