



MORRO BAY

2012 COMMERCIAL FISHERIES

Economic Impact Report

July 2012

LWC



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ACKNOWLEDGEMENTS

**The MBCFO is celebrating
its 40th anniversary in 2012.**

**The MBCFO represents the
men and women of the
commercial fishing community
and provides a powerful
communication and information
resource in the community.**

For the second year, the Morro Bay Commercial Fisherman's Organization (MBCFO) spearheaded an effort to showcase the economic contributions of the Morro Bay commercial fishing industry, and for the second year the effort was sponsored by the Central Coast Joint Cable/Fisheries Liaison Committee (CCJCFLC).

The 2012 Morro Bay Commercial Fisheries Economic Impact Report highlights the economic accomplishments of the commercial fishing industry in the 2011 season. However, each season is the culmination of decades of hard work, risks, ingenuity, and growing collective knowledge of the entire commercial fishing community. As such, it would be impossible to list all of the people who contributed to the gains made in 2011 but we would like to acknowledge the generosity and patience of those that guided the research, analysis and writing of this report. Thanks to Mark Tognazzini, Jeremiah O'Brien, Tom Hafer, Bill Blue, Dave Rose, Chris Kubiak, and all of the members of the MBCFO and Central Coast Sustainable Groundfish Association. We'd also like to thank Giovanni DeGarimore, Giovanni Comin, Chris Battle, Paul Van Buerden, Brett Cunningham, Rick Algert, and the Morro Bay Harbor Department. A special thanks to Kelli Blue and Lori French of the Central Coast Women for Fisheries. Finally, our work would have been much more difficult and certainly delayed if not for Jana Roberts at the California Department of Fish and Game and Kara McLean at the Pacific Fishery Information Network.

If we have forgotten anyone, it is due to our poor memory and not ingratitude.

INTRODUCTION

The Morro Bay commercial fishing industry has experienced tremendous economic growth for over four years. Between 2007 and 2011 earnings by commercial fishermen at the dock, or ex-vessel value (EVV), rose from a 20-year low of \$1.8 million to over \$7.4 million, a four-fold increase. The positive economic performance is evidence of the hard work and ingenuity of Morro Bay commercial fishermen, which is supported by key investments and contributions from the community.

The hard-fought gains in the commercial fishing industry in 2011 were evidenced by:

- **Increased employment:**
 - On the boats, at the dock, at the processing facilities, and in baiting services, as evidenced by a 12% rise in commercial fishing activity
- **Direct investment in the commercial fishery:**
 - Three new vessels purchased, and extensive gear and vessel upgrades by Morro Bay commercial fishermen
- **Investment by related businesses:**
 - Two new delivery trucks, new forklifts and totes at off-loading facilities for Morro Bay commercial fish businesses, a 10% -15% increase in inventory at the local marine chandlery
- **Growing capacity and cohesion amongst industry participants:**
 - Membership in the MBCFO at an all time high of 108 (over 120 at the time of the writing of this report)
- **Increased and diverse distribution:**
 - Local buyers and processors and the small boat commercial fleet collaborating with a Community Supported Fishery and new and continued relationships with regional, national and international markets.

All of these investments and the growth in earnings translate directly to economic vibrancy for the community in wages for skippers, dock workers, crew, bait service providers, and at local processors, as well as increased earnings for ice providers, mechanics, and grocers and local businesses.

The Morro Bay 2012 Commercial Fisheries Economic Impact Report builds on information presented in the *Morro Bay 2011 Commercial Fisheries Economic Impact Report*. This report examines the commercial fishing industry's economic

Since 1990, the commercial fishing industry in Morro Bay has generated over \$110 million at the dock.

Dock worker for Morro Bay Fish Company prepares for offloading.



Source: Lisa Wise Consulting, Inc.

performance through employment and wages, investment in related businesses, establishment of new businesses, and increased capitalization and activity, such as those listed above. Importantly, the report also describes two integral, but often overlooked, components of the industry's success. These include: social gains through growth in leadership and cohesion in the commercial fishing community, and: environmental benefits of commercial fishing operations performing in an area with extensive spatial closures aimed at protection of habitat and rebuilding fish stocks.

The intent of this report is to maintain and enrich the dialogue with the community on the economic significance and contributions of the local commercial fishing industry. The report is also intended to keep commercial fishery participants and stakeholders updated on the key facts of their industry's performance. The work is ultimately aimed at open and substantive communication, a more valuable and resilient community, and better informed decision makers, as well as increasing the demand for locally-caught seafood. The commercial fishing industry, lead by the Morro Bay Commercial Fishermen's Organization (MBCFO) with a generous grant from the Central Coast Joint Cable/Fishery Liaison Committee (CCJCLC), considers this report an important communication tool and connection between fishermen and industry stakeholders, civic leaders, local businesses, and the citizens of Morro Bay.

Unless otherwise indicated, all monetary figures in the report are adjusted to 2011 dollars.

The commercial landings and earnings data for this report was sourced primarily from the California Department of Fish and Game (CDFG). CDFG is responsible for collecting and reporting on commercial fishing landings and earnings at all California ports. Commercial fish buyers are required to submit the following information, for all commercial fishing landings: species, weight, price per pound, gear type used, geographic area, vessel name, permit/license number, and date of landing. Data on commercial fishing activity was also sourced from the Pacific Information Network or PacFIN, a federal and state partnership focused on fishery data collections and information management on the West Coast. Where possible the data presented in the report is for the Port of Morro Bay unless identified as San Luis Obispo County, which would then include data from Port San Luis and San Simeon. Data was also gathered from personal interviews (phone and in person) with commercial fishery participants, field visits, and over six years of working directly with Morro Bay commercial fishermen.



F/V TKO leaving Morro Bay on a trip aimed at the abundant local groundfish resource.

Source: Lisa Wise Consulting, Inc.

KEY FINDINGS

Employment on the Rise

In 2011, there was an 21% increase in the number of active fishing vessels (vessel ID) in San Luis Obispo County from 160 in 2010 to 194 in 2011 (vessel ID and fishing trip data is only available on the County level). Each vessel carries one skipper and up to two deckhands. The number of fishing trips in the County also increased from approximately 4,243 in 2010 to 4,789 in 2011, up 13% from 2010. Each commercial fishing trip drives employment for skipper and crew, at the offloading facility, fuel dock, ice machine, with the purchase of bait and bait services, supplies and vessel and gear maintenance.

