



UNITED ANGLERS
of Southern California

WHITE PAPER

**REPORT OF ECONOMIC IMPACT ON SMALL BUSINESSES IN
CHANNEL ISLANDS AREAS FROM MPA CLOSURE**

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**ECONOMIC SURVEY OF BUSINESSES DEPENDENT UPON
RECREATIONAL FISHING IN NORTHERN LOS ANGELES,
VENTURA, AND SANTA BARBARA COUNTIES**

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THE PROBLEM

Rockfishing regulations over the recent past have been dramatically affecting recreational fishing opportunities in Northern Los Angeles, Ventura, and Santa Barbara counties.

SYNOPSIS

On the following pages are some results Dan Fink, United Anglers of Southern California, obtained from interviews with owners of tackle shops, fishing vessels, and landings operating in the Channel Islands area.

Note that half the landings that existed 3 years ago have either left the business or had a business failure. This includes one Landing that recently was taken over by the County of Ventura because of failure to pay rent. (Since publication of this original document in '03, this Landing has changed ownership and operates successfully on a smaller scale than before. 10/15/06.)

The situation in this area is critical for the future of sportfishing in Northern Los Angeles, Ventura, and Santa Barbara counties.

REQUEST FOR RELIEF

United Anglers of Southern California respectfully requests that the PFMC take emergency action to provide immediate relief for businesses dependent upon recreational fishing.

Survey of Landing Operators

Santa Barbara Harbor – Santa Barbara County

In 1999, two landings, operated here. Since then, one has closed with no subsequent information available. The remaining Landing had 3 sportfishing vessels available throughout the year. Now, it has one with a second available during the winter primarily there to satisfy the demands of a County sponsored eco-emission compliance engines & generator re-power.

Below are the Statistics for the One Remaining Landing in the Harbor

	Year	Year	Diff.	%	Year	Diff	%	Year	Diff	%
Jan.	2000	2001			2002			2003		
Trips	N/A	15			24	+9		13	-11	
Passengers	N/A	142			245	+103		204	-41	
Average Pass. p/boat	N/A	9.46			10.20			15.69		
Days Fished	N/A	12			16	+4		11	-5	
Oct./Trips	34	42	+8		34	-8				
Passengers	663	725	+62		553	-172				
Average Pass. p/boat	19.5	17.26			16.26					
Days Fished	22	29	+7		27	-2				
Nov./Trips	29	36	+7		19	-17				
Passengers	472	631	+159		245	-386				
Average Pass. p/boat	16.2	17.52			12.89					
Days Fished	21	20	-1		14	-6				
Dec./Trips	25	20	-5		10	-10				
Passengers	468	245	-223		121	-124				
Average Pass. p/boat	18.7	12.25			12.1					
Days Fished	16	15	-1		8	-7				
Total Passengers	1603	1601	-2		1164	-437				

Essentially, this Landing had 437 fewer passengers in 2002 than 2001 for the 3 corresponding months.

Ventura County

Ventura Harbor – The one landing here that had 3 vessels operating from it has closed its doors and no records are available.

Channel Islands Harbor. – 2 Landings currently operate from this location.

	Year	Year	Diff.	%	Year	Diff	%	Year	Diff	%
Jan.	2000	2001			2002			2003		
Trips	N/A	22			21	-1		30	+9	
Passengers	N/A	509			448	-61		485	+37	
Average Pass. p/boat	N/A	23.13			21.33			16.16		
Days Fished	N/A	17			15	-2		19	+4	
Oct./Trips	165	153	-12		148	-10				
Passengers	3241	3134	-107		2531	-603	19¼%			
Average Pass. p/boat	19.64	20.48			17.10					
Days Fished	28	29	+1		30	+1				
Nov./Trips	116	93	-23		71	-22				
Passengers	1907	1615	-292		1388	-227	14%			
Average Pass. p/boat	16.43	17.36			19.54					
Days Fished	26	24	-2		23	-1				
Dec./Trips	94	52	-42		33	-20				
Passengers	2041	995	-1046		562	-433	43½%			
Average Pass. p/boat	21.71	19.13			17.03					
Days Fished	28	20	-8		18	-2				
Total Passengers	7189	5744			4481					

October, November and December 2002 compared to 2001 – Down overall 25½%

The above listed Landing has been in business and open 24/7 since 1964. It is the largest landing in the region.

February 1, 2003 – The following are points from a conversation with the owner of the above listed Landing

- Lack of passengers most apparent on open party boats.
- Overnight boats not getting out at all.
- ½ day and ¾ day boats going light.
- Running a 2 for 1 program, i.e. 2 go for the price of one during the week so passenger loads betray amount of money generated.
- The owner estimates business is off a minimum of 25%.
- Overall charter bookings are also way down for the forthcoming season.
- “The regulations in place take away any chance of making any money”
- Is reducing everything to stay alive.
- Payroll has been cut in half – now operating office with 1 full time employee and 4 part time employees. Formerly had 14 full time employees.
- Used to stay open 24 hours per day – now only 8 to 12 hours, which is the minimum necessary to stay in business.
- Has cut all corners and still just falling further and further behind.
- Can't pay bills.
- “I don't know what else to do”.

