

Commercial Fishermen GO CHARTERING

Fantasea VI



Is diversity becoming a necessity with some fishermen? Here's what five fishermen who have started charter businesses have to say.

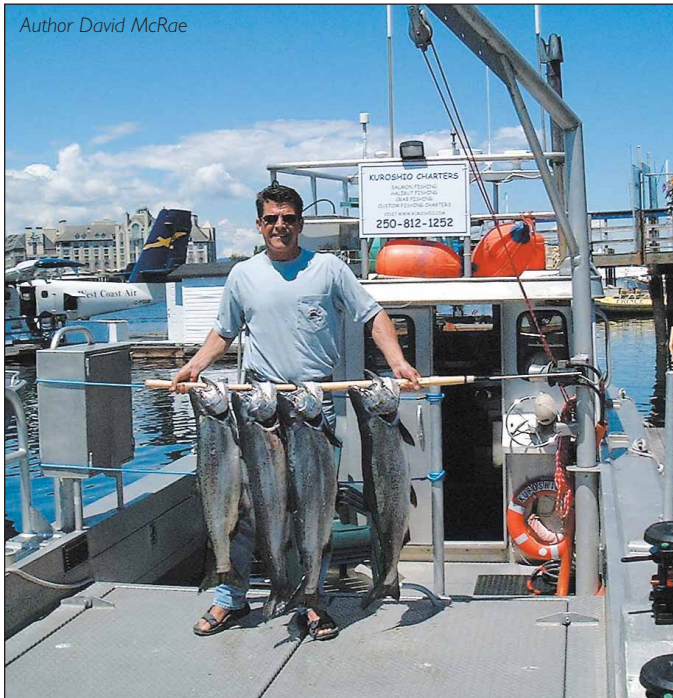
BY DAVID MCRAE

During the last two decades, commercial fishing has experienced countless changes. Some of these changes include shortened fishing seasons, licensing and quota adjustments and monitoring programs, usually fully funded by the fishermen. There are also industry changes such as increased competition

worldwide, consumption changes and the rising cost of doing business. These obstacles make it difficult for a fishing business to rely on just one species to survive, so many fishermen are diversifying their fishing efforts by targeting multiple species and sometimes even venturing into alternative markets.

Expansion of commercial fishing operations may require leasing a licence or a making a substantial investment to purchase one. To keep up with competition, a fisherman must consider the cost of gear upgrades and vessel modifications. The barriers to expanding commercial fishing operations can be quite a deterrent to many fishermen. As well, switching to other commercial species may leave the operator exposed to obstacles such as unstable markets and fluctuating prices.

Author David McRae



Clients with limit of springs caught on the *Kuroshio*.

Still, diversification is a necessity of survival for many fishermen today. Recently, commercial fishermen have even ventured into the sports fishing and marine tourism industries.

Sports fishing charters, whale watching, kayaking and other marine tourism ventures have expanded considerably during the last 10 years. According to the most recent charter fishing industry statistics maintained by the BC provincial

government, 257,750 saltwater licences were sold in 2001. Licence sales peaked in the mid-'90s at 646,551 licences. Annual revenues for tidal sports fishing charters were estimated at \$341 million in 2001, while current saltwater sports fishing revenues are about \$500 million and involve more than 1,000 businesses including 125 lodges or resorts.

Given those numbers, marine tourism industries may offer a viable alternative for commercial fishers seeking to expand and diversify their operations. Barriers to entry in these activities are minimal in most locations. There are no special licences required for crews or vessels at present; however, passenger-carrying vessels require inspection and certification by Transport Canada once a year. As well, each business requires a business licence and may have location-specific requirements, such as an office or a minimum amount of liability insurance.

