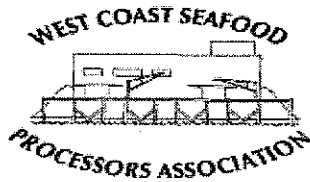


**Industry Request for Waiver of
Landing Requirements and
Public Correspondence**

**Public correspondence received as of
December 28, 2006**



West Coast Seafood Processors Association

1618 SW 1st Avenue, Suite 318

Portland, OR 97201

503-227-5076

October 5, 2006

Ms. Marla Rae
Chair, Oregon Fish and Wildlife Commission
3406 Cherry Avenue NE
Salem, OR 97303

Dear Ms. Rae:

Under existing State rules for the Oregon sardine fishery, vessels must make minimum landings each year in order to retain their limited entry permits. This requirement was enacted to prevent speculation in permits and ensure that permits were being provided to vessels that would actually participate in the fishery.

Unfortunately, 2006 has proven to be an anomaly in the world sardine market. While sardines are plentiful off Oregon and fishermen are willing to harvest them, processors have found few opportunities to sell sardines in the size that is available. As a result, there have been significantly reduced purchases from vessels and vessel owners in many cases will be unable to meet the landing qualifications through no fault of their own.

We understand that several permit holders have approached the Department and the Commission and have sought a temporary waiver of the landing requirements for retention of sardine limited entry permits. On behalf of our members who purchase and process sardines in Oregon, I am writing to advise you that we support that request for a waiver.

The sardine fishery in Oregon has only recently been moved out of the "developmental" category; while it is now stable in terms of vessel and permit numbers, it is still subject to market and resource fluctuations. We hope that the Commission will be able to accommodate the fishermen's request for a waiver so that the long-term benefits of this fishery can be realized for Oregon.

Sincerely,

Rod Moore
Executive Director



Bellingham 360-734-5732 * Astoria 503-325-0304
e-mail: jay@bornstein.com

Sept 18, 2006

Jean E. McCrae, Developmental Fisheries Biologists
2040 SE Marine Science Drive
Newport, OR 97365

Re: Sardine Landing Requirement

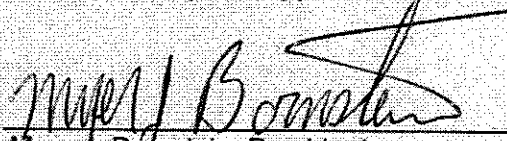
Dear Ms McCrae;

Bornstein Seafoods, Inc. has processed Sardines for the last five years but chose not to do so in 2006 because of continued poor market conditions. This left several permit holders without a market. They are Steve Finser, Richard George and Bob Briscoe. Having to make the qualifying landings would create undo economic hardship on the permit holders and the Companies they would sell to.

This is not an isolated problem as I am aware of several other permit holders unable to make deliveries in 2006. I have attempted to find markets for those permit holders we work with but were turned down by other permit holders that had a market or the Companies they are delivering to.

I am asking ODF&W to consider waiver of the landing requirement for 2006. This request would have to go before the ODF&W Commissioners; therefore, I also request you put this proposal before them.

Thank you for your support and considerations.



Myer J. Bornstein, President
Bornstein Seafoods, Inc.

From: Mike Okoniewski
Sent: Tuesday, September 19, 2006 5:13 PM
To: Jean McCrae (E-mail); Patty Burke (E-mail)
Cc: Jon Englund (E-mail)
Subject: Letter supporting a General Waiver

<<Waiver Letter 9.19.06.doc>>

09/19/06

To The Oregon Department of Fish and Wildlife:

Attn: Dr. Patty Burke and Ms. Jean McCrae:

Re: Landing Requirement Waivers for Sardine Limited Entry permit Holders for 2006.

The ongoing sardine season in 2006 has been severely impacted this year by several market conditions and small fish sizes that have made prosecution of the fishery a tepid effort at best. In addition the uncertainty surrounding the allocation of the last 6 sardine permits in August was a detriment to some fisherman and processors in determining their final business arrangements for the harvest and purchase of Sardines.

In speaking to the "market condition": It was thought that there were 3000-4000 metric tons of NW sardines in Japan at the start of this season. The reality is that the number was more in the area of 10,000-15,000 metric tons in Japan. What was also not realized at the beginning of the season is how much impact the of a large North Atlantic herring harvest would have on the Eastern European market. Prices dropped as much as 45% and demand is sluggish at best. In addition the catch of Illex squid for long line tuna bait reached a near record harvest. This product competes directly with NW sardines.

