| | Direct | Indirect | Induced | Total |
|---|---|---|---|---|
| Harvesters | 441 | 25 | 50 | 516 |
| Primary Dealers | 496 | 33 | 181 | 710 |
| Secondary Dealers | 928 | 90 | 434 | 1452 |
| Restaurants | 1598 | 28 | 211 | 1837 |
| Grocers | 399 | 14 | 95 | 508 |
| Total | 3862 | 190 | 971 | 5023 |

*Table 3: Employment in the N.H. seafood industry in 2007*


The N.H. commercial fishing industry is facing numerous challenges, including low-cost seafood imports brought on through globalization, rising costs of doing business, numerous and constantly changing regulations, and the perception by a portion of the population that commercial fishing is not an environmentally sustainable industry.

The overall N.H. fishing fleet is owned by small businesses with modest day-trip based boats. In 2009, 180 boats in N.H. had commercial permits with the average boat length being 37 feet long. Given the challenges facing the industry, there is the potential of consolidation to a small number of large corporate entities and the possibility of fishing allocations to go to out-of-state permit holders.

To help preserve and continue New Hampshire's long tradition of a fishing fleet operated by small business owners, there are actions that can be taken to strengthen the financial health of the commercial fishing industry in New Hampshire. Because of catch quotas, it is unlikely in the near-term that the volume of catch can increase dramatically to generate more revenue for the fishing industry. Instead, the best course of action is to boost the profitability of the existing fleet through a variety of strategies to increase the prices that fisherman receive for their existing catch and to reduce the costs that fisherman experience.

This initial assessment was useful in understanding the overall state of the N.H. commercial fishing industry, the economic impact it has on the N.H. economy, and some of the factors impacting its health. While this initial research has given valuable insight into how the industry works in N.H., it did not have a sufficient budget to fully process the wealth of information that is out there. Additional analysis and research could help document the state of the industry and provide specific recommendations that could help to improve the financial health and sustainability of the industry.

[5] *2009 Northeast Region Vessel Permit Data*, NOAA Fisheries Service: Northeast Region Permit Office, Available online at http://www.nero.noaa.gov/permits/data/2009/


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# Economic Impact of the N.H. Seafood Industry: Opportunity for Sustainability

New Hampshire's relatively small coast of 18 miles has supported an active commercial fishing industry for the past 400 years. From its very beginning in the early 1600s, New Hampshire differed from its neighboring colonies because its primary reason for establishment was for commercial enterprise, with the dominant industry being fishing. Both in colonial times and modern day, the New Hampshire fishing industry relies on groundfish, with the Atlantic codfish being the dominant economic groundfish species, but many other fish species were and are of great economic importance as well.[1]

Despite its modest coastline, New Hampshire is located in the middle of some of the world's most historically strong fishing grounds. In addition, New Hampshire is graced with two major estuaries — Great Bay and Hampton-Seabrook — which provide a rich habitat for a variety of marine life.

While the Northern New England fisheries seemed without bound for many centuries, increased fisheries pressure brought on by population increases, fishing technology advances and degraded environmental conditions have resulted in dramatic reductions in the level of fish stocks from early colonial levels.

[1] Groundfish are fish that live on or near the bottom of the ocean. These typically are species of great economic importance and subsequently are potentially subject to exploitation through overfishing. Currently, the Northeast Multispecies Fishery Management Plan regulates the commercial harvest of 19 Northeast groundfish stocks.

