

Commercial Fishing Industry Update



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Executive Director
United Fishermen of Alaska

United Fishermen of Alaska (UFA)

United Fishermen of Alaska (UFA) was started in 1974 by a group of commercial fishermen who wanted to have a unified voice on commercial fishing issues in the State of Alaska.

Our primary objectives are:

- Promote positive relations between industry sectors.
- Support all commercial gear types and remain neutral on allocative issues between commercial gear groups.
- Protect industry from attacks through initiatives, legislation, etc.
- Promote industry safety.
- Promote healthy fishery resources by supporting research and habitat protection.
- Support adequate funding for fishery research, management and enforcement.
- Oppose fish farming.
- Support development of new fisheries.
- Educate industry, government and the public.
- Support efforts to increase consumption of Alaska seafood.
- Promote quality standards – harvester to consumer.
- Protect consumer access to seafood by maintaining a stable supply of product to processors.



UFA Member Associations & Areas of Operations

Bering Sea/ Bristol Bay/Aleutian Islands

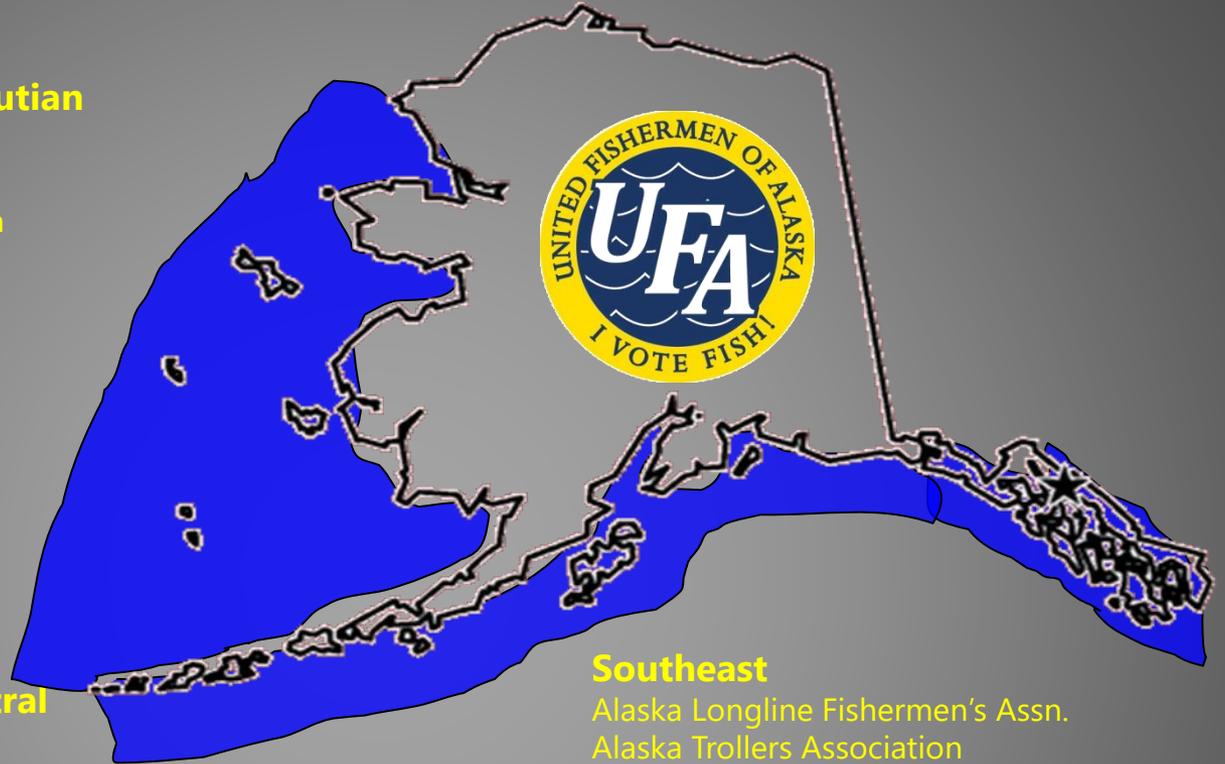
Alaska Bering Sea Crabbers
Bristol Bay Fishermen's Association
At-Sea Processors Association
Bristol Bay Reserve
Freezer Longline Coalition
Groundfish Forum

Statewide

Alaska Scallop Association
Fishing Vessel Owners Assn.