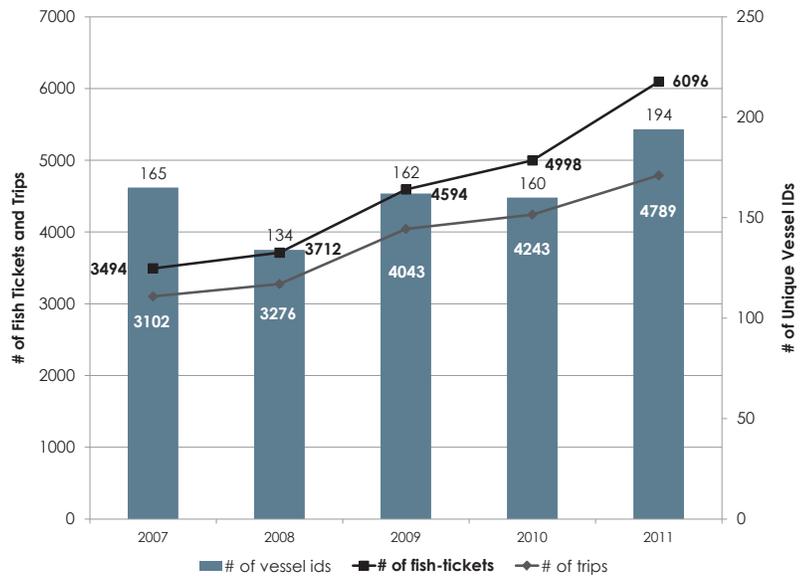
As examples, local processor Central Coast Seafoods hired up to 15 employees to keep up with landings in 2011 (personal communication, June 2012). Morro Bay Fish Company also hired dock employees to keep up with offloading demand and increased ice sales, and all of the fishermen interviewed claimed to have hired additional deckhands and baiting service providers.

Also, one of the local hook and line skippers, a respondent to our survey, claims to have gone from fishing alone in 2008 to employing three deckhands and three seasonal bait service providers in 2011 (personal communication, June, 2012).

Industry Earnings on the Rise

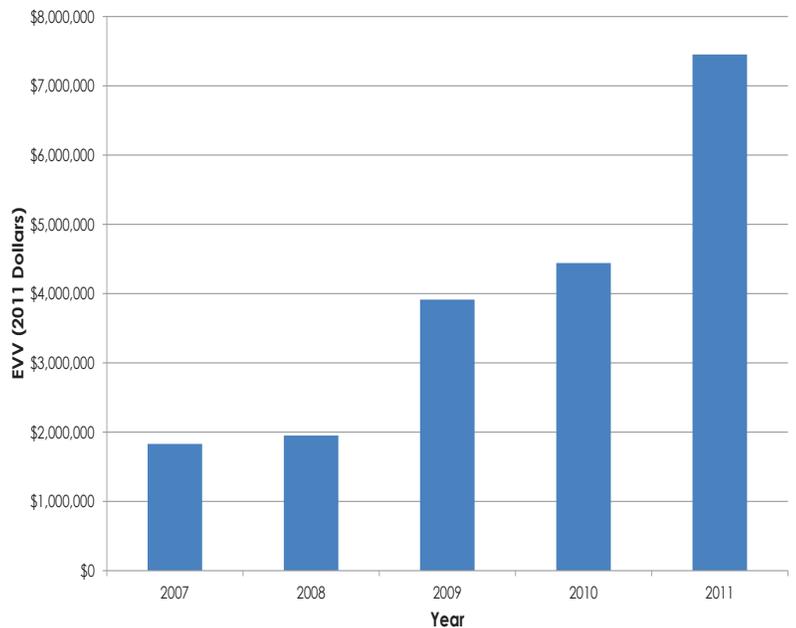
In 2011, Morro Bay commercial fishermen generated over \$7.4 million in earnings at the dock, up from \$4.4 million in 2010. This represents an approximate 69% increase in income and

Figure 1.1. San Luis Obispo County, 2011



Source: pacFIN, 2012

Figure 1.2. Morro Bay Total Revenue, 2007 - 2011



Source: California Department of Fish and Game (CDFG) 2012

According to the 2010 U.S. census, unemployment numbers in the State of California are still high at 9%, unemployment in San Luis Obispo County is lower than the State average at 7.4% and Morro Bay numbers are at 3.7%.

One of the three new fishing vessels purchased by the Morro Bay fleet makes its way from Nova Scotia to the West Coast of the U.S.



Source: Bill Blue



Source: Bill Blue

a more than 400% increase from a 20-year low in 2007. Earnings are reinvested in wages, related expenses, and local discretionary purchases as well as reinvestment in equipment and the vessel.

New Businesses and Expansion

In 2011, Morro Bay’s commercial fishermen and the related business owners made considerable investments and changes, enhancing the industry substantially.

For example, three local fishermen purchased new vessels in 2011, effectively increasing the size of the fleet, its overall catch, and earnings capacity. In this same year, the only local trawl fishing vessel in Morro Bay underwent a full overhaul and remodel and began fishing in September. Local commercial seafood buyers, Morro Bay Fish Company and Morro Bay Fresh, invested in a forklift and delivery trucks. This has afforded them greater flexibility and options on where and to whom they sell their fish, allowing them to keep more value in the community. Similarly, Tognazzini’s Dockside Restaurant and Fish Market purchased a forklift and totes, and increased their ice production capacity by 1000 pounds. SLO Fresh Catch, a community supported fish distribution cooperative, has tripled the amount of locally caught and locally processed fish to local seafood consumers and increased the number of shareholders from 100 to 125.

Infrastructure Expansion and Growth Opportunities

In 2011, Tomich Brothers, a Southern California seafood buyer and processor, established a fish pump on the Morro Bay Fish Company dock. The fish pump can be used to offload Dover sole and Coastal Pelagic Species (CPS); squid, sardines, anchovies and mackerel. The CPS fishery entails specialized fishing, offloading and processing equipment, and expertise. Morro Bay has had no CPS activity since 2004, primarily due to lack of offloading infrastructure and consolidation of processing in Ventura-Oxnard, Terminal Island, and Watsonville. However, with the newly installed

fish pump, the Port may be able to participate in the CPS fishery, which is the most valuable in the State of California, at approximately \$80 million total earnings (2010). Further, the fish pump could attract CPS vessels that follow fish stocks and land at the closest port with the appropriate offloading infrastructure.

Increased Value

In 2011, the Morro Bay commercial fishing industry continued its successful drive to attract more value per pound. In 2011 the overall average price per pound was \$2.20, an 11% increase from 2010, and has more than doubled from approximately \$1.00 average price per pound in the 1990s. Morro Bay fishermen target spot prawn, one of the State's most valuable species, earning \$12.20 per pound at the dock. Sablefish, the top landed species in 2011, fetched an average price of \$2.29 per pound. Morro Bay also had a strong swordfish year in 2011, with fishermen earning \$4.16 per pound; shortspine thornyhead pricing was at approximately \$2.54 per pound and blackgill rockfish at \$1.32 per pound in 2011. The near shore fishery continues to successfully take advantage of demand and higher prices. The top three species in that fishery, gopher rockfish, cabezon, and grass rockfish, attracted \$6.94/pound, \$5.59/pound and \$8.69/pound respectively. In 2011, halibut earned \$5.33 per pound.



Source: Lisa Wise Consulting, Inc.
Newly installed wet fish pump for off loading at Morro Bay Fish Co.

