

2018 Spiny Dogfish Advisory Panel (AP) Fishery Performance Report (FPR)

The Spiny Dogfish Advisory Panel (AP) (<http://www.mafmc.org/advisory-panels/>) met August 27, 2018 to develop the Fishery Performance Report (FPR) below. The meeting was conducted via internet webinar and facilitated by Jason Didden, the Mid-Atlantic Fishery Management Council's Dogfish Fishery Management Plan (FMP) coordinator. The advisors who participated were:

Bonnie Brady, Kevin Wark, Dewayne Fox, James Fletcher, Tim O'Brien, John Whiteside, Doug Zemeckis, June Lewis, Scott Curatolo-Wagemann, Scott MacDonald, Sonja Fordham, and Ted Platz

Additional participants included:

Emerson Hasbrouck, David Borden, Stew Michels, Fiona Hogan, Wendy Gabriel, Cynthia Hanson, Amanda Cousart, and Kirby Rootes-Murdy

The fishery performance report's primary purpose is to contextualize catch histories for the Scientific and Statistical Committee (SSC) related to determining Acceptable Biological Catches (ABCs). The goal is to allow comparing and contrasting of the most recent year's conditions and fishery characteristics with previous years. First an overview of recent fishery data was provided by Jason Didden, and then trigger questions were posed to the AP to generate discussion. The trigger questions were:

- *What factors have influenced recent catch?
 - Markets/economy? – Environment?
 - Fishery regulations? – Other factors?
- *Are the current fishery regulations appropriate? How could they be improved?
 - Gear regulations and exemptions? -Trip Limits? -Others?
- *Where should the Council and Commission focus their research priorities?
- *What else is important for the Council and Commission to know?
- *Are there any recent major changes in this fishery?

The input from the AP begins on the following page. The information in this FPR does not represent a consensus, but rather a summary of the perspectives and ideas that were raised at the meeting.

Note: Scott MacDonald noted that the state landings data for Virginia in the fishery information document appears to be too high. Staff is investigating.

General

- Quality is critical for maintaining price and the existing market.
- The regional differences in the fishery mean that any changes (e.g. trip limits) have the potential to differentially impact different areas.
- Flooding processors with lots of spiny dogfish will harm the market and large trips may have difficulty maintaining high product quality. The fishery seems stable but there was a price drop in August 2017 for some harvesters. See what happens with recent higher trip limits and rules allowing dual-targeting of monkfish and dogfish.
- Try to sustain the fishery and keep things stable overall – there's not that much interest given the prices.
- A contrary, minority perspective was also voiced: Developing new markets (Asia/Africa, pet food) will require lower, not higher prices, and manipulating price (by limiting catch & trip limit) to address small boat concerns hinders the possibility of greater overseas markets. If the fish are there open it up and let the price be what it becomes.
- The trip limit means only the small scale operations can profitably participate.
- Need to understand male fish biomass – the data coming from the Bigelow is not useful for understanding the true size of this stock.
- There's interest in better understanding the NAFO process and role of NAFO as it relates to spiny dogfish.

Factors Influencing Catch

- Markets are crucial to getting prices high enough to stimulate fishing activity. Low catches relative to the quota in recent years are due to low prices/effort. There are relatively few boats willing to go out for dogfish at current prices, but a small price increase could change that.
- Market issues discourage new and/or previous processors, which limits vessel opportunities.
- Dogfish prices don't seem to follow traditional supply and demand – there appears to be an external constraint on prices that you don't see with other fish...Markets are weak.
- This fishery needs help from other institutions (Council, NOAA, etc.) on building the market.
- Abundance does not currently drive catches; boats have no problem obtaining their trip limits.
- General sentiment about sharks and shark fins have hurt the market and created barriers to shipping (about 19 container lines have adopted internal policies to not carry any shark products and there are bans in several states). There is interest in purchasing spiny dogfish internationally but ENGO opposition as well, despite MSC certification and the sustainability of the U.S. East Coast spiny dogfish fishery.
- European markets are shifting away from sharks, limiting US dogfish exports to Europe.
 - o The Shark Alliance did not promote European boycotts of US spiny dogfish/other legally caught sharks (though other entities have sought to do this).
 - o Europe seems to have the U.S. figured out in terms of pricing
 - o Traditional European demand may be declining due to changing tastes.

- There may be some spiny dogfish landings in Europe in the future related to retention rules, which may impact demand for imports.
- Virginia landings were down this year primarily due to weather – was hard for boats to get out to fish from December 2017-April 2018 (primary Virginia season) and the low prices don't stimulate interest in fishing in poor weather.
- Rhode Island: Key is price and how close you can catch them given small profit margins – Cape Cod guys don't have to travel as far.
- Shoaling issues with Oregon Inlet prohibit large-scale landings in North Carolina.

