

EXECUTIVE DIRECTOR'S REPORT

My report will be mercifully brief, especially considering the decision/load ahead of you at this meeting and the number of documents you've already had thrown at you. We'll meet in executive session today for two hours to discuss committee operations and memberships as well as receive an update from the State Department on international activities. No formal lunch is scheduled for Thursday because Governor Cowper has invited the Council family to a no-host lunch here at the Sheraton in the Howard Rock Ballroom as indicated in B-1(a).

The Finance Committee meeting scheduled on an earlier version of the agenda probably won't be needed now. It looks as though we will have enough money to see us through December 31, 1988 despite the cuts in our administrative budget. Reduced costs of some of the committees and postponing the hiring of a new staff member have given us the leeway we needed. I'll be able to give you a clearer picture in December of where we stand on the budget and should know by then how we'll do in 1989.

Speaking of the December meeting, we'll be putting out a call for SSC and AP nominations as all terms expire at the end of that meeting. The call will go out next week. You also need to consider approving John Crowley to fill Bob Alverson's vacated AP seat on an interim basis. John was appointed by Interim Chairman John Peterson for this week's AP meeting, and for December, subject to Council approval. His resume will be available at the Council lunch today.

Japanese Response to Alleged Violations

The Government of Japan has responded to illegal fishing activities alleged in the Japanese press. An unofficial translation is provided as B-1(b) and Mr. Morimoto of the Fisheries Agency of Japan is here to comment on the issue.

Next Council Chairmen's Meeting

The next Chairmen's meeting will be hosted by the South Atlantic Council, probably in early January in Charleston, South Carolina, with Magnuson Act amendments as the main agenda item. As will be discussed more fully under the legislative update at C-1, probable amendments were initially considered at the Chairman's meeting we hosted in Homer on July 29 and 30. We were informed that it probably would be March or April before hearings are held on reauthorization but that Congressional staff would appreciate something to work with by the end of January or early February. Council representatives will be meeting on this issue October 7-8 in San Francisco, so it's imperative we put our game plan together at this week's meeting. You may wish to establish a committee to oversee the reauthorization activities.

NMFS Interjurisdictional Fishery Policy

On September 2 I sent you NMFS's draft policy on interjurisdictional fisheries. Comments were due to NMFS by September 21, but with this meeting so close at hand I requested a delay in the deadline. I'd appreciate any comments you might have after you've had a chance to go over it one more time. According to the transmittal letter this seems to be an opportunity for pre-comment period comment to get Council reactions and answer the questions posed by MAFAC. Bob Alverson is a member of MAFAC and possibly could help us out as to the need for this policy and its direction. It's under B-1(c) along with a comment from the Gulf of Mexico Council.

Governor Steve Cowper
*Cordially invites you to
join him for an
informal lunch to talk about
Alaska's Fisheries.*

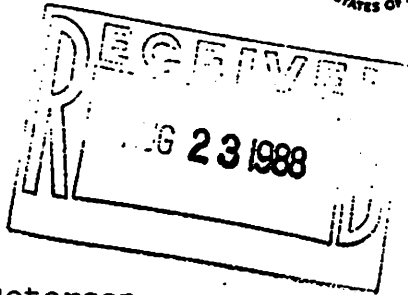
*Thursday, September 29
Noon
Howard Rock Ballroom
Sheraton Hotel*

No host, \$10.50 per person



AGENDA B-1(c)
SEPTEMBER 1988

UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Washington, D.C. 20235



116 22

John G. Peterson
Vice-Chairman
North Pacific Fishery Management Council
P.O. Box 103136
605 W. 4th Avenue, Room 306
Anchorage, AK 99501

Dear John,

Enclosed is the proposed NMFS Interjurisdictional Fishery Policy. I would like to have benefit of each Fishery Management Council's views before we proceed further with it.

The draft was developed by NMFS staff working with the Marine Fisheries Advisory Committee (MAFAC). We intend to publish the proposed policy in the **Federal Register** for general public review. I am especially interested in your comments on the attached questions raised by MAFAC.

Your responses will be discussed at the next MAFAC meeting in early October. Please send me your comments (Attn: Bob Williams, F/MB) no later than September 21. If you have any questions, Bob can be reached at (202) 673-5470.

Sincerely,

Richard H. Schaefer
Director, Office of Fisheries
Conservation and Management

Enclosure



Billing Code: 3510-22

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Proposed Interjurisdictional Marine Fishery Policy

AGENCY: National Marine Fisheries Service, NOAA,
Commerce.

ACTION: Request for public comments on proposed
interjurisdictional marine fishery policy.

SUMMARY: Interjurisdictional fisheries transcend or migrate through the waters of two or more states, or between state marine and Federally controlled waters. Most of the Nation's important marine fishery resources are interjurisdictional. To the extent these resources occur significantly in two or more jurisdictions, the need for cooperative and compatible management and regulatory regimes is essential for proper conservation and management.

The National Marine Fisheries Service, as the Federal agency with primary authority and responsibility for marine fishery resources, believes the importance of cooperative and complementary state and Federal activities in managing interjurisdictional fisheries cannot be overstated. Respective roles and responsibilities must be well defined and understood to ensure the most effective use of both state and Federal resources. The proposed policy seeks to establish a reasonable basis for dividing interjurisdictional fisheries management tasks without hindering on-going State/Federal activities or weakening the State/Federal partnership.

The proposed policy has three objectives: (1) to stress the importance of interjurisdictional fisheries and the imperative of State/Federal cooperation in supporting management of those resources; (2) to establish that, in most cases, states have primary authority and

responsibility for fisheries conducted predominately in state waters; and (3) to clarify the National Marine Fisheries Service (NMFS) position regarding its responsibilities for interjurisdictional fisheries not addressed by a fishery management plan under the Magnuson Fishery Conservation and Management Act or other Federal law. The policy will be used by NMFS in management and budget planning.