Table 1.1 Price per Pound, Morro Bay Top Species 2011

Species	Price Per Pound
Prawn, spot	\$12.20
Rockfish, grass	\$8.69
Rockfish, gopher	\$6.94
Cabezon	\$5.59
Halibut, California	\$5.33
Swordfish	\$4.16
Thornyhead, shortspine	\$2.54
Sablefish	\$2.29
Rockfish, blackgill	\$1.32
Hagfishes	\$0.81

Source: CDFG, 2012

Local Value, Local Spending

Approximately 15 miles east of Morro Bay, Central Coast Seafood continues to purchase seafood directly from commercial fishermen and provide jobs to local skilled fish cutters, drivers, and support staff. Tognazzini's is the sole buyer and processor for SLO Fresh Catch, a significant and growing source of locally-caught, locally-processed seafood. Tognazzini's and Giovanni's Fish Market provide well stocked seafood counters with retail options for local seafood. Locally caught, processed, transported, and consumed seafood makes contributions to the economy at each step in the value chain and keeps jobs and earnings in the community.



Source: Lisa Wise Consulting, Inc.
F/V South Bay off loading Dover sole in 2011.



Source: Lisa Wise Consulting, Inc.
Newly purchased delivery truck operating in Morro Bay.

Revived Fisheries and Market Power

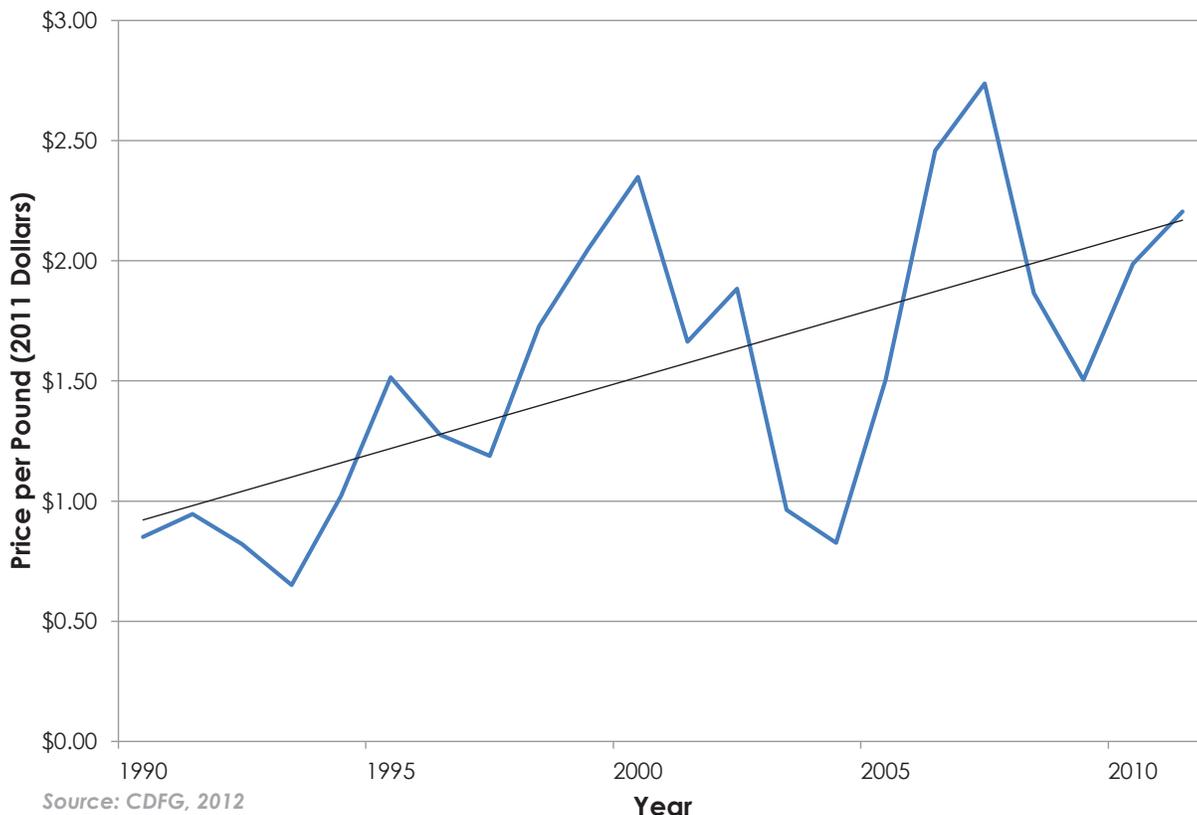
Morro Bay commercial fishermen are constantly coordinating with demand in the market, shifting prices and availability of fish. In 2011, local fishermen began working with one of the largest seafood wholesalers in Washington State. The majority of those transactions were exported to Asian markets. The fleet simultaneously continued relationships with L.A. based American Seafoods, Seaharvest in Moss Landing, and the local buying/offloading stations in Morro Bay.

Financial Partnerships

Commercial fishermen have formed and are maintaining valuable partnerships with financial entities, and feel sufficiently confident and are sufficiently sophisticated to take advantage of long-term, low interest loans, like those offered by the California Fisheries Fund (CFF). Loans from the CFF enabled the purchase of new vessels in 2011 and upgrades and expansion at local offloading facilities.

Sablefish pricing in 2011 was actually higher than reported as several fishermen sold their fish to the buyer-processor at \$1.00 per pound, in what is described as “Ocean Run” pricing, and later collect the remainder of the value of the fish based on yield at the plant. CDFG records do not track the second payment.

Figure 1.3. Morro Bay Fish Price per Pound, 1990 - 2011



Source: CDFG, 2012

SOCIAL AND ENVIRONMENTAL IMPLICATIONS

Economic gains in the Morro Bay commercial fishery do not exist in a vacuum; they rely on input from knowledgeable and capable people and the presence of healthy habitat and persistent fish stocks. There is a close and integral relationship amongst social capital, environmental health, and economic stability. All of the elements of a strong, capable and knowledgeable community contribute to and are rewarded by a healthy environmental resource and growth and stability in economic performance. The investment and returns are self-reinforcing



Source: Lisa Wise Consulting, Inc. NORTH COAST FISHERIES
 Dover sole going through a de-icer upon offloading.

There is a close and integral relationship amongst social capital, environmental health, and economic stability.

Local Leadership and Social Cohesion

Membership in local commercial fishing associations is evidence of the community's confidence in the industry and the interest to participate. Membership of the MBCFO has increased from 66 in 2008 to 108 in 2011 (over 120 at the time of this report). In 2011, the Central Coast Sustainable Groundfish Association (CCSGA), a new commercial fisherman-based marketing association, was formed as a legal entity to assure access to the local commercial fishing resource and take advantage of new federal regulations. The City of Morro Bay has formed a community-based organization, the Morro Bay Community Quota Fund (MBCQF), aimed similarly at maintaining local access under the same federal regulations. The CCSGA is consistently represented at federal regulatory meetings and participates in regional industry dialogue aimed at more efficient harvest and the management of overfished species. The Central

