

1.0 Preliminary Analysis of LAGC-IFQ Fishery (2010 -2012 Fishing years)

This report provides an assessment of the economic and social performance of the LAGC_IFQ fishery and changes in the participation rates, landings, revenues, profits and ownership since the implementation of the LAGC-IFQ program. All of the numbers in the Tables and Figures exclude LA vessels with IFQ permits unless otherwise indicated.

1.1 Trends in allocations, landings and revenue

The increase in allocations and landings since 2010 coupled with a rise in ex-vessel scallop prices to over \$10 per pound since 2011 led to a 62% increase in total LAGC IFQ fleet revenue in 2012 (Figure 1 and Figure 2). Landings increased from about 2.1 million lb. (2010) to over 3 million lb. (2012) and scallop revenues increased from \$18.2 million(2010) to \$29.5 million (2012) during this period.

Figure 1. LAGC IFQ allocations and scallop landings (lb.)

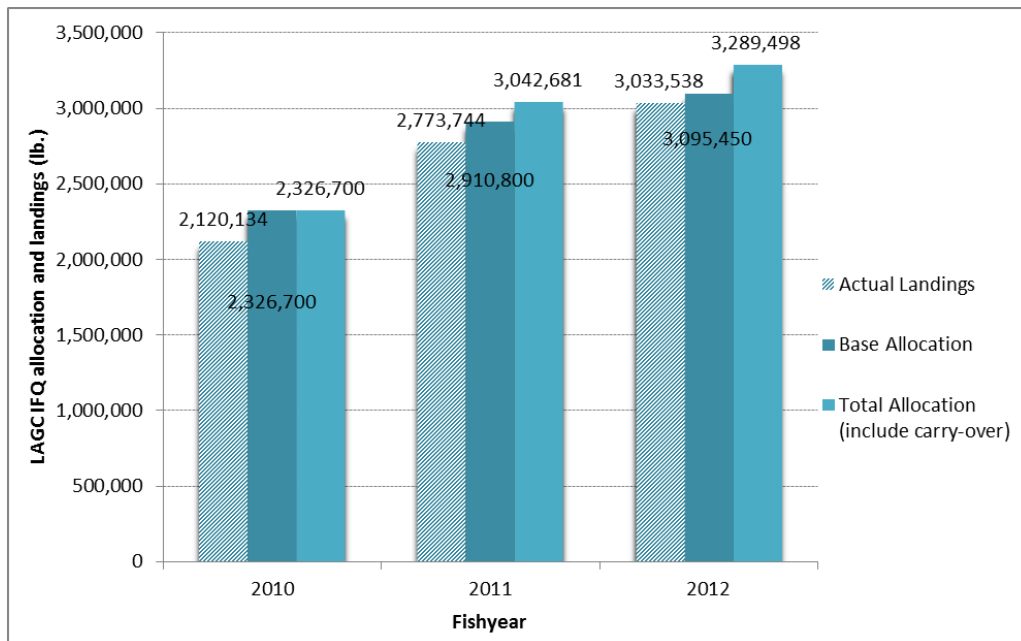
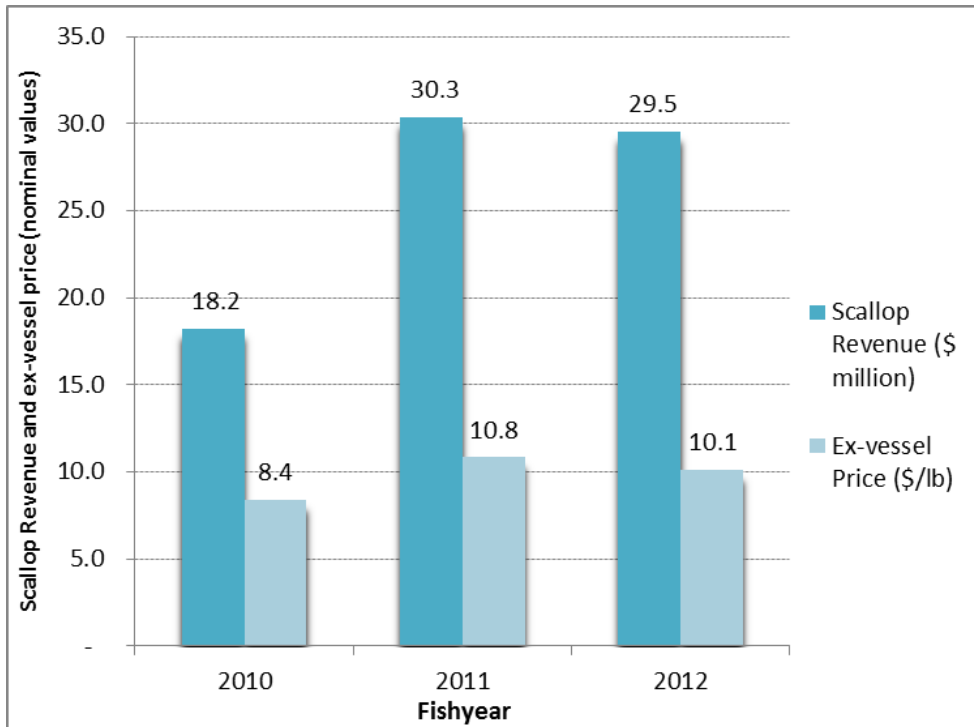


Figure 2. LAGC IFQ total fleet revenue and ex-vessel price (nominal values)



1.2 Trends in activity by vessel

- The number of vessels with LAGC IFQ permits declined from 314 in 2010 to 301 in 2012 (Figure 3). A few permits in this group did not have any IFQ allocation.
- The number for active permits declined from 154 in 2010 to 129 in 2012. The number of active vessels could be slightly less than the permit numbers since they include permits for the replacement vessels (Figure 3).
- As a result of increase in landings, in ex-vessel prices as well as concentration of effort in fewer vessels, gross scallop revenue per LAGC IFQ vessel increased by about 90% in 2012 fishing year compared to the levels in 2010 fishing year (Figure 4). Scallop landings per vessel increase by 60% during the same period (Figure 4).
- A significant proportion of the active LAGC IFQ owners leased quota from other owners as will be described in 1.7.3 of this document. As a result, revenue per vessel net of the leasing costs is lower than the gross revenue numbers presented in (Figure 4).
- The share of active vessels in total IFQ allocations was a about 53.1% in 2012, down from 56.4% in 2010 This indicated an increase in transfer of allocated pounds through leasing activity (Figure 5).

Figure 3. Number of LAGC IFQ permits by activity

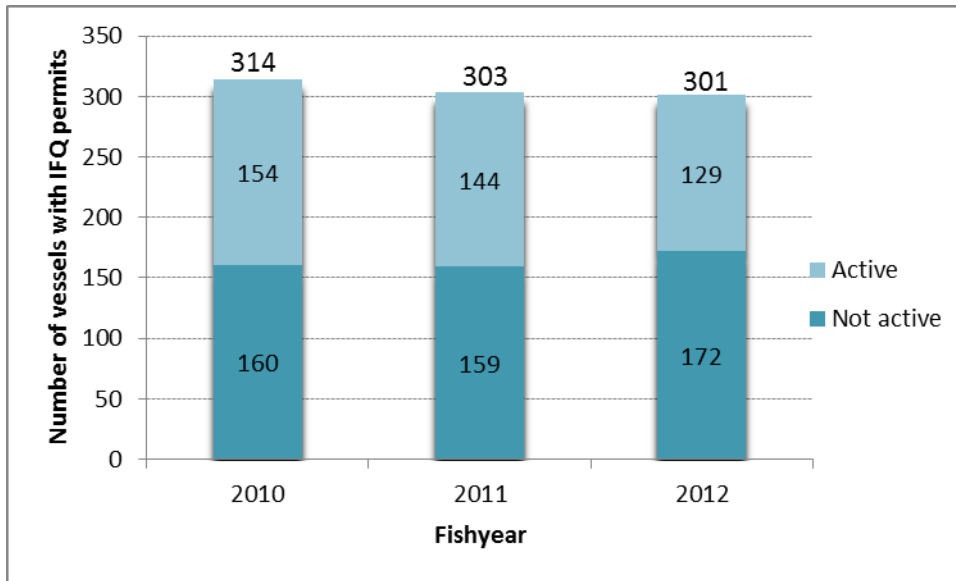


Figure 4. Scallop landings (lb.) and revenue (\$) per vessel with LAGC IFQ permit

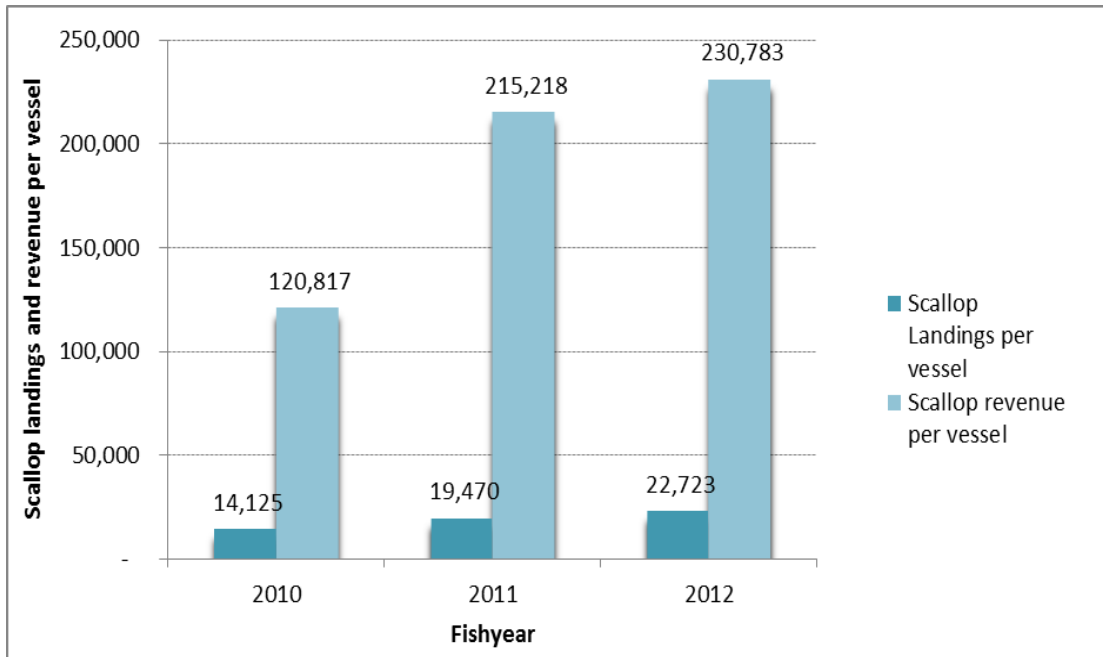
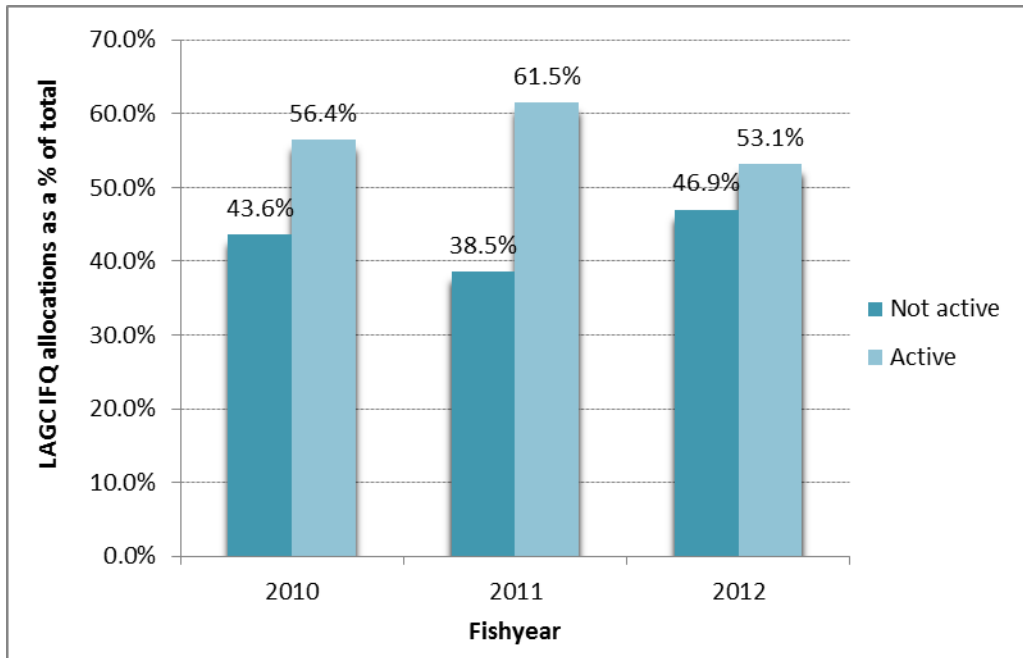


Figure 5. LAGC IFQ allocations by activity group (as a % of total fleet allocation)



1.3 Composition of landings in terms of pounds landed

- There has been an increase in the number of active vessels (from 46 in 2010 to 58 in 2012) that landed more than 20,000 lb. of scallops. Conversely, the number of vessels that landed up to 5000 lb. of scallops declined from 62 in 2010 fishing year to 30 in 2012 fishing year (Figure 6). Increase in IFQ allocations during these years is part of the reason for this decline. However, given that the same trend was observed from 2011 to 2012 fishing years even though the allocations increased only slightly indicative of some level of transfer of quota from vessels with smaller allocations to vessels with a larger IFQ allocation.
- The landings of vessels in 20,000 lb. group averaged about 34,334 lb. in 2010 and 41,256 lb. in 2012. The average landing per vessel in the 5000 lb. group slightly declined from 1626 lb. in 2010 to about 1,500 lb. in 2012 fishing year (Figure 7).
- There has been an increase in the share of the 20,000 lb. group in total landings in 2012, from 73% in 2010 to 82% in 2012 and a decline in the share of other groups with lower average landings in the same period (Figure 8).

Figure 6. Number of vessels with LAGC IFQ permits by landing groups

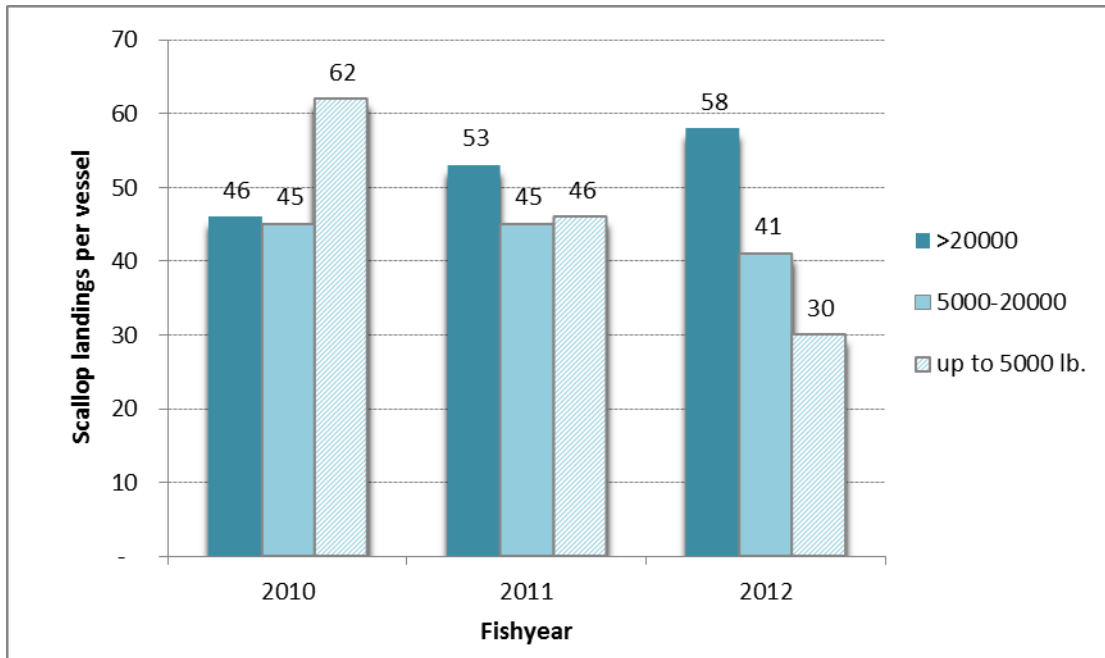


Figure 7. Scallop pounds by landing groups (LAGC-IFQ vessels only)