The proposed policy clarifies the Secretary of Commerce's position regarding interjurisdictional fisheries which are not subject to Federal preemption under Section 306(b) of the Magnuson Act. The policy declares that the states have primary authority for fisheries conducted predominately in state waters, but recognizes that the Federal government has a responsibility to assist the states where appropriate. Similarly, the policy asserts that the states should help support Federally fisheries management.

DATE: Written comments will be accepted until [45 days following the date of this notice].

FOR FURTHER INFORMATION AND SUBMISSION OF POLICY COMMENTS CONTACT: Bob Williams, Policy Analyst, Office of Management and Budget, National Marine Fisheries Service, Washington, DC 20235. (202) 673-5470.

SUPPLEMENTAL INFORMATION: The proposed policy was prepared at the request of the NOAA Assistant Administrator for Fisheries in response to a recommendation from the Marine Fisheries Advisory Committee (MAFAC). MAFAC, a standing committee comprised of representatives of various marine fisheries interests from around the nation, advises the Secretary of Commerce on living marine resource matters. MAFAC concluded, after reviewing recent studies of the Magnuson Act, that interjurisdictional fisheries management responsibilities need to be clarified.

At its February 1988 meeting, MAFAC reviewed a draft of the proposed policy and, without endorsing it, recommended that it be published in the **Federal Register** for public comment. MAFAC stressed that the Regional Fishery Management Councils established under the Magnuson Act should be consulted. Subsequently, at the specific

request of the Gulf States Marine Fisheries Commission, the draft proposed policy was circulated to the three Interstate Marine Fisheries Commissions for comment.

Public comments will be considered in preparing a final draft of the proposed policy for discussion with MAFAC before publishing the final policy in the **Federal Register**.

Background

From a domestic standpoint, interjurisdictional marine fisheries were largely created as a result of the Submerged Lands Act of 1953. That Act gave each coastal state marine resource conservation and management responsibility within its waters (generally out to three nautical miles from shore). While each state had some mechanism for managing marine fisheries in their own waters, there was virtually no effective way for regulating fisheries which transcend two or more states. Interstate marine fisheries commissions were available to discuss mutual problems and coordinate research, but lacked regulatory authority to manage resources throughout their range. Only through voluntary action by all of the concerned states could effective and compatible management be accomplished. Because interests frequently differed among states, there was little inclination to manage interjurisdictional fisheries in a comprehensive, well planned manner.

The issue of interjurisdictional fisheries management was addressed in 1969 by the Commission on Marine Science, Engineering and Resources. The so-called Stratton Commission noted "...the discouraging lack of coordination among State programs and concluded that Federal leadership and guidance..." were necessary. NMFS responded in 1972 by establishing a State/Federal Fisheries Management Program.

The State/Federal Program provided limited funding to the interstate marine fisheries commissions to bring the states together to develop management plans for interjurisdictional fisheries. The program was fairly effective in getting the states to agree on needed management measures and regulations, but it still had to

rely on voluntary state action to implement and enforce the regulations. Relatively few plans were fully implemented, pointing out again the difficulty in achieving the political support in all concerned states necessary to implement an effective interjurisdictional fisheries regime.

By 1975, a growing number of fisheries managers believed the system of individual state management was generally ineffective in dealing with interjurisdictional fisheries. This was particularly true of states where the legislative bodies were responsible for regulatory action. The Council of State Governments was requested to examine the issue and concluded that there was a need "for a legislative and organizational framework that will allow the most efficient realization of fisheries management objectives on both an intrastate and interstate basis." Model legislation was proposed for state consideration to give regulatory authority to a state marine fisheries commission or agency. The intent was to enable more responsive regulatory action and to reduce the influence of politics on fisheries management decisions.

The debate concerning interjurisdictional fisheries management was temporarily silenced with the passage of the Fishery Conservation and Management Act of 1976 (Magnuson Act). The Act gave the Federal Government exclusive fishery management authority over all fish in the fishery conservation zone (now the Exclusive Economic Zone (EEZ), which extends from the outer boundary of state waters to 200 nautical miles from shore) and beyond in regard to anadromous and Continental Shelf fishery resources. It also permitted Federal preemption in state waters under certain conditions. An estimated 15-20 percent of the world's total supply of fish came under U.S. control.

The Magnuson Act was landmark legislation with respect to marine fisheries management. It also established National Standards for fishery conservation and management. It created Regional Fishery Management Councils, which include voting members from each coastal state, to debate and resolve conflicts (including jurisdictional differences) in developing fishery management plans. The Secretary of Commerce was charged with reviewing the Council plans for compliance with the National Standards

and empowered with the regulatory authority to implement them. The creation of the EEZ also added another dimension to interjurisdictional fisheries management.

Analysis

It is clear that the Congress considered interjurisdictional fisheries in enacting the Magnuson Act by: (1) specifying in its National Standards that "...to the extent practicable, an individual stock of fish shall be managed as a unit throughout its range...;" (2) permitting Federal adoption of state management programs, where appropriate; and (3) providing for Federal regulatory preemption where a fishery is conducted predominately in the EEZ. The Act also stressed that nothing in it should "...be construed as extending or diminishing the jurisdiction or authority of any State within its boundaries."

Apparently Congress decided that divided State/Federal jurisdiction was an acceptable way to look out for the local interest and still be accountable to regional and national concerns. The only exception, under Section 306(b), applies to fisheries that are fished "predominately" in Federal waters. In such cases, the Secretary may regulate fisheries in a state's waters (other than internal waters) if that state has taken, or has failed to take, action the results of which adversely affect a Federal fishery management plan.

