



## Fishermen adapt to new rules

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April 17, 2011 2:00 AM

EAST DENNIS — After nearly 17 hours at sea, the Tenacious II swung into Sesuit Harbor loaded with 5,000 pounds of mostly cod, and some haddock, all caught on baited hooks in the waters off Stellwagen Bank.

As he unloaded his catch, Chatham fisherman Eric Hesse had only good things to say about a controversial new fishery management system known as "catch shares" or "sector management" that has drawn a firestorm of complaints from some fishermen as well as municipal, state and national politicians.

"Without sectors, we are out of business," Hesse said of the Chatham fleet.

It's almost been a year since sector management became the method that controls 95 percent of the New England groundfish quota. The management system's critics are adamant that it is destroying the fishing industry.

"It's working the way (National Oceanic and Atmospheric Administration Administrator Jane) Lubchenco and others wanted it to work by forcing two-thirds of fishermen out of business, and makes the other one-third look like they are succeeding," said Jim Kendall, a former fisherman and president of New Bedford Seafood Consulting. Nearly 70 percent of the New Bedford groundfish fleet is tied up, not fishing, he said.

The issue gained national attention when NOAA, under the newly-appointed Lubchenco, pushed for the expansion of catch-share programs nationwide. Acting on a groundswell of protests from disaffected fishermen, the U.S. House of Representatives, in a bill co-sponsored by U.S. Rep. Barney Frank, recently voted to cut NOAA's funding for promoting these programs. An amended bill that prohibits initiating any new catch-share programs before Sept. 30 awaits President Barack Obama's signature.

But for Hesse and other Cape fishermen who pioneered sector management and formed the region's first sector more than six years ago, the experience has been positive. They counsel patience.

"The first year is the worst year," advised Chatham fisherman John Our, who has four years of sector experience. "I thought, 'What have I gotten myself into?'"

"We weren't under the gun, and we worked the kinks out of it," Chatham fisherman Greg Walinski said.

Under a congressional mandate, as well as a 2004 court-ordered deadline to end overfishing and rebuild depleted fish stocks by 2014, New England fishery regulators and the National Marine Fisheries Service made it increasingly harder over the past decade for fishermen to catch fish based on the theory that reduced landings would leave enough fish to spawn and rebuild decimated populations.

They were attempting to close the spigot on landings using regulations that required less-efficient fishing gear and closed large tracts of ocean to fishing. But the most onerous method was known as Days-At-Sea, which reduced the number of fishing days each succeeding year. As combined measures failed to rein in overfishing, those fishing days dropped to just a fraction of what they had been. By 2009, most fishermen had 40 or less days of fishing per year and faced another big reduction in 2010.

This, along with severe limitations on what could be caught each day, had a withering effect on the New England fishing fleet, and the number of active groundfish fishermen in New England plunged by 60 percent over the past decade. On the Cape and Islands, that number dropped from 252 in 2001 to just 58 last year. In the New Bedford-Fairhaven area, there were 232 active fishermen in 2001 and just 111 in 2009. That all happened before the implementation of sector management.

By 2004, the Chatham fleet had another problem: In the summer and fall, an expanding dogfish population stole

their bait and clogged the nets so that each precious day resulted in relatively little groundfish being caught. In the winter and spring, when prices were good and there were fewer predators, the low daily catch limits made it impossible to make up for lost time. It only got worse when the cod they relied on disappeared from near-shore waters. The trips to find cod far offshore were long and dangerous in 40-foot vessels fishing alongside ships two to three times their size. And the extended trips ate up precious fishing days.

"Our backs were against the wall," Hesse said.

With the assistance of the Cape Cod Commercial Hook Fishermen's Association, a group of Cape fishermen worked with the New England Fishery Management Council to form a sector under an experimental initiative in 2004, the first in the Northeast. A second Chatham-based sector that included gillnet and hook fishermen was approved in 2007. The two essentially joined this year to form the Georges Bank Fixed Gear Sector with about 60 members.

## **BROKERING A DEAL**

Days-At-Sea regulations were all about what you couldn't do: You couldn't fish more than 40 days a year, you couldn't catch more than a fixed amount of fish a day, and you even had to decide whether you were going to fish in one area or another.

Sector membership freed participants from many of the old rules. As long as fishermen didn't overfish their share of the quota, they could choose how much and when they wanted to catch fish. And they could trade or buy additional fish or access to other fishing areas.

For instance, Chatham's cod-dominant fishing history meant they received a hefty portion of the Georges Bank cod quota. Once those stocks moved offshore, members caught only between 25 percent and 41 percent of that quota in 2008. Plus, under the old plan they were restricted to catching only Georges Bank cod.

To make his trip the other day, Hesse traded some of the Georges Bank cod shares he couldn't use to boats that could go far offshore and catch them. In exchange, he received Gulf of Maine cod quota, gaining access to fish stocks closer to shore.