These stocks include: 1) Georges Bank (GB) Cod, 2) Georges Bank (GB) Haddock, 3) Georges Bank (GB) Yellowtail Flounder, 4) Southern New England/Mid-Atlantic (SNE/MA) Yellowtail Flounder, 5) Gulf of Maine/Cape Cod (GOM/CC) Yellowtail Flounder, 6) Gulf of Maine (GOM) Cod, 7) Witch Flounder, 8) American Plaice, 9) Gulf of Maine (GOM) Winter Flounder, 10) Southern New England/Mid-Atlantic (SNE/MA) Winter Flounder, 11) Georges Bank (GB) Winter Flounder, 12) White Hake, 13) Pollock, 14) Acadian Redfish, 15) Ocean Pout, 16) Gulf of Maine/Georges Bank (No.) Windowpane, 17) Southern New England/Mid-Atlantic (So.) Windowpane, 18) Gulf of Maine (GOM) Haddock, 19) Atlantic Halibut

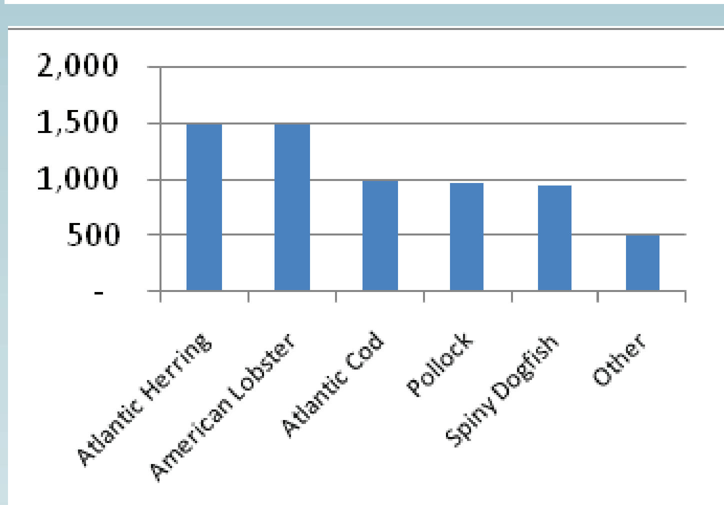
Groundfish today only account for about 25% of the economic value of the N.H. commercial catch. While there are other seafood species of economic importance to New Hampshire, including northern shrimp, Atlantic herring and bluefin tuna, the species of greatest economic significance is the American lobster. The N.H. lobster industry emerged in colonial times and has experienced dramatic growth since the mid-1800s starting with the advent of the lobster pot. Today, the American lobster is the dominant economic marine species in N.H., accounting for almost 70% of the economic value of the state's commercial catch.

In 2009, N.H. commercial fishers landed 6,400 tons of 30 different commercial species having an economic value of $17.3 million. Five species accounted for approximately 90% of the overall catch by weight, including: Atlantic herring, American lobster, Atlantic cod, pollock and spiny dogfish (Table 1). Three species — American lobster, Atlantic cod and pollock — accounted for approximately 90% of the overall catch by economic value (Table 2).

| Species | Weight (tons) | % of Total Catch |
|---|---|---|
| Atlantic Herring | 1,496 | 23% |
| American Lobster | 1,492 | 23% |
| Atlantic Cod | 992 | 15% |
| Pollock | 975 | 15% |
| Spiny Dogfish | 942 | 15% |
| Other | 508 | 8% |

| Species | Value ($2009 millions) | % of Total Value |
|---|---|---|
| American Lobster | $ 11.9 | 69% |
| Atlantic Cod | $ 2.6 | 15% |
| Pollock | $ 1.2 | 7% |
| Other | $ 1.6 | 9% |

*Table 1 (above left): N.H. catch by weight in 2009*
*Table 2 (above right): N.H. catch by economic value in 2009*