While the Magnuson Act provides clear guidance regarding fishery management in the EEZ, the Federal role in the management of interjurisdictional fisheries conducted predominately in state waters is less clear. The Fish and Wildlife Act of 1956 provides general authority for study and research but no specific fishery management powers. Aside from the Atlantic Striped Bass Conservation Act, the Endangered Species Act, and the Fish and Wildlife Coordination Act, there is little Congressional guidance and virtually no political pressure for a Federal management regime in state marine waters.

The most recent Congressional guidance was provided in the Interjurisdictional Fisheries Act of 1986. This Act established a formula-based grant program specifically to: (1) promote and encourage state activities to support

management of interjurisdictional fishery resources, and (2) promote management of interjurisdictional fishery resources throughout their range. It is clear that the Congress believes the states should assume greater responsibility for managing and supporting management of interjurisdictional marine fisheries, especially those that are conducted primarily in state controlled waters.

At the same time, there are compelling arguments for a diminished Federal role. Executive Order 12612 (published October 26, 1987) concerning "Federalism" asserts that the public good would be better served by reducing Federal involvement in certain areas of state responsibility as well as limiting the number of Federal regulations imposed on the states and the private sector. The arguments are even more relevant where the prospect of Federal funding is uncertain. Without definitive authority, which is the situation regarding interjurisdictional fisheries conducted predominately in state waters, the Federal government has difficulty justifying the sustained funding necessary to support management. Reduced Federal funding given existing budget responsibilities could deny funding, leaving management support activities stranded and management plans unfulfilled.

Given the importance of interjurisdictional marine fisheries, the Congressional guidance provided in both the Magnuson Act and the Interjurisdictional Fisheries Act, and the extreme uncertainty of the Federal budget, it is timely and appropriate to refine the State/Federal partnership. Shared responsibilities for interjurisdictional fisheries management need to be clearly delineated to enable even more effective State/Federal cooperation and complementary activities.

Date:

William Matuszeski,
Executive Director, National Marine Fisheries Service.

POLICY STATEMENT

NMFS recognizes that proper conservation and management, including support activities, of interjurisdictional fisheries is in the national interest, requires a sustained commitment, and is an appropriate investment of public funds. NMFS acknowledges that the Federal government has authority and responsibility for fisheries managed under the Magnuson Act, but recognizes that the states have primary responsibility in their waters. NMFS believes that interjurisdictional fisheries management requires a close, cooperative relationship between the states and the Federal government to be effective.

NMFS construes the Magnuson Fishery Conservation and Management Act and the Interjurisdictional Fisheries Act of 1986 as specific Congressional guidance regarding the nature of the State/Federal relationship and the method used in addressing interjurisdictional fisheries. NMFS believes that the states are properly vested with the public stewardship responsibility and authority for managing interjurisdictional fisheries which are conducted predominately in state waters and recognizes that the Federal government shares this responsibility to the extent the fisheries are conducted in the EEZ. Likewise, NMFS believes the states should complement Federal fisheries management in the EEZ with compatible regulatory action in state waters.

With respect to interjurisdictional fisheries that are conducted predominately in state waters, in the absence of specific statutory mandate, Federal management initiative and support activities will occur in the following circumstances:

1. Complementary Federal regulation in the EEZ or other assistance is needed to enable effective State management. However, Federal regulatory action must be consistent with the National Standards established by the Magnuson Act, and will only occur if state regulations are compatible throughout the range of the management unit; or
2. The fish have been declared threatened or endangered under the Endangered Species Act; and

3. The fish are subject to Federal management as a result of implementing international treaties or agreements, e.g., Pacific and Atlantic salmon, Pacific halibut, and Atlantic tunas.

The inability of states to cooperate in managing interjurisdictional fisheries conducted predominately in their waters shall not be sufficient cause for Federal regulatory involvement unless there are Endangered Species Act or international considerations. NMFS will not support expenditures to manage interjurisdictional fisheries conducted predominately in state waters unless specifically mandated by Federal law or the Secretary and all of the affected states agree that management initiative is necessary.

MAFAC QUESTIONS on the PROPOSED NMFS
INTERJURISDICTIONAL FISHERIES POLICY

The third paragraph of the proposed policy states--

"With respect to interjurisdictional fisheries that are conducted **predominately** in state waters, Federal management initiative and support activities will occur in the following circumstances:"

1. What is meant by "predominately?" How should "predominately" be defined and measured?
2. Who determines predominance?
3. Should predominance be the pivotal criterion on which to base Federal action?
4. Should it be necessary for all involved states to have compatible regulations before the Secretary takes action in the EEZ to complement the state regime? Should one state choosing not to adhere to regulations agreed to by the other states preclude Federal involvement?
5. Does an interstate plan have to be adopted before the Secretary can take action in the EEZ to assist state management?

GULF OF MEXICO FISHERY MANAGEMENT COUNCIL
 Lincoln Center, Suite 881 • 5401 W. Kennedy Blvd.
 Tampa, Florida 33609-2486 • 813/228-2815

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September 14, 1988

ACTION	ROUTE TO	INITIAL
	Exec. Dir.	
	Deputy Dir.	
	Admin. Off.	
	Exec. Sec.	
	Staff Asst. 1	
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	Staff Asst. 20	

Mr. Richard H. Schaefer
 Director
 Office of Fishery Conservation and Management
 National Marine Fisheries Service
 Universal South Building, Room 910
 1825 Connecticut Avenue, N.W.
 Washington, DC 20235

Attn: Bob Williams, F/MB

Dear Dick:

We seriously question whether the proposed NMFS Interjurisdictional Fisheries Policy serves any useful purpose and suggest it not be adopted by NMFS. Not knowing the genesis of the policy, we do not understand whether it was intended to identify respective roles in management or primarily serve as guidance to NMFS on budgeting expenditures or both.

The respective roles for management are legally defined by the Magnuson Act and understood by all the participants. We do note for the record the Councils also have a management responsibility and could, at the request of the states, develop a FMP to complement an interjurisdictional plan by extending rules to the EEZ even if all state rules were not compatible. We certainly would do so if in the best interests of the resource.

