



January 21, 2018

Elizabeth Helmers, Chair
Highly Migratory Species Management Team
Pacific Fishery Management Council
70 NE Ambassador Place, Suite 101
Portland, OR 97220
via email

Re: Deep-Set Buoy Gear Authorization and Permitting

Dear Ms. Helmers:

In September 2017, the Pacific Fishery Management Council (Council) adopted a range of alternatives for authorization of deep-set buoy gear (DSBG) and Federal permitting, and provided guidance to the Highly Migratory Species Management Team (HMSMT) on the analysis. The Council is scheduled to review the analysis, further refine the range of alternatives, and possibly select a preliminary preferred alternative at its March 2018 meeting. During your discussion, we urge you to consider economic and social reasons for permitting this as a limited entry fishery.

For several years, we have spoken to the Pacific Fishery Management Council in support of universal best fishing practices, such as low bycatch of non-target species, live release of incidentally-caught or undersize fish, and cost-effective monitoring and enforcement. We continue to support authorization of deep-set buoy gear because it achieves these goals.

As you know, the design and deployment of deep-set buoy gear is fundamentally different than indiscriminate gear that currently drifts in the ocean, ensnaring or hooking all forms of marine life. DSBG avoids bycatch, including marine mammals and endangered turtle interactions, by setting baited hooks below the thermocline, where swordfish feed during the day. During the past two years of effort by fishermen using DSBG pursuant to exempted fishing permits, swordfish comprised about 80 percent of the catch and marketable species comprised 98% of total landings. This is the future of fishing in the Pacific.

This smart gear deserves brisk authorization and smart management, that considers its underlying design while recognizing factors essential to its economic and social success. We offer the following concerns from the sportfishing community regarding the range of alternatives for consideration, specifically the open access and limited entry permitting of the fishery.

Pursuant to the Magnuson Stevens Act, any fishery management plan may establish a limited access system for the fishery if the Council takes into account the **economics of the fishery**, the **cultural and social framework relevant to the fishery and any affected fishing communities**, and other relevant considerations.

The economic success of a deep-set buoy gear fishery depends on a limited entry permit system that develops a long-term stable market for DSBG caught swordfish. This market, similar to that for harpoon caught swordfish, provides fishermen with a prime price per pound that reflects the high quality of deep-set buoy gear caught swordfish and low ecological footprint. The Council can support steady market growth by limiting the number of initial permits. Like any nascent venture, supply can outpace demand. If this occurs, the high price offered for this prime product will likely evaporate, and with it, the fishery.

The continued growth requires careful consideration of the economics of a fishery that depends on low volume and high price per pound. A limited entry DSBG fishery can maintain high ex-vessel revenue with fewer fish landed than other commercial gear, less bycatch than other gear, less overhead, and more fishermen employed per fish caught. The public has signaled they are willing to pay a higher price for DSBG caught fish. Over the past four years, seafood distributors, restaurateurs and the public have shown increased willingness to pay a premium price for DSBG fish. But, it is unlikely that the fleet can maintain this relatively high price per pound with the influx of supply of an open access fishery. We urge the HMSMT to account for the negative market affects of an open access fishery.

An unrestrained daytime swordfish fishery may negatively impact not only the economic success of a deep-set buoy gear fishery, but the economically valuable and historically significant recreational fisheries of southern California. Recreational anglers spend \$2.4 billion annually while fishing in California, support more than 35,000 jobs and have a \$4.6 billion impact on the state's economic output. High stakes tournaments make significant economic contribution to the local economy. This includes a marlin fishery that occurs from late August to mid-October around Catalina. By starting with a smaller, limited access fishery, we can identify significant issues as they arise

and make modifications such as closures to accommodate tournaments or other high profile, high value events.

A limited entry deep-set buoy gear fishery will allow the Council to avoid and mitigate negative cultural and social implications. Several of these arise because the swordfish resource is not uniform throughout the California Current Large Marine Ecosystem or the southern California Bight. A limited access system will allow fishermen to aggregate in areas of high resource concentration, as they do now, and maintain a higher catch rate and higher profits for all permittees. With higher catch rates comes fewer risk-prone decisions, more careful gear deployment and retrieval, less overcrowding and less incentive to skirt the regulations to make ends meet. Authorizing too many permits will increase competition for the best fishing spots, decrease cooperation, increase risky behavior, create a poorly defined universe of permit holders and undercut the average yield per boat.

By initially seeding the fishery with a smaller number of permit holders, we may be able to increase fisher cooperation and minimize social conflicts that arise when resources aggregate in high traffic areas, like much of the Santa Catalina Basin. Further, with fewer boats fishing, participants may be able to avoid areas of high recreational activity, while still maintaining a viable catch. In contrast, an open access fishery would most certainly lead to overcrowding and social conflict, especially in areas proximal to large ports like San Diego and Los Angeles.

Deep-set buoy gear is a very visible gear – a necessary component of the active tending requirement. This is likely to cause navigation issues if resources and effort are condensed into high traffic areas such as much of the southern California Bight. This will increase the likelihood that recreational fishermen will interact with the gear when navigating to their destination. Further, navigational conflicts are likely to increase as recreational fishermen further explore the possibilities of targeting swordfish off California.

Limiting access to deep-set buoy gear permits will allow an economically and ecologically successful swordfish fishery to thrive alongside the recreational fishery.

In 1999, National Marine Fisheries Service authorized a limited entry system for Atlantic tuna, swordfish and sharks. Their rationale included similar positive benefits associated with an economically-viable fishing fleet including:

- fishermen who make fewer risk-prone decisions, such as decisions to fish in adverse weather (NS 10);
- a better defined universe of permit holders for education workshops, outreach programs, and potentially increased communication between fishermen and managers (NS2);

- fishermen who take more care deploying and retrieving gear and releasing bycatch, thus resulting in a higher product quality, reduced bycatch and bycatch mortality and less lost gear (NS 9);
- fishermen who spend more time seeking out fishing grounds with lower bycatch rates and/or less overcrowding (NS9,10);
- fishermen who have less incentive to circumvent regulations;
- increased efficiency of enforcement (NS7); and
- preservation of historically small owner/operator nature of these fisheries and their associated communities (NS8).

When considering the correct number of permits, it makes sense to begin small and increase on a biannual basis. When calculating an adequate permit number, we caution against dividing the area of the southern California Bight by the footprint of each DSBG set. Although this will provide a theoretical upward limit on the number of boats that can deploy gear side by side, this wrongly assumes that swordfish and other valuable species are spread uniformly throughout the southern California Bight and that there is no conflict with other commercial or recreational boats or marine traffic.

Instead, we must acknowledge that swordfish, like other species, congregate in areas such as sea mounts, move quickly to new areas throughout the season following forage, and often overlap with popular recreational fishing areas or high traffic areas. This makes some fishing spots much more profitable than others. By limiting the number of participants, the Council will allow permittees to distribute effort in a way that minimizes overcrowding in high-traffic and crowded areas. A limited access deep-set buoy gear fishery allows fishermen to make smart choices while still making money.

For these reasons, we support a limited entry permit system, re-evaluated biannually, that allows the Council to build an economically viable fishery while addressing unforeseen and unavoidable social and cultural conflicts.

Sincerely,

Theresa Labriola
Wild Oceans
Pacific Program Director

Jason Schratwieser
International Game Fish Association
Conservation Director