Gulf of Alaska & Southcentral

Alaska Whitefish Trawlers Assn.
Cape Barnabas, Inc.
Concerned Area "M" Fishermen
Cook Inlet Aquaculture Association
Cordova District Fishermen United
Kenai Peninsula Fishermen Assn.
Kodiak Crab Alliance Cooperative
Kodiak Regional Aquaculture Assn.
Kodiak Seiners Assn.
North Pacific Fisheries Association
Prince William Sound Aquaculture Corp
United Cook Inlet Drift Association
Valdez Fisheries Development Association



Southeast

Alaska Longline Fishermen's Assn.
Alaska Trollers Association
Armstrong Keta, Inc.
Douglas Island Pink and Chum
Northern Southeast Regional Aquaculture Assn.
Petersburg Vessel Owners Assn.
Purse Seine Vessel Owners Assn
Seafood Producers Cooperative
Southeast Herring Conservation Alliance
Southeast Alaska Fishermen's Alliance
Southeast Alaska Regional Dive Fisheries Assn.
Southeast Alaska Seiners Association
Southern Southeast Regional Aquaculture Assn.
United Southeast Alaska Gillnetters



SUSTAINABILITY & MANAGEMENT

Alaska wrote a sustainability mandate into its constitution in 1959. Alaska arguably has the best managed fisheries in the world through State, Federal and international agencies working with input through a science-based public process.

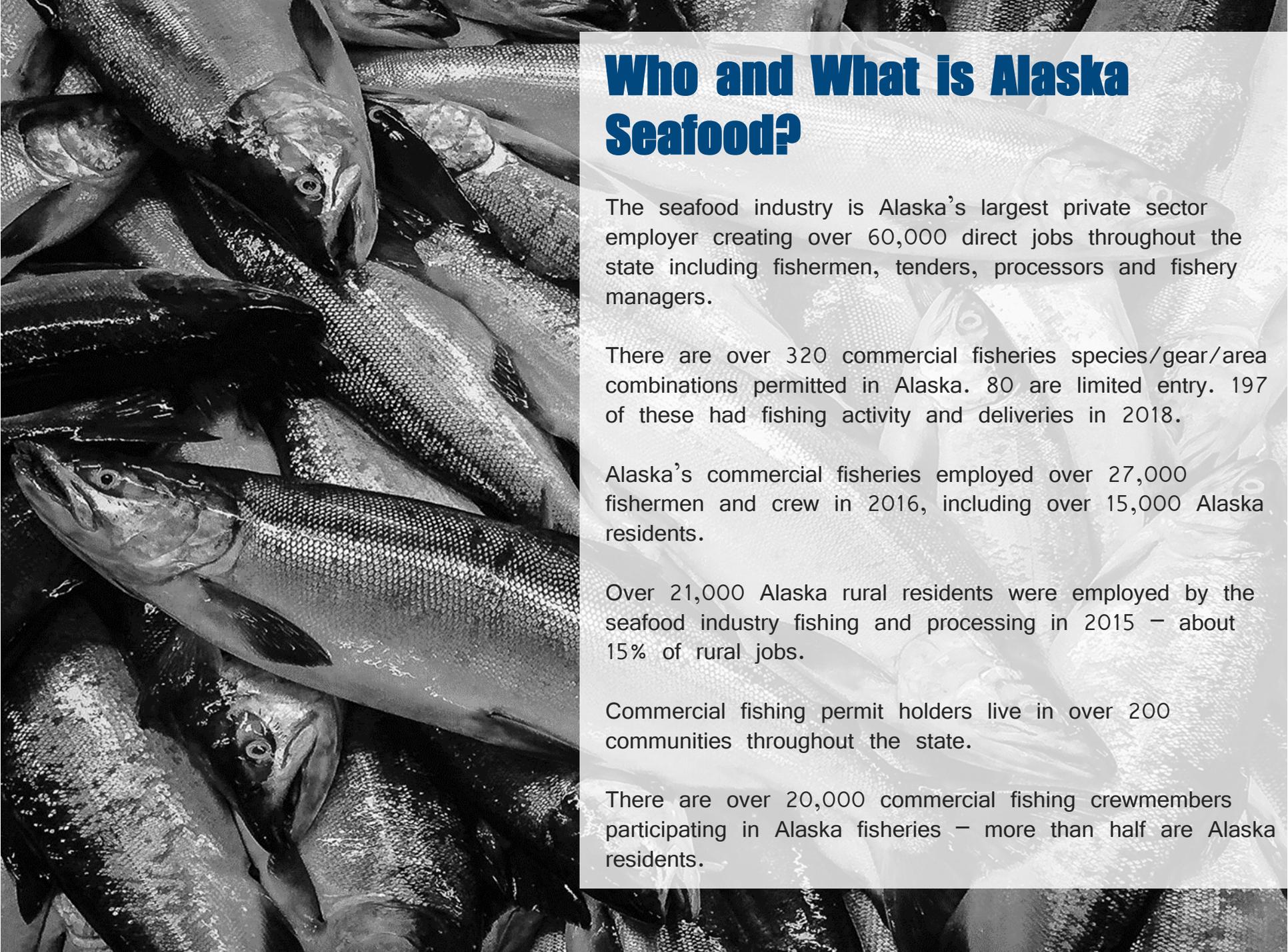
Alaska's fisheries are seasonal and dynamic, and effective management as well as funding for that management is critical. The seafood industry is one of the most heavily regulated industries in Alaska.