The policy language related to limiting support and expenditures for fisheries predominantly in state waters seems to be in disagreement with many policies, programs, position statements, and laws. In addition to Congressionally-mandated grant programs, we call to your attention the ecosystems approach initiative, NOAA's Coastal Ocean Program Plan, the Assistant Administrator's priorities for NOAA fisheries, cooperative state and federal programs such as SEAMAP and MARMAP, the cooperative state/federal statistics program, the cooperative state/federal law enforcement program, etc. We also note that Public Law 81-66 (1949), Title VII, provides "that the Fish and Wildlife Service (NMFS) shall act as the primary research agency for the Gulf States Marine Fisheries Commission" Similar statutes apply to the other commissions developing interjurisdictional plans for fisheries largely within state jurisdictions. Certainly NMFS can budget its expenditures for areas of greatest benefit without such policies.

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Finally, we, like MAFAC, do not have a clear understanding of the definition of "predominantly." The Legislative History of the Magnuson Act suggests it is based on location of fishing activity, rather than where the stocks are swimming during various phases of their life cycle (Pages 77 and 42) but does not make it clear how to quantify the fishing activity, i.e., number of fishermen, number or pounds of fish, etc. We would really prefer Congress rather than NOAA Counsel address this issue.

Best personal regards.

Sincerely,

Bill

William D. Chauvin
Chairman



WDC:WES:mjw

cc: Gulf Council
Regional Fishery Management Councils
Staff

WESTERN
PACIFIC
REGIONAL
FISHERY
MANAGEMENT
COUNCIL

September 19, 1988

Mr. Carmen J. Blondin
Deputy Assistant Secretary
for International Interests
1825 Connecticut Avenue, N.W., Room 912
Washington, D.C. 20235

Dear Mr. Blondin:

I am writing to you out of a growing concern that members of our Council have about the pelagic drift-gillnet fishing conducted by Asia-based vessels in the north and south Pacific.

In 1984, we received two unpublished reports prepared by the Japanese Fisheries Agency for the International North Pacific Fisheries Commission (INPFC). One of the reports dealt with the activities of a large drift-gillnet fishery for squid in the north Pacific. To the best of our knowledge, there are between 700 to 1,000 vessels in the squid fishery, which is mostly conducted north of 40°N latitude. The other INPFC report covered the activities of about 500 Japanese vessels engaged in surface gillnetting for billfish and large tunas. Taiwanese vessels are also apparently engaged in this fishery, but we have no information on their number or on other nationalities engaged in surface gillnet fisheries for large pelagic species. We have learned that drift-gillnet fleets are deploying perhaps 30,000 miles or more of net wall every night in the north Pacific between Hawaii and Alaska, seven months of the year. We are concerned that governments aren't moving fast enough to control this situation and to keep it from growing worse.

What concerns us the most about pelagic drift-gillnet fishing is the method's adverse effect on fishery resources due to the gear's high efficiency and very high non-selectivity of species taken. For example, from the data given in the INPFC reports on the Japanese drift-gillnet fishery for billfish and tunas, the catch of incidental species (non-marlin and non-tuna) can range from a low of 20 percent to as much as 55 percent for any one year. Catch data collected locally seems to confirm our belief that incidental catches often can exceed catches of the target species.

In March of 1983, the Coast Guard apprehended a 140 foot Japanese gillnetter hauling in a net approximately 20 miles inside the EEZ near Hancock Seamount. The vessel's catch was composed of 57 striped marlin, 12 swordfish, 401 mahimahi, 872

Mr. Carmen J. Blondin
September 19, 1988
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albacore tuna, 2,191 skipjack tuna, 152 amberjack, 659 pomfret, 32 sharks, 23 bigeye tuna, 682 squid, and two "longnose tuna" (probably billfish). We are not surprised that the vessel's catch log also indicated the 69 porpoises were caught inside the EEZ, but they were not retained. The vessel had been fishing for 29 days before being apprehended.

During August 4 to September 25, 1983, the Honolulu Laboratory of the NMFS undertook a research cruise in the areas north of the EEZ of the Northwestern Hawaiian Islands to gather information on the abundance and distribution of species of squid. Fourteen stations were fished with surface gillnets. The catch from this exploratory fishing experiment consisted of 55 squid, 350 skipjack tuna, five albacore tuna, 23 mahimahi, one amberjack and four sharks. It is quite evident that drift-gillnet fishing results in a hodgepodge of species taken with incidental catches frequently exceeding the catch of the target species.

This method of fishing has been likened to strip mining of the ocean by a representative of Earthtrust, a Hawaii-based international wildlife organization, who presented an interesting slide-illustrated talk at our Council meeting in August. Thousands of seabirds and marine mammals are thought to die in the walls of nets which are stretched across the wide Pacific. This is an issue which every Council member cares deeply about and we want to see something done about it.

I have also been briefed by Katheryn Vanderpool, who owns an albacore troll vessel and who represents several albacore troll vessels, about the phenomenal success of the south Pacific albacore trolling project. That success may unfortunately get cut short by drift-gillnet fleets which are now competing with American trollers by directly targeting on albacore tuna in the area of the south Pacific between New Zealand and Tahiti. There are probably about 50 Taiwanese drift-gillnet vessels now targeting on albacore tuna in the area; and there are rumors that some vessels of the north Pacific fleet as well as the Atlantic squid fleet may join the Taiwanese gillnetters in fishing the surface dwelling schools of albacore tuna in the south Pacific ocean.

In addition to being a very real threat to the stocks of albacore tuna, gillnets pose a serious hazard to navigation. They are poorly marked on the surface and when an albacore troller runs into a net, the net wraps around the propeller often

Mr. Carmen J. Blondin
September 19, 1988
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times working up the shaft toward the bearings. When this occurs, a man must risk his life by going into the water to cut out the offending material.