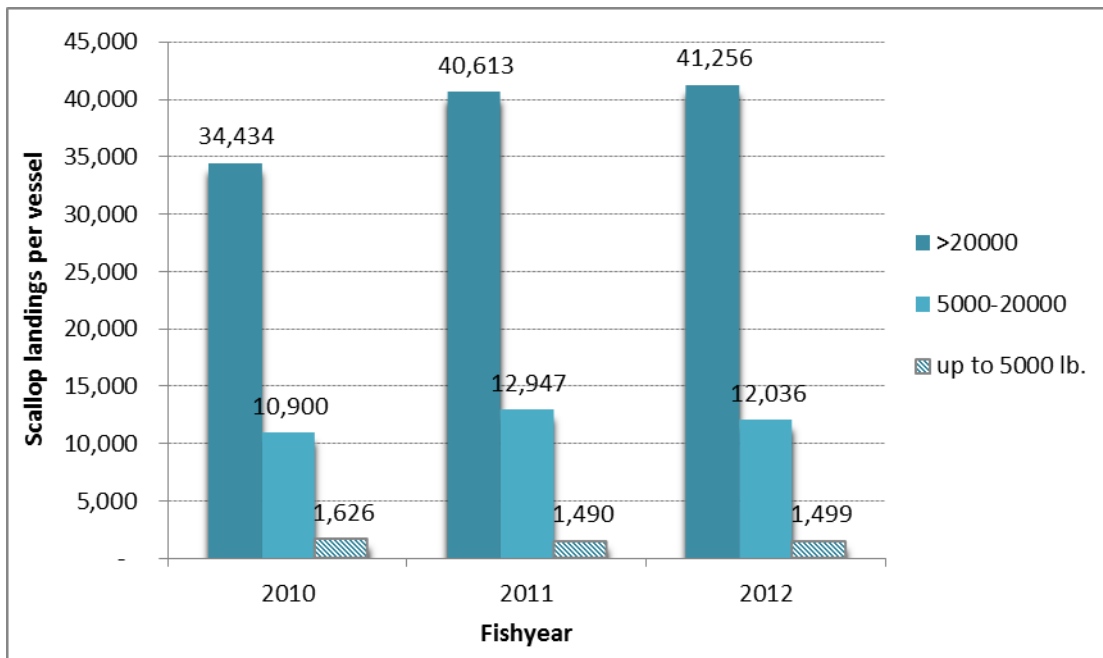
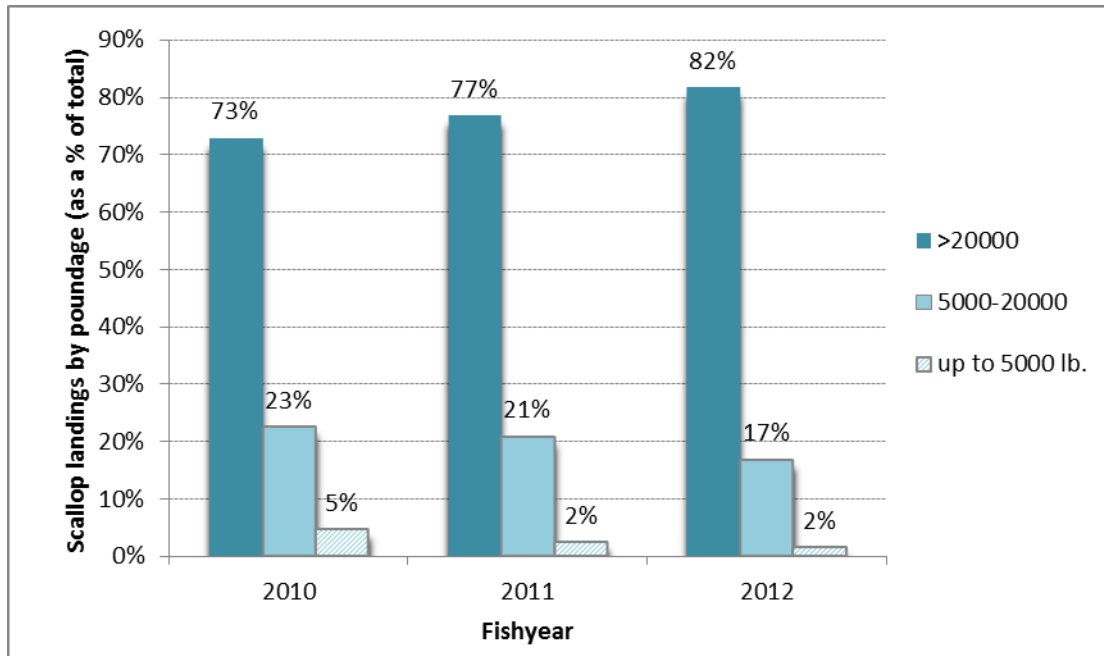


Figure 8. Scallop pounds by landing groups (as a % of total LAGC-IFQ landings)



1.4 Trends in landings, revenues by ownership and activity

- There has been a decline in the number of owners (individual or corporation) who received an allocation since 2010 fishing year, from 204 in 2010 to 190 in 2012. During the same years, the number of active owners declined from 126 in 2010 to 105 in 2012 while the number of inactive owners increased slightly (Figure 9).
- The share of the active owners in the total IFQ allocations declined from 79% in 2010 to 72% in 2012 (Figure 10).
- The number of owners that landed more than 20,00 lb. of scallops increase from 45 in 2010 to 55 in 2012. Conversely, there has been a decline in the number of owners that landed up to 5000 lb. of scallops from 48 in 2010 to 22 owners in 2012 fishing year implying a transfer of quota from the later group to the owners in the 20,00 lb. group (Figure 11).
- Average scallop landings per owner in the larger group increased from 38,322lb. in 2010 to 45,820lb. in 2012, while the owners in the 5000 lb. group landed on the average about 1500 lb. in 2011-2012, slightly down from 1700lb. in 2010 fishing year (Figure 12).
- Again, the 20,000 group landed the major proportion of LAGC IFQ, with a relatively small increase from 83% in 2010 to over 87% in 2012 (Figure 13).
- There has been an increase in the gross revenue per owner for all the poundage groups from 2010 and 2012 (Figure 14).

Figure 9. Number of LAGC IFQ owners by activity

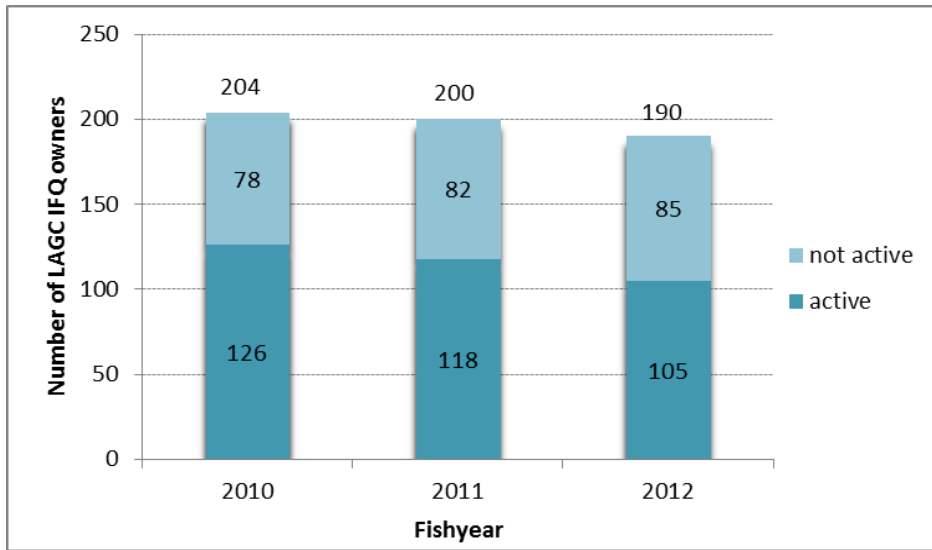


Figure 10. LAGC IFQ allocations by activity

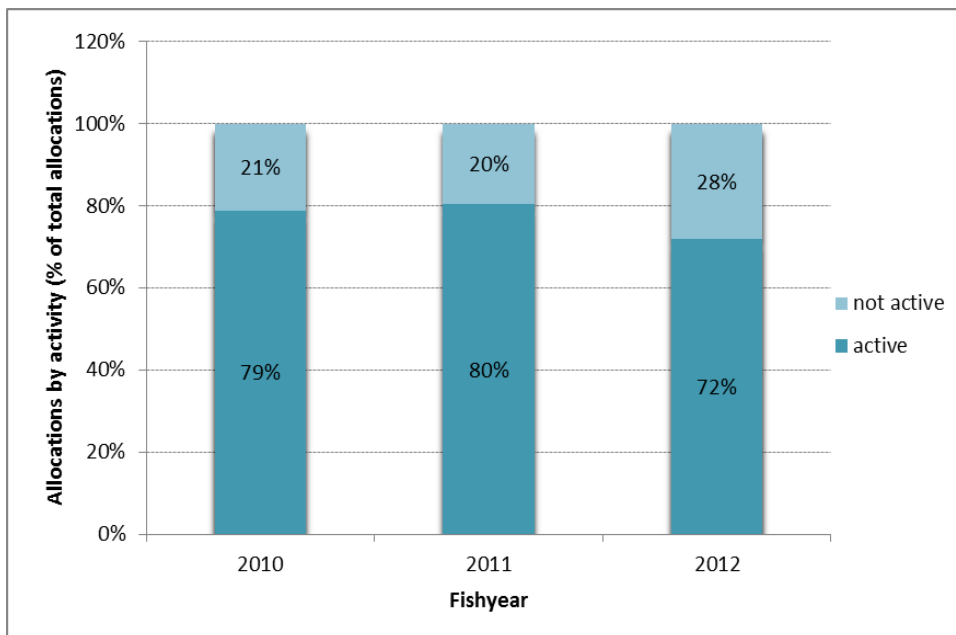


Figure 11. Number of active LAGC IFQ owners by scallop poundage group

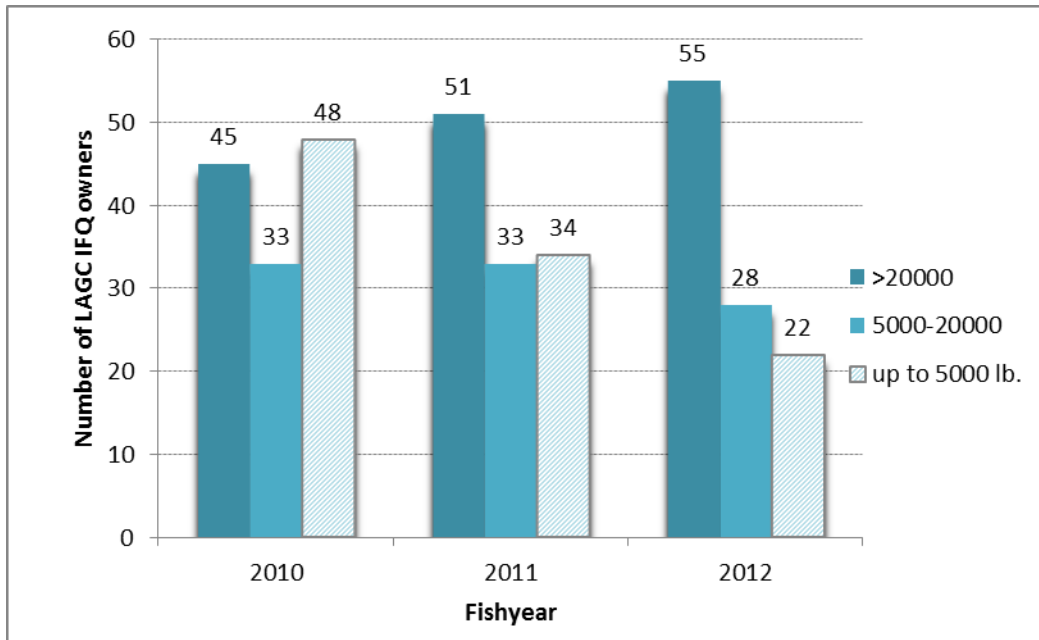


Figure 12. Average landings per active LAGC IFQ owner by scallop poundage group

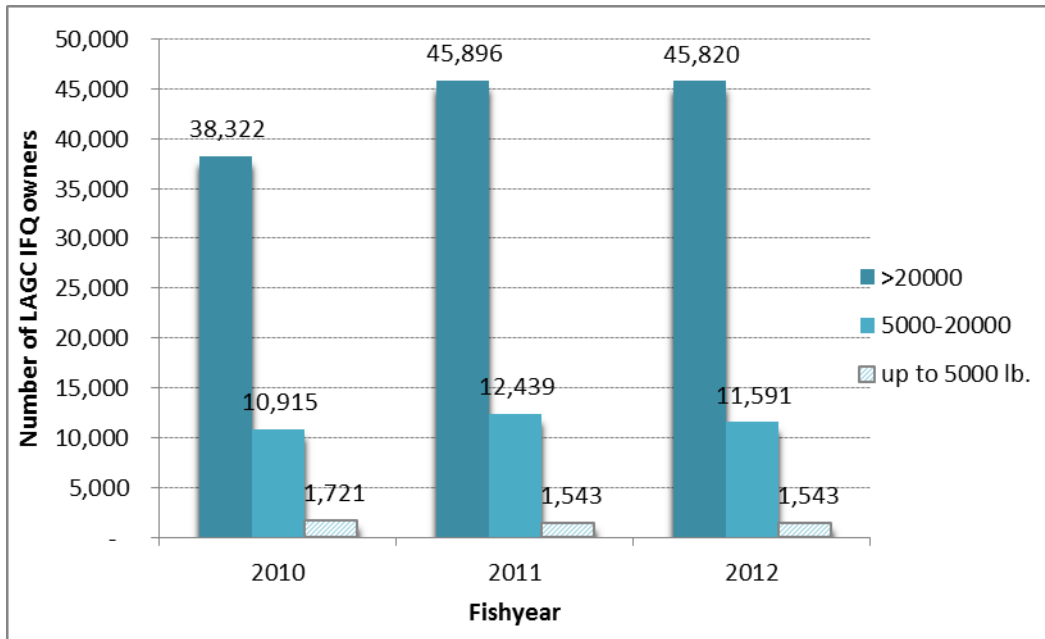


Figure 13. Scallop landings by poundage groups (as a % of total LAGC-IFQ landings)

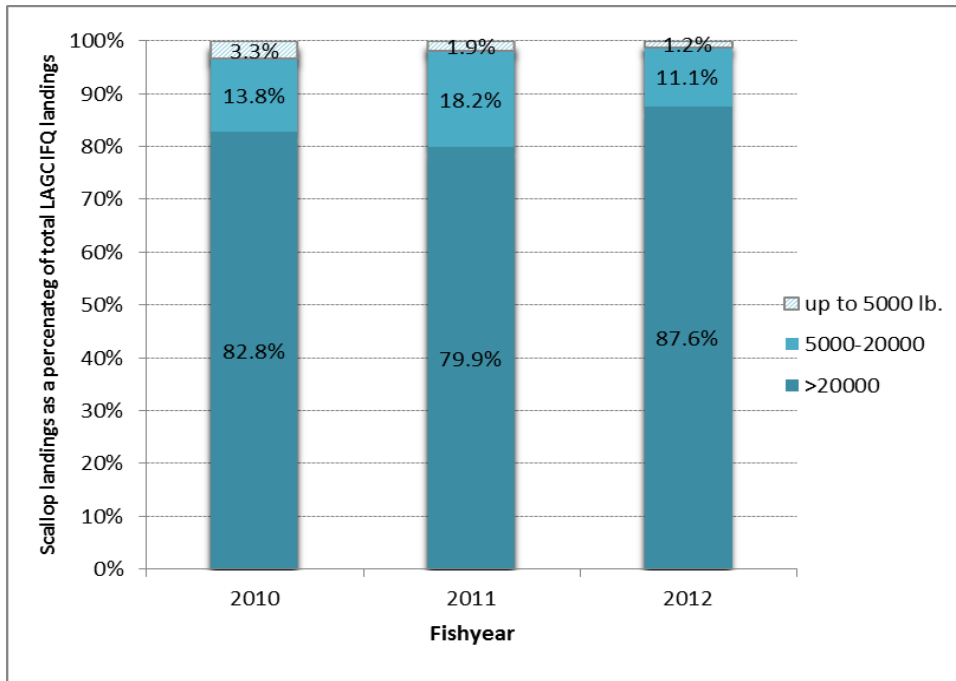
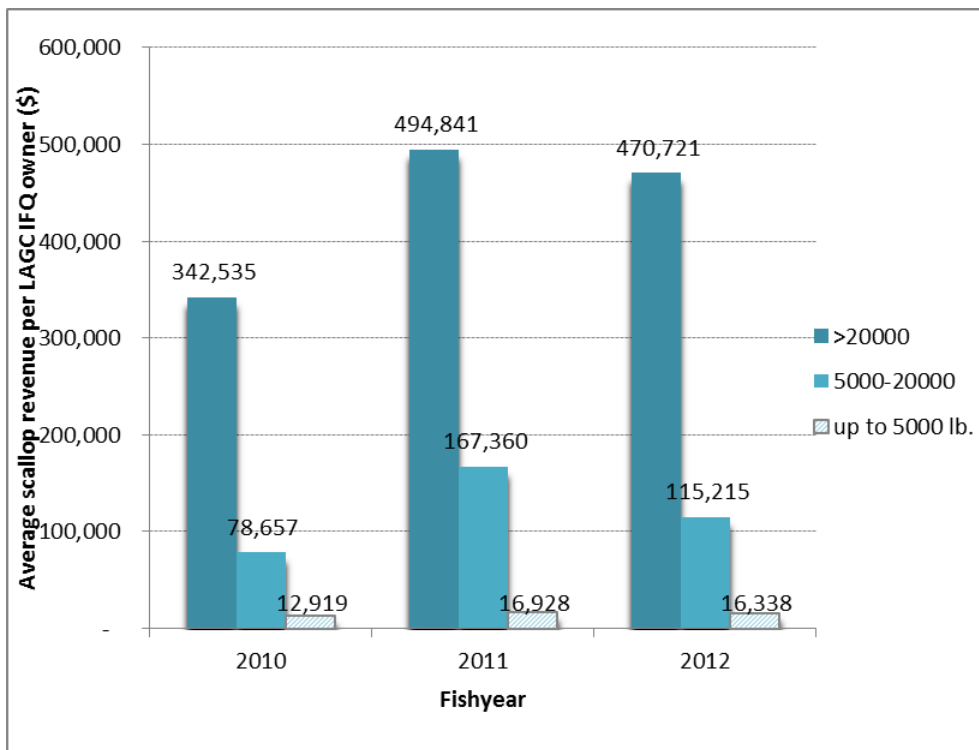


Figure 14. Average scallop revenue per active LAGC IFQ owner by scallop poundage group



1.5 Ownership groups in terms of vessels owned

- Majority of owners in the LAGC fishery were single boat owners. However, the number of single boat owners declined from 86 in 2010 to 63 in 2012 while the number of owners with two boats increased slightly (Figure 15).
- Majority of the non-active owners were single boat owners although there were about 8 owners with 2 or more vessels in 2012 that did not participate in the LAGC IFQ fishery (Figure 16).
- Single boat owners landed over 45% of the scallop landings in 2010-2011. The share of owners with two boats increased from 22% in 2010 to 27% in 2012 (Figure 17).