The science-based and cautious approach includes shut downs when the returns are low – and if the research and stock surveys are not able to be funded. Closures caused by a lack of field data unnecessarily cost reductions in income for fishery participants – and for the state's general fund.

Major fishery management bodies and organizations:

- Alaska Department of Fish and Game (ADF&G)
- Alaska Board of Fisheries
- Commercial Fishery Entry Commission (CFEC)
- National Marine Fisheries Service
- North Pacific Fishery Management Council
- International Pacific Halibut Commission (IPHC-treaty)
- Pacific Salmon Commission (PSC-treaty)

Sockeye (red) salmon at Hansen Creek, Alaska



Who and What is Alaska Seafood?

The seafood industry is Alaska's largest private sector employer creating over 60,000 direct jobs throughout the state including fishermen, tenders, processors and fishery managers.

There are over 320 commercial fisheries species/gear/area combinations permitted in Alaska. 80 are limited entry. 197 of these had fishing activity and deliveries in 2018.

Alaska's commercial fisheries employed over 27,000 fishermen and crew in 2016, including over 15,000 Alaska residents.

Over 21,000 Alaska rural residents were employed by the seafood industry fishing and processing in 2015 – about 15% of rural jobs.

Commercial fishing permit holders live in over 200 communities throughout the state.

There are over 20,000 commercial fishing crewmembers participating in Alaska fisheries – more than half are Alaska residents.

Value of Alaska Seafood

Seafood is a diverse industry. Both fishing businesses and processors range from large corporations to family businesses and sole proprietors.

Over 80 different commercial seafood species are fished in Alaska, caught by over 6,500 boats and processed at 120 shoreside plants.

Between 5–6 billion lbs. of seafood are harvested per year worth \$4–\$5 billion in first wholesale value in Alaska's state waters and in federal fisheries in the EEZ off Alaska.

Alaska's fishermen and processors contributed over \$146 million in federal, state and local taxes & fees.

Ex-vessel revenues amounted to \$1.99 billion in 2017.

Processing companies employed nearly 25,000 workers in 2015, including approximately 7,400 Alaska residents.

Seafood processing is the largest manufacturing sector in Alaska, accounting for 72% of Alaska's manufacturing employment.

Seafood is Alaska's top export, more than \$3.4 billion in 2017. Of that, China bought \$989 million — nearly a third — of the state's total seafood exports.



VOLUME & VALUE BY SPECIES (2016/17 avg.)

