



## **SOUTHWICK STUDY ROAD MAP STATE OF MARYLAND**

### **Introduction**

The recreational fishery for wild migratory striped bass in Maryland state waters is currently worth \$646 million to the state's economy, and it provides 7,037 jobs, making it an important renewable resource based industry for the state of Maryland. In addition to the tourism angling that places like the Susquehanna Flats are famous for, striped bass fishing is an extremely important activity for the residents of the highly populated Beltway urban areas.

Because much of Chesapeake Bay is a fresh water environment, striped bass, known locally as "rockfish", are the only large game fish that inhabit much of the watershed. Managed properly though as a quality recreational fishery, Chesapeake Bay striped bass provide at least 8 months a year of fishing activity that sustains large, local industries in guiding, tackle and equipment, and boating. Additionally, striped bass spawned in the Bay and its tributaries, account for well over half of the entire East Coast striper population. Conservative management of striped bass in Maryland is thus vital to the entire \$1.8 billion U.S. striped bass recreational fishery.

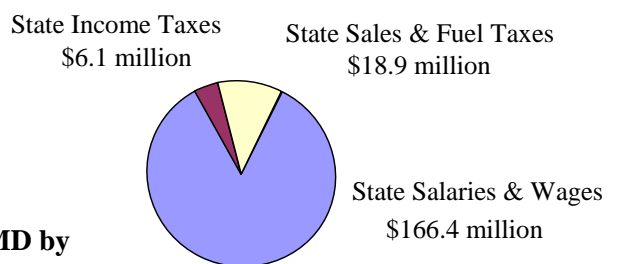
In 2005, Stripers Forever commissioned Southwick Associates, a prominent supplier of socio-economic data to government and industry, to do a major study comparing the economics of commercial and recreational fishing for striped bass in Maryland. Financial support for the Southwick Study was gathered from a large number of individuals, companies and organizations. They are listed inside the study's front cover. Many of the findings in the study, entitled The Economics of Recreational and Commercial Striped Bass Fishing in Maryland, are based on data from the NOAA Marine Recreational Fishery Statistics and Survey conducted annually in Maryland. Because of the great number of striped bass fishers in Maryland a large, relatively reliable sampling of anglers is possible. This helps validate the findings of the report.

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, as was done for freshwater game fish and waterfowl early in the 20<sup>th</sup> century. In addition, Southwick examined the economics of replacing the commercial harvest of wild fish with stripers raised through aquaculture, which already produces over 60 percent more pounds of striped bass for the marketplace than does the wild harvest. Striped bass are already classified as game fish in several coastal states, but the continued existence of commercial fisheries in other states nullifies efforts to manage striped bass for a quality recreational fishing experience.

To indicate just how important the recreational striped bass fishery is to the State of Maryland, here are some statistics for 2003 from the Southwick Study:

- Nearly 390,000 anglers made a total of 1,303,106 fishing trips targeting striped bass in Maryland waters. Put another way, 39.1 percent of all tidewater fishing trips taken in Maryland targeted stripers. (Appendix 1, page 36, and Table 1, page 5)\*
- In 2003, a total of 92,263 party and charter boat trips were made targeting striped bass in Maryland; that is 49.4 percent of all charter and party boat trips taken for all species in state waters. Striped bass charters are a very important industry in Maryland. (Table 1, page 5) \*
- Maryland’s recreational fishery for striped bass in 2003 produced direct retail sales of approximately \$339 million dollars (versus \$13.5 million for the commercial fishery) and provided 7,037 full-time equivalent jobs (versus only 1,129 such jobs produced by the commercial fishery). The clear heavyweight here is the recreational striped bass fishery, which produces 25.5 times more in retail sales and 6.23 times more jobs than does the commercial fishery. This is in spite of the fact that the commercial fishery takes approximately 44 percent of the total harvest. (Table 9, page 14) \*
- In all, recreational striped bass fishing generated \$166.4 million in salaries and wages, yielding \$6.1 million in state income taxes. Additionally, \$18.9 million in state sales and fuel taxes were paid by the recreational striper fishery. (Table 6 page 10)\*

**Wages and Taxes Paid in MD by the Recreational Striped Bass Fishery**



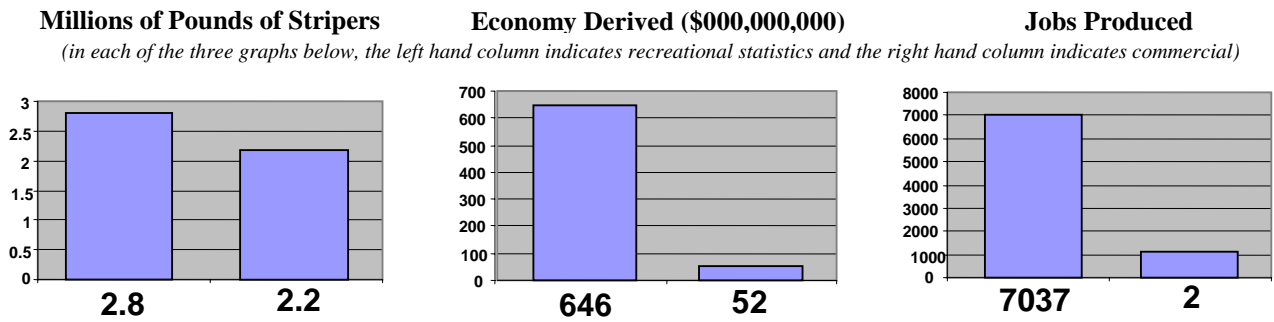
- The State of Maryland derives revenue through the sales of a saltwater sportsman license. This license is a substantial source of revenue for the Department of Natural Resources.
- The social and economic benefits of recreational striped bass fishing are not totally dependant on harvesting fish. Increases in the quality of 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 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. (4.1 Approach #1, page 14)\*