Figure 15. Number of active LAGC IFQ owners by number of vessels owned

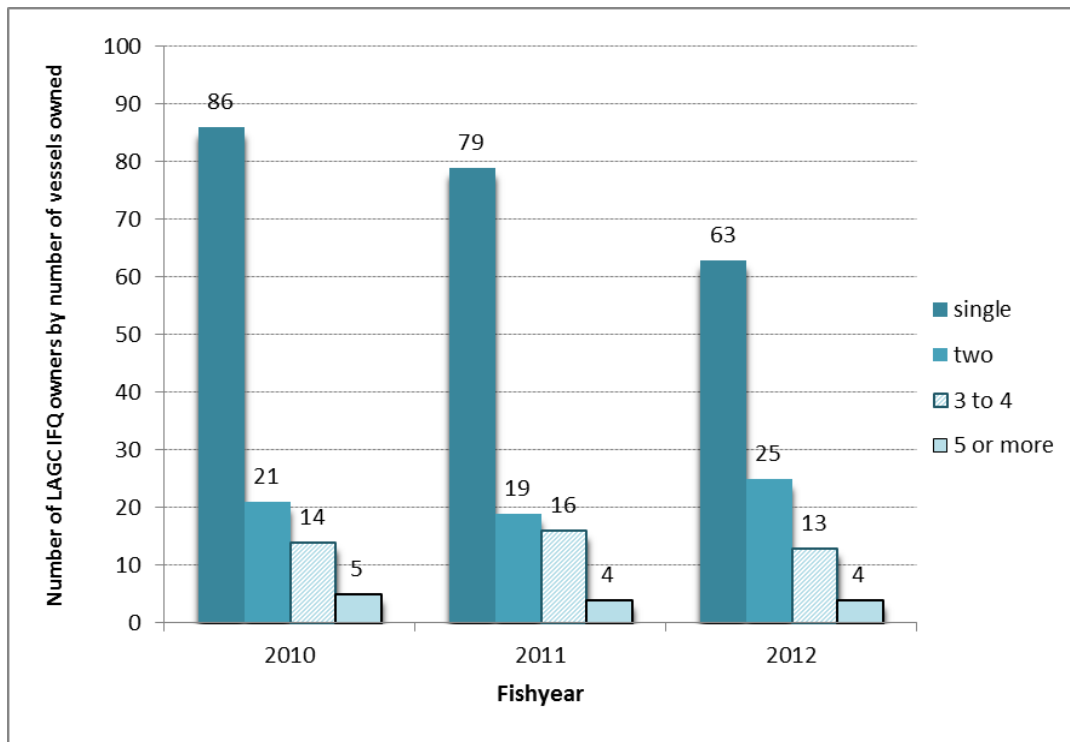
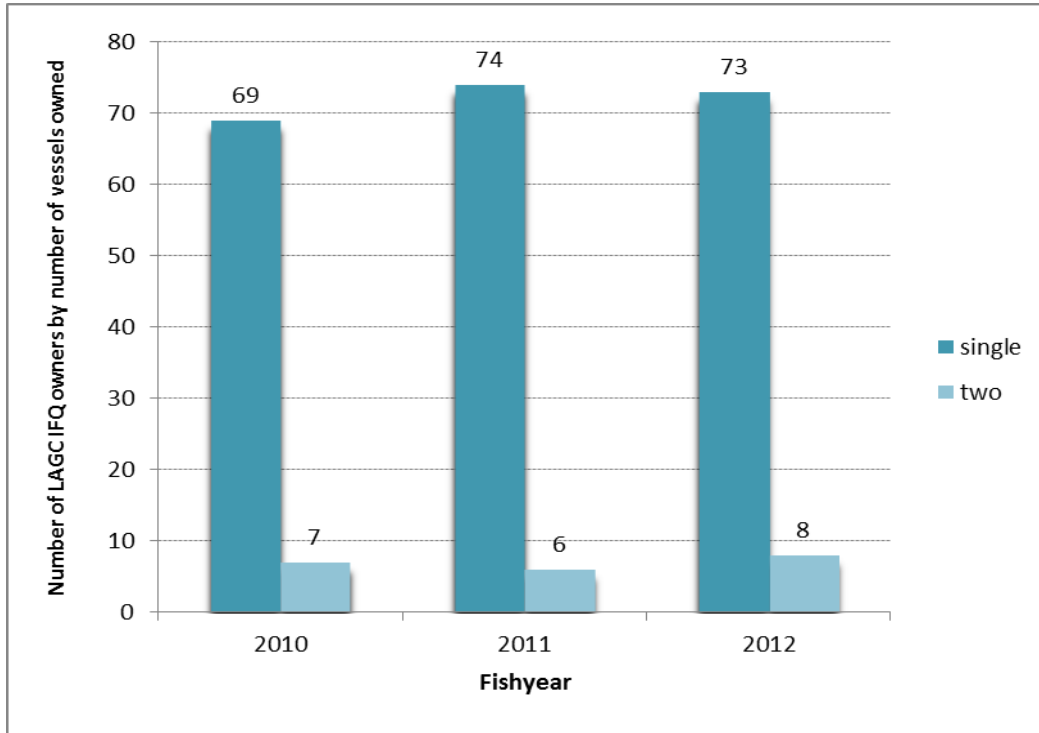


Figure 16. Number of non-active LAGC IFQ owners by number of vessels owned



Note to Figure 16; The group with 'two' also includes a few owners with more than two vessels.

Figure 17. Scallop landings by number of vessels owned (as a % of total LAGC-IFQ landings)

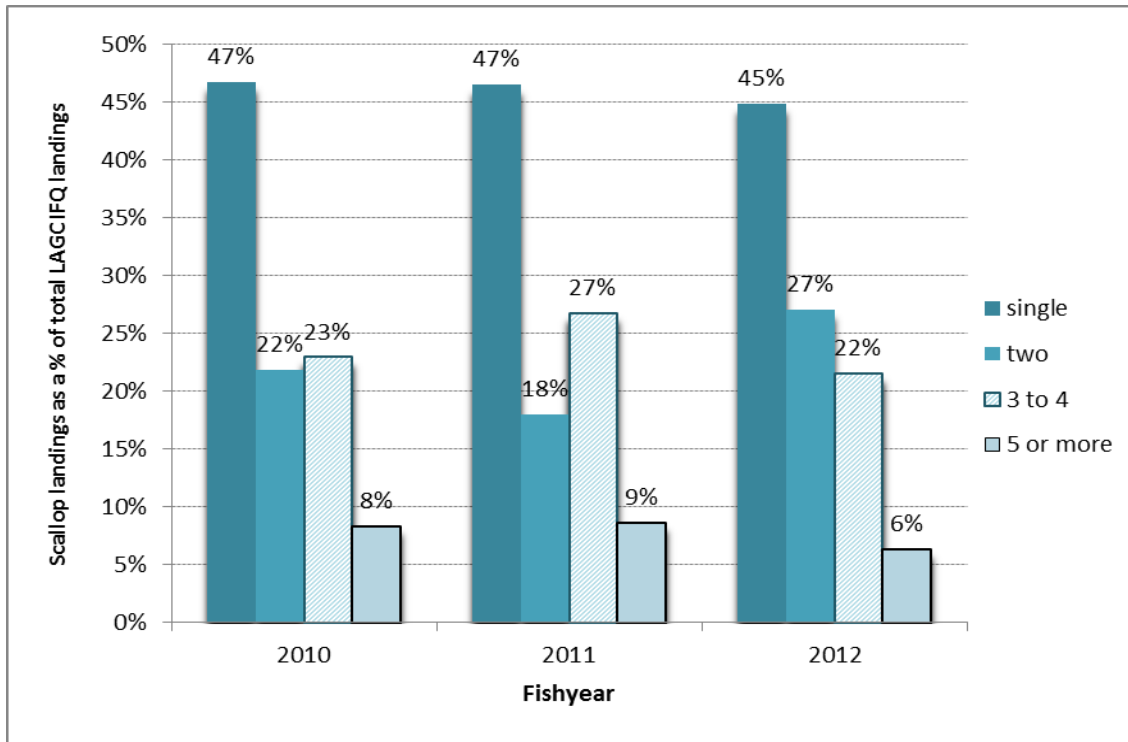
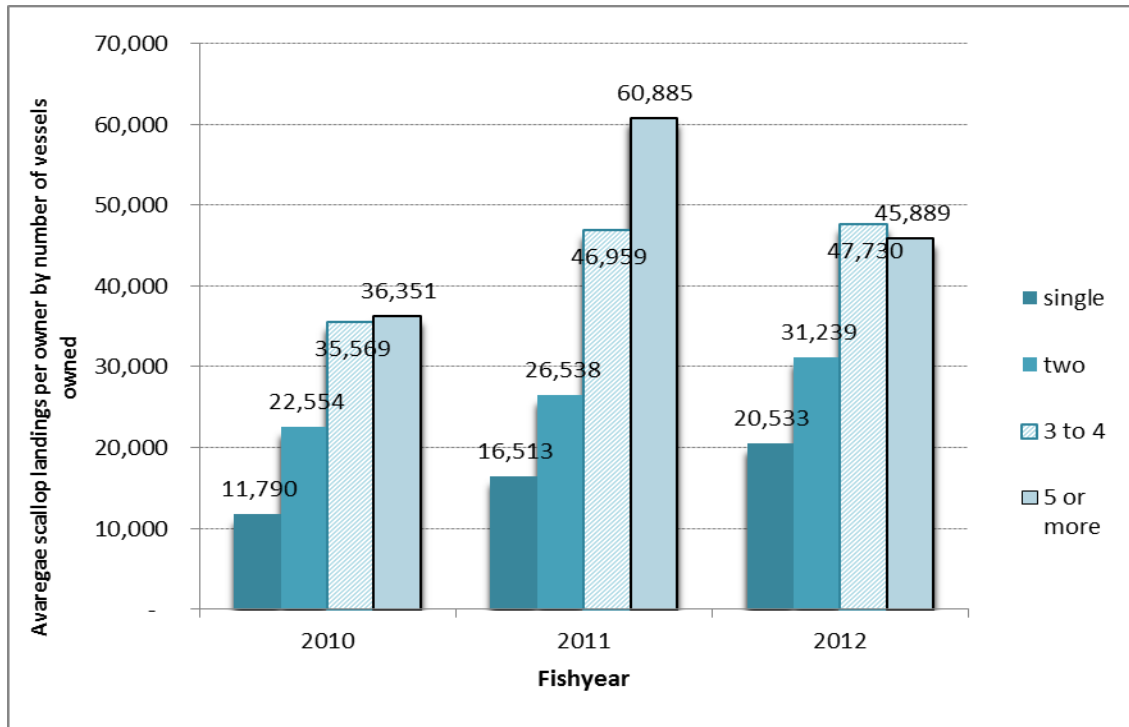


Figure 18. Average scallop landings per owner by number of vessels owned (LAGC-IFQ)



1.6 Preliminary analysis of permanent IFQ Transfers

There has been a surge in the number of vessels transferring their IFQs from less than 10 in 2010 to over 40 in 2012 fishing year (Figure 19) excluding the transfers from one vessel to another owned by the same person or corporation. This year corresponded to a peak in total LAGC IFQ which translated into more pounds and revenue for each LAGC IFQ owner. The scallop ex-vessel prices averaged over \$10 per pound in the same year fueling the demand for scallop IFQ. The number of IFQ transfers are not equivalent, however, to the number of exits from the LAGC IFQ fishery since not all sellers transferred their total allocations. For example, allocations for about half of the vessels that sold their IFQ were greater than the transferred amount.

In terms of total scallop pounds, permanent transfers constituted relatively small proportion of total LAGC IFQ allocations, about 5.1% in 2012 fishing year and 1% or less in the previous years (Figure 20). The increase in total IFQ and ex-vessel scallop prices contributed to a rise in average IFQ prices from \$18.7 in 2011 to \$23.4 per pound of scallops in 2012 fishing year. The prices further increased in 2013 fishing year to over \$33 per pound of IFQ. It must be pointed out that the permanent transfer data do not include price information for each transaction. There is also a variation in prices each year. For example, IFQ prices ranged from \$10 to \$34 in 2012 fishing year (Figure 21).

Figure 19. Number of permanent IFQ transfers by fishing year (excludes transfers of quota from one vessel to another owned by the same person or corporation)

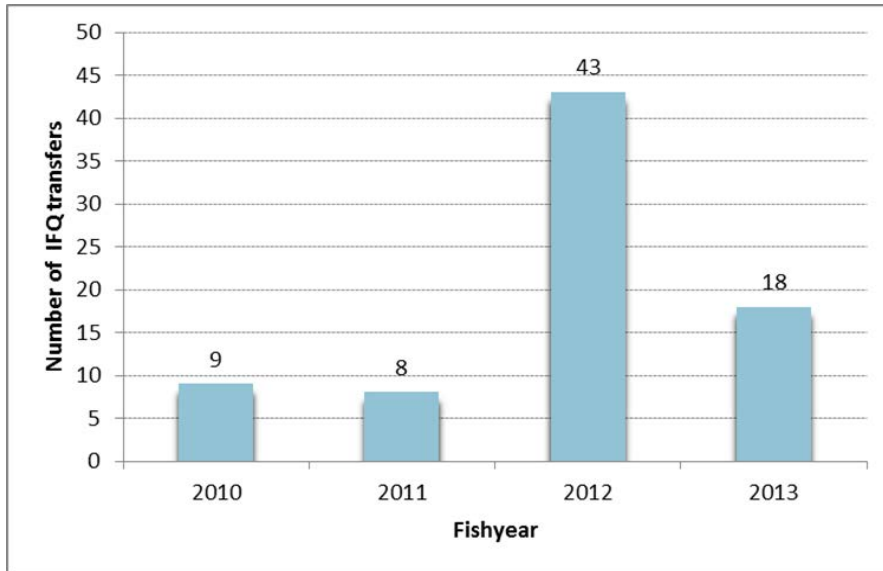


Figure 20. Permanent transfers as a percentage of total LAGC IFQ allocation (excludes transfers of quota from one vessel to another owned by the same person or corporation)

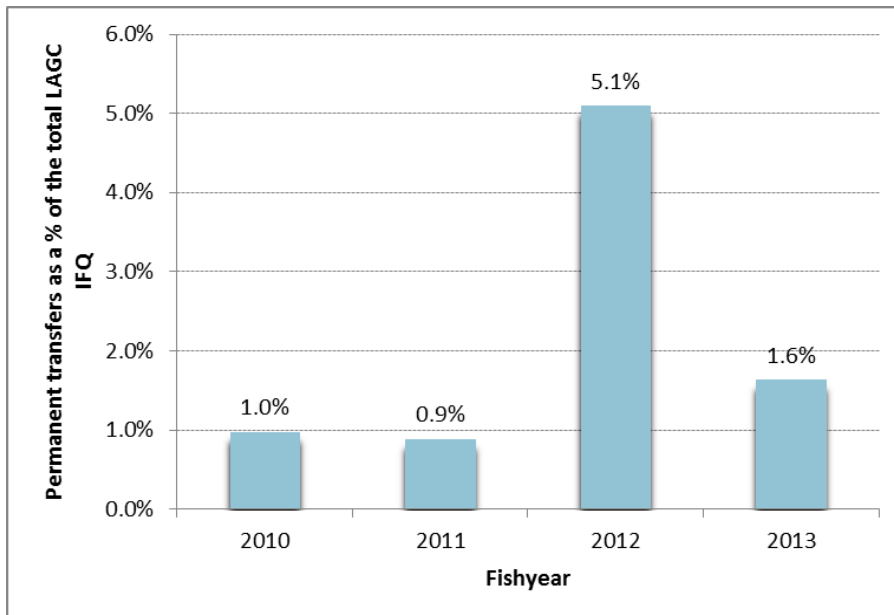
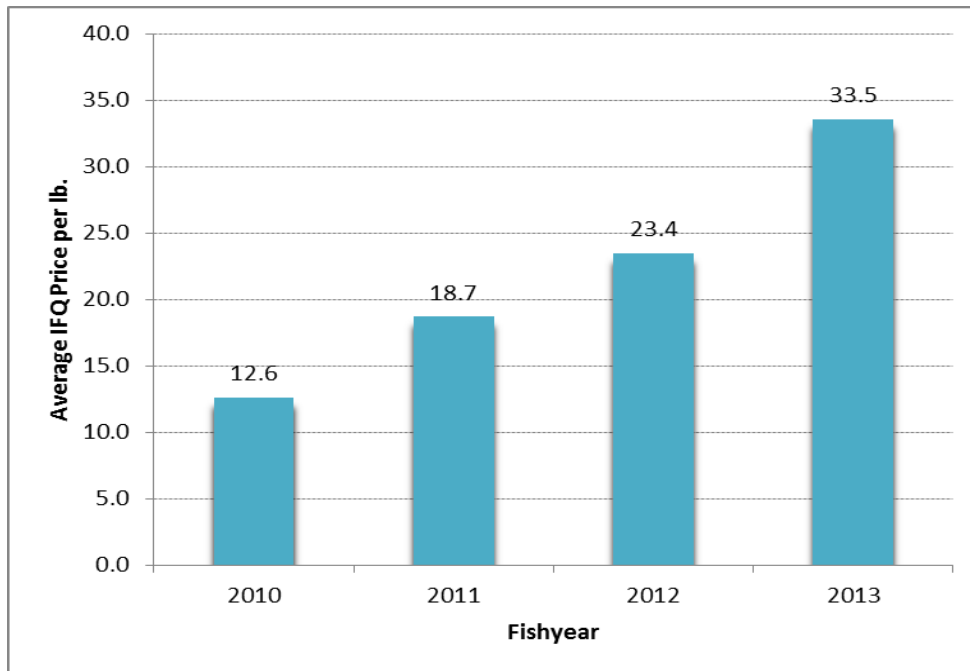


Figure 21. Price of IFQ per.lb. of scallops (excludes price of transfers of quota from one vessel to another owned by the same person or corporation)



In terms of ownership, a few IFQ owners sold a part of their IFQ while buying IFQ from others. In order to get a better idea of the permanent transfers, net transfer (IFQ bought – IFQ sold) is calculated for each owner as a difference of IFQ sold and IFQ bought. Then the owners are grouped according to whether they were net sellers or buyers of the quota based on the value of their net transfers. For example, if an owner solely transferred IFQ from one vessel to another he owned, then that owner included in the ‘No net transfer’ group. As a result, it is estimated that about 10 owners in 2011 and 34 in 2012 fishing year sold their IFQ to other owners (Figure 59). However, 2 owners in 2011 and 12 owners in 2012 who sold their IFQ were active in the fishery, perhaps because they sold their allocations sometime later in the fishing year (Figure 60).