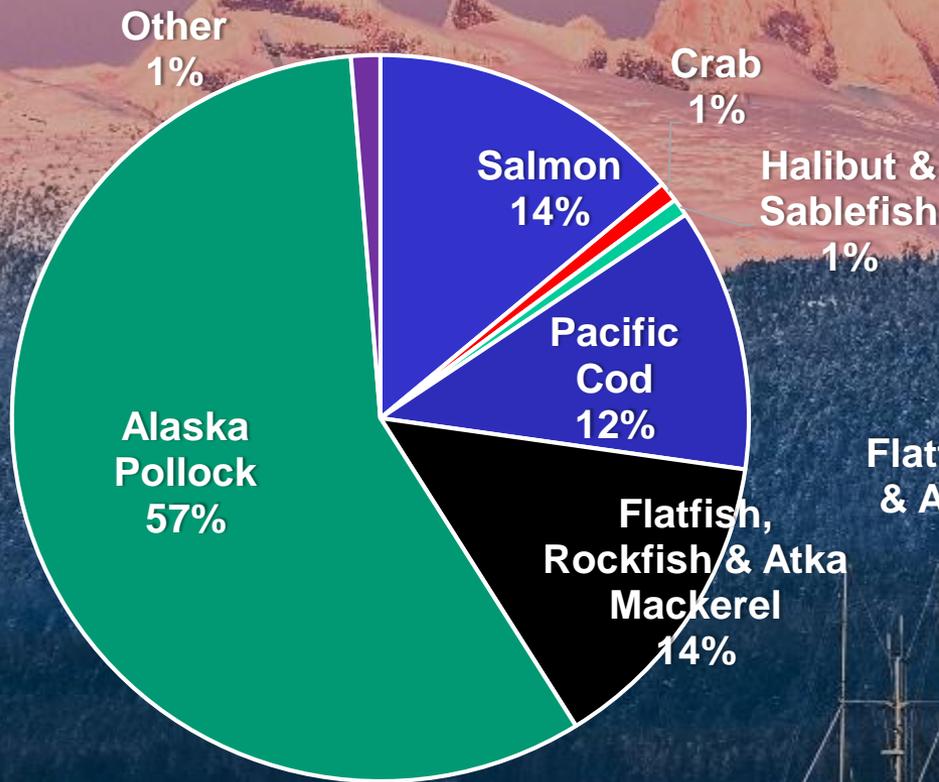
Statewide



Wild, Natural & Sustainable®

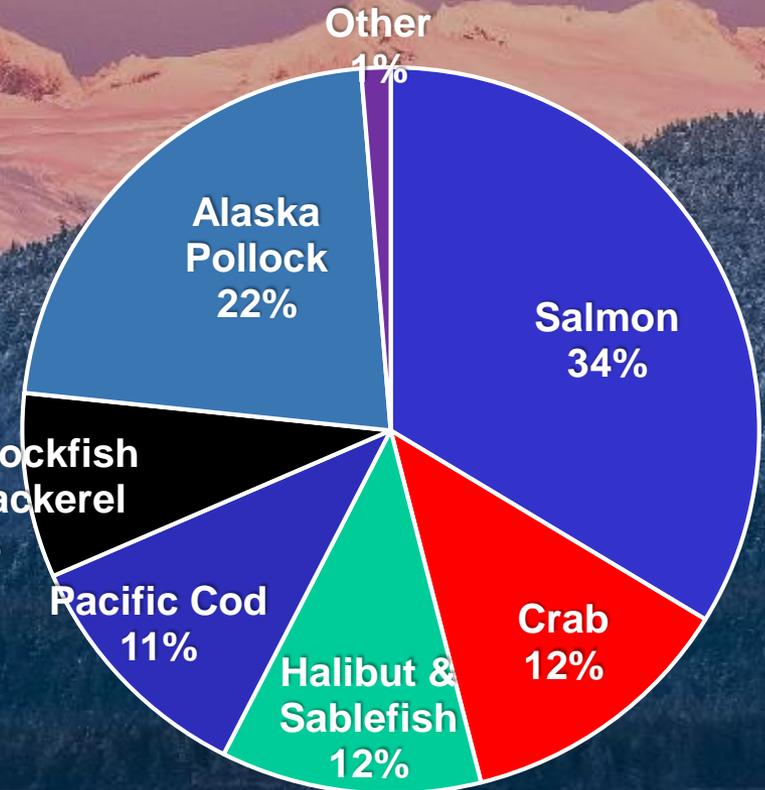
HARVEST VOLUME

5.9 Billion Pounds



EX-VESSEL VALUE

\$1.9 Billion Dollars



Note: Data represents average of 2013/2017 volume/value. Source: NMFS and ADF&G; compiled by McDowell Group.