With a guarantee of how much fish they could catch each year, and the flexibility to choose when to catch them, fishermen became more enterprising, and better at marketing. Supermarkets need a steady supply at a fixed price, and Fixed Gear sector fishermen were able to broker a deal with supermarket chains such as Stop & Shop and Whole Foods because they knew how much quota they had and could go out year-round.

## **'Treat it like a business'**

At the Sesuit docks, Hesse and crewman William Ligenza tossed Gulf of Maine cod into totes that were then winched up to a waiting box truck ultimately bound for Whole Foods Markets. Like Hesse, Chatham fisherman Greg Walinski, who was also unloading at the docks that day, has a contract with Whole Foods.

Under the old regulations, Walinski's fishing year had been reduced to 35 days.

"How can you run a business with just 35 days?" Walinski asked.

On each trip, Walinski and other Georges Bank fishermen could catch no more than 1,000 pounds of cod per day. If he had a bad day and caught less than that amount, there was no way to make that up on subsequent trips because if he caught more than 1,000 pounds, he had to throw fish back.

Under sector management, Walinski can bring back all he catches and deduct the amount off his annual quota. But, since all 20 groundfish stocks, not just cod, are now included in the new regulations, sector fishermen are required to end their fishing for the year if they reach their quota amount on any of those species, no matter how small the allocation. If Walinski hit his limit on yellowtail flounder, pollock, or skates, he would have to stop fishing even if he still had a lot of cod or haddock stocks left. But sectors allow fishermen to lease additional quota of

any of those fish species from other boats and that lets them continue fishing.

"I can treat it like a business. It's safer, better for the fish, and I can make a business plan for the year that frees me up to do other things," Walinski said.

## Marketing to consumers

Cape sector fishermen have also learned how to market their advantages.

Hundreds of pounds of live cod thrashed around splashing Hesse with water when he removed the cover to a big blue tank fed with constantly circulating seawater. They were destined for an Asian buyer from Boston who specializes in the live fish restaurant market. The buyers never come to the Cape for the small amount of live fish he could have supplied under the old rules, Hesse said.

That experience is not just confined to our shores. With 40 fishing days or less apiece, the Port Clyde, Maine, fleet was in survival mode, fisherman Gary Libby said.

"We were all going out of business," Libby said. Freed from the rush to catch fish before their quota ran out, Libby said Port Clyde sector fishermen now are catching higher quality fish and discarding a lot less unwanted species by using nets with a larger mesh that lets the smaller fish escape.

"We ended up bringing in more revenue under sectors, caught less fish and made less trips," he said. The Port Clyde sector also initiated a community subscription fishery a few years ago in which fishermen market directly to local consumers, who sign up to buy the fish. Cape fishermen recently started their own community subscription program.

"Compared to what the alternative was, another cut in Days-At-Sea, certainly all our members believe it was better than that," said Hank Soule, sector manager for the Sustainable Harvest Sector with a fleet of about 75 boats in ports from Maine to New Jersey.

Soule said sector management is accomplishing some important goals: ending overfishing, dramatically reducing wasteful discarding of unwanted bycatch, and avoiding overexploited species while catching more of those that are plentiful.

Soule's fishermen wanted to catch haddock, for instance, which is abundant, while avoiding less abundant ones like pollock. Freed from Days-At-Sea regulations in which every minute counted against them, these fishermen were able to hunt for underexploited and plentiful stocks like haddock. They could make exploratory tows with their nets to determine whether haddock were swimming with a lot of other fish or schooling in a homogenous group. By using special nets that separate haddock from unwanted species, they were able to catch more haddock and less of the other species. Soule believes his fishermen are now discarding less than 3 percent of their catch, a figure mirrored by the Cape sector as well.

They were so concerned that certain "choke" species such as pollock might shut them down early in the year, that they purchased extra quota of those species to keep them going, but didn't have to use them. "We have been able to avoid choke stocks," Soule said, and the sector is now giving away those emergency quotas to another sector that needs them to finish out its year.

But the new sector system is not without its imperfections and critics.

"There's more flexibility with sectors, there's no clock ticking in your head," said Eric Brazer, the Cape fixed gear sector manager. "Fishermen are going back to the business of fishing, looking around, exploring new spots."

But, within weeks of implementation last spring, complaints surfaced that the allocation of quota to individual fishermen was flawed, that the sector system favors those with money, and that the net result this year was many fewer fishermen catching fish. Others charged that the allocation process was an inside job that benefitted those with connections to regulators, and that the National Marine Fisheries Service fumbled the ball with poor scientific analysis of fish stock sizes that led some fishermen to make poor business decisions.

In the first few months, U.S. Rep. Barney Frank, D-Mass., called for Lubchenco's resignation, Gov. Deval Patrick

filed for emergency aid to fishermen, and New Bedford and Gloucester sued the federal government.

Yet even the sector system's harshest critics agree it's better than the previous fishery management system, and most believe the next fishing year, which begins May 1, could be much better.

"We need to improve on what we are doing," said Paul Diodati, executive director of the state Division of Marine Fisheries. "I haven't talked to any federally permitted fisherman who wanted to go back to Days-At-Sea."

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