1.7 Preliminary analysis of the leasing activity in the LAGC IFQ fishery

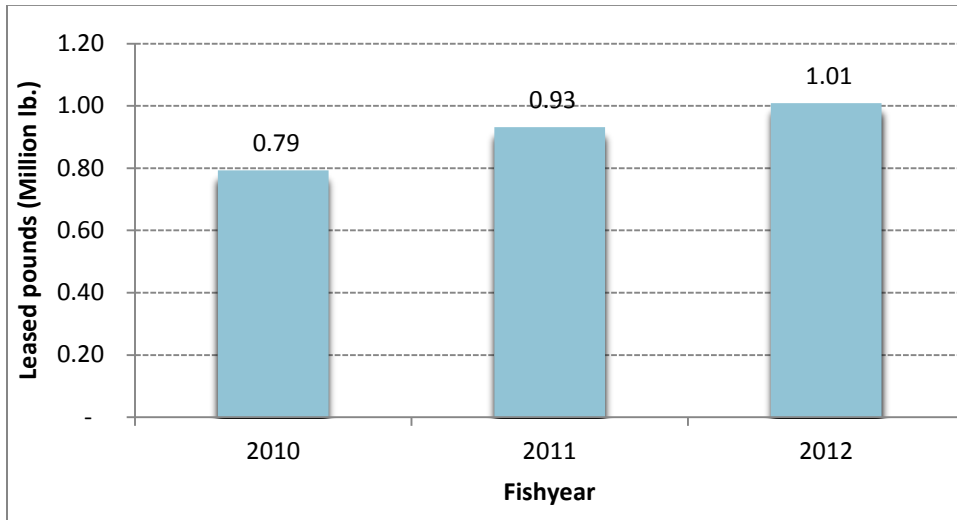
1.7.1 Introduction

Extensive use of leasing IFQ is probably one of the most noticeable changes that took place in the general category fishery since the full implementation of Amendment 11 in 2010 fishing year.¹ Since then, there has been an increase both in the total amount of IFQ leased out as well as in the number of vessels involved in the leasing activity. During 2010-2012, total scallop IFQ leased out to vessels that belong to different owners increased from about 0.8 million lb. in 2010 to over 1 million in 2012 amounting to 33% of the total LAGC IFQ allocation in the same year (Figure 22 and Figure 23). The group of owners that primarily leased out their IFQs had the largest share of total allocation, about 47% in 2010 and 41% in 2012 fishing year (Figure 24).

¹ This document uses the term ‘leasing’ interchangeably with the term ‘temporary IFQ transfers’. The term ‘leasing’ was used more often than the later term, however, because of its brevity.

If the transfers of IFQ from one vessel to another owned by the same person or corporation were included in the leasing activity, leased pounds would be higher, over 1 million lb. in 2010 and 1.3 million lb. in 2012 comprising about 40% of the total IFQ allocations for the LAGC fishery (Figure 53 in Section 1.1.6 Appendix).

Figure 22. Net Scallop IFQ pounds leased from other owners (includes leased amount by IFQ permit holders with no allocation)



The leasing activity between different owners involved about 85 owners that leased out and 55 owners that leased in IFQ in 2012 (Figure 25). Not counting transfers of IFQ between vessels owned by the same person or corporation, the number of vessels that leased out their IFQs increased from 102 in 2010 to 118 vessels in 2012 fishing year (Figure 26). In addition, 32 vessels in 2010 and 43 vessels in 2012 transferred their IFQ to other vessels that belong to the same owner(s). There has also been an increase number of vessels that leased in IFQ from other vessels, from 57 in 2010 to 65 vessels in 2012 fishing year including only those transfers that took place from vessels with different owners.

Figure 23. Proportion of total LAGC IFQ leased as a % of total allocation for the LAGC IFQ fishery

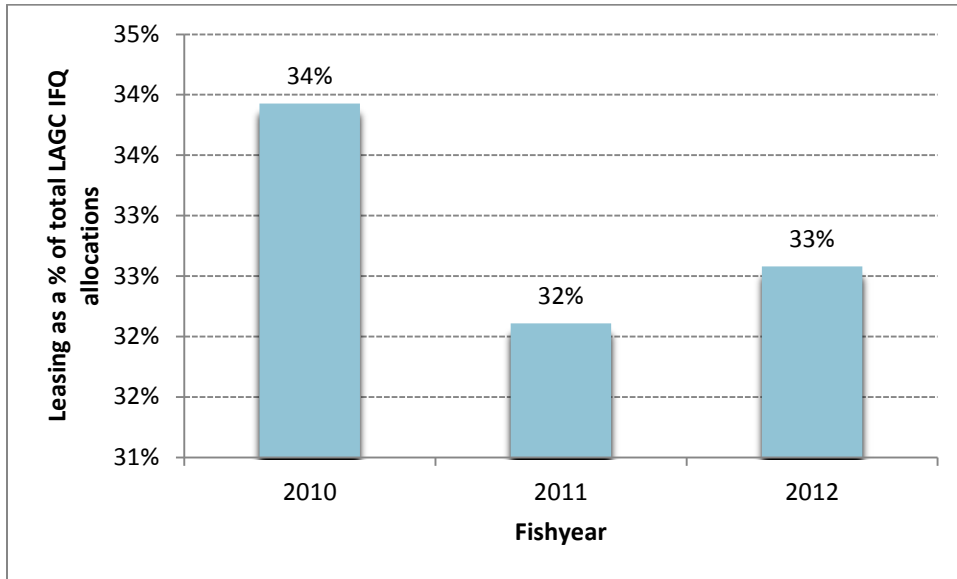


Figure 24. LAGC IFQ allocations by leasing groups (as a % of total LAGC-IFQ landings)

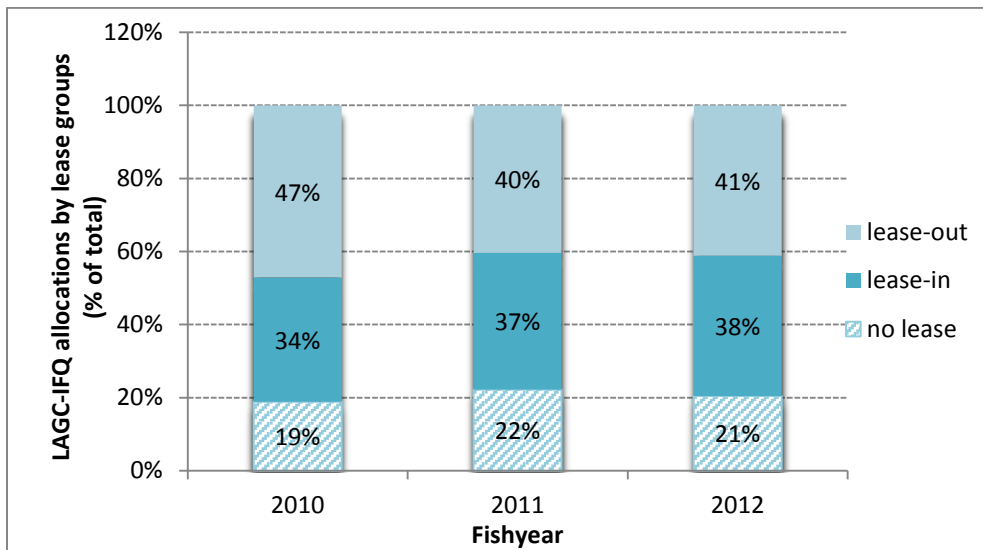
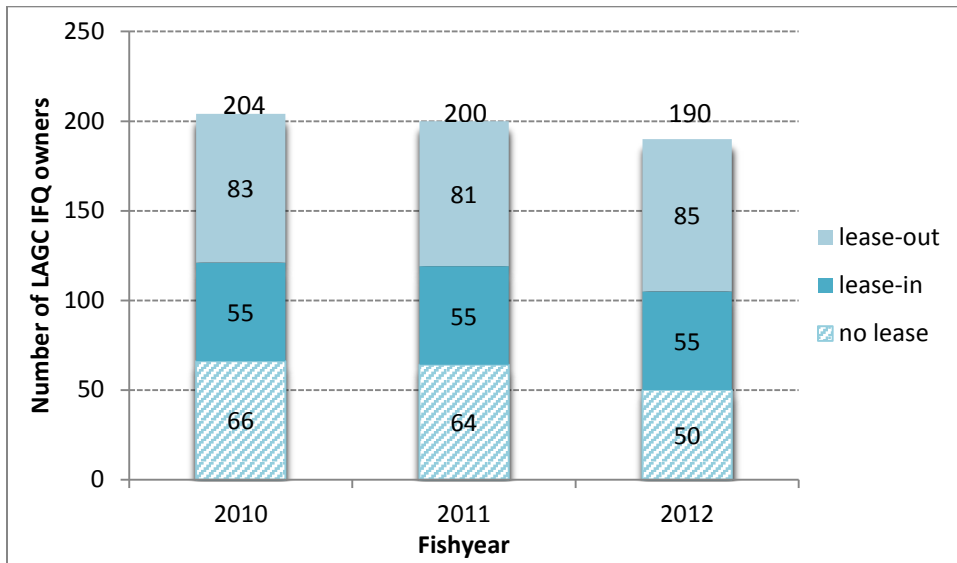


Figure 25. Number IFQ owners by leasing groups (IFQ holders only excluding a couple of IFQ permit owners with no allocation that leased from other owners)



Note for Figure 25 and Figure 26: The “no lease” group included only a few owners that actually transferred IFQ from one vessel to another they own resulting in zero net lease. However, majority of the owners in the ‘no lease’ group were not involved in any leasing.

Figure 26. Number of active IFQ owners by leasing groups

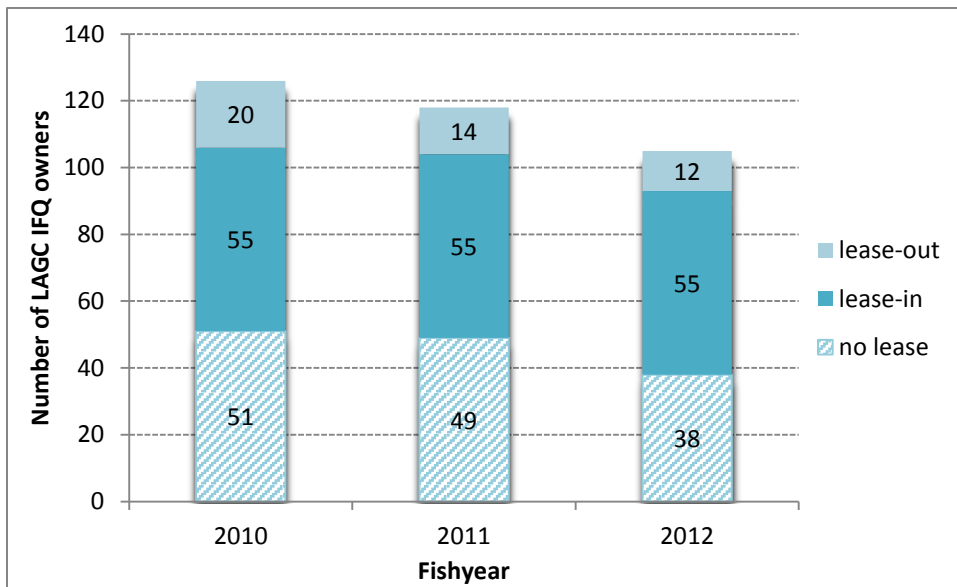
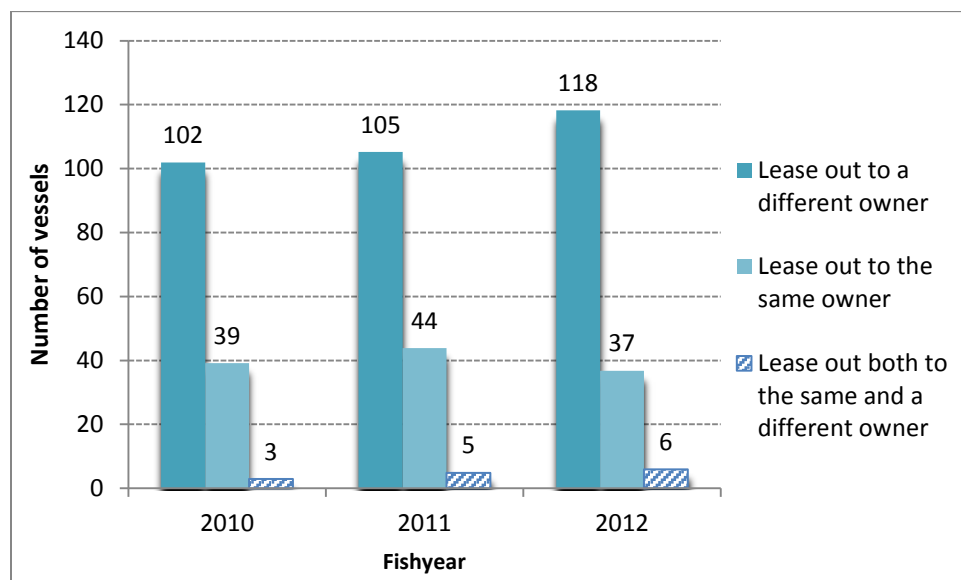


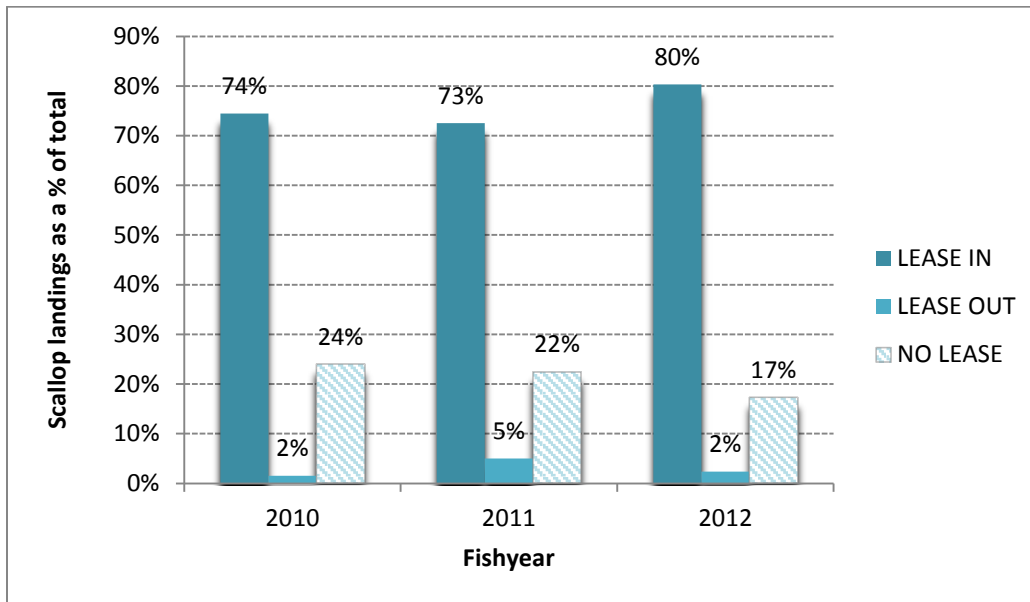
Figure 27. Leasing out IFQ to the same or different owners



In terms of overall LAGC-IFQ fishery landings in 2012 fishing year, only 17% of the scallop pounds were landed by vessels that didn't engage in any leasing, while over 80% of scallop pounds were landed by those that leased IFQ from other vessels (including the vessels belong to the the same owner) in addition to using their own allocations for fishing (Figure 28). Total allocation for this group of vessels amounted to 38% of the total for the LAGC IFQ fishery in 2012 fishing year increasing slightly since 2010.

In short, LAGC IFQ fishery could be distinguished into three groups; those that earn their revenues by leasing their quota to others, those that lease quota from other owners and earn their income from fishing for scallops and finally those small groups of vessels that participate in the fishery without engaging in any leasing activity. Sections 1.7.2 to 1.7.4 provide detailed information about the leasing activity by these groups of IFQ owner. Section 1.7.5 analyzes leasing prices and Sections 1.7.6 analyzes the economic impacts of leasing on the participants of the LAGC-IFQ. The results are summarized in Section 1.7.7.

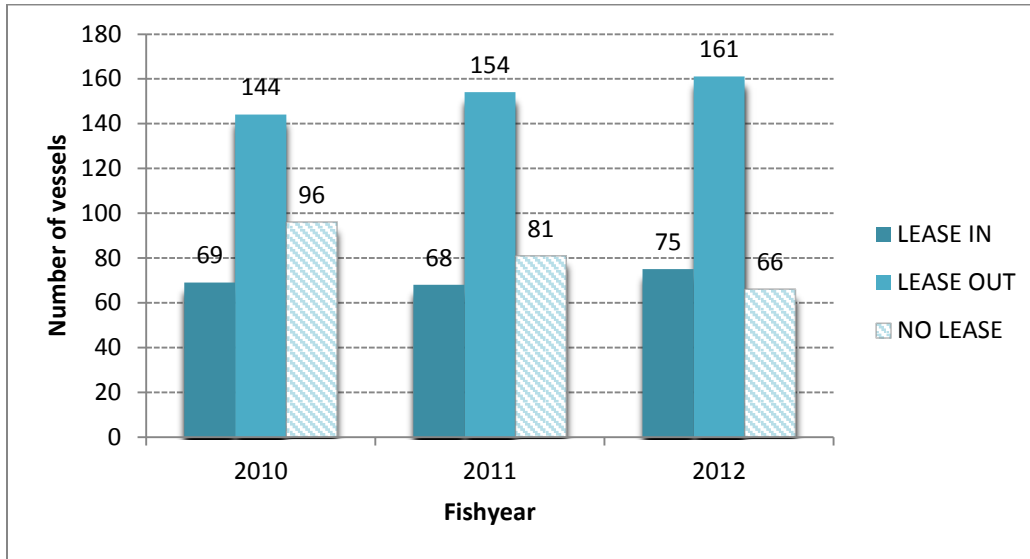
Figure 28. Scallop landings by leasing activity groups (% of total)



1.7.2 Leasing out

Overall, the number IFQ vessels that leased out their allocations to other vessels increased from 144 in 2010 fishing year to 161 in 2012 fishing year (Figure 29). This group of vessels received 49% of the total IFQ allocations in the same fishing year. However, part of the leasing activity involved transfer of pounds from one vessel to another owned by the same person or corporation to reduce the costs of fishing by consolidating the quota on fewer vessels. In fishing year 2010, 102 vessels out of a total of 144 leased out their allocations to vessels owned by other owners and in 2012, 118 out of 161 vessels leased out their allocations to the vessels owned by different persons or corporations (Figure 27). A small group of vessels leased part of their allocations to vessels owned by the same person and part to vessels owned by others. About 10 vessels landed 2% of scallops in 2012 while also leasing out part of their allocations some part of the year (Figure 28 and Figure 54).