Lastly the fish this year went through a very late maturation process after spawning and was nearly a month behind normal in fat and oil development. This fact alone scared may customers into delaying purchases or not committing to any production.

From talking with fishers and processors I believe the majority of the industry members want to see a "General Landing Requirement Waiver" granted to sardine Limited Entry Permit Holders for 2006.

Thank you,
Sincerely,
Mike Okoniewski

PacificSeafood

Pacific Seafood
General Manager
Pacific Woodland Division,
Sardine Operations and Sales
1635 Downriver Dr.

Woodland WA 98674
PH: Plant-360-225-9351
Fax: 360-225-9956
Cell: -360-518-2355
E-mail: mokoniewski@pacseafood.com
Cc. Jon Englund

Sept 19, 2006

Jean E. McCrae, Developmental Fisheries Biologists
2040 SE Marine Science Drive
Newport, OR 97365

Re: Sardine Landing Requirement


Dear Ms McCrae

I have had a market with Bornstein Seafoods as long as I have had my permit, but this year due to low market price of sardines they did not buy. This left me with no place to make the required landings to qualify my permit.

Therefore I am asking for a waiver of the landing requirement for 2006. I understand this needs to go to the commissioners of ODFW. Please take this request to the commissioners.

I also feel that this requirement should be permanently dropped. This year is a good example of how the market controls what happens in any fisheries.

Thank you for your help in this matter.



Steve M Finzer
Finzer Fishing Inc.

-----Original Message-----

From: Mike Brown [mailto:mbrown@pacseafood.com]
Sent: Wednesday, September 27, 2006 4:16 PM
To: JEnglund@englundmarine.com
Cc: BURKE Patty M; MCCRAE Jean E
Subject: Limited Entry Sardine Permits

Please see attached <<September 27 Sardine.doc>>

September 27, 2006

Oregon Dept. of Fish and Wildlife
Dr. Patty Burke
Ms. Jean McCrae
Mr. Jon Englund

Re: Landing Requirements for Sardine Limited Entry Permit Holders for 2006

Dear Patty and Jean:

There is Industry talk related to the Sardine Limited Entry Permit for 2006 in relationship to the six additional permits that were granted in August of 2006 and the landing requirements that are a part of the Limited Entry Plan.

As it relates to Pacific Coast Seafood Company in Warrenton, Oregon, early in 2006, Pacific Seafood began to formulate ideas and an initial business plan to build and increase unloading and freezing capacities at their processing plant. A portion of the justification to do so surrounded around processing Sardines. Equipment was purchased, refrigeration and freezing cells were renovated, largely focusing on some of the seasonal opportunities in what is available to harvest and process locally.

When the initial decision to hold the number of Sardine Limited Entry Permits at twenty permit holders, Pacific Coast Seafood somewhat back away and slowed down the portion of upgrades that were not yet started. Unloading and freezing enhancements moved ahead, as the projects were well on their way to completion.

Pacific Coast Seafood has already in late August begun to formulate their business plan for 2007 through our budgeting process. Processing Sardines is a part of the initial business plan for 2007. I would ask that the Oregon Dept of Fish and Wildlife consider waiving landing requirements for Sardine Limited Entry Permit Holders for 2006, particularly given that the issuance of the last six permits did not take place until well after the season started, and given in general terms that the Sardine Industry got off to a

very slow start. I believe it would be an unfortunate occurrence should any of the twenty six permit holders be unable to qualify the first year.

Thank you for your consideration.

Sincerely;

Michael L. Brown

DEAR Diana:

Here is copy of my Job
search for a sandwich market:
Please do your best to convey
my situation.

Thank you

Paul George

09/21/2006 13:54 FAX

001/001



PACIFIC SEAFOOD COMPANY

16797 S.E. 130TH AVENUE • P.O. BOX 97 • CLACKAMAS, OR 97015
(503) 905-4500 • FAX (503) 905-4200

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- PACIFIC CANADA
Prince Rupert, B.C.
Vancouver, B.C.
Muskeget, B.D.
- WASHINGTON CRAB PRODUCERS, INC.
Olympia, WA
Westport, WA
- PACIFIC COAST SEAFOODS CO.
Nash Bay, WA
Poulsbo, WA
Westport, OR
Astoria, OR
- PACIFIC GOLD STORAGE
Woodland, WA
- PACIFIC SURFING CO.
Warrenton, OR
- PACIFIC OYSTER CO.
Astoria, OR

PACIFIC SMOKING CO.