Stories of windfall profits in the sportsfishing industry are common. Many of these stories have originated in more remote locations such as Port Renfrew, Tofino, Ucluelet, Port Hardy and the Queen Charlotte Islands. These locations are world-renowned for their abundance of sports fish, which is due largely to successful marketing campaigns. Unlike the commercial fishing industry, the sports fishing charter industry is unregulated. There are no special licensing requirement for guides or vessels and no limit to the number of vessels operating in the industry. The ease of entry is perhaps the greatest attraction; purchase a few downriggers and fishing rods and you're in business.

In the past, sea urchin diving kept my vessel, the *Kuroshio*, fishing all year. In recent years, competition from other countries and changes in consumption and spending habits in our major market, Japan, reduced the season to about seven months a year. Having the peak tourist months, April to September off, I decided to look into the guided sportsfishing business. The ease of entry is what attracted me to the industry. I didn't have to purchase a licence and there are no validation fees or monitoring programs cutting into my

David McRae's *Kuroshio*



profits, and my vessel was easily adapted to sports fishing charters. I did need some fishing rods and gear, all adding up to a small investment compared to the cost of my urchin gear. I was also able to work from my hometown, Victoria. I leased a berth at the Harbour Air Marine Adventure Center and purchased a few downriggers, life jackets and some business cards. Next, I had the *Kuroshio* inspected by Transport Canada and picked up a business licence at city hall. I was ready to fish!

Having done no research into the charter fishing market I wasn't expecting any great returns the first season, and I wasn't even sure if I would enjoy it. That was three years ago. After just finishing my third season, I have to admit business has been slow but enjoyable. Foreign tourist numbers were down in Victoria this past summer, with merchants blaming the stronger Canadian dollar. On the other hand, there was a notable increase in the number of passengers from Alberta, likely due to their booming economy. Overall I find the guiding business enjoyable and relatively stress-free, although sometimes when you're not catching fish things can get a little frustrating. But the best part about that is, even if you don't manage to catch a fish, you still get paid.

Being the most recent commercial fisherman to establish a charter business in the Victoria Harbour, I thought I would take a walk around the docks and see how things were going with other commercial fishermen operating charter vessels.

Godfrey Weftmoreland –

www.boatchartersvictoria.com

Godfrey has been a vessel owner for 20 years and in the charter business for the last eight years, doing business as Godfrey's Fantasea Charters. He currently has two vessels that operate year-round from Victoria's Inner-Harbour: The *Fantasea VI* is a 41-foot Canoe Cove licensed to carry 20 passengers and offers a full bar service, and *The Early Dawn*, a 22-foot Searay is used primarily for fishing.



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Godfrey started off in the commercial industry fishing halibut, cod, tuna and prawns over 20 years ago. He has been owner of a few commercial vessels including the, *Wefty One*, *Ocean Guile*, *Mystic Moon*, and most recently the *Pacific Clipper*. Tired of the constant battle of commercial fishing, Godfrey made the move to the chartering in 1998. When I visited Godfrey onboard *The Fantasea* in Victoria, the vessel was undergoing some transmission repairs but even so, Godfrey appeared to be in very high spirits as he prepared for his next charter.

I asked Godfrey about the realities of the charter industry. I explained I was looking for information to pass on to other commercial fishermen who may be considering chartering as an alternative income source. Godfrey's face lit up with a big smile, and he replied, "The reality of my situation is, my wife has a really good job now and as long as I stay married, I can keep my boat. This is my eighth year of operation and I am finally going to break even. Since I started this business I've sold two rental properties to subsidize my company."

I followed up by asking what words of wisdom he had for commercial fishermen thinking about getting into the charter business. "The worst day chartering is better than the best day of fishing," he answered with a wry grin. Then he is quick to point out the irony of the situation: "My prawn vessel and licences have gone up \$800k since I sold them," he admits.

I concluded my visit with Godfrey by asking what he feels is

the greatest difference between charter fishing and commercial fishing. "That's easy," he says. "One you do for money and the other you do for fun! I'll let you figure out which is which."