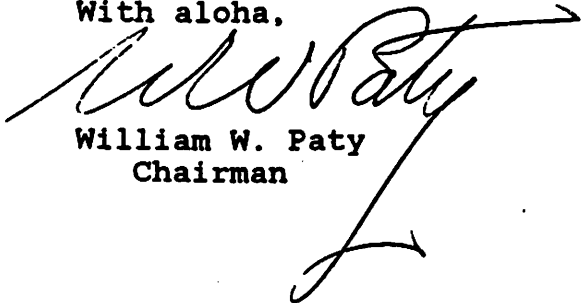
American troll vessels have already caught a sizeable amount of net marked albacore tuna. Flesh bruising and any sort of exterior damage results in an inferior product and an immediate drop in market prices. It is also believed that gillnets tend to antagonize and scatter schools of albacore tuna thus making them more difficult to catch by American trollers.

Our Council has prohibited foreign fishing vessels to use drift-gillnets anywhere in the EEZ of the Western Pacific Region through our Fishery Management Plan for Pelagic Species which became effective on March 1987. The FMP also made it unlawful for domestic vessels to use drift-gillnets in the EEZ unless first authorized by a special experimental fishing permit issued by the Southwest Regional Director of the NMFS. Only one individual has applied for an experimental permit but his application was denied because his operation was judged to be much more commercial in nature than experimental.

I would like to see our government take a closer look at the high seas drift-gillnet situation and to press all governments involved in rapidly achieving an international solution to this potentially explosive situation. Anything that your office can do to speed up negotiations with driftnet nations for the purpose of entering into agreements for reliable cooperative monitoring and assessment of the drift-gillnet problem is much appreciated.

I look forward to hearing from you on this matter of great importance and on the present effectiveness of the Driftnet Impact Monitoring, Assessment, and Control Act of 1987.

With aloha,



William W. Paty
Chairman

WWP:lc (258/N2)

Thailand. Practically all of this salmon landed in Taiwan has been shipped to Singapore. Very large quantities of sockeye, coho and chums have been offered in frozen headed and gutted form on the world market at prices substantially below the market price for similar legitimate products from the U.S. and Canada. Recent offerings at higher prices reflect the shortage of salmon available from usual legitimate U.S. sources. It appears that most of the pink salmon has been re-exported from Singapore to Thailand in headed and gutted or round frozen form for canning. Most of this salmon is believed to be illegally caught.

All of the specific offerings and information we have received on this matter has been provided to the Department of State and NMFS (copy enclosed). The general consensus is that some 10,000 metric tons (mt) of salmon was caught primarily by the Taiwanese in 1988 and is being laundered through Singapore and Thailand into the world markets.

It is documented that no less than 4,000 mt and more likely over 8,000 mt of pink salmon are in Thailand for canning. This equates to between 3,000,000 and over 6,000,000 pink salmon. We know that some 400,000 (48/7 oz.) cases of pinks will be canned in Thailand and we are certain the total pack will be much larger. This product has been offered in Europe and Australia at about one-half the U.S. canner price. One offering of 40,000 cases of pinks from Thailand was made prior to April 29, 1988. This indicates that a substantial pack of pinks was also produced there in 1987, or; that Thailand had received commitments from the squid fleets to supply pinks in advance of them being caught in 1988; or the squid fleets are catching salmon very early in the year. Also, Patlee Products of Taiwan advised one of his potential European customers that it is difficult to obtain headed and gutted salmon unless it is contracted for in advance of March in each year. This indicates that there is a fully structured fishery and market for export in Taiwan of which the Taiwanese Government must be aware.

It is also very disturbing that there appears to be Japanese participation in the illicit Taiwan/Singapore salmon trade. At least one Japanese Co. (Igari and Co., Ltd., Tokyo) is designated as the seller of at least one parcel of 400 mt of coho, sockeye and chum salmon offered out of Singapore at prices much lower than those obtainable in the Japanese market. It is likely that this salmon resulted from illegal catches from the Japanese, Taiwanese, or a combination thereof, squid fleets.

It is common knowledge in Japan that the frozen coho market was glutted in early September of this year by the arrival

Mr. Clement V. Tillion
September 23, 1988
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of 1,500 mt (some 720,000 fish) of coho from the Japanese squid fleet. The vessels delivering those fish were reported to have unloaded their squid cargo during the day in Hokkaido ports and unloaded the illicit salmon cargo during nighttime hours. A direct call from the Seattle representative of one concerned Japanese company to the All Japan Squid Driftnet Fisheries Association drew the reluctant admission that they had already delivered 1,000 mt of frozen coho in Japan which was part of the by-catch from squid fleet operations. They claimed to have only caught coho, which seems unlikely.

By-catches of this magnitude were never contemplated in any squid fishery discussions between Japanese, U.S. and Canadian representatives to the INPFC or other government/industry representatives. To our knowledge such catches are not allowable under Japanese squid fleet regulations but it is inconceivable that landings of this magnitude could occur without the knowledge of Japanese government officials.

Catches of the magnitude being landed in Japan and the huge Taiwan/Singapore/Thailand salmon laundry can only result from a substantial directed fishery effort for salmon by the Taiwanese and Japanese squid fleets. The shortfall of salmon in many Alaskan runs in 1988, particularly pinks and cohos, and an increasing incidence of salmon bearing high seas gillnet marks suggests that these high seas fisheries are having a major negative impact on North American salmon runs reminiscent of the Japanese high seas removal of Bristol Bay sockeye many years ago.

At previous meetings of the INPFC, all three countries expressed great concern about the driftnet squid fisheries of non-contracting parties (Taiwan and Korea, to date). The U.S. and Canadian delegations have strongly protested Japanese squid fleet violations of fishing time and area regulations. Ironically, Japan made the strongest statement in this regard at the 1987 annual meeting of the Commission as follows:

"We are greatly concerned about the catches of salmon in the North Pacific Ocean and their sale by non-contracting parties. We would like to make every possible effort to prevent such activity by non-contracting parties through the cooperation of our three countries - the traditional salmon fishing nations."