- Clatskanie, OR
- PACIFIC SHRIMP CO.
Newport, OR
- BANDON PACIFIC, INC.
Clifton, OR
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PACIFIC GROUP TRANSPORT CO.

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OSEA FOOD

Noreppat

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09/21/06

To whom it may concern:

Richard George from the "F/V Anthony G" approached me in August about securing a sardine market for the 2006 Sardine season. As we already had two boats and the market was uncertain I told him the best I could do was to put him into a "next-in-line" position if something were to change. Unfortunately we were never able to offer him a position based on the following reasons.

This year was difficult for us as there was a huge amount of unscold inventory in both of the two major regions we market sardines: Japan and Eastern Europe. It is estimated that as much as 50% of what was exported in 2005 may still be held in these regions and is only now beginning to sell off. Compounding this the fish were nearly a month behind schedule this year in relation to spawning and fat regeneration. Small size was another factor.

We believe these fish will be much more marketable in 2007 plus the anchor of inventory holding down the market should have passed through.

Thank you

Sincerely

Mike Okoniewski

Mike Okoniewski
Pacific Seafood

Pacific Seafood
General Manager
Pacific Woodland Division,
Sardine Operations and Sales
1635 Downriver Dr.
Woodland WA 98074
PH: Plant-360-225-9351
Fax: 360-225-9956
Cell: 360-518-2355
E-mail: mokoniewski@pacseafood.com

www.pacseafood.com

09/22/2006 07:11 5833255278

CALIFORNIA SHELLFISH

PAGE 01

POINT ADAMS PACKING COMPANY
P.O. BOX 162
HAMMOND, OREGON 97121

September 21, 2006

Richard George
F/V Anthony G

FAX: 805-658-7433

Dear Richard:

Under the current sardine market conditions and product size we are having trouble keeping our own vessels busy. Therefore, we cannot accept additional sardine deliveries from your vessel. Check in with us prior to the 2007 season.

Tom Libby


Corporate Manager, Special Projects
California Shellfish Co., Inc.
Hallmark Fisheries/Point Adams Packing Company

10/02/2006 07:55

3507345732

BORNSTEIN SEAFOODS

PAGE 03



Bellingham 360-734-5732 + Astoria 503-325-0304
e-mail: jac@bornstein.com

Sept 18, 2006

Jean E. McCrae, Developmental Fisheries Biologists
2040 SE Marine Science Drive
Newport, OR 97365

Re: Sardine Landing Requirement

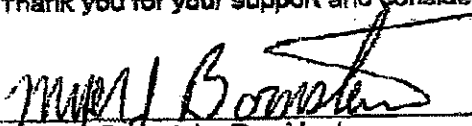
Dear Ms McCrae:

Bornstein Seafoods, Inc. has processed Sardines for the last five years but chose not to do so in 2006 because of continued poor market conditions. This left several permit holders without a market. They are Steve Finser, Richard George and Bob Briscoe. Having to make the qualifying landings would create undo economic hardship on the permit holders and the Companies they would sell to.

This is not an isolated problem as I am aware of several other permit holders unable to make deliveries in 2006. I have attempted to find markets for those permit holders we work with but were turned down by other permit holders that had a market or the Companies they are delivering to.

I am asking ODF&W to consider waiver of the landing requirement for 2006. This request would have to go before the ODF&W Commissioners; therefore, I also request you put this proposal before them.

Thank you for your support and considerations.



Myer J. Bornstein, President
Bornstein Seafoods, Inc.

From: Dana Ferguson [mailto:dana@westbaymarketing.com]

Sent: Tuesday, October 10, 2006 11:43 AM

To: BURKE Patty M

Cc: Jean McCrae

Subject: General Waiver

Patty

We at Westbay are in favor of a General Waiver for the required landing of Sardines for the 2006 season. Due to market condition and the time frame in which the permits were issued , it would seem fair to go this route. We operated the length of time and will continue to produce thru October , of a normal season. But we held one boat off this year because of marketing issues. It would seem fair to not take something away for the boats when things were out of thier control.