Figure 29. Number of LAGC IFQ vessels involved in leasing activity

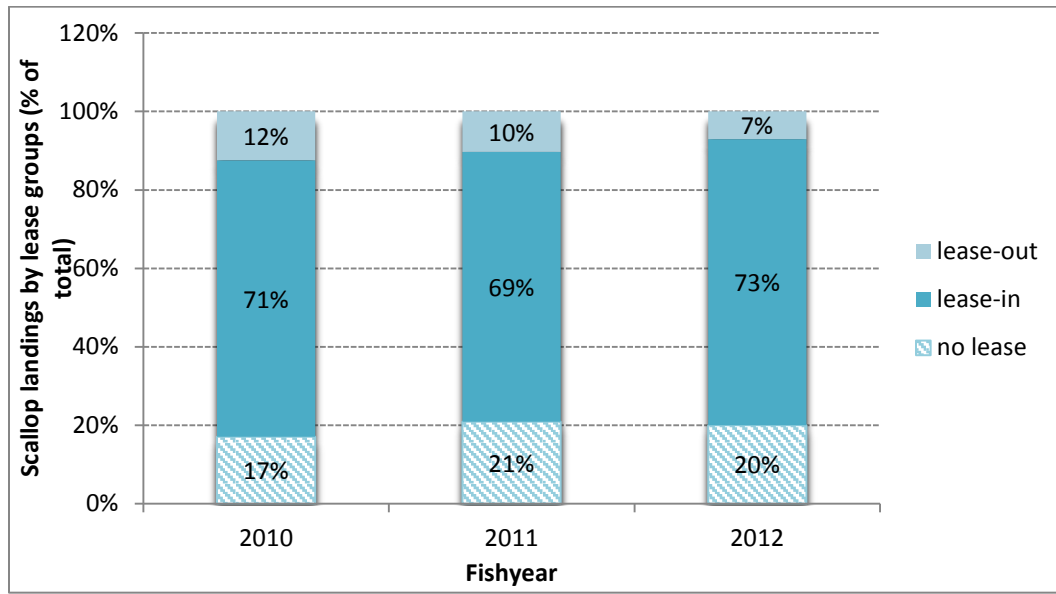


Leasing activity in terms of ownership provides a better idea about the extent of net leasing, however. If a multi-boat owner transferred IFQ from one vessel to another, then net leased pounds would be zero for her (thus she would belong to the third group of owners). Therefore, in terms of ownership, the ‘no lease’ group include owners with zero net leased pounds. If on the other hand, the same owner leased out some of her IFQ to other owners while transferred some of the IFQ allocations from a vessel she owns to another she would belong to the group of owners that leases out IFQ. Similarly, if she both leased to and leased from different owners, if pounds leased out is greater than pounds leased in, she would be included in the ‘leasing out’ group.

Using this method, it is estimated that 83 IFQ owners (persons or corporations) in 2010 fishing year and 85 IFQ owners in 2012 fishing year leased out their allocations to 55 IFQ owners during these years (Figure 25). Only a small number of owners in this group, 20 in 2010 and 12 in 2012 landed any scallops (Figure 21). It is possible that some of that fishing took place before the leasing activity was finalized in that year or that the owner kept one or more vessels still operating in the scallop fishery while leasing out the allocations on other vessels she owned. Figure 30 shows that the percentage share of this group in total scallop landings amounted to 12% in 2010 and 7% in 2012 fishing year.² Similarly, there has been a decline in the share of this group in total allocations from 47% in 2010 to 41% in 2012 () implying that some of these owners sold their IFQ to the owners that either leased or fished only using their allocations. This is also evident from the average IFQ per owner that increased only slightly in 2012 compared to 2010 even though total allocations for the LAGC IFQ fishery increased by 33% during the same years (Figure 36).

² This share is higher compared to the percentage share of the vessels that leased out some of their allocations. This is because all the vessels that owned by a person who was included in the leased out group would be included in the same group even if some of these vessels leased in from others.

Figure 30. Scallop landings by leasing groups as a % of total LAGC-IFQ landings



Majority of the owners in this group were single boat owners in terms of number of vessels that have an LAGC IFQ permit, i.e., not including the number of boats they might own with permits in other fisheries (Figure 31). However, the share of IFQ allocations (63 owners) in this group (29%) was smaller than the share of the owners (16 owners) with 2 to 3 vessels (33%) and of the owners (6 owners) with 4 or more vessels (37%) in 2012 fishing year (Figure 31 and Figure 32).

Figure 31. Number of owners who leased to others by the number of vessels owned

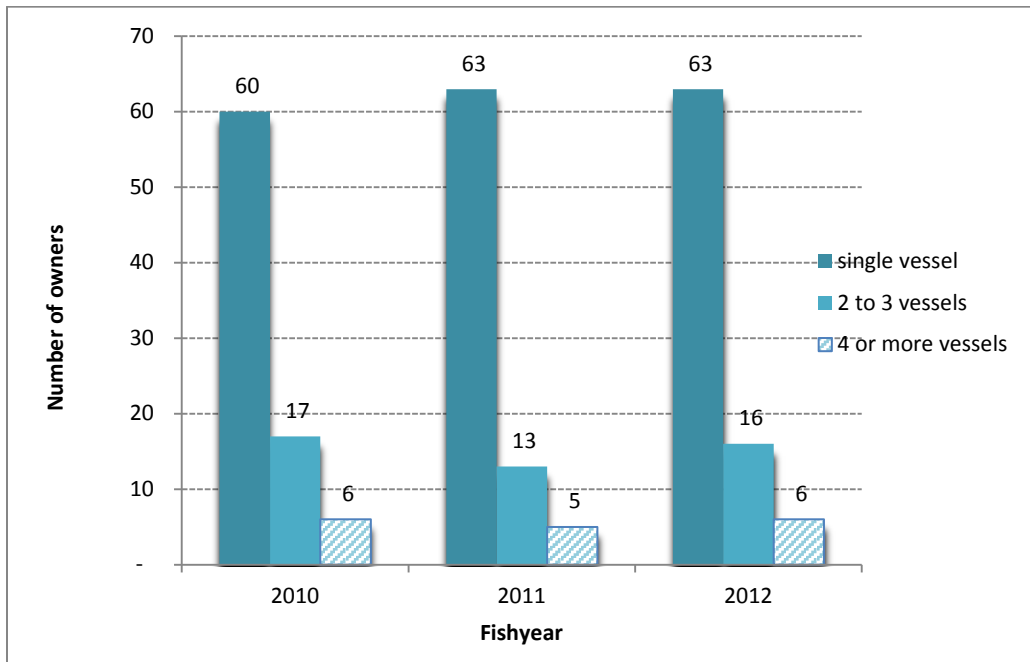
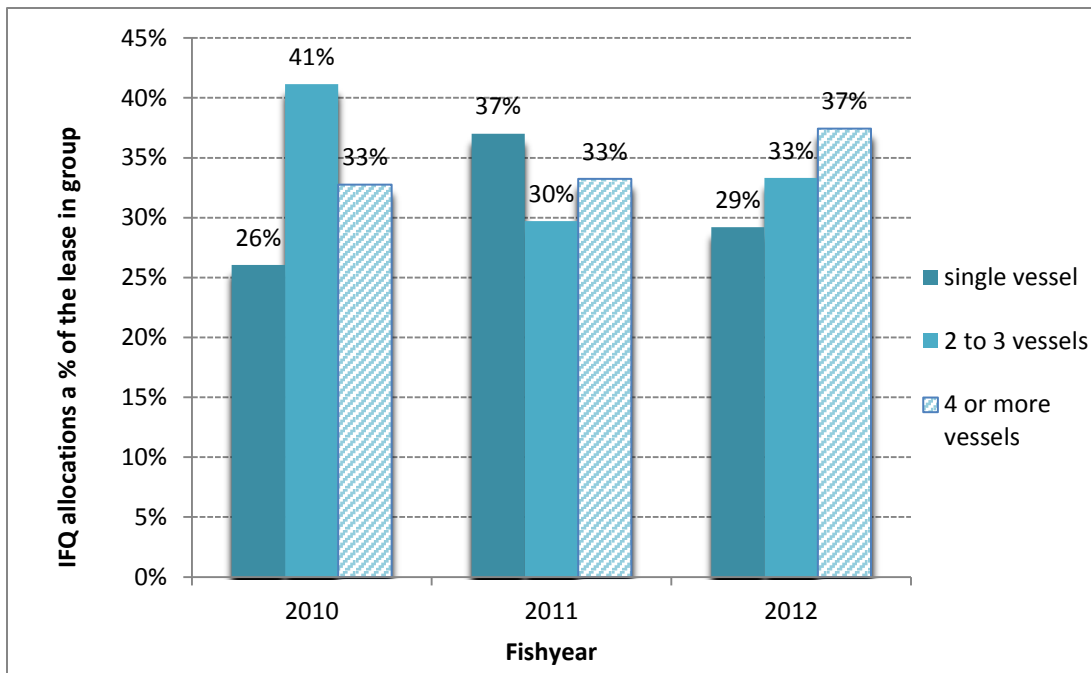
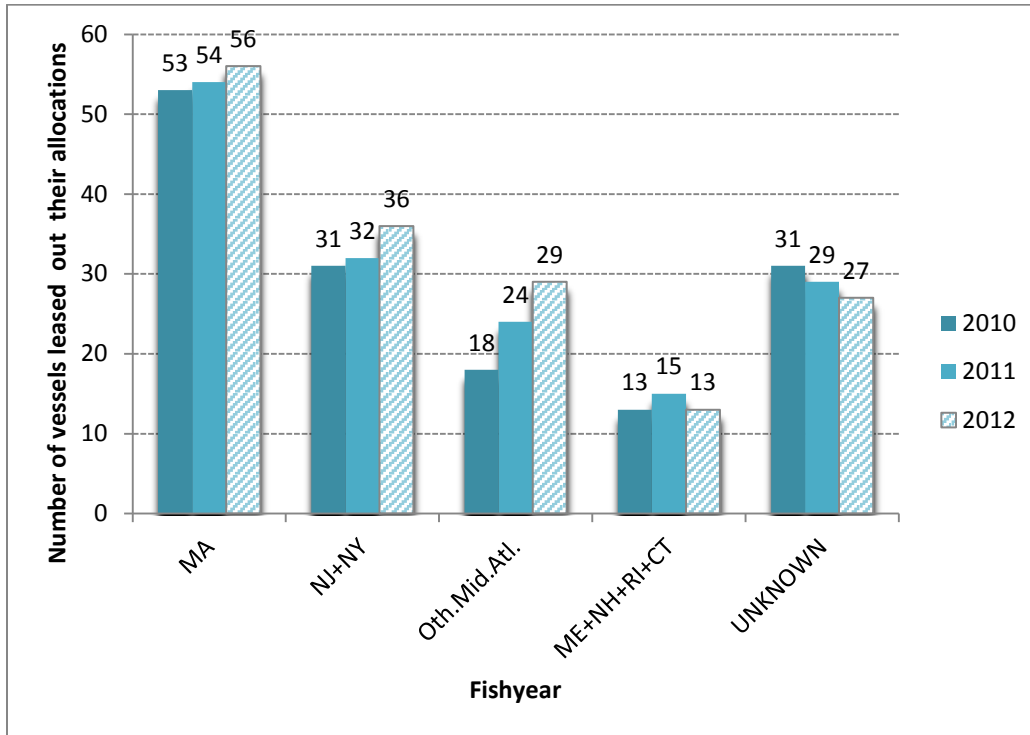


Figure 32. IFQ allocations as % of group total (owners that leased IFQ to others)



Massachusetts comes at the top of the list of states in terms of number of vessels leasing out (or transferring) their IFQs to other vessels (Figure 33).

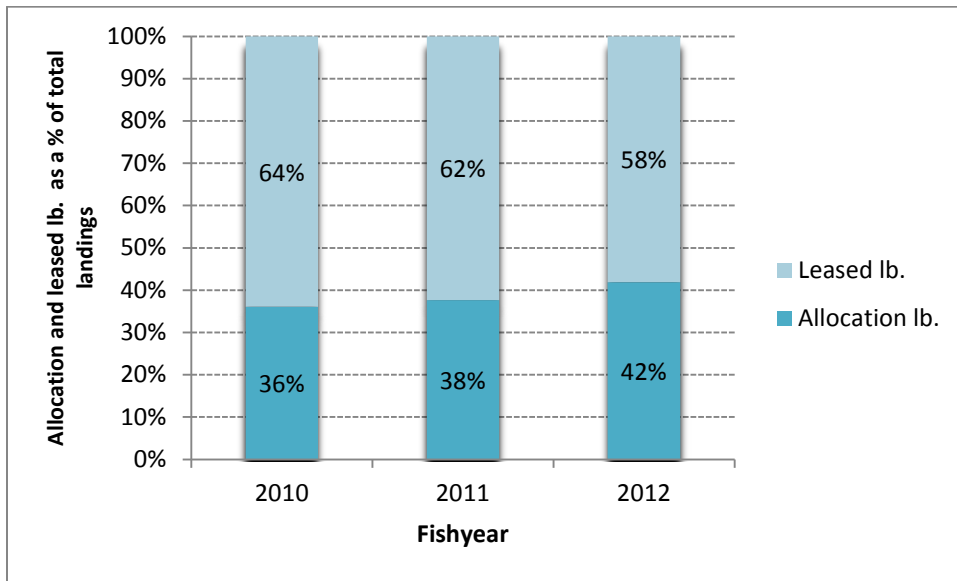
Figure 33. Leasing (out) by primary state



1.7.3 Leasing in

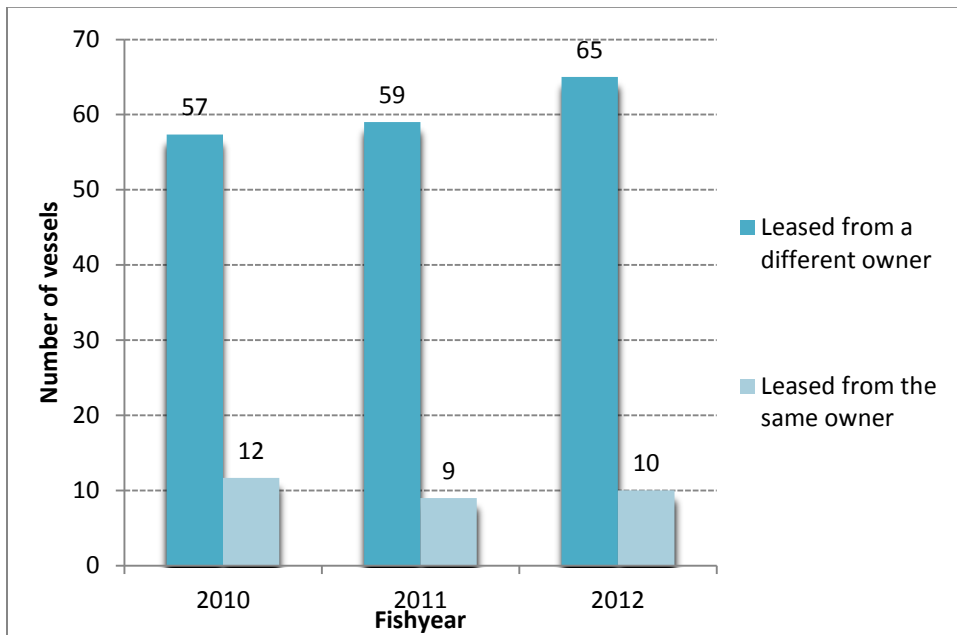
The number of vessels that leased in pounds from other vessels increased from 69 in 2010 fishing year to 75 in 2012 fishing year (Figure 29). There has also been an increase in the IFQ allocations owned by this group of vessels from 26% in 2010 to 32% in 2012, indicating that some of these vessels probably acquired (bought) IFQ from other owners. The leased-in pounds comprised 66% of the scallop landings by these vessels in 2010 and 58% of scallop landings in 2012 with rest of the landings coming from the allocations (Figure 34).

Figure 34. Leasing and allocations pounds as percentage of total landings by vessels that leased IFQ



Again, some of these leasing took place between vessels owned by the same person or corporation. In fishing year 2010, 57 vessels leased IFQ from other owners and in 2012, 65 vessels leased pounds from other owners (Figure 35). In terms leased pounds, 85% of the leasing in 2012 (89% in 2010) was from different owners (Figure 55).

Figure 35. Leasing IFQ from the same or different owners

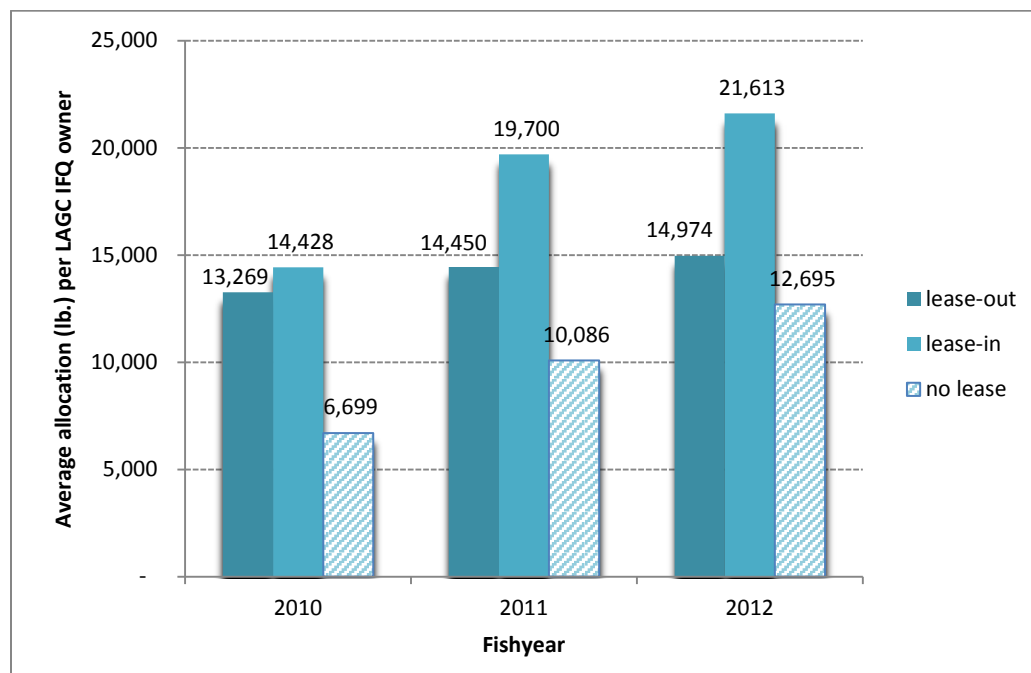


In terms of overall LAGC-IFQ fishery landings in 2012 fishing year, over 80% of scallop pounds were landed by 75 vessels that leased IFQ from other vessels in addition to using their own allocations for fishing (Figure 28). The rest of the scallops were landed either by vessels that solely used their allocations for fishing or by those few vessels that leased out part (but not all) of their allocations.