Input on Regulations

- Some advisors would like to see a slow and steady approach that does not create large changes in catches and/or prices. Raising trip limits may collapse prices if additional markets are not developed. Uncertainty about future trip limits is negatively affecting capital investment in vessels and gear.
- An occasional higher trip limit for trawlers (some per month or quarter) around 20,000-40,000 pounds could help develop new markets and provide opportunity for different vessels...Would like to change the situation from where trawlers have to always avoid dogfish to getting where they can target them.
 - A double limit once a week was raised as an alternative possibility
 - Regarding different kinds of trip limits, consider enforcement/monitoring issues.
 - In the past some in Massachusetts have been interested in a seasonal (October through December) trip limit increase that would not hurt smaller boats in the summer or crash the market.
 - There was concern that such adjustments could substantially hurt more southern ports, and more details would be needed to evaluate the regional impacts. Virginia would be negatively impacted by changes in December trip limits
- At least one advisor is interested in allowances to harvest male dogfish in excess of the typical trip limit and possibly a separate quota (which is currently made up of mostly female dogfish). An advisor noted that males can be targeted currently. STAFF NOTES: A male only fishery would need an Amendment and/or benchmark assessment but recent research suggests it may be feasible. A benchmark assessment is scheduled for 2021.
- It would be useful to have a NE permit covering smooth dogfish to reduce regulatory burdens. The current process causes unnecessary frustration.
- The 165 foot processor limit prevents fishery development and/or exploration of a beyond-the-EEZ (200 nm) fishery. There are transfer-at-sea provisions for other sharks that discourage transfers-at-sea.
- The web of federal, state, and international rules (on fishing and sales) discourage entry into the processing sector generally. The Council processes, and favoring of small boats and a few processors, have exacerbated and perpetuate these issues. A variety of factors are restricting development of the fishery in southern areas, including state regulations in Virginia and North Carolina.
- The current regulations, especially trip limits, eliminate the possibility of developing an industrial market (fertilizer or pet food applications). Is it possible there could there be a declaration for fertilizer/larger scale applications where those products did not flood the

food market. VMS could be used for monitoring. There is general concern by some that large-scale landings could negatively impact the fresh market. The use of dogfish in a larger scale operation may impact fresh market indirectly and it was noted that gurry plants already exist.

Research Priority Ideas

- Develop new domestic (human and/or animal food) and/or non-European markets.
- Encourage a mid-Atlantic and/or southern processor.
- Separation of spiny and smooth dogfish in NOAA trade database (buyers in particular may want to know) and ground-truthing of this database by NOAA Fisheries/Council, etc. Staff note: NOAA cannot separate spiny and smooth dogfish – this is a code by another international trade agency – a petition could be made but may not be successful given the relatively low value of dogfish.
- Research/track export trends. <https://www.st.nmfs.noaa.gov/commercial-fisheries/foreign-trade/applications/trade-by-product>
- Investigate ways to increase the quality of meat (i.e. how can it be processed on deck, etc.), which in turn would increase the price of the product. If we can get the price higher this would have a snow ball effect on the market.
- The new benchmark assessment planned for fall 2021 should consider:
 - o Exploration of how spiny dogfish recovered so much faster than predicted.
 - o Increased engagement with fishermen as part of scientific research.
 - o The population of male dogfish and availability of dogfish to the relevant surveys generally. Low 2017 datapoint was not reflective of what AP members see on the water – the bottom survey is most likely missing most dogfish.
 - o Obtaining reproductive and other biological information across the range of the species before the next assessment.
 - o How to prioritize the biological information that needs updating before the next assessment.
- Investigate dogfish as a source of squalamine.

Other Issues Raised

- Consider having NAFO manage the fishery outside the EEZ for a male-only fishery.
- Concern was previously voiced that sufficient notice be given prior to ASMFC consideration of trip limit changes.
- The environmental impact of high dogfish populations on other species is not known/considered.
- Tariffs create disadvantages for US fishermen.
- A name change for spiny dogfish (“chipfish” has been suggested in addition to “cape shark”) could help the market, and could allow access to a prison protein market (<http://www.wsj.com/articles/SB122290720439096481>).
 - o Other advisers noted that “Cape Shark” is an approved market name (http://www.accessdata.fda.gov/scripts/fdcc/?set=seafoodlist&id=Squalus_acanthias&sort=SLSN&order=ASC&startrow=1&type=basic&search=dogfish)