Thank You Dana Ferguson, Westbay Fisheries

-----Original Message-----

From: Wang Zhiyuan [mailto:chih@dayangseafoods.com]

Sent: Wednesday, October 11, 2006 12:33 AM

To: jenglund@englundmarine.com; jean.e.mcrea@state.or.us; BURKE Patty M

Cc: Yip Matt; Chih

Subject: Sardine Issue

Hello Dear Comissioners,

I represent Da Yang Seafood Inc. We like to support wavier of annual landing requirement to sardine permit holders. Consider our position, for the following reasons:

a) Market condition does not allow landing requirement to be permissible, at certain years of poor demand of sardine.

b) Landing Requirement creates market confusion when at times supply are over the market demand.

Best Regards,

Chih Yuan, Wang

Da Yang Seafood Inc. (Seattle)

Lung Soon Fishery Co. Ltd. (Taiwan)

Soon Yi Superfrozen Corp. (Taiwan)

Contact: +1 206 281 7200

Direct Fax: +1 206 281 7206

Email: zhiyuan@lungsoon.com, chih@dayangseafoods.com

<http://www.lungsoon.com> <http://www.dayangseafoods.com>

<http://www.soonyi.com.tw>

To: Oregon Commissionners

**From: Joe & Bob Puratich
Fishing Vessel Marauder**

This letter is a request for an exemption from the 2006 sardine landing requirements. We feel that we were not notified that we were entitled to a sardine license in enough time to acquire a market.

Our brief history:

We are brothers, jointly own & operate the fishing vessel Marauder. Third generation sardine fisherman.

We started fishing the first year of the Oregon experimental fishery leasing a permit. We later acquired our own permit through the state lottery system. We fished that permit, making the state landing requirements every year.

In the early spring of 2006 we applied for our sardine permit but were denied. We were told that we lost our permit through a change in the state law.

Having no sardine permit, we took our vessel to Alaska. In early to mid August we hear a rumor through friends that we may be entitled to a sardine permit. We call the fishery department up and indeed they tell us that the law has been changed again and that we are entitled to a permit.

RECEIVED

OCT 25 2006

O.D.F.W. MAIL DEPT

In early October we receive a permit application in the mail. This is the first official thing we receive in the mail suggesting we are entitled to a permit.

Again, late notice of entitlement of a sardine permit has made it impossible to get a market. Fish buyers want to buy our permit from us, but not willing to give us a market, stating they are having a hard time selling what little fish they are already buying. Thank you.

Sincerely, Joe & Bob Puratich

From: Brett Wiedoff [mailto:Brett.L.Wiedoff@state.or.us]

Sent: Monday, November 20, 2006 1:41 PM

To: Brett Wiedoff

Subject: Sardine industry comments

Recently I sent a letter inviting you to participate in sardine industry meeting via conference call on November 16th. I would like to provide you with another opportunity to comment on issues we discussed during the call.

Please reply to the following:

- 1) Do you support the request for an industry wide waiver to the minimum landing requirements for renewal of a 2006 limited entry permit?
- 2) Please comment on why permit holders could not make landings during the 2006 fishing season.
- 3) Do you support/not support removal the minimum landing requirements for renewal of a limited entry sardine permit?

I would appreciate written comments by next Monday (November 27th). If you have any questions please contact me at the number listed below.

Sincerely,

Brett Wiedoff

Project Leader

Nearshore Commercial, Developmental and Coastal Pelagic Fisheries

Oregon Department of Fish and Wildlife

2040 SE Marine Science Dr.

Newport, OR 97365

Ph: (541)867-0300 ext. 258

Fax: (541) 867-0311

Brett.L.Wiedoff@State.OR.US

From: Bob Seidel [mailto:bobseidel@astoriaholdingsinc.com]

Sent: Thursday, November 16, 2006 12:46 PM

To: WIEDOFF Brett L

Subject: 2006 Sardine Minimum Landing Requirements

Brett,

I was unable to attend today's phone conference, but I understand that you are looking for responses from permit holders regarding the fleet wide waiver of 2006 sardine minimum landing requirements, and the removal of all sardine landing requirements in general.

I am in favor of a fleet wide waiver of the 2006 sardine minimum landing requirements. As you know, there were unusual circumstances surrounding the 2006 sardine season that made it difficult for all permit holders to qualify their permits.

I am also in favor of eliminating the sardine landing requirements entirely. I do not believe these are necessary, given the current permit structure.