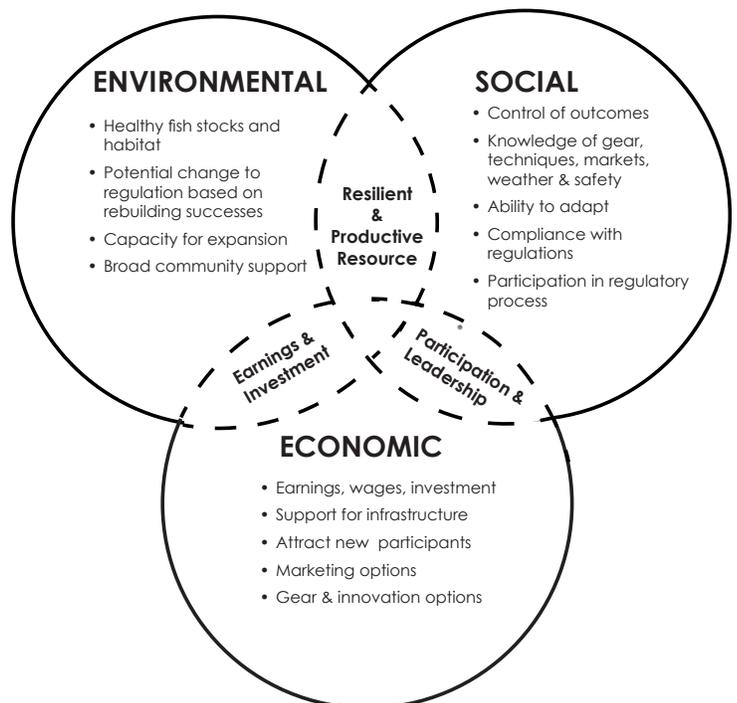
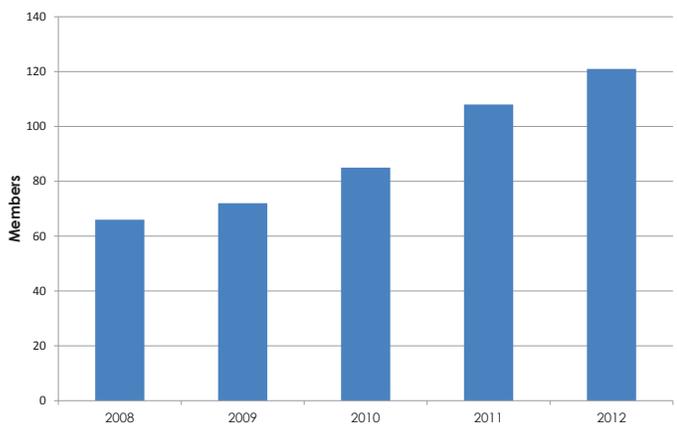


Figure 1.4. MBCFO Membership, 2008 - 2012



Source: Personal Communication

Coast Women for Fisheries has grown to over 60 members, provided over \$100,000 in educational scholarships to fishermen and their families, and has a working endowment of over \$180,000.

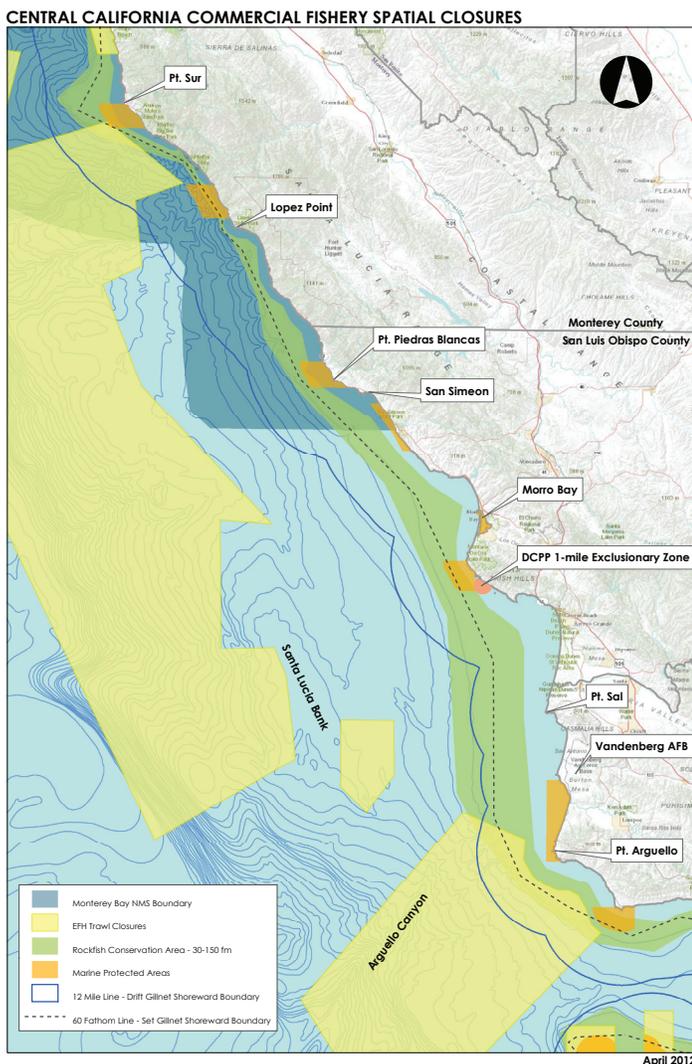
Adaptation to Conservation Measures

Morro Bay commercial fishermen are faced with significant (state and federal) geographic closures on their fishing grounds aimed at protecting habitat and rebuilding fish stocks. The fact that the fleet has increased overall earnings and price per pound, and is successfully engaging in a diversity of fisheries and gear types while constrained by these closures is illustrative of the community's collective knowledge and ability to adapt. The extent of the closures are illustrated in the Central California Commercial Fishery Spatial Closures map and include but are not limited to:

- Southern boundary of the Monterey Bay Marine Sanctuary;
- 3.8 million acres of Essential Fish Habitat where trawling is prohibited;
- Marine Protected Areas where no commercial fishing of any kind is permitted;
- Rockfish Conservation Area (RCA) that spans the length of the State and prohibits the use of hooks and traps (fixed gear) from 30 to 150 fathoms; and
- Trawl RCA that prohibits trawling from 100 to 150 fathoms along the entire coast as well as restricted areas for set gillnets (outside of 60 fathoms) and drift gillnets (outside of 12 miles).

DATA AND TRANSPARENCY

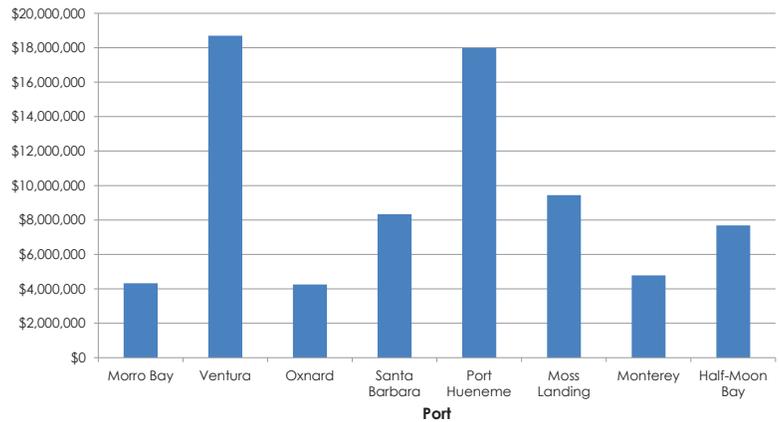
A key component of a well-regulated and valuable fishery is transparency. U.S. commercial fishermen are required to provide detailed information on each and every landing, including earnings per pound, species, time, place, and gear type. Landings and earnings by species by month for the Port of Morro Bay are available to the public on the CDFG and PacFIN websites. A discussion on reporting requirements can be found in Appendix A.