In terms of ownership, the number of owners that leased from other owners stayed at 55 during the 2010-2012 fishing years (Figure 25). The vessels owned by this group landed 73% of the scallop pounds by the LAGC-IFQ fishery in 2012 with a slight increase from 2010 fishing year (71%, Figure 30). The same owners received 38% of the LAGC-IFQ allocations in 2012, which increased from 34% in 2010 fishing year indicating that some owners may have bought additional IFQ from other owners (). As a result, the percentage share of leased pounds in total landings by these vessels declined from 52% in 2010 to 47% in 2012 fishing year (Figure 57 and Figure 58 in Appendix).

There has also been an almost 50% increase in the allocations per owner in this group from 2010 (14,428 lb.) and 2013 (21,613 lb.), exceeding the 33% increase in the allocations for the LAGC IFQ fishery during the same period (Figure 36). The trend is similar in terms of average scallop landings per owner (Figure 58 in Appendix.) It remains to be seen if this trend will continue in the future or if any part of this result is affected by some data inaccuracies as explained further in Section 1.9 , Data Issues.

Figure 36. Average allocated scallop pounds per owner



Majority of the owners who leased IFQ from other owners were single boat owners and only a few owned 4 or more boats in terms of the vessels that qualify for LAGC IFQ. However, there has been an increase in the scallop landings (from 37% to 47% of the lease-in group landings) and allocations (from 47% to 55% of the lease in group total) for the owners of 2 to 3 vessels from 2010 to 2012.

Figure 37. Number of owners who leased from others by the number of vessels owned

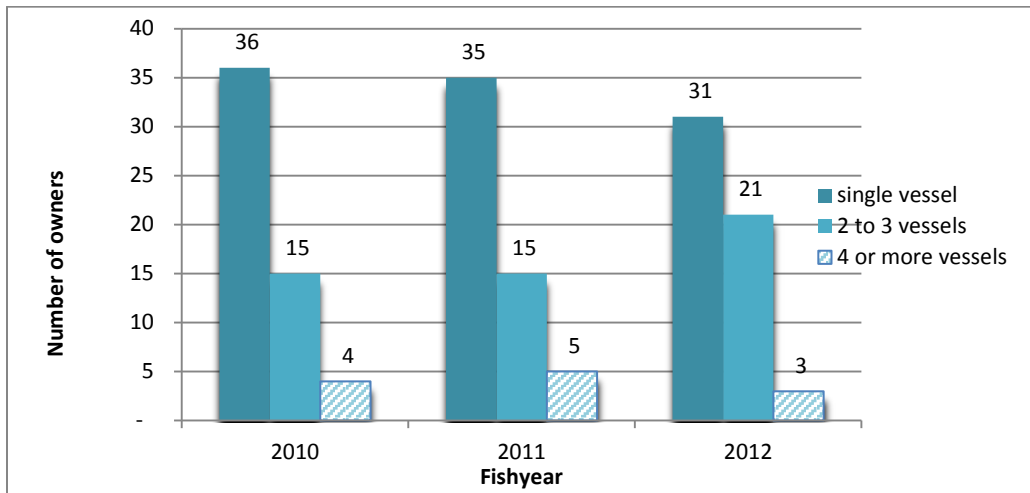


Figure 38. Scallop landings as % of group total by owners that leased IFQ from others

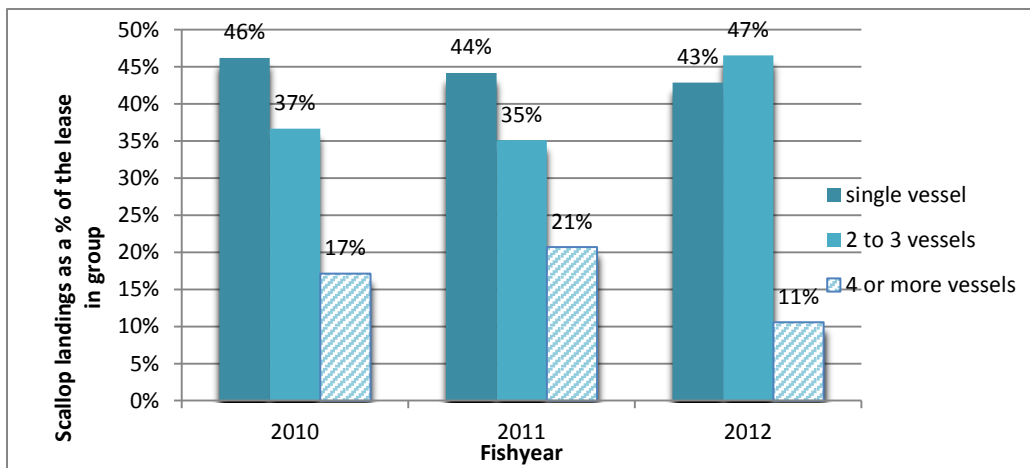
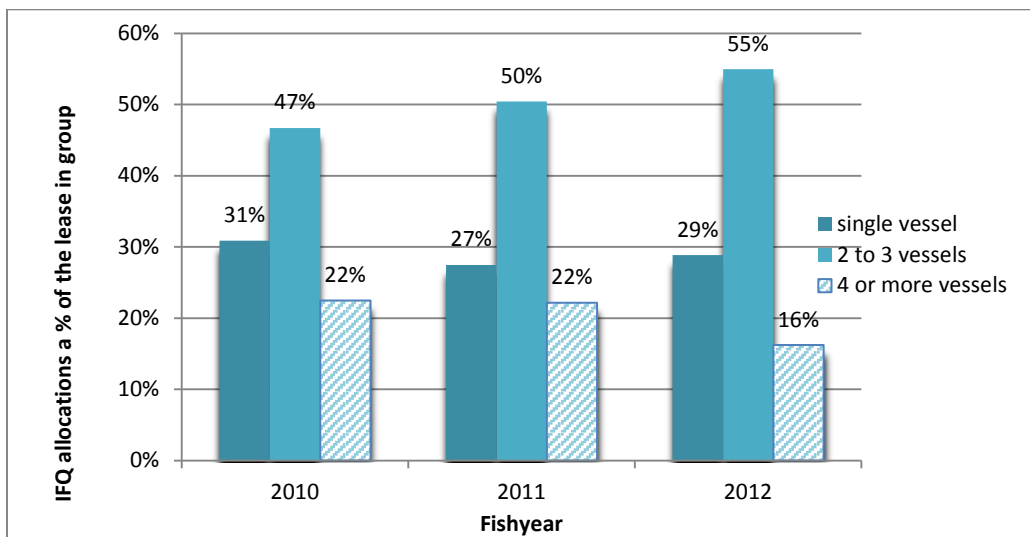
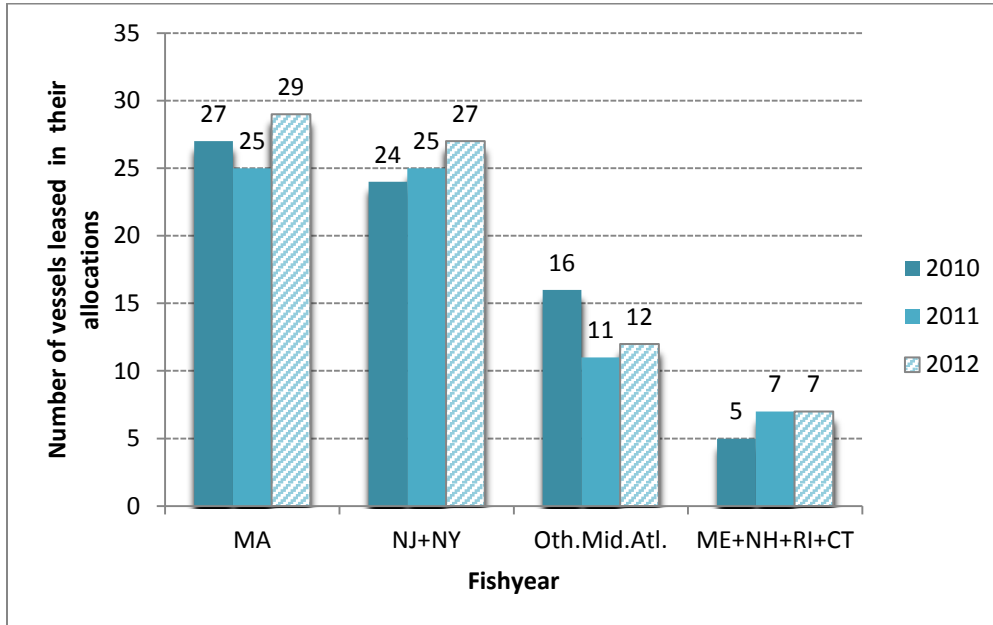


Figure 39. IFQ allocations as % of group total by owners that leased IFQ from others



Majority of the vessels that leased IFQ were homeported in Massachusetts and NJ and NY areas. In terms of regions, Mid-Atlantic slightly exceeded New England region in terms of the number of vessels leasing from others.

Figure 40. Leasing (in) by primary state



1.7.4 Participation by vessels and owners with no net leasing activity

The number of vessels that involved with no leasing declined from 96 in 2010 to 66 in 2012 and the number of active vessels declined from 68 to 43 during the same years (Figure 29). In fact, the percentage share of this group of vessels in the total IFQ allocations declined from 27% in 2010 to 19% in 2012 fishing year (). However, In terms of overall LAGC-IFQ fishery landings in 2012 fishing year, 17% of the scallop pounds were landed by vessels that didn't engage in any leasing (Figure 28).

Not all vessels that didn't involve in any leasing were active, however. Figure 54 in Appendix shows that 20 such vessels did not have a landings record for in 2012. Part of this could be due to data inaccuracies from recording landings in a wrong permit number or in a permit number that belongs to a replaced vessel (not so sure!). In fact, some of these vessels could actually be replacements for other active vessels or they could include the vessels that sold their allocations to others during the course of the fishing year before they fished for scallops (Figure 28).

The trend in terms of the IFQ allocations by owner are different, however. This is because, if an owner had two vessels and transferred IFQ on one vessel to another he owns, he would be included in the owner group with no leasing since his net leasing would be zero. However, on a vessel basis, one of his vessels would be included with the lease-out and the other one would be grouped with the lease-in group. As a result, when the analysis is done on a vessel basis, data shows that the IFQ allocations that belong to vessels with no leasing activity declined during 2010-2012 fishing years. On the other hand, grouping in terms of owners shows the opposite result with the percentage share of the owners that involve in no net leasing activity changed very little from 19% in 2010 to 21% in 2012 fishing year (Figure 24). Majority of the owners in the 'no lease' group were not involved in any leasing, although a few owners transferred IFQ from one vessel to another (thus with zero net lease) included this group as well.

There has been a considerable increase in terms of the allocation per owner since 2010 fishing year as the number of owners in this category declined and the share of this group in total allocations increased by about 90% (from 6,699 lb. to 12,695 lb.) in 2012 while total LAGC IFQ increased by 33% in the same period Figure 36. The results are similar in terms of average scallop landings per owner (Figure 58).

Majority of the owners in this group were single-boat owners and they received over 71% of the total IFQ allocations for this group (Figure 41 and Figure 42). The majority of the vessels that were not involved in net leasing activity were from Mid-Atlantic most of them home ported in NY and NJ (Figure 43).

Figure 41. Number of owners with no leasing activity

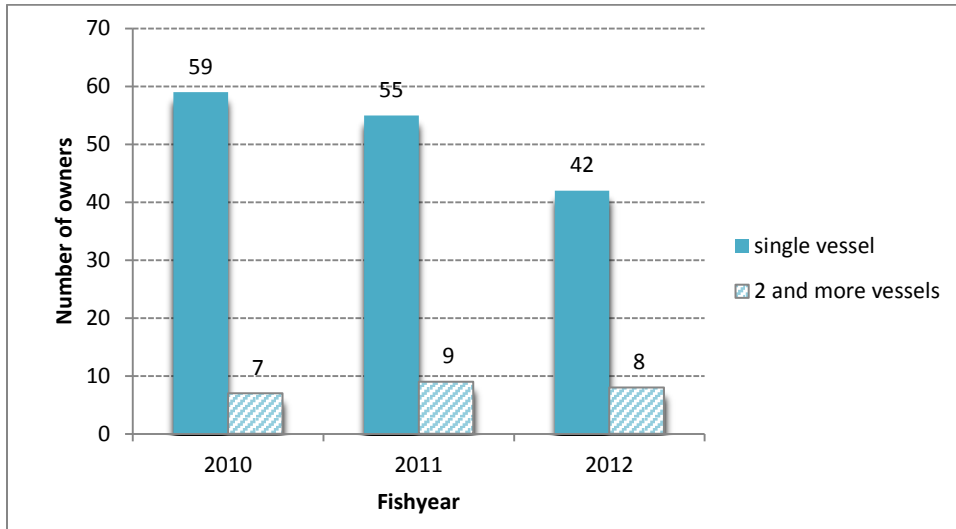


Figure 42. IFQ allocations for owners with 'zero net leasing' as % of the total for the group

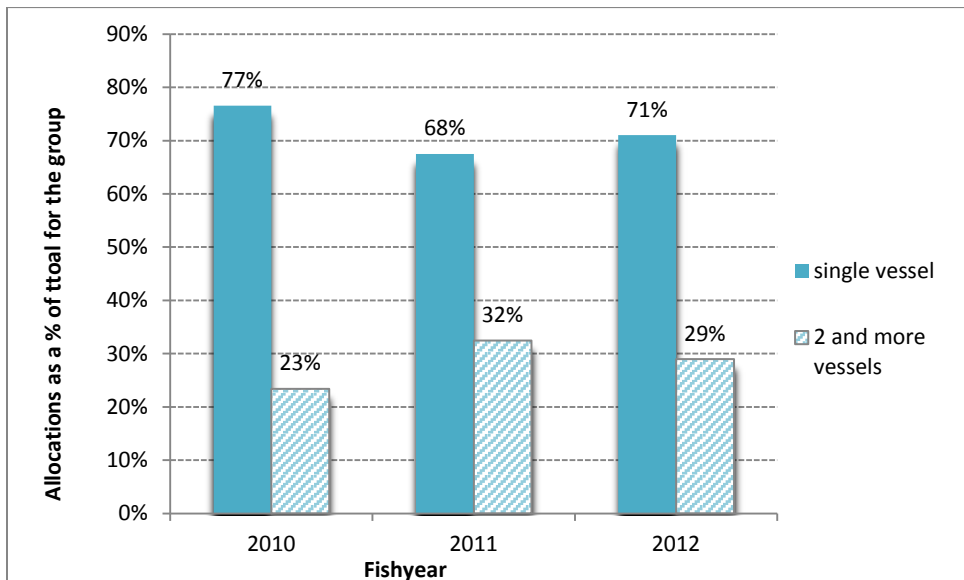
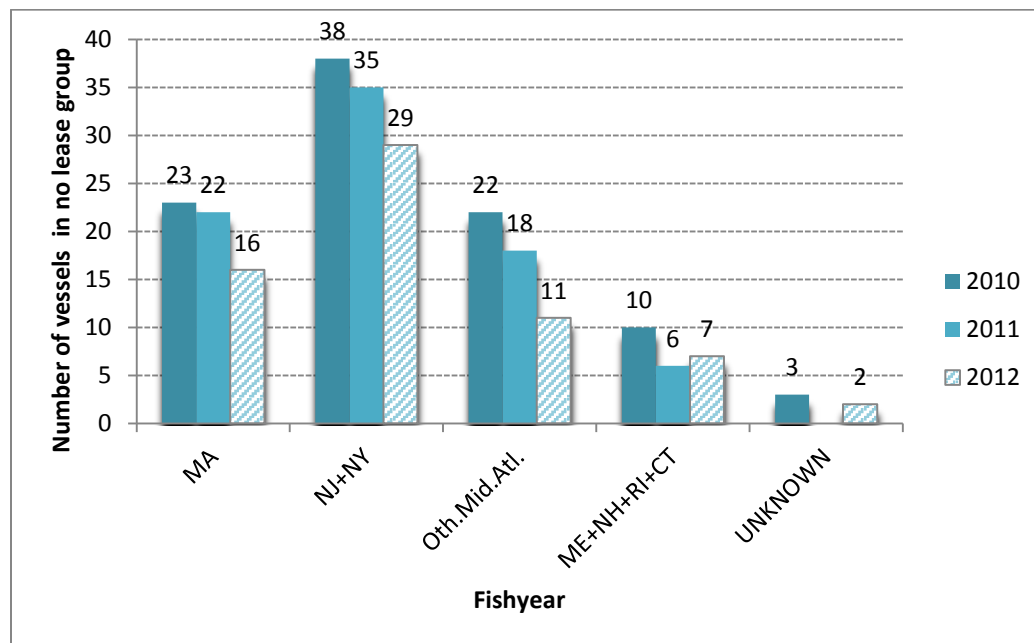


Figure 43. Primary state of the vessels in the ‘zero net lease’ group



1.7.5 Lease prices

The leasing data includes total price paid for the pounds leased out and leased in for most of the vessels involved in those transactions. As indicated in the sections above, majority of these transactions involve different owners whereas some represent a temporary transfer of IFQ from one vessel to another owned by the same person or corporation. The data show that the lease price reported for transactions that took place among different owners were considerably higher than the price of transfer of IFQ among vessels with the same owner. Data also included a small number of observations with a price less than \$1 especially for the second category of transfers, perhaps was reported as a symbolic amount for the leasing that took place. The differences in price when all the transactions are included versus when only those transactions that took place between same owners with and those with a price of \$1 or higher are included could be seen by comparing Figure 44 with Figure 45.

As expected, the lease prices for transactions involving two different owners are higher (\$1.73 in 2010 and \$2.84 per pound of leased amount in 2012 fishing year, Figure 45) than compared to prices when all leasing transactions are included (Figure 44). These values are closer in value with the anecdotal information obtained from the industry indicating that price of leasing increased from about \$1.8 per pound in 2010 to about \$3.3 per pound in 2012 fishing year.