Also, I am aware that an option exists for permit holders to transfer their permit to another vessel in-season in case of unusual and unforeseen circumstances, in order to help them meet landing requirements. However, the current process for transferring permits to other vessels is too cumbersome for this to actually happen. The sardine fishery is relatively short lived (approx 12 weeks), and does not allow enough time for a permit holder to acquire signatures (all notarized) from vessel owners, bankers, corporate officers, etc in time to make any transfers happen prior to the end of the season.

Best Regards,
Bob Seidel
Permit Holder

From: Keith Omey [mailto:omeyfishco@comcast.net]
Sent: Monday, November 20, 2006 5:29 PM
To: WIEDOFF Brett L
Subject: LANDING REQUIRMENTS

I am very much opposed to dropping the landing requirements for the Oregon sardine fishery. The boats that failed to qualify their permits did so knowingly, some fished squid in California this summer and others went north to Alaska. These fishermen that did not qualify their permits had choices and they made them. I believe the fishery can be executed by twenty boats or less, and that additional permits will only lesson the economic viability of the fishery. Some of the non qualifying fishermen have never even participated in the sardine fishery in Oregon; my guess is a few of them want the permits for resale only.

From: JCappuccio@aol.com [mailto:JCappuccio@aol.com]
Sent: Monday, November 20, 2006 6:25 PM
To: WIEDOFF Brett L
Subject: Re: Sardine industry comments

Hi Brett, thank you for your email.

Please don't give up on me, I usually participate in these dicussions. I am an advocate for allowing fishermen and processors who want to work, access to the resource. I am against people who just hoard permits for their intrinsic value giving no value to the community or the industry. By leaving the fish in the water unharvested, is a waste and benefits no one. We are at a time where we have an aging fleet of fishermen and we need new blood, new participants, not expensive obsticals. I myself this year, purchased a permit for \$20k, this very same permit was granted on an appeal.

Before I purchased the permit, I was leasing one. Then I was called daily from "permit speculators" to validate their permits. I told them, no, but I offered to buy their permits for \$20k. I was told "no, they might be worth more in the future." If this is what the department wants, so be it, I am just making you aware of my position, the permits should be licenses to work, not lottery tickets.

Answers to your questions:

- 1) No, please keep the rules now in place. This will eventually get rid of the speculation. In addition, 1 boat should not be allowed to validate more than 1 permit.
- 2) Many of the permit holders do not own a sardine fishing boat, some don't even own a boat. There is too much speculative permit ownership. If the number of permits matched the number of actual participants, California, Oregon and Washington would have an easier time merging federal and state licensing and access.
- 3) No, please keep the minimum landing requirement in place, add that only one permit can be validated by one vessel. When permits are not used, maybe they can be returned to the state, then serious participants can buy these permits from the state. If there is no renewal requirements, these permits will go dormant, and this industry will stagnate and many will suffer for the benefits of a few.

Sincerely,

Joe Cappuccio
President, Del Mar Seafoods.

-----Original Message-----

From: Darrell Kapp [mailto:dkapp@apsfd.com]

Sent: Monday, November 20, 2006 11:10 AM

To: Bertt.L.Wiedoff@state.OR.US

Cc: kappjr; Mike Okoniewski

Subject: 20 permits is enough.

Mr. Brett Wiedoff
Oregon Department of Fish and Wildlife

Dear Mr. Wiedoff:

I was unable to attend the conference call about the sardine petitions to forgo the 2006 landing requirements. I am adamantly opposed to waiving the landing requirements at this time.

The sardine fishery in Oregon has been a political mess since the Devo Board started playing with it in 2002. Passed to the Commission, the Commission has continued to change the fishery without a clue as to the proper management tools needed. We asked the Commission to get educated by Susan Hanna so they would adopt good rules. They failed to do so. This petition, is the outcome of the bad fisheries policy they implemented.

The Commission went against the Departments recommendation to not add more then 20 permits. They went against the economic report to not add more permits and they went against the wishes of NOAA to not add more permits. Their decision to add more permits was an arbitrary and capricious ruling. They should be taken to court and made to document their action. They will fail this requirement of public policy.

We now have this mess and to further mess up the fishery would be to allow the unused, more then 20 permits, to be validated as though they were critical to the fishery. In fact the added permits only cause more harm to the fishery. We have the opportunity now, to get the license segment of the Oregon Sardine fishery back to under 20 permits. We need to do this.