REGIONAL POSITION

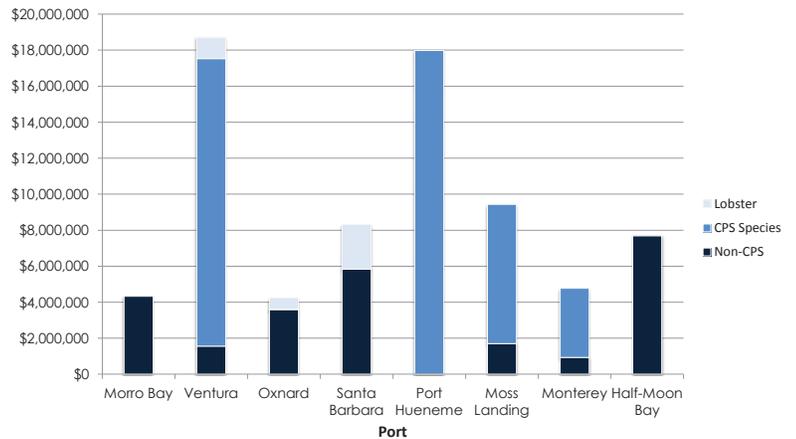
Morro Bay remains one of the top performing ports in the Central Coast region for groundfish, swordfish, spot prawn, hagfish, and the near shore fishery. The Ports of Ventura, Port Hueneme, Oxnard, Moss Landing, and Monterey rely heavily on Coastal Pelagic Species (CPS) landings, squid, sardines, mackerel and anchovies. The CPS fishery engages specialized gear, offloading and processing equipment, and expertise. Morro Bay has had no CPS activity since 2004, primarily due to lack of offloading infrastructure and consolidation of processing in Ventura-Oxnard, Terminal Island, and Watsonville. However, with the newly installed fish pump, Morro Bay may be able to participate in 2012 and beyond. Santa Barbara is one of the top California spiny lobster ports on the West Coast with over \$2.5 million in 2010, and Ventura had approximately \$1.2 million in lobster revenue in 2010. Lobster does not occur commercially north of Point Conception. *Note: the most recent available data from other regional ports is for 2010 so the following comparisons are made for the 2010 season.*

Figure 1.5. Regional Ports Total Value all Species, 2010



Source: CDFG, 2012

Figure 1.6. Regional Ports Total Value, CPS and Non-CPS Species, 2010



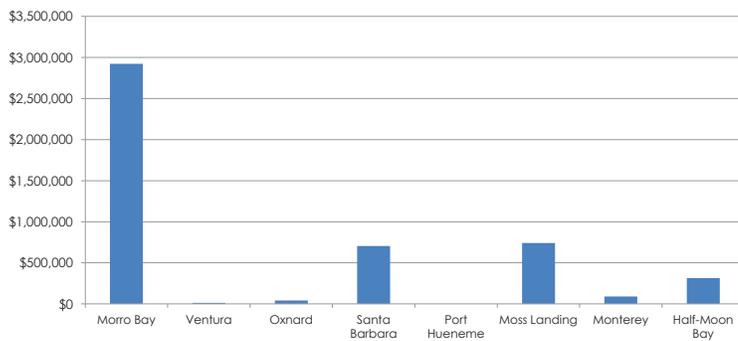
Source: CDFG, 2012

Table 1.2 Value by Species, All Regional Ports, 2010

	Morro Bay	Ventura	Oxnard	Santa Barbara	Port Hueneme	Moss Landing	Monterey	Half-Moon Bay
Port Total	\$4,325,519	\$18,696,184	\$4,249,406	\$8,328,659	\$17,985,224	\$9,437,476	\$4,777,606	\$7,687,091
Key Species								
Sablefish	\$2,921,400	\$13,325	\$42,203	\$705,906	\$0	\$740,579	\$91,282	\$314,054
Swordfish	\$125,907	\$4,990	\$22,683	\$16,503	\$0	\$57,854	\$0	\$0
Thornyhead	\$248,431	\$3	\$353,444	\$26,312	\$0	\$216,940	\$10,399	\$2,243
Nearshore Species	\$259,032	\$1,204	\$7,590	\$192,022	\$0	\$23,622	\$53,130	\$2,520
Hagfish	\$246,637	\$0	\$0	\$23,444	\$0	\$0	\$0	\$0

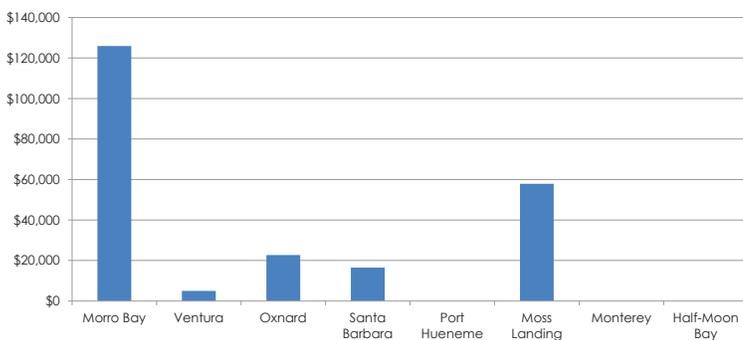
Source: CDFG, 2012

Figure 1.7. Regional Ports Total Value Sablefish, 2010



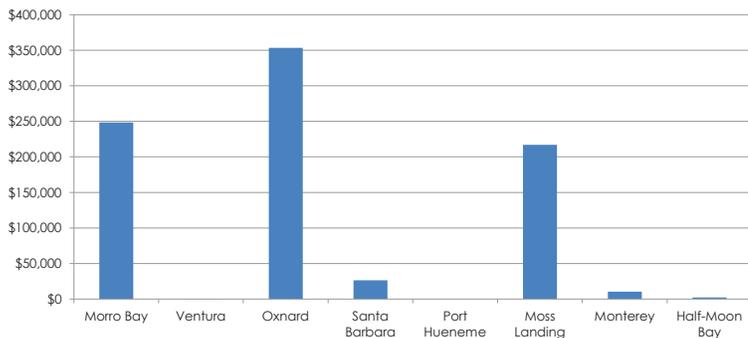
Source: CDFG, 2012

Figure 1.8. Regional Ports Total Value Swordfish, 2010



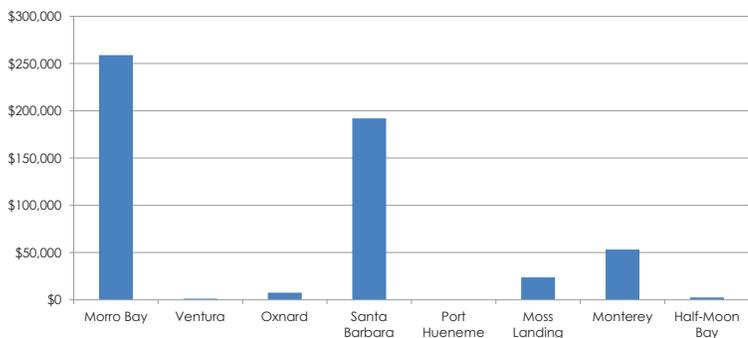
Source: CDFG, 2012

Figure 1.9. Regional Ports Total Value Thornyhead, 2010



Source: CDFG, 2012

Figure 1.10. Regional Ports Total Value Nearshore Species, 2010



Source: CDFG, 2012

SABLEFISH

In 2010, Morro Bay far outperformed all ports in the region in sablefish earnings and remains one of the top sablefish ports in the State.