Japan has also indicated previously that they would deal harshly with their own fishermen who have violated regulations.

With the evidence at hand in 1988, it is apparent that their actions have not resulted in reduced squid fleet salmon interceptions and in fact it appears likely that they condone the directed fishing for salmon by their squid fleet. This is in direct violation of the Japanese commitments as party to the North Pacific Treaty and of Japan's own domestic regulations. We are not suggesting that the U.S. withdraw from the Treaty but we do believe that we should examine the future of a treaty in which one participant condones an essentially unregulated fishery which is in contravention of the treaty. Stronger and more effective measures must be taken against Japan and by the other contracting parties to ensure that the high seas driftnet fisheries of Japan do not target on and traffic in salmon of North American origin. We urge the U.S. delegation to INPFC to present this case to Japan at the Tokyo meeting in the strongest terms possible and to enlist the support of the Canadian delegation in this matter, as their stocks are also likely involved. In addition, we urge the U.S. Department of State to convince Japan to honor its obligations under the Treaty prior to the 1989 season and beyond.

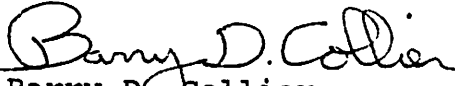
The problem with Taiwan has substantially worsened, and both the Japanese and the Taiwanese have not come to a resolution with the U.S. on the matter as provided in the Driftnet Impact Monitoring, Assessment and Control Act of 1987. The U.S. delegation to the INPFC and the U.S. Department of State should make it abundantly clear to Japan and Taiwan that this issue will have most serious consequences to the trade relationship between the U.S. and their nations unless these driftnet salmon interception issues are resolved. We must insist upon substance rather than the passage of domestic regulations on fisheries which neither country has any intention of enforcing effectively, and which are probably not effective in avoiding the interception of salmon even if they were enforced.

PSPA urges the U.S. delegation to make the strongest possible representations to the contracting parties to seek immediate and effective resolution of this issue. Further, we urge the U.S. Department of State to take this matter up at forthcoming meetings with the U.S.S.R. The recently signed and ratified Comprehensive Fisheries Agreement between the U.S. and the U.S.S.R. strongly establishes the mutual interests of the two countries in protecting the anadromous fish stocks originating in the waters of either party from fisheries conducted by third parties beyond their respective exclusive economic zones (Article VII).

Mr. Clement V. Tillion
September 23, 1988
Page 5

Finally, PSPA intends to seek every means available to make the swift resolution of the continuing interception of salmon by unregulated and irresponsible foreign fisheries a matter of national priority. We intend to make strong representations to our government through our elected representatives, appropriate agencies of government and the press regarding the serious nature of this problem and the need for its swift resolution. We urge all interested parties to join in the effort.

Sincerely,


Barry D. Collier,
President

Enclosure

cc: President Ronald W. Reagan
Secretary of State George Shultz
Secretary of Commerce William C. Verity
Dr. William E. Evans, Administrator NOAA
Ambassador Edward E. Wolfe
Mr. James W. Brennan, Asst. Administrator NOAA
Senator Ted Stevens
Senator Frank H. Murkowski
Senator Brock Adams
Senator Daniel J. Evans
Senator John B. Breaux
Congressman Don Bonker
Congressman Mike Lowry
Congressman John R. Miller
Congressman Don Young
Alaska Governor Steve Cowper
Washington Governor Booth Gardner
Mr. John G. Peterson, Acting Chairman NPFMC

Murimoto

REPORT ON FISHING BY JAPANESE VESSELS IN THE FOREIGN 200 MILE ZONE

(UNOFFICIAL TRANSLATION)

In connection with the alleged illegal fishing activities of the Hokuten trawlers reported by the Mainichi Shinbun on August 17, Fisheries Agency of Japan (FAJ) completed its investigation and imposed the port confinement penalties on the two fishing vessels as of September 16. The results of the investigation are as follows:

1. The two Hokuten trawlers which Mainichi Shinbun reported on August 17 were identified as Daian Maru No. 128 (279 tons, HKI-998, Wakkanai Hokkaido, Oura Gyogyo Co., Ltd.) and Eikyu Maru No. 86 (279 tons, HKI 857, Nemuro Hokkaido, Eikyu Gyogyo Co., Ltd. and Hamaya Suisan Co., Ltd.).

2. FAJ requested the two vessels to submit their navigation logs, fishing logs, engine logs and the records of NNSS. And FAJ interrogated the captains, fishing masters, chief engineers and representatives of the companies from August 18 to 20 and August 26 to 27 respectively. During August 20 to 23 the enforcement officers visited to Kushiro and Ishinomaki, and conducted investigation and collected information from the people of the market. FAJ also dispatched the officers and patrol vessel HAKUREI MARU to Kushiro from August 30 to September 3, and conducted the search in the two vessels and questioned all the crews.

3. Though the people related to the both vessels and market denied the facts of illegal fishing operations in the foreign 200 mile zones, as a result of FAJ's investigations, the following facts were identified.

(1) Several parts of rockfish were found in the fish holds from the both vessels.

(2) The fairly fresh scales seemed to be rockfish were found in the areas of the processing decks and fish holds.

(3) According to the catch reports of FAJ trawl survey in the international waters of the Bering Sea and the reports from the commercial fishing vessels, almost none of rockfish were caught in the highseas area of the Bering Sea.

(4) Several shells and stones seemed to be recently caught were found on board, however it is practically unable to conduct on-bottom trawling in the highseas area of the Bering Sea because of the depth.