MARKETS FOR ALASKA SEAFOOD



Wild, Natural & Sustainable®

Seafood is Alaska's #1 export

About 75% of Alaska seafood production is exported annually to 100 countries

U.S. is usually the largest market: 25-30%

China/South Korea are the largest trading partners; primarily for reprocessing

Japan/Europe are largest direct foreign markets

Most Alaskans access seafood through the commercial fishing sector

Blue = ASMI Program Area

Red = Non-ASMI Program Area

Map courtesy of ASMI





Frances' Dad



Frances

Fishing in Alaska - A Way of Life for Generations

Alaska is known for small-boat, family-style fishing operations. Countless fishing businesses are family based and in many cases, families have been harvesting fish for generations in the same area using the same artisanal techniques. Alaska's fisheries support local economies and communities and are a valuable source of protein and nutrients that provides food security to people around the world.

Frances' Kids





Independent fishermen = small businesses = investment

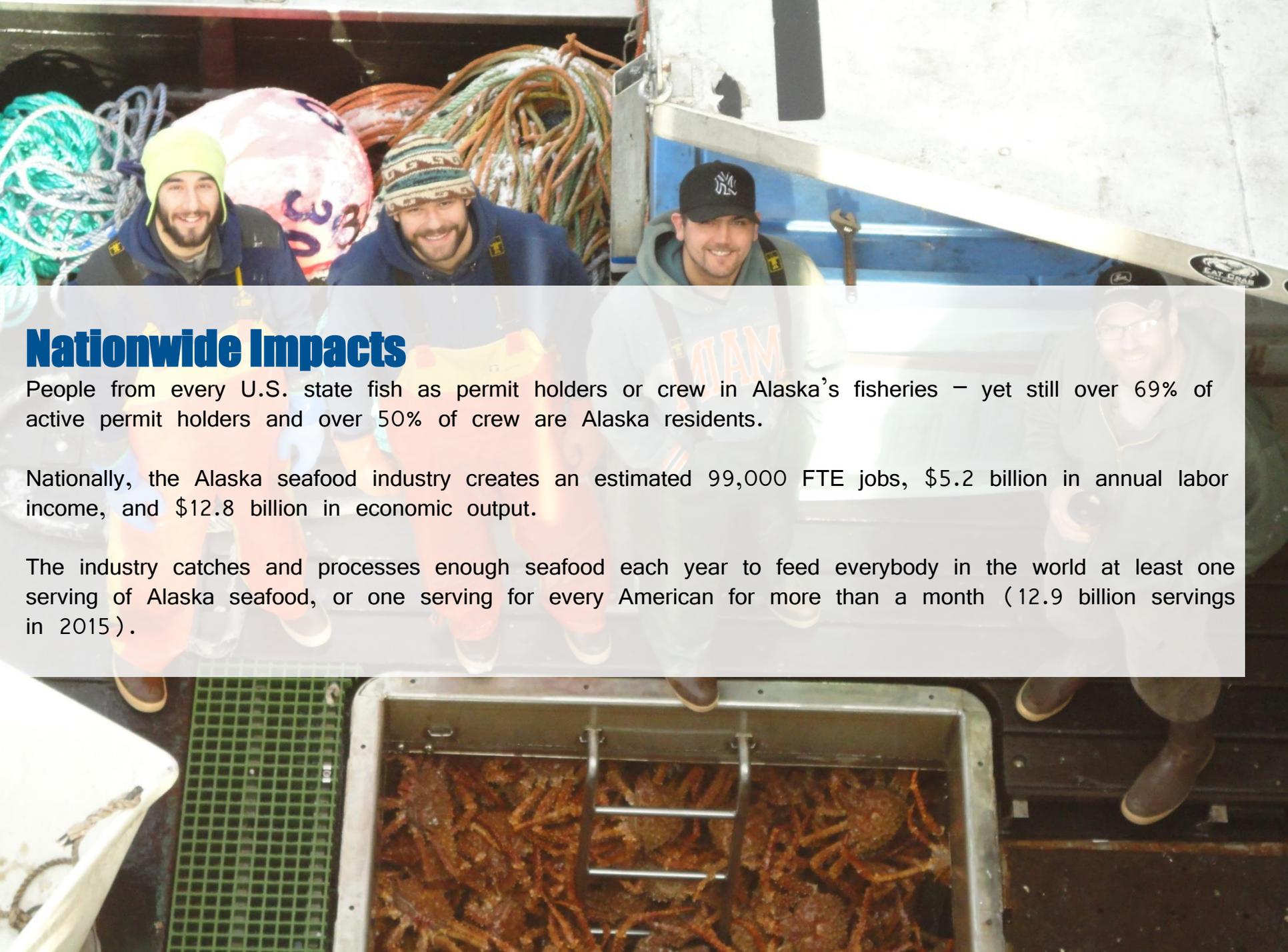
Each fishing and processing operation represents significant long term investment in vessels and/or facilities, permits, equipment, safety and food safety compliance, and more.