Others that wanted to expand the fishery and retract the expansion with landing requirements are now suggesting this waiver. This shows they were not being honest with the process. They only want more permits which is not how modern Fisheries Management should work.

Best regards,

Darrell Kapp
Oregon Processor and Oregon Sardine Fishermen

From: Diane Nelson [mailto:nels645@comcast.net]

Sent: Thursday, November 23, 2006 9:39 AM

To: WIEDOFF Brett L

Subject: sardine limited entry requirements

This response is from Laeth Nelson and Stan Nelson. We have been sardine fishermen in Oregon for six years.

Regarding the granting of waivers for the entire fleet for 2006: The state of Oregon issued new permits into an over permitted fishery in 2005. There were only markets for 18 vessels in 2005. The sardine market was weak and collapsed in 2005 because of over production. It should have been obvious that no new markets would have been available in 2006, leaving more vessels to seek alternative fisheries. Now that the new permits have been authorized, we think a fleet wide waiver for 2006 is Oregon's least contested option. This choice is certainly not the best for the success of the sardine fishery, however, we think it solves alot of litigious problems.

Regarding inability to make minimum landings: As previously stated, because of the collapse of sardine markets, no new processing was developed in 2005 allowing for expansion in 2006. Obviously, there were too few markets for too many permits.

We think you should remove the minimum landing requirements because all these requirements just make for mischief and complications making fishermen's lives even more stressed. A system needs to be in place so that a fisherman has to ability to petition Oregon if he has legitimate investment in equipment and a market for sardines to get a permit. We think that permits that have not been actively used in two successive sardine seasons should be reviewed case by case and eliminated if no legitimate attempt was made to participate in those years.

Att. Brett

Page 1 of 2

Oregon Dept. of Fish + Game. Nov 21, 11 AM, 06
 SARDENE: Fishery Comments. by Truman Sandelin
 Hello Brett,

1. Do you Support Fleetwide waiver for permit
 Renewal? yes
2. Comment why people could not make Landings.

(A) No where to Land the Fish. Let alone get
 money for the Fish — "No Market"

I called several markets and they
 said No to any deliveries. I worked
 on a Fertilizer market to take 10 five
 Ton Loads and Dump them on a horse
 Ranch to No Avail because of Delivery base,
 Fish tickets, ice, and \$.

(B) Cost of Fuel For me To Deliver The first
 Fish would be 7,500 + Carries wages
 and Licenses, coming up to Approx 18,000
 The cost of moving a boat + crew from one
 Fishery to Another Fishery requires more
 than meets the eye? If I cannot Sell my
 Fish what good is The permit? If you
 don't get a pay check would you go to
 work? The markets wanted me to
 Camp out in Astoria Boat Harbor + wait?

Received Time Nov. 21. 12:11PM

Page 2.

3. Do you Support Removal of minimum Landing Re Quirments?

Answer is yes!

Fish are unpredictable! unreliable or everyone would be a Fisherman.

you Have a List of These unreliable that pleg the industry + F+G.

Fish size, Food, Growth rate, Disease weather, el nino red tide etc Boat Availabl- to catch Distance to Fish Docks Avail Freezer Cap Trucks Cost of Freon Diesel Fuel etc. etc. then Find a good market and loose it because of any of the above.

Landing requirements are only Advantages to a very few in the industry. Follow the money & advantages of the Few.

Landing requirements will make people cheat to get them - Keep the price of Fish Low, put total control in hands of the now existing markets, Bring Knos to Licencing process for F+G and tons of Law Suits to the commission

Truman Sandelin



ATTENTION BRETT WIEDOFF:

1) YES I SUPPORT THE PETITION TO WAVE LANDING REQUIREMENTS

2) MY REASONS FOR SUPPORTING THIS PETITION

- 1. MARKET CONDITIONS MAY DETERMINE LACK OF DEMAND LIKE THIS YEAR. THERE WERE NO JOBS FOR SOME OF THE ORIGINAL PERMIT HOLDERS.
- 2. PRICES MAY NOT BE HIGH ENOUGH TO MAKE IT FINANCIALLY WORKABLE.
- 3. AS A PERMIT HOLDER I SHOULD HAVE A CHOICE TO GO OR NOT TO GO BASED ON BUSINESS ALONE.
- 4) I BELIEVE THE MARKET CONDITIONS WILL DETERMINE THE PARTICIPATION.