## **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, we have summarized the findings of the Southwick Study and pointed out the policy changes that would be of greatest benefit to the general public.

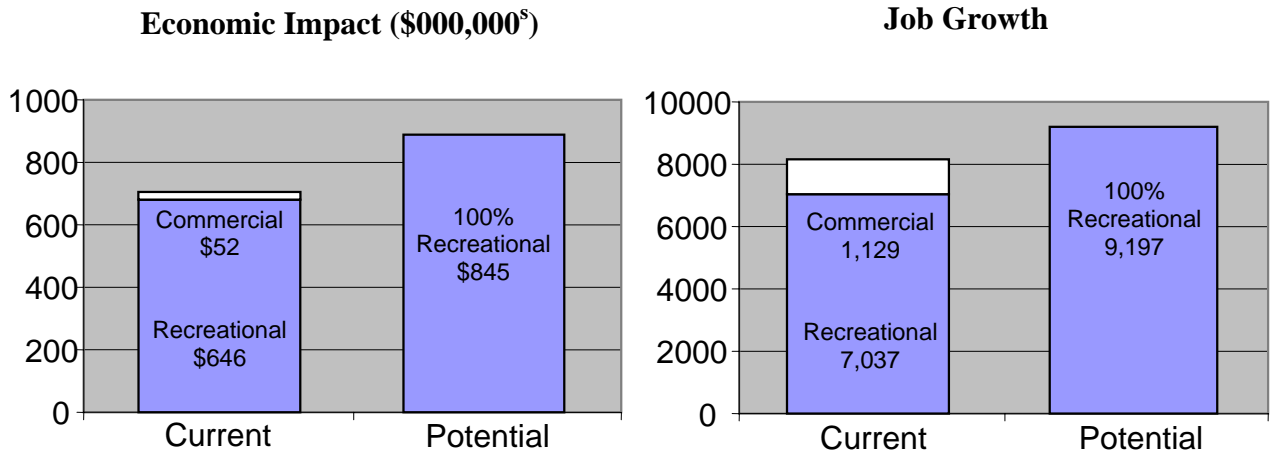
### **Impacts of Recreationally Harvested Striped Bass vs. Commercially Harvested Striped Bass**

Recreational fishers in Maryland harvested 2.8 million pounds of stripers, or 1.3 times as many as the 2.2 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 only \$52.2 million for the commercial landings, but \$646 million or 12.4 times greater, for the recreational fishery. Jobs produced by the recreational fishery (7,037) are more than 6 times the 1,129 produced by the commercial fishery. (Table E-1, page v)\*



### Effects of Making the Striped Bass a Saltwater Game Fish in Maryland: Economic Impacts and Job Growth

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 rise from the current estimate of \$646 million for the recreational fishery and \$52 million for the commercial – a total of \$698 million - to a new estimated total of \$845 million. *That is an increase of \$146 million, or about 21 percent!* Also, 1,031 new, full-time equivalent jobs would be created, increasing the number of total jobs from 8,166 to 9,197, a bump up of about 12.2 percent. (Table E-2, page v)



#### Summary Point

*A total of \$146 million in new economic activity and 1,031 new jobs would be created by eliminating commercial fishing for striped bass in Maryland and reallocating the present commercial allotment to recreational fishing.*

#### Aquaculture As a Substitute

In 2003, the last complete data year available, 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 total wild commercial 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 explains, the equal pricing means that the market does not value one fish product as superior to

the other, a subjective argument often raised by some. Southwick also points out that in socio-economic terms, the relative economic impacts and jobs produced by aquaculture and commercial fishing for wild fish are approximately equal. (Table E-3, page vii) \*

The production of striped bass farms has increased 222 percent in the past 10 years, indicating that fish suppliers in Maryland will be able to meet any consumer demand for striped bass by providing fish produced through aquaculture. (Page vii)\*



### ***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 Replacement of the Commercial Harvest With Fish Raised Through Aquaculture**

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 is able to ensure that the public has a dependable supply of fresh fish available. Also, the supply of wild striped bass is very finite and harvests are already at very high levels. Maintaining the current level of wild harvest is very uncertain.

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 offers the greatest possible benefits to the citizens of Maryland, both in economic terms, including full-time equivalent jobs, and with regard to providing food for the general public. The current commercial fishery for wild striped bass actually detracts from jobs and other economic activity in the state. 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 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>.