

October 1, 2011

Paul Howard, Executive Director  
New England Fishery Management Council  
50 Water Street  
Newburyport, MA 01950

Mr. Howard:

Please find below responses to the Council's request for information in advance of the scheduled NEFMC sector workshop. If you have any questions, please feel free to contact me.

1. What ran smoothly in your sector? Nothing. This first year was basically trying to learn how to navigate through a completely new and complex system. I believe this is true not only for the sector managers and the industry as a whole but also the National Marine Fisheries Service. I also believe that all involved were not fully prepared for the sector system and all its nuances at the beginning the 2010 fishing year. It seems, however, that many lessons learned from last year have made the first half of year 2 of the sector system run smoother.
  
2. What are the top five problems your sector encountered that impeded operations from running smoothly? (in no particular order)
  - No retention of MA/SNE winter flounder which led to the waste of a resource as all marketable winter flounder caught in the SNE broad stock area had to be discarded at sea which resulted in the loss of revenue to the vessel.
  - Mid-season adjustments to the sub-ACLs for pollock and Georges Bank yellowtail flounder not only affected the sector's annual catch entitlement but also had an impact on all trades that had occurred prior to these adjustments.
  - Vague instructions regarding data management and reconciliation with the Agency which led to uncertainty of the sector's overall ACE usage during the year.
  - The overall allocation formula and the large amount of uncertainty built into the ACLs left many of the industry with a lot less fish to land than they had in previous years.
  - Lack of timely outreach material for the industry resulted in many not knowing or fully understanding the changes that had occurred under the new sector system.

3. What potential modifications to the FMP do you think would be helpful for sector operations? Removal of minimum fish size limits. This would limit the need for the At-Sea monitoring program and thus relieve the industry of the huge monetary burden that they face starting May 1, 2012.

Thank you for your interest in how sectors operated in the first year of this management system.

A handwritten signature in black ink, appearing to read "Daniel Salerno". The signature is fluid and cursive, with a large initial "D" and "S".

Daniel Salerno, Sector Manager

NEFS V

Cc: Anne Hawkins, NEFMC

Chris Brown, president NEFS V

## Attachment to Sector 5 Response

Anne,

I touched base with Meredith Mendelson who was the sector manager for NEFS 5 last year. Below are her responses to the three questions put forth for the council sector workshop.

Dan

### 1. What ran smoothly in your sector?

For the most part, accessing the majority of members was relatively easy in a close-knit and small harbor like Point Judith. The sector office was located in a central place, and the primary dealers in the harbor serviced the majority of sector vessels. These dealers were very cooperative and communicative with the sector manager, timely in their reporting, and were easier/faster to work with to correct data errors in the dealer data than FSO.

Board of Directors' management was cooperative and efficient. Board members assisted the manager with outreach when we needed to get word out about a change in policy/process and their business experience was helpful in accomplishing the tasks of starting up a nonprofit.

The assistance of the Sector Team. Mark, Willie and Allison are amazing individuals committed to their jobs and always seeking a mutually agreeable solution. They were a pleasure to work with overall and a huge help on a million different occasions. The first year of sectors would have been a complete train wreck without them. I would also say that overall, I think the regional office and the science center staff as a whole generally meant well and tried to communicate with the managers for the benefit of the program, but there were so many things that weren't addressed in advance that I think could have been better foreseen, and the delays in resolution sometimes seemed unnecessarily long.

### 2. What are the top five problems your sector encountered that impeded operations from running smoothly?

Interaction and communications with the agency seemed to be either way too much reliance on the manager or way too little. The entire year, I felt as though the agency was not remembering that I worked for the sector, not for NMFS. On countless occasions, managers were asked to follow up on missing VTRs or work with dealers to correct errors. These items were NOT part of our job, but we completed them because the threat of not doing so was continually bad data/reports/problems for our members. At the other end of the spectrum, there were numerous occasions where NMFS failed to communicate to the manager what they communicated to members, making it difficult to be helpful when the member asked us for assistance.

Working with members in far flung ports and receiving their VTRs in a timely fashion was quite challenging at times. The agency seems to forget how much of this industry still operates with pencil and paper and stamps. Many guys do not have fax machines or scanners, and dealers who operate out of trucks are nearly impossible to reach and often do not/are unable to provide weigh out slips to the boat. When I complained about extensive periods of non-reporting by specific dealers in outlying ports, rarely was the problem resolved in a reasonable amount of time by the port agent, especially on Long Island. This made it exceptionally difficult to track individual ACE for those members.

Data errors. The potential for human error in the data stream, especially with so much duplication of data/reporting, was incredibly high. Correcting errors was exceptionally time consuming, required the involvement of an inordinate number of people, and took WAY too long. It only seemed to get worse as the year progressed, rather than better.

There was no direct line of communication with ASMs. While 95% of the time this was fine, and it made sense to have this communication occurring directly between the captain and the ASM/observer, the other 5% of the time when there was a problem there was rarely a way to resolve it quickly. This was especially difficult for

coordinating with the dayboat fleet, who would often be out fishing and were unable to be reached by the ASM/obs.

Mid season adjustments (GBYTFL in particular due to reduction) and sector management interactions with other fisheries. I don't think NMFS did enough prior to the beginning of the fishing year to consider the impact of a midseason adjustment or fully considered the variety of fishing activity that occurs in this region, and particularly in southern New England and the Mid-Atlantic. Addressing member questions about their landings and gear restrictions to help them have the most efficient and valuable fishing trip was challenging when the agency's FMP specialists weren't familiar with sector rules and sector team wasn't familiar with the other FMP's rules.

3. What potential modifications to the FMP do you think would be helpful for sector operations?

Specify what reporting requirements are....NMFS consistently reasons that they can't allow an exemption from a reporting requirement under A16 for things the sectors don't believe fall within the reporting category, so have the Council define what exactly is a reporting requirement

The Council needs to articulate how and why it wants to obtain data on individual transactions of ACE leasing or other member-level actions. As things are currently going, we need individual data to assess the program effectively with regard to individual impacts. The agency and the Council want more info than some of the industry wants to share given the proprietary business interests at play and the structure of the sector system which is not intended to reflect individual actions. In other words, neither industry or regulators should be able to have it both ways.