SWORDFISH

Morro Bay outperformed all regional ports in swordfish earnings and is one of the top swordfish ports in the State.

THORNYHEAD

In 2010, Morro Bay was only exceeded by Oxnard in thornyhead earnings.

NEARSHORE

In 2010, Morro Bay outpaced all of the other regional ports in the near shore fishery.

HAGFISH

Morro Bay was the region's top hagfish port in 2010. Santa Barbara was the only other port in the region to land Hagfish (not shown here).

SPOT PRAWN

Morro Bay outperformed all regional ports in spot prawn earnings and brought in over \$9.6 million in total earnings from 1990 to 2011. Specifics on spot prawn landings in Morro Bay and other ports are not reported due to confidentiality (not shown here).

IMPORTANT SPECIES AND FISHERIES

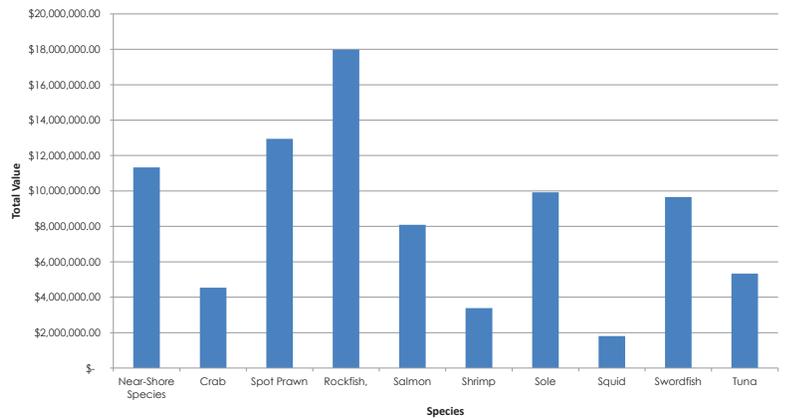
Several fishermen and industry stakeholders called 2011 one of the best years they can remember. They also cautioned that the commercial fishing industry is cyclical, that boom and bust cycles are typical. The industry can, however, in the long run, rely on its participants to apply their collective knowledge and experience, adapt to changing conditions, and take advantage of resources with the highest return. This is the most valuable asset in the entire analysis.

Through the history of the fishery, several key fisheries have contributed to the economic, social, and environmental performance of the Morro Bay commercial fishing industry and the greater community. Below is an assessment of some of these fisheries and the total earnings they generated from 1990 through 2011. A resilient and healthy port relies on a diversity of species and diverse catch methods; this is evidenced in the following paragraphs.

Albacore

Landings of commercial albacore have consistently shifted away from California to Oregon and Washington since the mid to late 90s. The last significant landings of albacore in Morro Bay took place from 2000 to 2002 (2 million pounds in 2001). Morro Bay has several boats that target albacore as their primary fishery, traveling north each summer and returning in October or November. Through these commercial fishing operations, Morro Bay maintains knowledge and capacity of the jig and bait methods and on-vessel freezing and cold storage infrastructure. Between 1990 and 2011, overall albacore EVV in Morro Bay was approximately \$4.6 million at an estimated

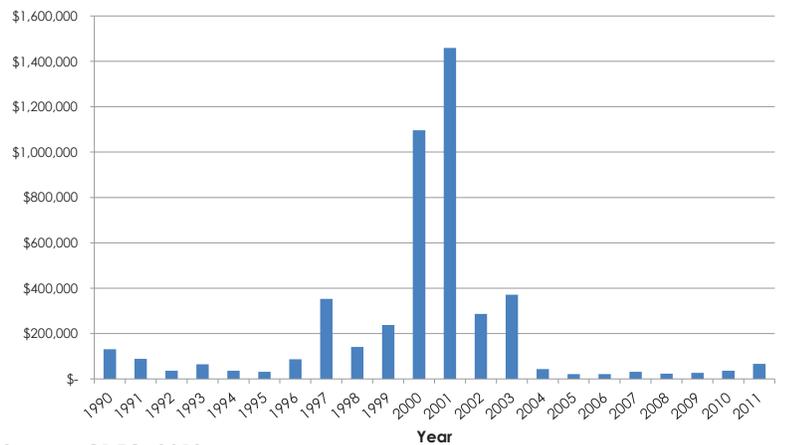
Figure 1.11. Morro Bay Value by Species, 1990 - 2011 Totals



Source: CDFG, 2012

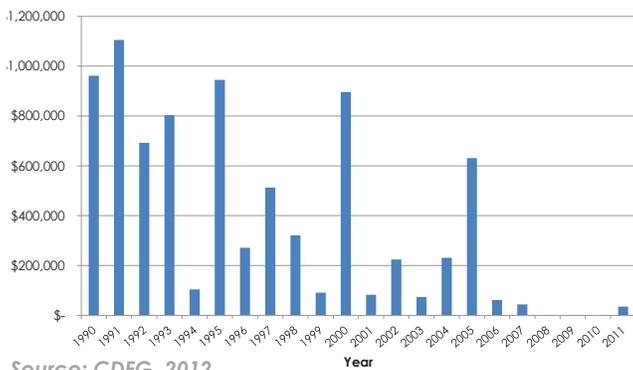
The industry can, however, in the long run, rely on its participants to apply their collective knowledge and experience, adapt to changing conditions and take advantage of resources with the highest return.