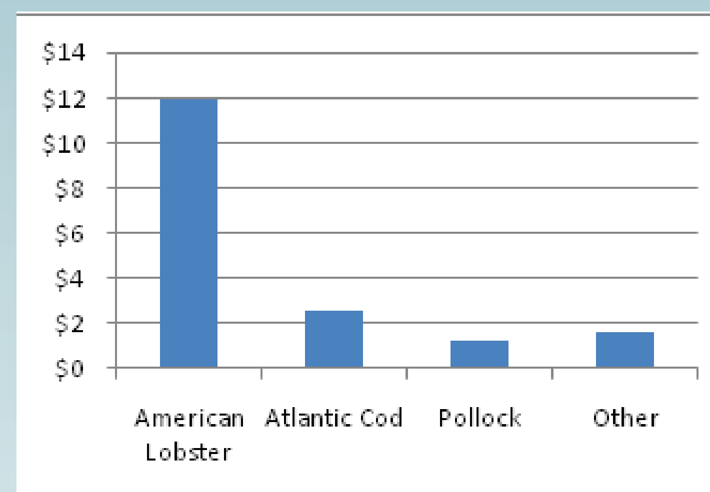




*Figure 1 (above left): N.H. catch by weight in 2009*
*Figure 2 (right): N.H. catch by economic value in 2009*

In the Northern New England area, the catch weight and economic value of the seafood catch is dominated by Massachusetts and Maine (Figure 3). In 2009, Massachusetts landed over 160,000 tons of commercial catch (64% of total Northern New England catch), Maine landed 83,000 tons (33% of total Northern New England catch), and New Hampshire landed 6,400 tons (3% of Northern New England catch). In terms of economic value, Massachusetts landed approximately $400 million in commercial catch (57% of total Northern New England catch), Maine landed $283 million (40% of total Northern New England catch), and New Hampshire landed $17 million (2% of Northern New England catch). From 1950 to present, while Maine's and Massachusetts' total catch has decreased, N.H.'s total catch has actually increased, peaking at 12,400 tons in 2003, and is still well above levels experienced in the 1950s.

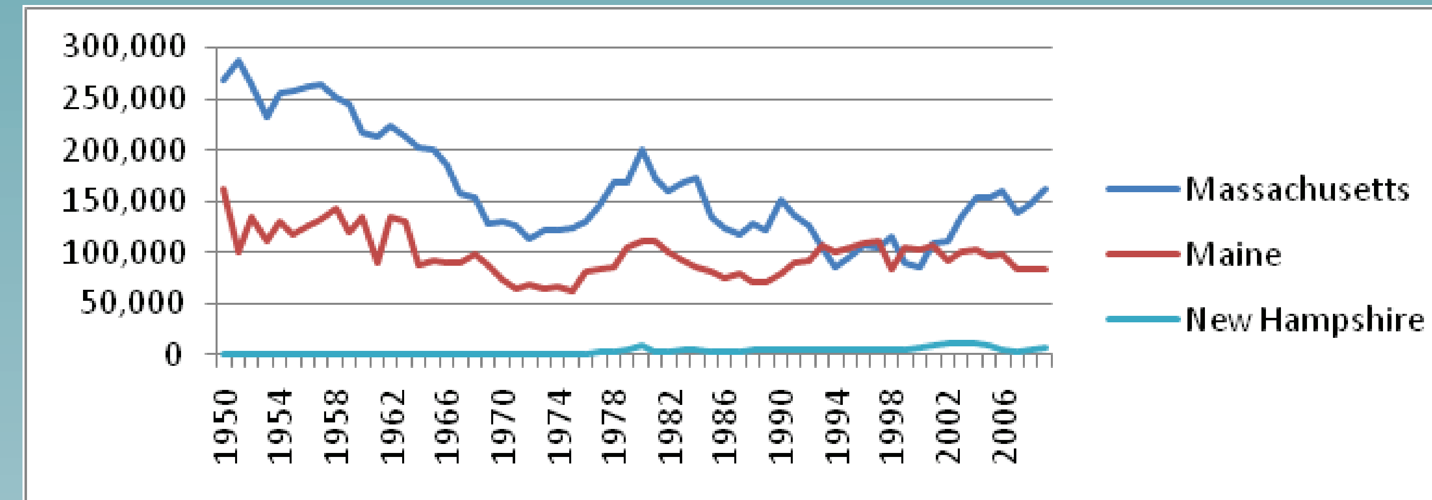



*Figure 3: Northern New England catch by state (tons) from 1950-2009.*

From 1950 to the present, all of the Northern New England states are harvesting more in economic value from the sea today than they were in 1950.[2] This is true even when past dollars are adjusted for inflation to current dollars ($2009, Figure 4). The economic value has increased even though the overall catch volume has decreased. The New Hampshire industry has been relatively stable in terms of economic catch value for the last 30 years, averaging around $17 million in revenue when adjusted for inflation.