3) THE ONLY CONDITION I WOULD SUPPORT IS THAT THE PERMIT HOLDER IS ALSO THE VESSEL OWNER AND THAT VESSEL IS CAPABLE OF PERFORMING THE JOB.

Richard George
11/21/06

Richard George



VOLCANO BAY, INC.
F/V PAPA GEORGE

December 5, 2006

To: Brett Wiedoff
Nearshore Commercial, Developmental, and Coastal Pelagic Fisheries
ODF&W
Marine Resources Program
Newport, OR 97365

RE: Sardine Landing Requirements for Renewal of Permit

Dear Mr. Wiedoff,

Unfortunately, I received the conference call notice too late to participate. Instead I am writing to request a change in policy by ODF&W concerning the department's landing requirements for sardine permits. Over the past year we have seen my husband's sardine permit, which had satisfied the landing requirements for 2005, taken away over the winter. (#57024) Then it was re-issued in August of 2006, too late to procure a market.

Our market from 2003-2005 was bought out by DelMar Seafoods. Without an opportunity to fish, we leased our permit # 57013 to the F/V Ocean Angel II or so we thought. It turned out that the owner of the Ocean Angel II had filled out the "ownership change" portion of the transfer without our knowledge. Henceforth, the landings from our permit lease were issued to Mr. Cappuccio of the Ocean Angel II instead of where we intended, the F/V Papa George owned by our Mom & Pop corporation, Volcano Bay, Inc. We had agreed to a designated vessel transfer, not an ownership transfer. The upshot is that the landing requirement will again deny us a permit renewal for 2006. The staff at ODF&G Licensing did not apprise us of this "ownership transfer" problem until we transferred the boat designation back to our corporation. I cannot tell you the trauma and heartache this entire process caused us.

We have lost one permit, then it was re-issued too late. Now we could lose another permit because of a paperwork snafu which was entirely avoidable if the landing requirements ceased. However, the most important reason for canceling the landings requirement is that market forces are far more efficient at adjusting to the sardine fishery than rules which have the scent of "social engineering". My husband and I are lifelong fishermen and our boat has held an OR license since 1995. We do not participate in any other fishery in Alaska, Washington, or California that requires a set amount of landings to earn renewal. We pay our fees and just go fishing if the market and resource allow. Oregon is the only state which forces you to fish to keep your permit even when there is no market or the resource is the wrong size.

We respectfully request that the ODF&G revisit the issue of landing requirements for sardine permits. From our perspective, as Oregon fishermen, the landings requirement is unnecessary and has caused us undo trouble.

Sincerely,

Holly Lovejoy
F/V Papa George owner
Volcano Bay, Inc.

6201 15th Ave NW
G-910
Seattle, WA 98107

Summary of November 16th conference call and public comments received as of December 7, 2006.