(5) There were a lot of discrepancies or inconsistencies between the statements of the crews of both vessels, their statements were lack of credibility.

(6) The NNSS records included the part of the highseas area of the Bering Sea. However, both vessels did not retain the complete records of the whole navigations. Based on the records submitted, it was unable to verify the operations in the zones.

(7) On the hearing from the people of the market and investigations, it was unable to confirm the species and quantities of fish because their catch were already sold out.

4. Judging from the result of the investigations, FAJ concluded that both vessels operated in the areas, where on-bottom trawling is feasible, i.e. the areas outside highseas area of the Bering Sea. According to the FAJ's investigations, however, it was unable to identify the areas (including US and USSR zones) the illegal operations and the quantities caught from the illegal operations.

5. On September 16, FAJ imposed the following penalties on the two vessels. Under the Ministerial Ordinance in connection with the permit and enforcement of the designed fisheries (hereinafter "ordinance") Article 20 Clause 3, the period exceeding 10 days (20 days in this case) in which the suspect vessels are ordered to stay at port for the investigation shall be included in the penalty period [FAJ ordered both vessels to stay at port for about one month until the investigations being completed. Thus, 20 days (30 days minus 10 days) are included in the following port confinement period].

(1) Daian Maru No. 128: 100 days of port confinement.

Foundation of the penalty:

Violation of the notice of prohibition of the entrance into the foreign zone (The Ministerial Ordinance in connection with the permit and enforcement of the designated fisheries Article 90, 2), and failure of the maintenance and presentation of the NNSS record (Fisheries Law Article 34 applied by the Fisheries Law Article 63, restriction and condition of the permit)

(2) Eikyu Maru Mo. 86: 200 days of port confinement.

Foundation of the penalty:

Violation of the notice of prohibition of the entrance into the foreign zone (The Ministerial Ordinance in connection

with the permit and enforcement of the designated fisheries Article 90, 2), and failure of the record of fishing log and failure of the maintenance and presentation of the NNSS record (Fisheries Law Article 34 applied by the Fisheries Law Article 63, restriction and condition of the permit). Taking account of the past violations by the owner of the vessel concerned, the days of penalty were increased.

6. In the light of the seriousness of these incidents, Hokkaido regional government gives strict warning to the wholesale market which treated the catch from the vessels concerned.

7. On the result of investigations of the alleged violations, FAJ takes following actions to prevent further violations of the trawl vessels which are operating in the highseas area of the Bering Sea.

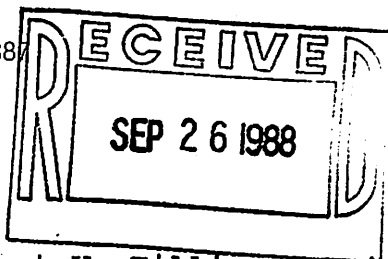
(1) FAJ requests owners, captains and fishing masters of Hokuten trawlers to come to its office before every fishing trip and receive strict instruction of elimination of illegal fishing operation directly from the Agency officials.

(2) FAJ requests all of the North Pacific trawl fleet to notify their schedule of returning to the home port in advance. Then, FAJ dispatches the officers and conducts random inspections of the landing without any notice.

(3) FAJ required all of the North Pacific trawl fleet to retain and submit the complete and precise records of NNSS.



PACIFIC SEAFOOD PROCESSORS ASSOCIATION
 4019 - 21st Ave. West, Suite 201
 Seattle, WA 98199
 (206) 281-1667
 FAX (206) 283-2387



September 23, 1988

ACTION	ROUTE TO	INITIAL
	Exec. Dir.	
	Deputy Dir.	
	Admin. Off.	
	Exec. Sec.	
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Mr. Clement V. Tillion, Chairman
 United States Section
 International North Pacific Fisheries Commission
 Halibut Cove, Alaska 99603

Dear Commissioner Tillion:

We are pleased that the subject of interceptions of salmon by squid driftnet fisheries is included in the agenda of the U.S. Section Meeting in Anchorage on September 29 - 30. Also, we note that the enforcement of existing regulations applying to this fishery is included in the agenda of the November Annual Meeting of the Commission in Tokyo.

This subject is of great concern to the U.S. seafood industry as evidenced by recent public statements by political, industry and government leaders. The Pacific Seafood Processors Association (PSPA) and our member companies have previously (since the early 1980's) voiced concern about the squid fisheries of Taiwan, Korea and Japan and their capture of substantial quantities of salmon of North American origin. Earlier efforts of the previously referenced entities appeared to have had some effect in bringing about squid fishery regulations by Japan and Taiwan. Japan has banned the importation of the illegally caught salmon by the squid fleet and, Taiwan has a prohibition on the export of salmon. However, in 1986 and 1987, substantial quantities of salmon caught by Taiwanese fishermen on the high seas were sold illicitly in international markets and at least a portion of these fish were detained in 1986 through excellent work by the National Marine Fisheries Service (NMFS) during the process of importation to the United States. These actions may have stopped or greatly reduced exports of such salmon to the U.S. but exports of salmon from Taiwan to other markets has greatly increased in 1988.

The quantities of high seas gillnet caught salmon believed to originate from the Taiwanese squid fleet and possibly from the Japanese and Korean squid fleets, are much larger now and more widely offered than ever before observed in international commercial channels. Concerned customers of our members in England, France, Holland, Japan and other countries have provided information on offerings of salmon made directly from companies in Taiwan, Singapore and

Mr. Clement V. Tillion
September 23, 1988
Page 2

Thailand. Practically all of this salmon landed in Taiwan has been shipped to Singapore. Very large quantities of sockeye, coho and chums have been offered in frozen headed and gutted form on the world market at prices substantially below the market price for similar legitimate products from the U.S. and Canada. Recent offerings at higher prices reflect the shortage of salmon available from usual legitimate U.S. sources. It appears that most of the pink salmon has been re-exported from Singapore to Thailand in headed and gutted or round frozen form for canning. Most of this salmon is believed to be illegally caught.