Channel Islands Harbor (cont.)2nd Landing operating from Channel Islands Harbor.

5 boats operate from here

Passenger totals by Year

	2000		2001		2002		2003
January	N/A		N/A		60		91
February	N/A		N/A		59		
March	N/A		629		759		
April	N/A		734		829		
May	N/A		1074		1068		
June	N/A		1515		1254		
July	781		1617		1273		
August	886		1327		1306		
September	767		1237		723		
October	921		968		577		
November	386		400		225		
December	492		156		69		
Totals	4233		5705		4173		

This spreadsheet only shows passengers carried on a per month basis. This Landing opened in 1998 with a ½ million-dollar investment by the owners. They enjoyed a 15% growth in 1999 and 2000. The downturn started in 2001, and they report that financially, the business is currently down 21% and between 45% - 55% behind on the original business model for the same time frame. As evidenced in the chart above, there's been a steady decline in business since May 2002. If this pattern continues and some form of relief isn't forthcoming, they'll be forced into bankruptcy. They never would have invested in the business if they had known the type of strict regulations that would be coming down.

Port Hueneme Harbor-1 Landing operates from here.

	2000		2001		2002
July	1916		2164		1675
December	772		332		248

This Landing reflects the same downturn in business that the others in the area show. The owner reports his November and December 2002, and January 2003, were 50% of what he did the previous year. He also reports that he experienced 50% cancellation of charters for the same 3 months that had been previously booked and bookings for 2003 are running 75% behind last year. He can't make his monthly lease payments to the Harbor Department. He used to employ 2 part time and 2 full time employees. He has now laid everyone off.

*All the above numbers were secured on the Internet at www.sportfishingreports.com. Estimated percentages were procured via interviews both in person and via telephone with the people listed.

Comments from Commercial Passenger Fishing Vessels (CPFV's)
Owners

Capt. Bruce Dexter – Owner/Operator

F.V. Pacific Clipper – Cisco's Landing

"Booking of charters for upcoming year over 20% off from last year and last year was poor".

Capt. Steve Kelly – Owner/Operator

F.V. Island Tak – Cisco's Landing

"New business substantially curtailed".

Capt. Frank Urcetti – Owner/Operator

F.V. Ranger 85 and Coral Sea

"Between the 20 fathom closure and island closures, where am I supposed to fish? Give us out to 30 or 40 fathoms or buy me out. Give me a long-term, low interest loan to fund my boats' transition to eco-tourism and I'll never fish again. Right now I'm in the middle of a county sponsored engines, generator re-power that's costing me \$200,000.00, so I can be eco-emission compliant. I'm doing this because they want me to; it's not required. While I'm doing this other parts of government are putting me out of business.

Comments from Tackle Suppliers

Angler's Den – Camarillo

Owner: Rick Graham – (805) 388-1566
Retail Tackle Shop

- November 2002 down 40% from last year.
- December 2002 down 25% from last year.

Going into savings to keep business afloat. Saltwater fishing business way off; freshwater helping to keep doors open. Sluggish economy not helping, but fishing restrictions most damaging.

Purfields Pro Tackle – Culver City

Owner: Dick Schaffer – (310) 397-6171
Retail Tackle Shop

Reports: As of October 15th, bottom fell out of business. November 2002 did 50% of November 2001. December was okay. Attributes to excellent fishing in Santa Monica Bay that month. Laid off an employee of 5 years in October (shop had 3 – now has 2). Spent less than 50% of what he spent last year at early season trade shows.

Comments: Bought store 6 years ago. Retired to this business and loves it. Now he wants to sell. He can't stand the political uncertainty of future. He feels victimized; has no voice. He feels nobody is really listening.

Tady Lure Corporation – Industry

Owner: Jim Shimizu – (626) 333-3358
Started: 1960 – 42 years

Manufactures saltwater metal lures used primarily in Southern California. Sells both dealer direct and to a lesser degree through distributors.

Reports: Sales for December 2002 not even 50% of December 2001. Worst December in 42 years of business. November 2002 and January 2003 reflect similar trends.

Comments: Dealers are scared and pulling in horns. They won't spend now. Historically, the industry depended on the quality of the bite, volume of fish that migrate into the region, water temperatures that controlled how eagerly resident fish bite. Now, the business is dependant on political issues.

Fishtrap Lures – San Diego

Owner: Barry Brightenberg – (858) 273-6970
Manufacturer of Plastic Baits

Reports: Business down 20% overall in 2002 as compared to 2001. Has cut back employees total hours; they are all part time now. These are all employees who have been with him 4 to 8 years.

Comments: Historically, Fishtrap Lures has contributed and partaken in every underprivileged kids fishing trip out there. Is stopping all of this – he can no longer afford it.