Asked for Waiver?	Support Removing Landing requirement?	Support Removing Landing requirement?	Met minimum landings 2006?	Permit holder, Processor or Vessel operator?	Permit Holder?	Original Permit, New Permit or Not applicable (NA)	Permit Activation Date	Name	State
	no	no	yes	Permit holder	yes	New	9/21/2006	CAPPUCCIO, JOE	CA
	no	yes	yes	Permit holder	yes	New	9/8/2006	FISHER, JAMES B	OR
	yes	no	yes	Permit holder	yes	Original	9/15/2006	GLENOVICH, ROBERT P	WA
	no	no	yes	Permit holder	yes	Original	1/30/2006	JERKOVICH, MARC	WA
	no	no	yes	Permit holder	yes	Original	1/19/2006	JERKOVICH, NICK, JR	WA
	no	no	yes	Permit holder	yes	Original	5/17/2006	KAPP, DARRELL (Astoria Pacific Seafoods)	WA
	no	no	yes	Permit holder	yes	Original	1/23/2006	KAPP, RYAN	WA
	no	no	yes	Permit holder	yes	Original	1/20/2006	KAPP, SUSAN (Astoria Pacific Seafoods)	WA
	no	no	yes	Permit holder	yes	New	8/31/2006	LAW, EUGENE	OR
	yes	yes	yes	Permit holder	yes	Original	1/10/2006	MCDONALD, DAN	WA
	yes	yes	yes	Permit holder	yes	Original	6/5/2006	MUNDELL, MARTIN R	WA
	yes	yes	yes	Permit holder	yes	Original	4/27/2006	NELSON, LAETH	WA
	yes	yes	yes	Permit holder	yes	Original	6/15/2006	NELSON, STANLEY J	WA
	no	yes	yes	Permit holder	yes	Original	9/15/2006	SCHONES, STANLEY J	OR
	no	yes	yes	Permit holder	yes	Original	9/6/2006	SCHONES, STANLEY J	OR
	no	yes	yes	Permit holder	yes	Original	4/25/2006	SMITH, ALLEN M	ID
	yes	yes	yes	Permit holder	yes	Original	6/28/2006	STONE, VINCE M	WA
	yes	yes	yes	Permit holder	yes	Original	1/31/2006	WILSON, MABEL E	OR
	yes	yes	no	Permit holder	yes	New	10/10/2006	BABICH, ANDREW P	WA
	yes	yes	no	Permit holder	yes	New	10/10/2006	BRISCOE, ROBERT J	WA
	yes	yes	no	Permit holder	yes	Original	10/2/2006	SANDELIN, TRUMAN	WA
yes	yes	yes	no	Permit holder	yes	Original	1/27/2006	FINZER, STEVE M	OR
yes	yes	yes	no	Permit holder	yes	Original	4/4/2006	GEORGE, RICHARD	CA
yes	yes	yes	no	Permit holder	yes	New	10/30/2006	PURATICH, ROBERT	WA
	yes	yes	no	Permit holder	yes	Original	6/15/2006	SEIDEL, ROBERT (Astoria Holdings)	WA
	yes	yes	no	Permit holder	yes	Original	9/21/2006	LOVEJOY, STEPHEN	WA
yes	yes	yes	NA	Processor	no	NA		BORNSTEIN, MEYER J. (Borstein Seafoods, INC)	OR
yes	yes	no	NA	Processor	no	NA		BROWN, MIKE (Pacific Seafoods, Warrenton)	OR
yes	yes	yes	NA	Processor	no	NA		FERGUSON, DANA (West Bay Fisheries)	OR
	no	no	NA	Processor	no	NA		LACEY, MARK (Pt Adams Packing)	OR
	no	no	NA	Processor	no	NA		LIBBY, TOM (Pt Adams Packing)	OR
yes	yes	no	NA	Processor	no	NA		OKONIEWSKI, MIKE (Pacific Seafoods, Westport)	WA
	no	no	NA	Vessel Operator	no	NA		OMEY, KEITH	WA
yes	yes	yes	NA	Processor	no	NA		THON, JERRY (Astoria Holdings)	OR
yes	yes	yes	NA	Processor	no	NA		YUAN, CHIH (Day Yang Seafoods INC.)	WA

November 30, 2006

ODFW Marine Resources Program
2040 SE Marine Science Drive
Newport, OR 97365
Attn: Brett Wiedoff; Patty Burke

Re: Sardine Permit Renewal Requirements

Dear Brett and Patty:

You have asked for comments regarding the waiver of renewal requirements for 2006 sardine permit holders, and regarding the removal of such in the future. I apologize for the late response. My views are as follows;

1. The requirements for 2006 permit holders to make the required level of participation performance standards should be waived.
 - Economic conditions in the 2006 fishery conspired to exclude some permit holders who had participated by landing significant amounts of sardines into Oregon in previous years. There were really only twelve or thirteen viable market opportunities for this season.
 - The issuance of six additional permits into the fishery in August only exacerbated that situation for several vessels which had lost their markets.
 - While it is true that some permit holders were successful in maneuvering their permits onto vessels to qualify their permits, I do not believe that such actions should penalize those permit holders who made legitimate efforts to secure markets but were ultimately unsuccessful. Shuffling permits onto and off of vessels to satisfy renewal requirements flies in the face of the intent of those rules, and does nothing to secure product for the processing companies who felt that performance standards were necessary.
2. Renewal requirements for future sardine seasons are no longer necessary, and should be removed.
 - At this time in the development of the fishery, there are about twice as many permits as there are legitimate sardine markets. It makes no sense to require permit holders to participate when severe economic hardship, including loss of permit could occur given the present processing capacity and availability (lack of) adequate markets.

While I believe it would be in the best interests of the fishery to reduce the number of permits through attrition, I do not think that would ever happen in an equitable manner after witnessing the events of this season.

Thank you for the opportunity to comment.

Very truly yours,

Dan Macdonald
Exceller Fisheries, Inc./Permit Holder