Both Figure 44 and Figure 45 indicate that average lease price reported by owners who leased out was greater than the lease-in price reported by owners who leased in their IFQ. One reason for this discrepancy might be that there were fewer owners that leased-in than number of owners who leased-out IFQ who also reported a price for lease. There were also differences in the price composition of the reported price by owners who leased-in versus who leased-out. The lease prices ranged from \$1 to over \$2.5 per lb. of scallops in 2011-2012 fishing years due to the differences in the nature of entities (individual fishermen, brokers, fishing cooperatives) as Figure 47 to Figure 50 indicates.

Figure 44. Lease price per lb. of leased IFQ (All transactions)

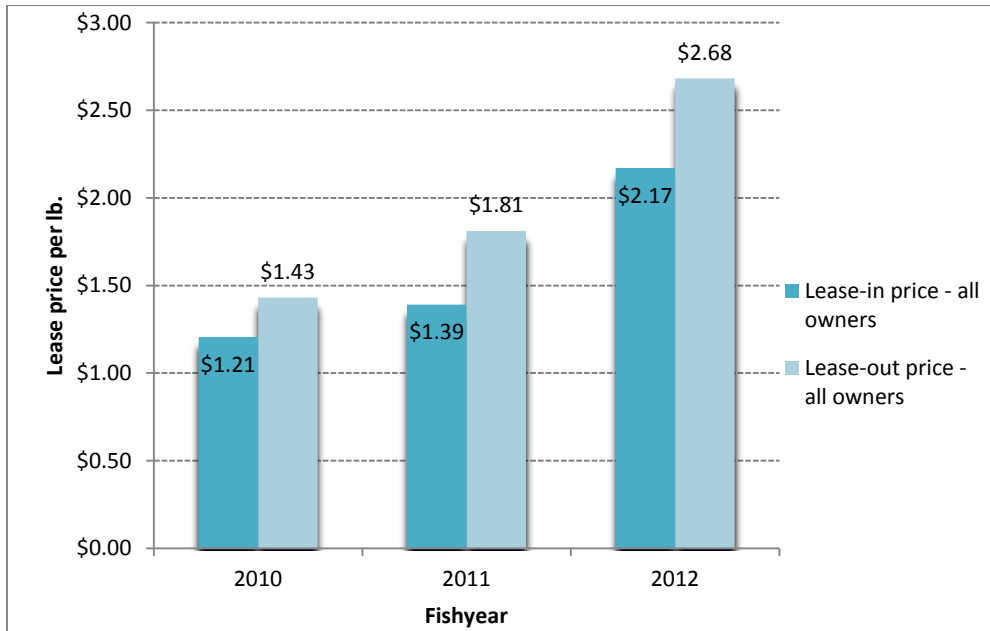


Figure 45. Lease price per lb. of leased IFQ (Includes transactions involving different owners and those with a price of \$1 or more)

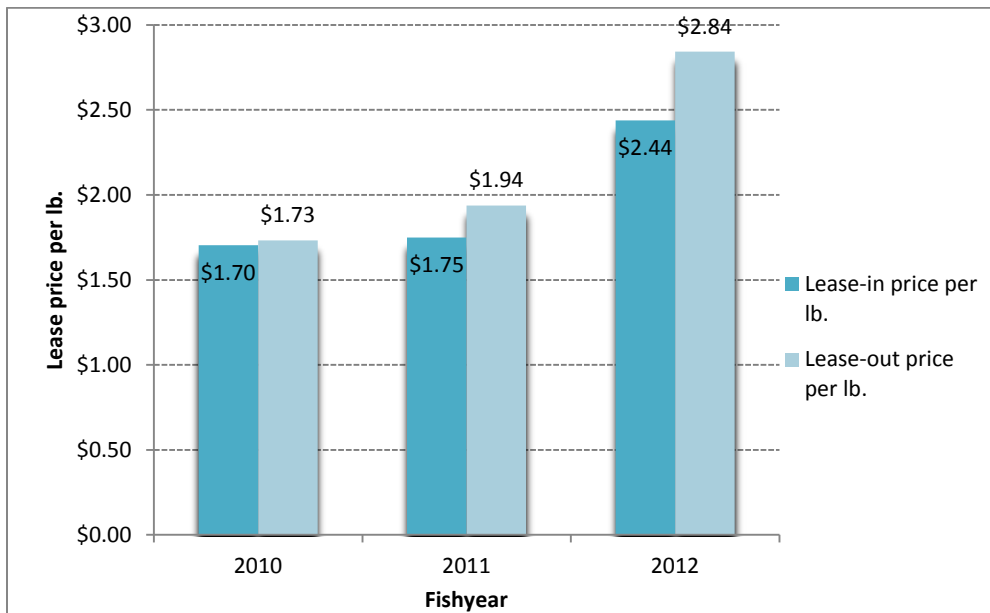


Figure 46. Number of lease transactions (different owners, excluding price < \$0.1 per lb.)

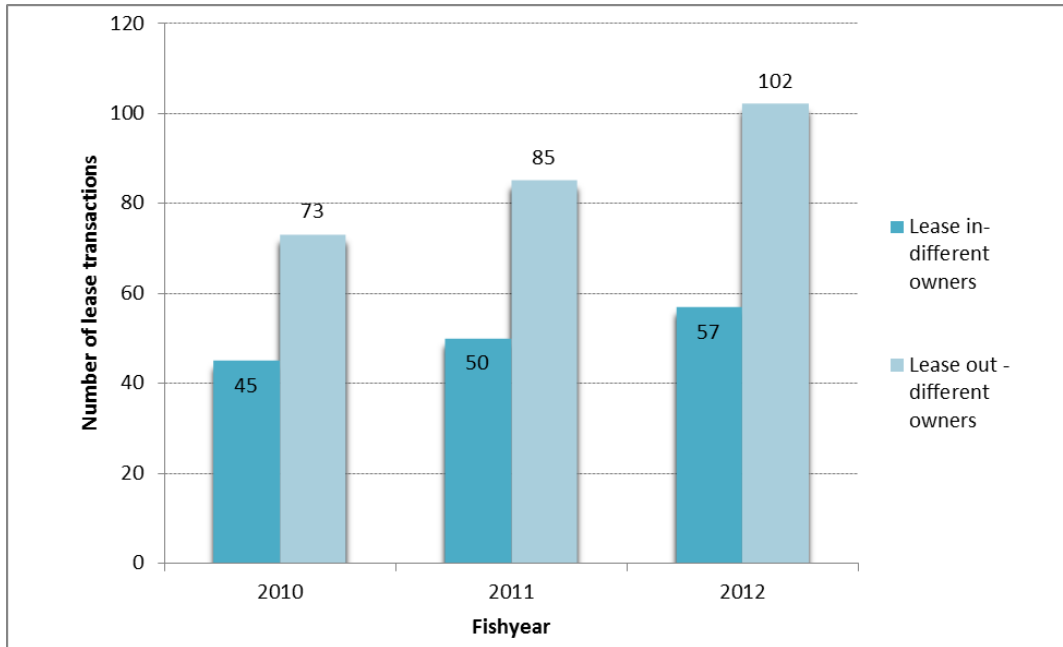


Figure 47. Number of lease-in transactions by price groups (different owners)

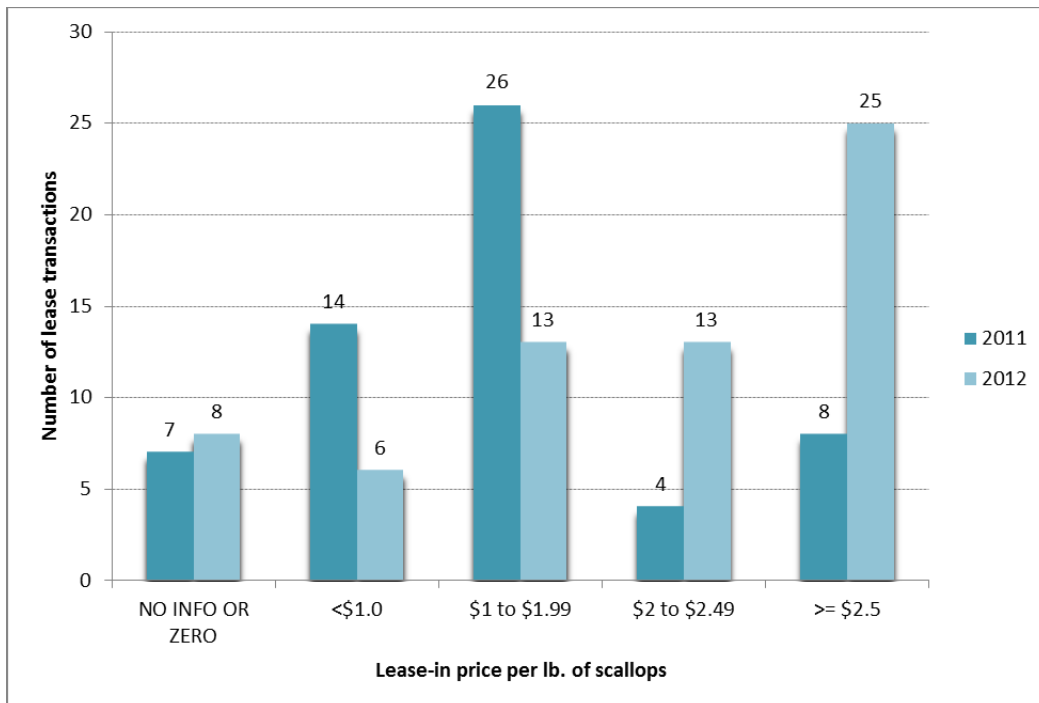


Figure 48. Average lease-in price by price groups (different owners)

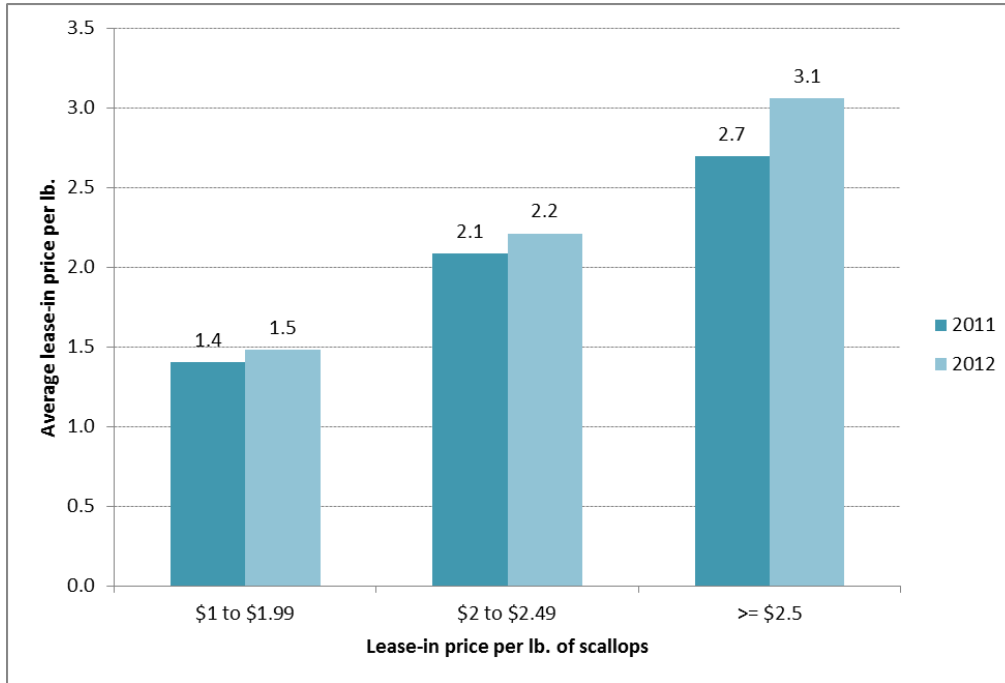


Figure 49. Number of lease-out transactions by price groups (different owners)

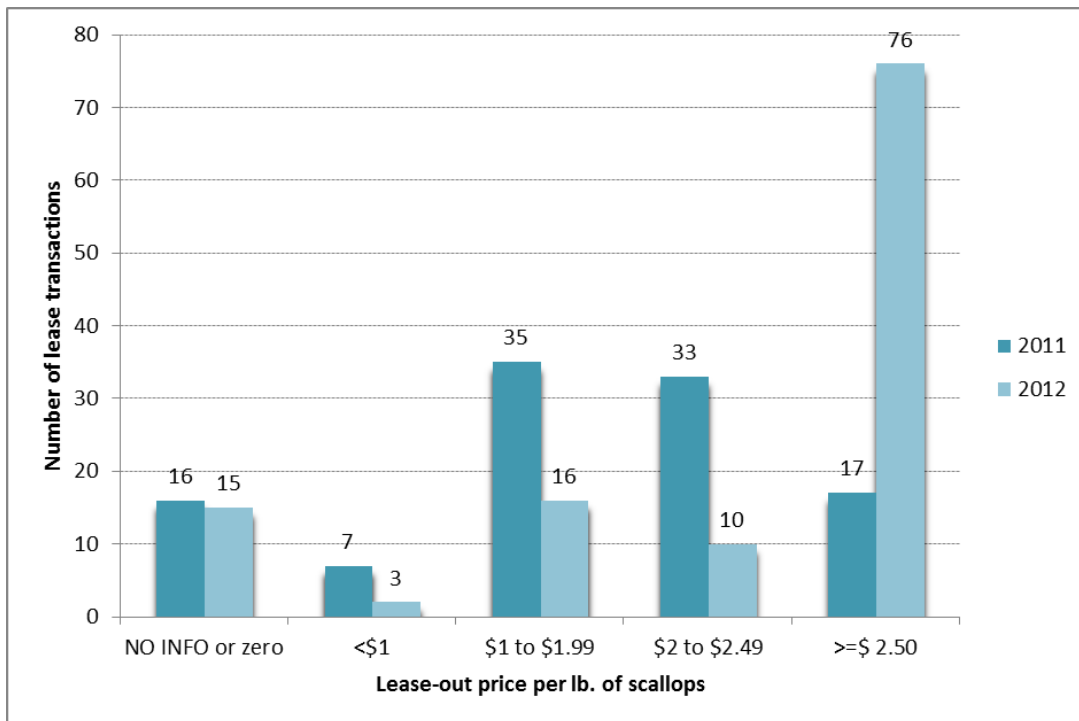
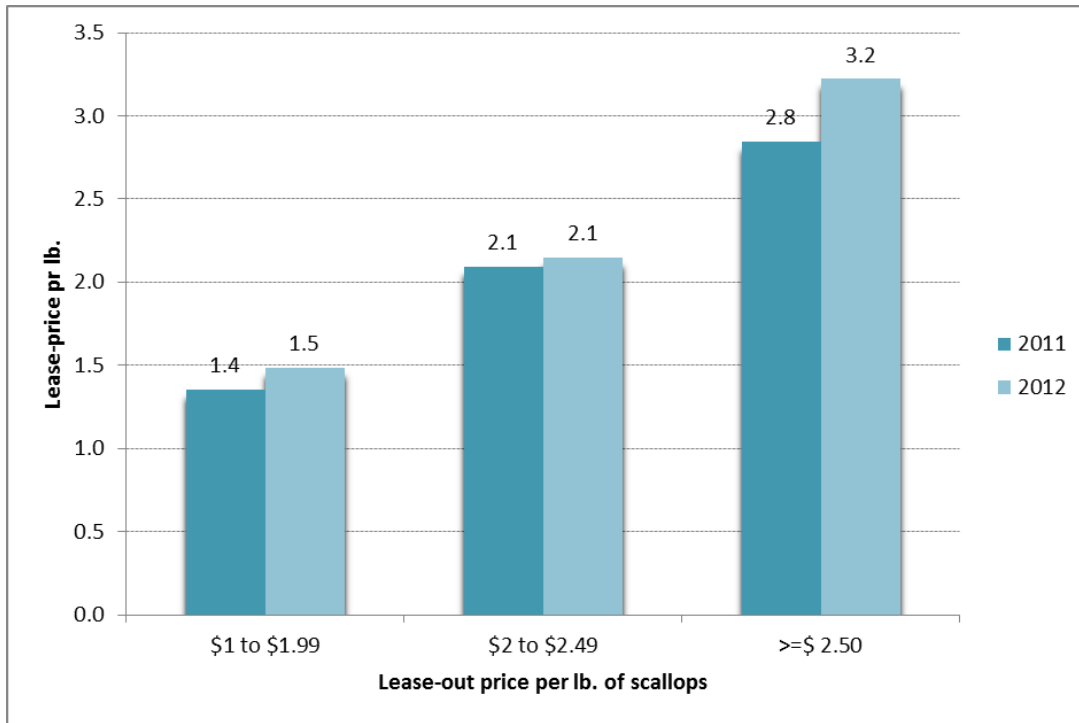


Figure 50. Average lease-out price per lb. by price groups (different owners)



1.7.6 Economic Impacts of Leasing

1.7.6.1 Impacts on vessel and crew income

1.7.6.2 Impacts on cost of fishing

1.7.6.3 Impacts on profits

1.7.6.4 Impacts on employment

1.7.7 Summary and Conclusions

1.8 Dependence on the scallop fishery

1.9 Vessel Characteristics

One noticeable change in the vessel characteristics since 2010 was the decline in the number of active large LAGC IFQ vessels with a length ranging from 50ft to 75ft., while the number of active vessels in other categories remained relatively stable (Figure 51). Although, there has been a decline in the average GRT in 2010-2012, average horsepower per active vessel increased slightly in the same period (Figure 52).

Figure 51. Number of LAGC IFQ vessels with length group.