National Impacts of Alaska Seafood Industry, 2015/2016 Avg.

	Number of Workers	FTE Jobs	Labor Income (\$Millions)	Output (\$Millions)
Commercial Fishing	29,200	13,700	\$824	\$1,738
Processing	28,700	14,400	\$563	\$2,446
Mgmt./Other	4,100	2,900	\$287	-
Distributors	800	800	\$64	\$131
Grocers	4,400	4,400	\$133	\$237
Restaurants	12,700	12,700	\$349	\$892
Direct Total	79,900	48,900	\$2,218	\$5,444
Secondary Total	-	50,100	\$2,949	\$7,315
Total Impacts	-	99,000	\$5,167	\$12,758



Nationwide Impacts

People from every U.S. state fish as permit holders or crew in Alaska's fisheries – yet still over 69% of active permit holders and over 50% of crew are Alaska residents.

Nationally, the Alaska seafood industry creates an estimated 99,000 FTE jobs, \$5.2 billion in annual labor income, and \$12.8 billion in economic output.

The industry catches and processes enough seafood each year to feed everybody in the world at least one serving of Alaska seafood, or one serving for every American for more than a month (12.9 billion servings in 2015).

Alaska has 9 of the nation's top 20 seafood ports by volume, and 19 in the top 101...

Top Alaska ports, volume and value with U.S. rank by volume:

- #1 - Dutch Harbor - 768 million pounds, \$173 million.
- #2 - Aleutian Islands (other) - 552.3 million pounds, \$106M
- #3 - Kodiak - 530 million pounds, \$152M
- #7 - Alaska Peninsula (other) - 268 million pounds, \$111M
- #9 - Naknek - 186 million pounds, \$154 M
- #15 Cordova - 99.2 million pounds, \$65M
- #16 Sitka - 91.3 million pounds, \$75M
- #18 Ketchikan - 77 million pounds, \$46.4M
- #19 Petersburg - 64.8 million pounds, \$51.7M
- #21 Seward - 50.5 million pounds, \$59.9M
- #25 Bristol Bay (other) - 42.5 million lbs, \$64M
- #29 Kenai - 31.9 million pounds, \$31.7M
- #40 Juneau - 18.2 million pounds, \$55.8M
- #43 Egegik - 16.2 million pounds, \$16.3M
- #70 Upper Southeast (other) - 6.9 million pounds, \$8.9M
- #84 Wrangell - 5.0 million pounds, \$10.3M
- #94 Norton/Kotzebue Sound, - #4.1 million pounds, \$8.6M
- #97 Anchorage - 3.8 million pounds, \$4.3M
- #101 Yakutat - 3.5 million pounds, \$7.5M



Lowering the cost of living in Alaska -

Shipping seafood on southbound routes provides “backhaul” revenue for shippers, allowing for more competitive rates on northbound freight.

Alaska’s seafood industry ships approximately 1 billion lbs. of finished product southbound each year, or the equivalent of roughly 23,000 containers.

“Everyone benefits from the seafood industry, especially smaller communities in Western Alaska,” says Kevin Anderson, president of Alaska Marine Lines