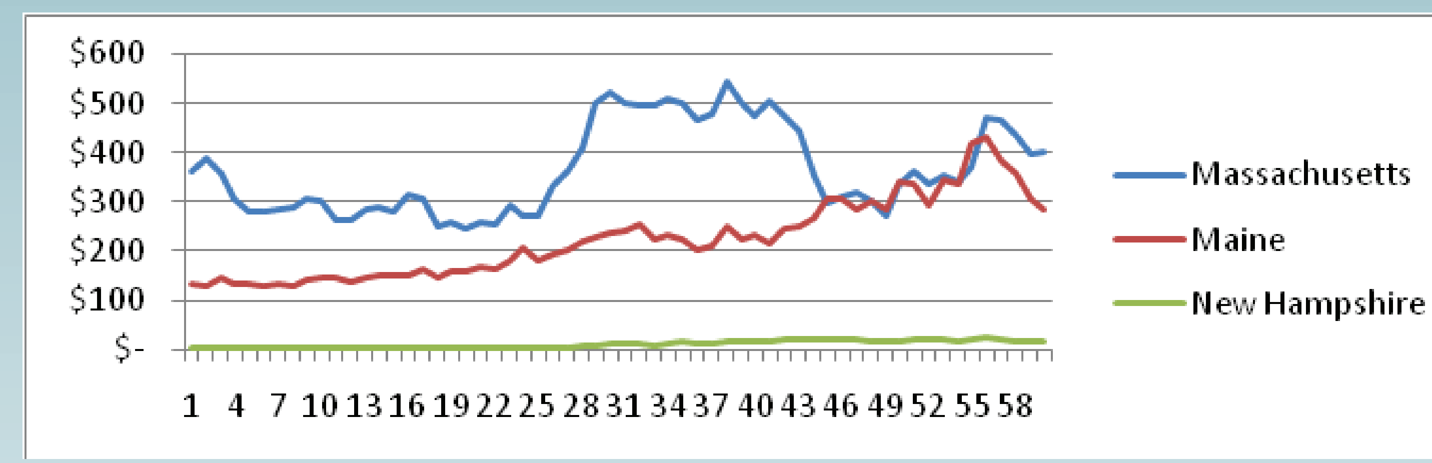



*Figure 4: Northern New England catch by state ($2009) from 1950-2009.*

In colonial times, a wide variety of local industries supported N.H. commercial fishermen — including salt mining, ice harvesting, ship building, tackle manufacturing, trade and processing.[3] Today, the N.H. economy is far less reliant on the fishing industry as a portion of the overall economy. While the economic value of the catch is only 0.03% of the $60 billion dollar N.H. economy, the N.H. commercial fishing industry directly generates approximately 450 full- and part-time jobs (Table 3). Total economic activity generated from the N.H. commercial fishing industry is estimated to be $106 million (0.2% of the N.H. economy) supporting an overall 5,000 full- and part-time jobs.[4]

[2]Reporting was not as rigorous or stringent for the states in earlier years, which may have resulted in underreporting.

[3]*New Hampshire's marine fisheries history*. Marine Fisheries Review. FindArticles.com. 09 Dec, 2010. Available online at http://findarticles.com/p/articles/mi_m3089/is_n4_v50/ai_9102727/

*Brief History of the Groundfishing Industry of New England*, Northeast Fisheries Science Center. Available online at http://www.nefsc.noaa.gov/history/stories/groundfish/grndfsh1.htm

[4]*Seafood Industry Impacts*, NOAA Fisheries Service, Accessed December 2010. Available online at https://www.st.nmfs.noaa.gov/pls/apex32/f?p=160:7:817389503578022