Figure 1.12. Total Value Morro Bay Albacore Landings, 1990 - 2011



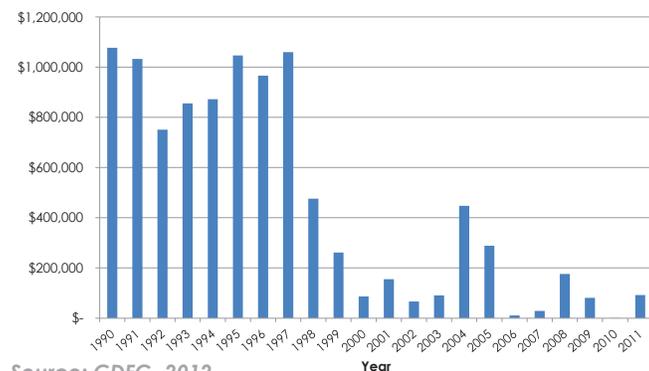
Source: CDFG, 2012

Figure 1.13. Total Value Morro Bay Salmon Landings, 1990 - 2011



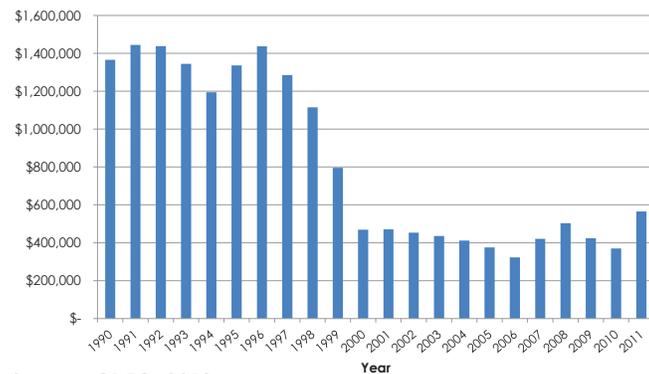
Source: CDFG, 2012

Figure 1.14. Total Value Morro Bay Sole Landings, 1990 - 2011



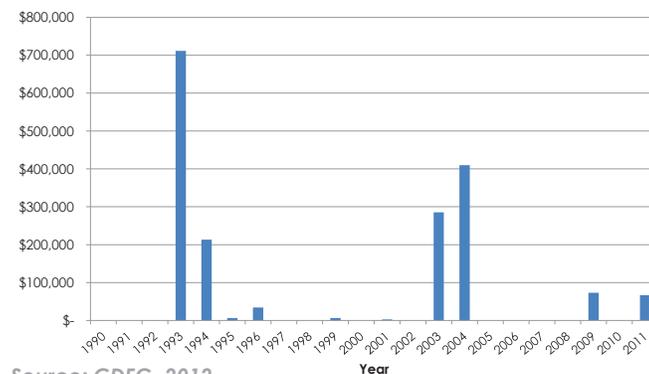
Source: CDFG, 2012

Figure 1.15. Total Value Morro Bay Rockfish Landings, 1990 - 2011



Source: CDFG, 2012

Figure 1.16. Total Value Morro Bay Market Squid Landings, 1990 - 2011



Source: CDFG, 2012

average \$1.06 per pound. Albacore makes up more than 93% of all tuna species landed in San Luis Obispo County.

Salmon

Morro Bay has a strong history in the California salmon fishery, generating over \$8.1 million between 1990 and 2011 at an average price of \$3.56 per pound. 2010 and 2011 were the first (limited) commercial salmon seasons since 2007 due to regulatory closures. In 2011, salmon landings generated a little over \$34,000, less than hoped. However, at the time of writing this report, summer of 2012, Morro Bay was engaged in strong landings and earnings and above average price per pound.

Sole

This category is made up of several species and accessed primarily by trawl. Earnings for sole species has dropped in recent years but efforts have been successful in getting one trawler back on the water in 2011. Since 1990, species of sole have brought in almost \$9.9 million for the Morro Bay commercial fishing community.

Rockfish

Morro Bay is one of the top rockfish ports in California, bringing in over \$17.9 million since 1990. Blackgill, the sixth most valuable fishery for Morro Bay in 2011, brought in over \$218,000 in 2011.

Market Squid

One of the State's top fisheries, market squid, saw historically high landings in 2010 and 2011. The last significant landings and earnings in Morro Bay occurred in the 1990s and early 2000s. Market squid, part of the CPS complex, are very common along our coast, but landings have not occurred in Morro Bay due to lack of infrastructure, primarily a squid pump. The presence of a squid pump at the Morro Bay Fish Company dock could mean local participation in this \$80 million fishery. Market squid have brought in approximately \$1.8 million for Morro Bay since 1990.

Shrimp

While there have been no recent landings in Morro Bay, shrimp has generated approximately \$3.3 million in Morro Bay since 1990.

Crab

Crab have brought in over \$7 million since 1990 but there hasn't been a strong crab season in Morro Bay since 2006. Morro Bay is on the southern end of the habitat for the most valuable crab species, Dungeness, with greater abundance north of San Luis Obispo County. While not reflected in this report, 2012 will be a better year for Dungeness Crab in Morro Bay, as visiting boats and several fishermen who typically travel to San Francisco for the Dungeness crab season have opted to fish locally due to good fishing conditions.

Swordfish

Since 1990, commercial fishermen in San Luis Obispo County have landed over \$9.67 million in swordfish, the third highest EVV in the State, trailing only Los Angeles and San Diego Counties.

Among small ports, Morro Bay leads the State in swordfish landings, ahead of Santa Barbara, Ventura, San Francisco, and Monterey Counties (Source: PacFIN). Earnings in 2011 topped \$408,000. See Attachment B, County of San Luis Obispo Swordfish Landings, for a one page information sheet on swordfish earnings in Morro Bay developed for a NMFS meeting in July of 2011.

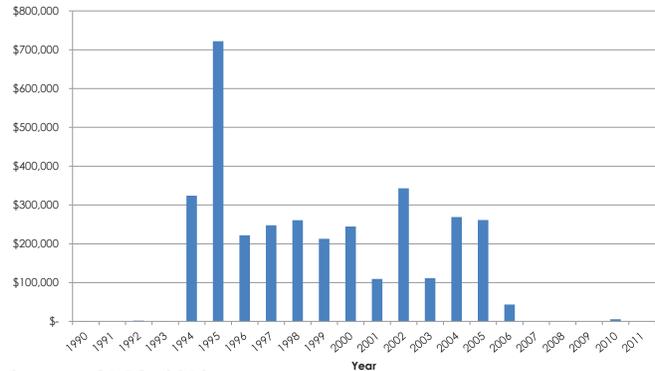
Spot prawn

Steady landings have brought in over \$12.9 million since 1990 and at \$12.20 per pound (in 2011) contribute to the rising value of the Morro Bay commercial fishing industry (not shown here).

Near shore

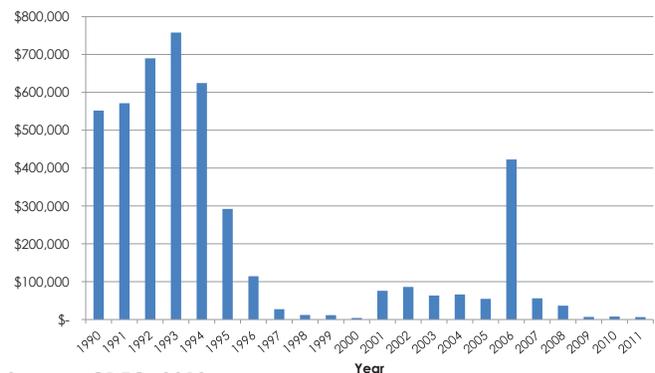
Another low volume, high value fishery, earnings for the top three nearshore species exceeded \$360,805 in 2011 and the fishery brought in over \$11.3 million since 1990.