Fraser Stothart –

www.naturallysalty.com

Fraser owns Naturally Salty Excursions in Victoria. His company has three employees and the whale-watching vessel



Fraser Stothart's whale watching vessel **Cetacean**.
INSET: Stothart's office at Victoria Harbour

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Cetacean, which operates all but one month of the year. The *Cetacean* is a 30-foot aluminum Armstrong catamaran with a cabin and head, and is licensed to carry 12 passengers. Fraser started his whale watching business 11 years ago while employed in the dive fisheries. Until about three years ago he was still employed in the dive fisheries during the winter months. When asked if it was an easy venture to get off the ground, Fraser reports it took five years for him to get the wheels rolling. "There's very little room for expansion in the tourist fleet located in Victoria, and the distances you need to travel to see the whales makes it a difficult venture. Other remote locations may still be available and poses less competition for startup, such as out at Bamfield and up north in Winter Harbor. But the good news is, now my commercial diving is down to one week a year," he says.

Gordon Martin –

www.foghorncharters.com



Gordon Martin on *The Foghorn*

Fog Horn Charters has been in the business of charter fishing for the past 14 years. Martin's commercial fishing began 24 years ago on the west coast. When asked about commercial fishing Martin says he has fished for just about everything except tuna. His present vessel, *Fog Horn* is a new 25-foot Wellcraft that operates year-round on southern Vancouver Island. While talking with Gordon about the charter fishing industry he was quick to mention the minimal amount of regulations and enforcement. "This leaves the door open to anyone," he explains. "A lot of the guys out on the grounds are operating without inspections or business licences." Gordon suggests the DFO is also missing out on valuable information on fish stocks and migration patterns by ignoring the sportfishing charter boats. "I am out fishing every month of the year," states Martin, "and there is a huge gap in fish monitoring programs." He is confident that the information on fish that could be provided by a regulated charter fishing industry would be invaluable to DFO in their fish monitoring programs.

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Corey Hayes –

www.coreysfishingcharters.com



Corey Hayes brings a halibut aboard for a client.

Corey's commercial fishing career began 14 years ago in the dive fisheries. He soon expanded into hook and line, concentrating his efforts at the north end of Vancouver Island. During summers, Corey managed to find time to guide at some of the north coast fishing lodges, and then 10 years ago he decided to establish his own guiding business in Port Hardy. "In the beginning things were really slow," says Corey. "It took several years to build up a clientele." Hayes's company now has two charter vessels, a 30-foot aluminum Armstrong named *Silver Lady*, and a 24-foot Sea West built by Jenkins Marine.

One of the most notable changes Corey has witnessed in the guided sportsfishing business is customer attitude. During his early days of guiding he describes the customer's main objective was to fill the freezer. In recent years, Corey feels his clientele has moved towards more environmentally conscious fishing. "Gone are the old days of meat fishing. Now there is a new appreciation for the ocean environment and we get a lot of catch-and-release fishermen."

Corey says it's nice to catch fish but customers seem to be just as interested in all the nature that is out there, such as the sea lions, seals, whales, eagles, as well as the awesome beauty of the rugged BC coast. "To us it's mostly just grey rocks and green trees, but when you don't see it 300 days a year, it's a really cool experience," says Hayes.

The minimal regulations and lack of enforcement in the charter fishing industry are a concern for Corey. Some of the competitors currently under-cutting his prices are not inspected and operate without business licences. He is looking forward to the new Passenger Vessel Safety Decal Program that the Department of Transport will introduce in January 2007. "But," Corey adds, "without enforcement all the regulations in the world are meaningless."

The sports fishing and marine tourism industries do offer today's commercial fisherman a new avenue for diversification and perhaps even a complete career change. This easy entry into the industry is not always followed by easy profits, however, but over time you can realize success, especially if you are already a responsible, successful commercial fisherman. If you are considering sports fishing or tourism charters as a secondary income source, remember what Godfrey Weftmoreland says: "The worst day chartering is better than the best day fishing."

Well...maybe.



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