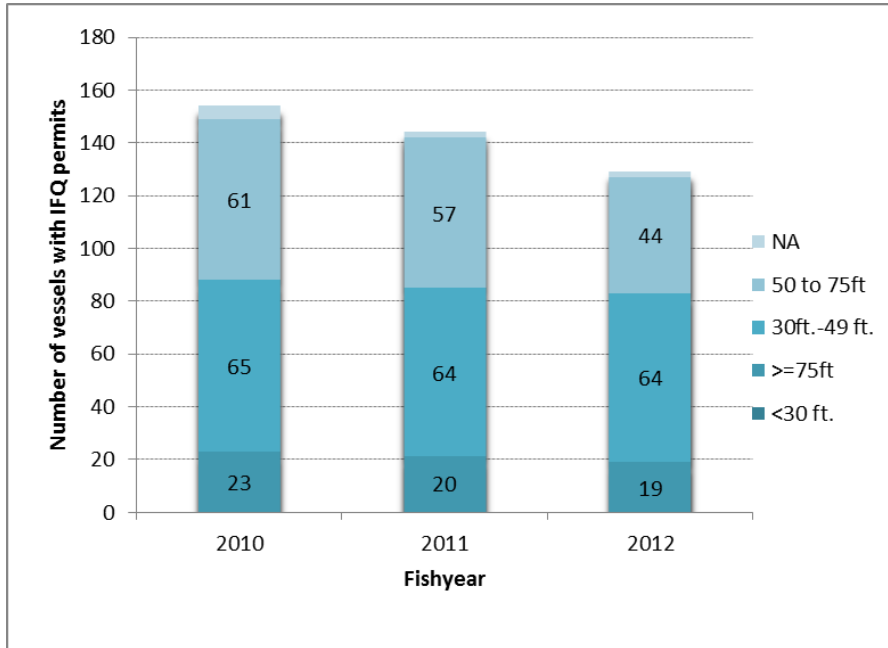
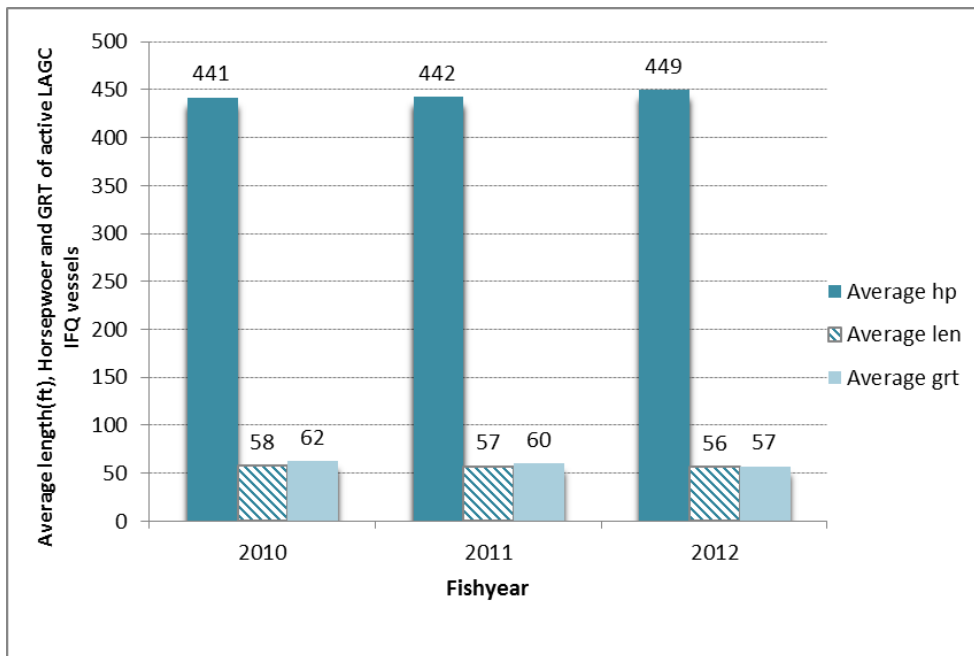


Figure 52. Average length (ft.), horsepower and gross tonnage of the active LAGC IFQ vessels .



1.10 Data sources and issues

1.11 APPENDIX - Additional figures for the leasing activity

Figure 53. Base allocations and gross amount of leased pounds (including transfer of IFQ among vessels with the same owner)

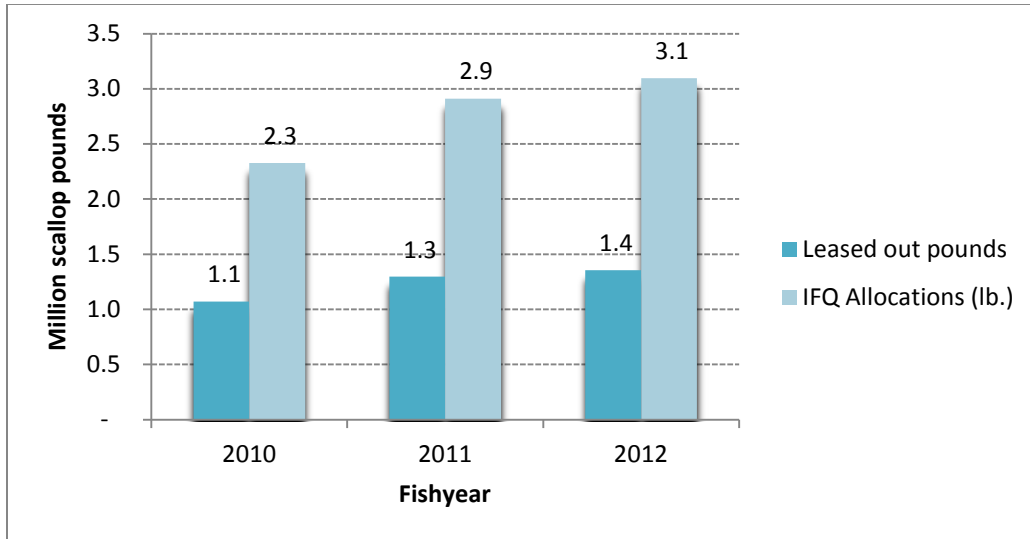


Figure 54. Number of active vessels by leasing activity

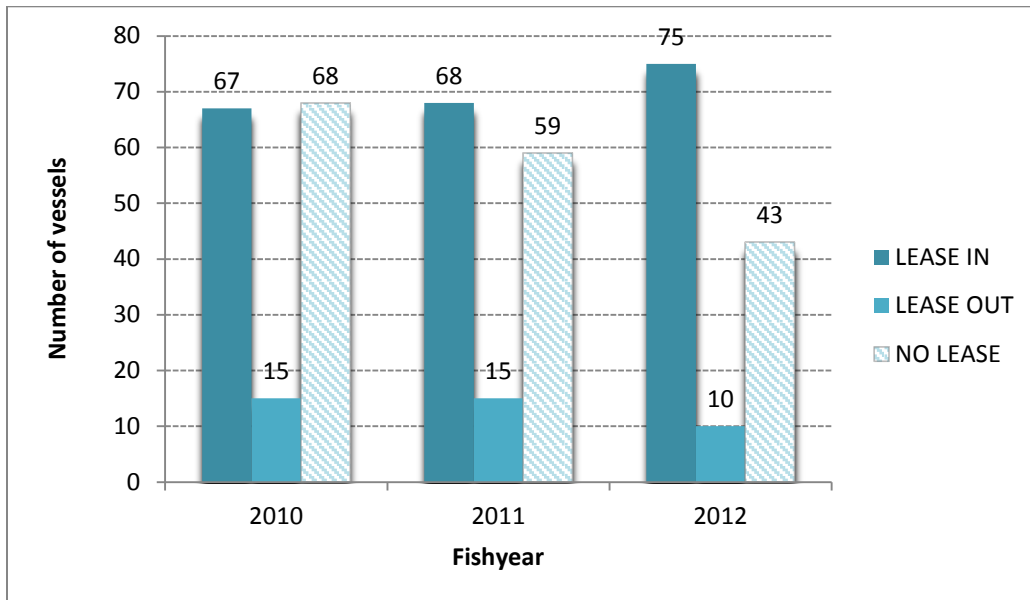


Figure 55. IFQ Allocations by lease groups (% of total) (this is on vessel level including transfers)

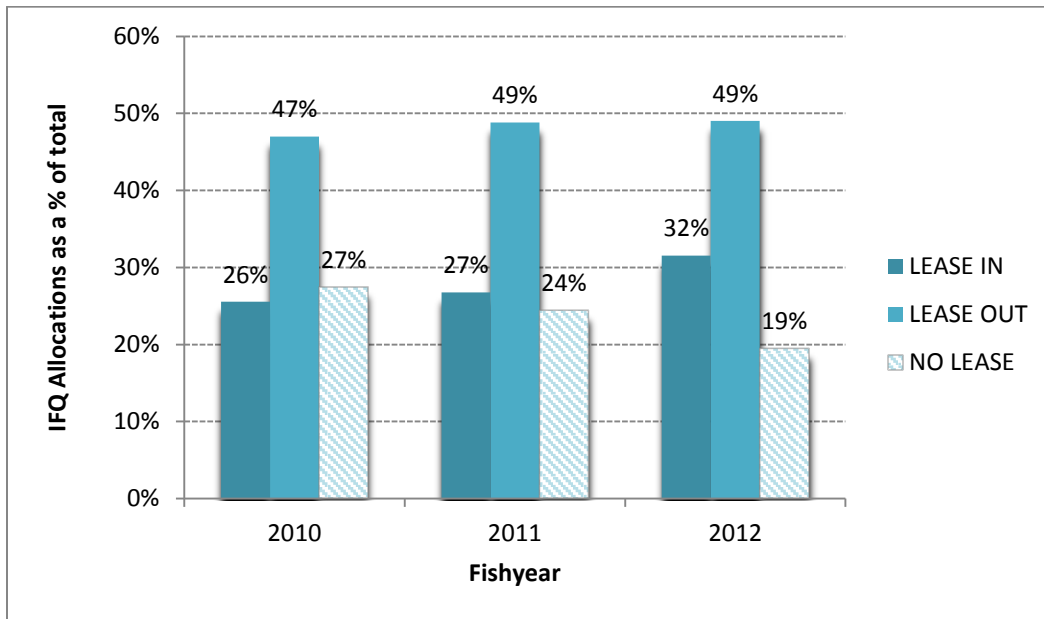


Figure 56. Pounds leased from the same or different owners as a % of total

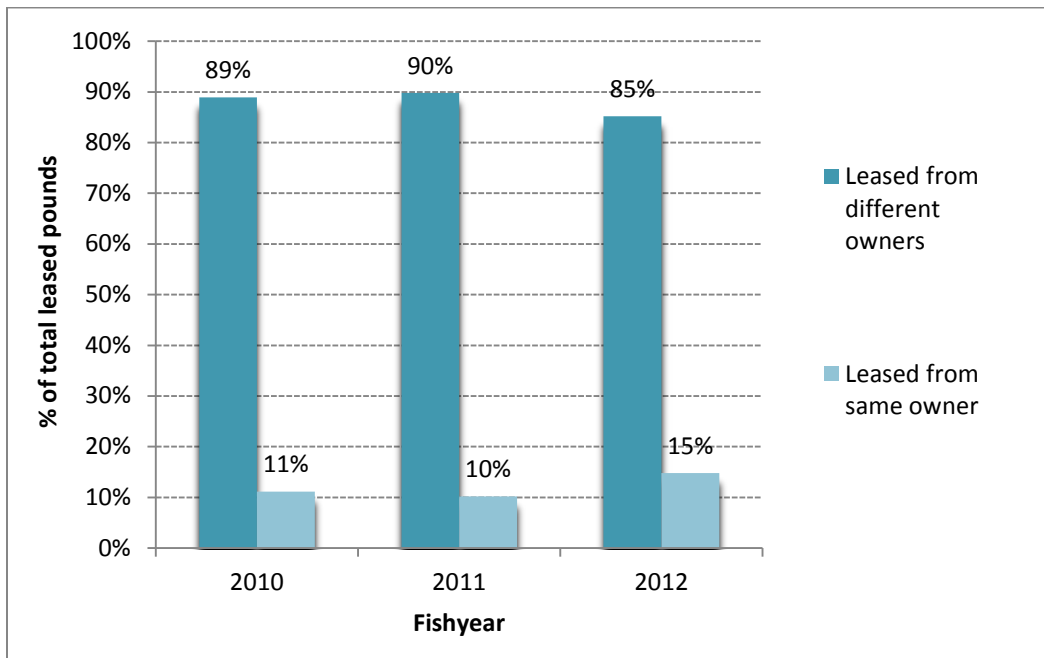


Figure 57. Leased scallop pounds as a % of total landings by the lease-in group

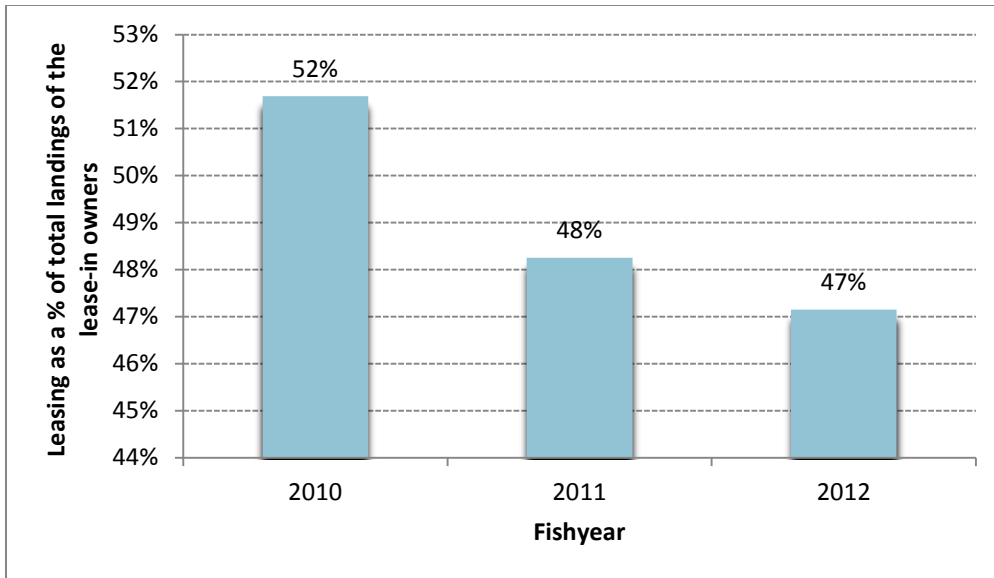


Figure 58. Average scallop landings per owner by leasing groups

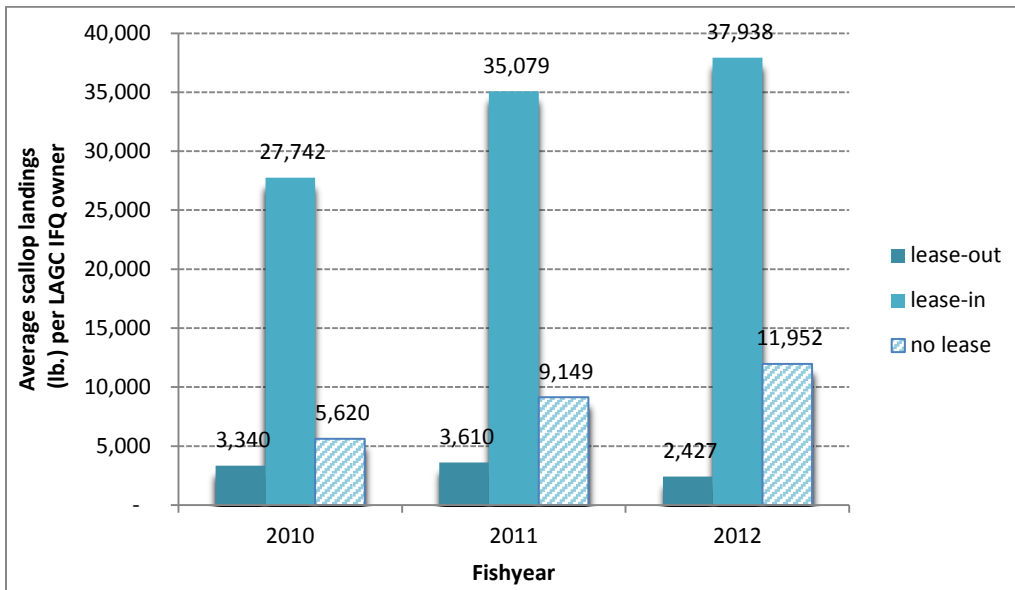


Figure 59. Number of IFQ owners by transfer group (excludes transfers of quota from one vessel to another owned by the same person or corporation)

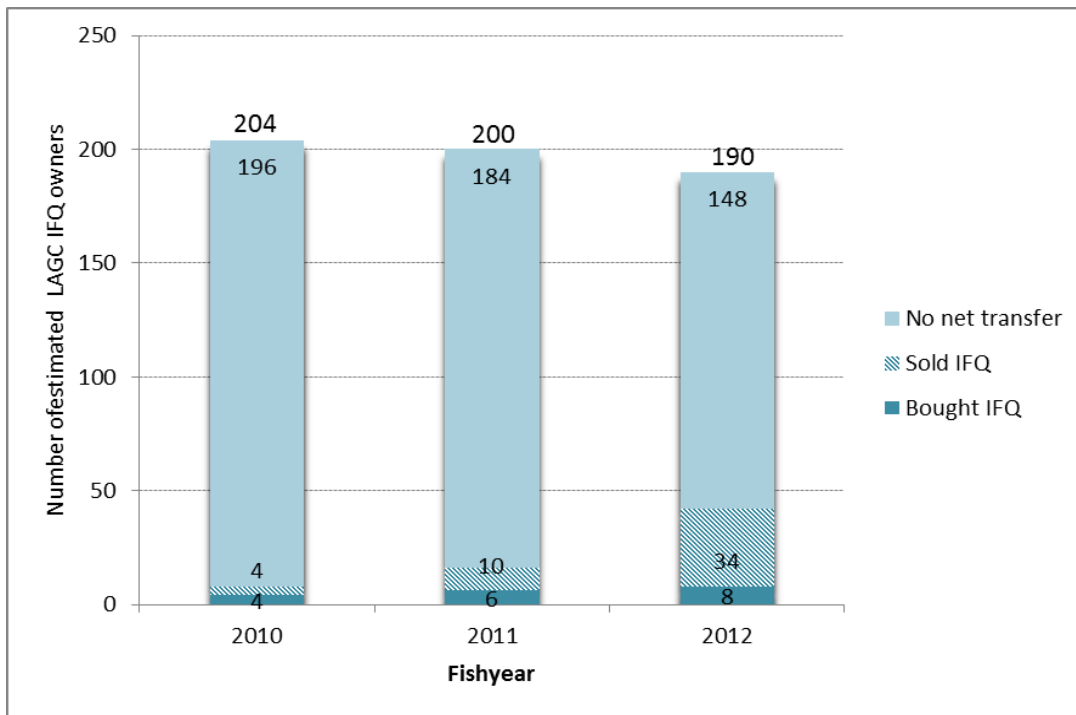


Figure 60. Number of active IFQ owners by transfer group (excludes transfers of quota from one vessel to another owned by the same person or corporation)