Figure 1.17. Total Value Morro Bay Shrimp Landings, 1990 - 2011



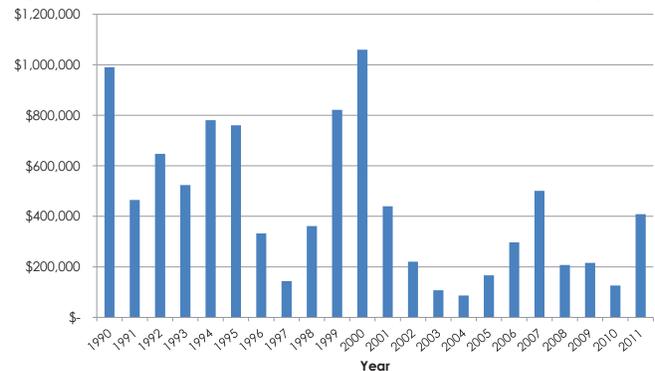
Source: CDFG, 2012

Figure 1.18. Total Value Morro Bay Crab Landings, 1990 - 2011



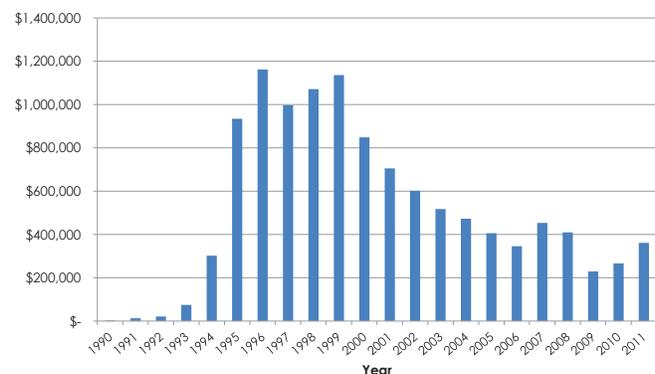
Source: CDFG, 2012

Figure 1.19. Total Value Morro Bay Swordfish Landings, 1990 - 2011



Source: CDFG, 2012

Figure 1.20. Total Value Morro Bay Near Shore Landings, 1990 - 2011



Source: CDFG, 2012



Source: Lisa Wise Consulting, Inc.

Ice loaded on to a vessel from the City-owned ice machine.

CONCLUSION

The 2011 fishing season saw the continuation of a 4-year positive economic trend for the commercial fishing industry in Morro Bay. About half of the \$7.4 million in earnings in 2011 (\$3.8 million) can be attributed to the fixed gear fleet targeting sablefish, but strong showings in swordfish, spot prawn, thornyheads, and blackgill rockfish, and continued strong landings in the near shore fishery and halibut attest to the industry's diversity and capability. Increased earnings have strategically driven investment in commercial fishing infrastructure and commercial fishing businesses; new boats, forklifts, totes, ice production capacity, and delivery trucks are persistent and will serve the fleet for years with continued returns. Increased earnings at the dock and increased activity in the fleet (trips, vessel IDs) translate into jobs for skippers and deckhands, and at the offloading facility, processing plant, and related industries, as well as increased spending at local businesses. A successful CSF is an effective promotional tool and strengthens the connection between the commercial fishing industry and the local seafood consumer. Positive effects from higher earnings have spurred participation within the commercial fishing community and membership to key organizations; the MBCFO and CCWF are at all time highs. Membership creates stronger bonds internally as well as with the greater community. Morro Bay commercial fishermen have achieved these gains while observing strict area closures and reporting requirements aimed at protecting habitat and rebuilding fish stocks. The commercial fishing industry is investing in and generating economic, social, and environmental gains which benefit the entire community, and has taken a sophisticated approach to reinvestment in physical and social infrastructure that will facilitate the long-term continuation of economic growth, community participation and support, and robust fish stocks.

APPENDIX

Appendix A



Source: Margee Bacolod

Reporting protocols that are consistent and transparent, like those in the U.S., are a gauge to a well managed, sustainable commercial fishery.

DATA AND TRANSPARENCY

Commercial fishery data in the United States is transparent, consistent and openly available. Anyone with internet access can find the quantity of seafood landed in Morro Bay or any U.S. port, the price paid to fishermen at the dock, by species, by state, by month and have access to annual aggregate data. This is not true for most U.S. top seafood trading partners, namely; China, Indonesia and Thailand. All commercial vessels that land in Morro Bay or in any U.S. port are required to complete a fish ticket.

In California, CDFG oversees fish ticket requirements and makes the landings data available on their website (<http://www.dfg.ca.gov/marine/fishing.asp#commercial>). A fish ticket is generated for each landing and includes the landing date, permit number, fisherman's name, buyer name and ID number, port of first landing, geographic code of where the fish where caught, species, weight, type of fishing gear used, price per pound and total earnings. The data is aggregated and posted on the CDFG's website approximately six to eight months after the end of the calendar year. Landings, earnings and commercial fishing data on the U.S. commercial fleet can also be found on the joint State/Federal; Pacific Fishery Information Network or PacFIN (<http://pacfin.psmfc.org/>). PacFIN houses data for fisheries from Alaska to California. While discrepancies between large scale databases and vessel level data may occur, CDFG and PacFIN currently provide the best commercial fishing data sets. Reporting protocols that are consistent and transparent, like those in the U.S., are a gauge of a well managed, sustainable commercial fishery.

This report also used data from the 2007 U.S. Economic Census, the Economic Development Department for the State of California, and the Bureau of Labor Statistics.

Appendix B

COUNTY OF SAN LUIS OBISPO

S W O R D F I S H L A N D I N G S

STATE-WIDE SIGNIFICANCE

Since 2000, commercial fishermen in San Luis Obispo County have landed over \$3 million in swordfish, the third highest EVV in the State, trailing only Los Angeles and San Diego Counties.

Among small ports, Morro Bay leads the State in swordfish landings, ahead of Santa Barbara, Ventura, San Francisco, and Monterey Counties (Source: PacFIN).

County	EVV
Los Angeles	\$30.8 Million
San Diego	\$13.2 Million
→ San Luis Obispo	\$3 Million
Orange	\$1.8 Million
San Francisco	\$1.7 Million
Ventura	\$1.4 Million
Monterey	\$822,000
Santa Barbara	\$257,000

COUNTY SIGNIFICANCE

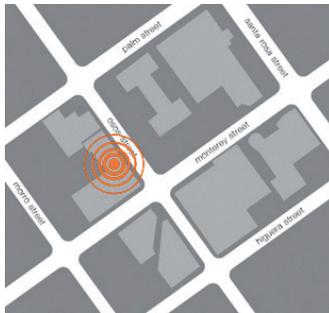
Since 2000, annual swordfish earnings ranged between just under \$73,000 and just over \$464,000. Swordfish have consistently been in the top ten of all species landed in the County. Since 2005, swordfish EVV has been in the top five, and has regularly ranked in the top three.

In the last decade, the number of vessels landing swordfish ranged from 29 in 2000 to 5 in 2010, with an average of approximately 10 vessels per year. The vessels generated an average of 25 trips and 32 fish tickets per year (Source: PacFIN).

Year	EVV Rank
2000	3
2001	3
2002	6
2003	6
2004	8
2005	4
2006	4
2007	1
2008	2
2009	3
2010	5

CALIFORNIA HARVEST & IMPORTS

In 2010, \$2.2 million of swordfish were landed in the State of California. In that same year, the State imported over \$16 million of swordfish. The majority of imported swordfish came from Singapore, Indonesia, and Mexico (Source: PacFIN; NMFS Office of Science and Technology, Imports and Exports of Fishery Products).



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