All of the specific offerings and information we have received on this matter has been provided to the Department of State and NMFS (copy enclosed). The general consensus is that some 10,000 metric tons (mt) of salmon was caught primarily by the Taiwanese in 1988 and is being laundered through Singapore and Thailand into the world markets.

It is documented that no less than 4,000 mt and more likely over 8,000 mt of pink salmon are in Thailand for canning. This equates to between 3,000,000 and over 6,000,000 pink salmon. We know that some 400,000 (48/7 oz.) cases of pinks will be canned in Thailand and we are certain the total pack will be much larger. This product has been offered in Europe and Australia at about one-half the U.S. canner price. One offering of 40,000 cases of pinks from Thailand was made prior to April 29, 1988. This indicates that a substantial pack of pinks was also produced there in 1987, or; that Thailand had received commitments from the squid fleets to supply pinks in advance of them being caught in 1988; or the squid fleets are catching salmon very early in the year. Also, Patlee Products of Taiwan advised one of his potential European customers that it is difficult to obtain headed and gutted salmon unless it is contracted for in advance of March in each year. This indicates that there is a fully structured fishery and market for export in Taiwan of which the Taiwanese Government must be aware.

It is also very disturbing that there appears to be Japanese participation in the illicit Taiwan/Singapore salmon trade. At least one Japanese Co. (Igari and Co., Ltd., Tokyo) is designated as the seller of at least one parcel of 400 mt of coho, sockeye and chum salmon offered out of Singapore at prices much lower than those obtainable in the Japanese market. It is likely that this salmon resulted from illegal catches from the Japanese, Taiwanese, or a combination thereof, squid fleets.

It is common knowledge in Japan that the frozen coho market was glutted in early September of this year by the arrival

of 1,500 mt (some 720,000 fish) of coho from the Japanese squid fleet. The vessels delivering those fish were reported to have unloaded their squid cargo during the day in Hokkaido ports and unloaded the illicit salmon cargo during nighttime hours. A direct call from the Seattle representative of one concerned Japanese company to the All Japan Squid Driftnet Fisheries Association drew the reluctant admission that they had already delivered 1,000 mt of frozen coho in Japan which was part of the by-catch from squid fleet operations. They claimed to have only caught coho, which seems unlikely.

By-catches of this magnitude were never contemplated in any squid fishery discussions between Japanese, U.S. and Canadian representatives to the INPFC or other government/industry representatives. To our knowledge such catches are not allowable under Japanese squid fleet regulations but it is inconceivable that landings of this magnitude could occur without the knowledge of Japanese government officials.

Catches of the magnitude being landed in Japan and the huge Taiwan/Singapore/Thailand salmon laundry can only result from a substantial directed fishery effort for salmon by the Taiwanese and Japanese squid fleets. The shortfall of salmon in many Alaskan runs in 1988, particularly pinks and cohos, and an increasing incidence of salmon bearing high seas gillnet marks suggests that these high seas fisheries are having a major negative impact on North American salmon runs reminiscent of the Japanese high seas removal of Bristol Bay sockeye many years ago.

At previous meetings of the INPFC, all three countries expressed great concern about the driftnet squid fisheries of non-contracting parties (Taiwan and Korea, to date). The U.S. and Canadian delegations have strongly protested Japanese squid fleet violations of fishing time and area regulations. Ironically, Japan made the strongest statement in this regard at the 1987 annual meeting of the Commission as follows:

"We are greatly concerned about the catches of salmon in the North Pacific Ocean and their sale by non-contracting parties. We would like to make every possible effort to prevent such activity by non-contracting parties through the cooperation of our three countries - the traditional salmon fishing nations."

Japan has also indicated previously that they would deal harshly with their own fishermen who have violated regulations.

With the evidence at hand in 1988, it is apparent that their actions have not resulted in reduced squid fleet salmon interceptions and in fact it appears likely that they condone the directed fishing for salmon by their squid fleet. This is in direct violation of the Japanese commitments as party to the North Pacific Treaty and of Japan's own domestic regulations. We are not suggesting that the U.S. withdraw from the Treaty but we do believe that we should examine the future of a treaty in which one participant condones an essentially unregulated fishery which is in contravention of the treaty. Stronger and more effective measures must be taken against Japan and by the other contracting parties to ensure that the high seas driftnet fisheries of Japan do not target on and traffic in salmon of North American origin. We urge the U.S. delegation to INPFC to present this case to Japan at the Tokyo meeting in the strongest terms possible and to enlist the support of the Canadian delegation in this matter, as their stocks are also likely involved. In addition, we urge the U.S. Department of State to convince Japan to honor its obligations under the Treaty prior to the 1989 season and beyond.


The problem with Taiwan has substantially worsened, and both the Japanese and the Taiwanese have not come to a resolution with the U.S. on the matter as provided in the Driftnet Impact Monitoring, Assessment and Control Act of 1987. The U.S. delegation to the INPFC and the U.S. Department of State should make it abundantly clear to Japan and Taiwan that this issue will have most serious consequences to the trade relationship between the U.S. and their nations unless these driftnet salmon interception issues are resolved. We must insist upon substance rather than the passage of domestic regulations on fisheries which neither country has any intention of enforcing effectively, and which are probably not effective in avoiding the interception of salmon even if they were enforced.

PSPA urges the U.S. delegation to make the strongest possible representations to the contracting parties to seek immediate and effective resolution of this issue. Further, we urge the U.S. Department of State to take this matter up at forthcoming meetings with the U.S.S.R. The recently signed and ratified Comprehensive Fisheries Agreement between the U.S. and the U.S.S.R. strongly establishes the mutual interests of the two countries in protecting the anadromous fish stocks originating in the waters of either party from fisheries conducted by third parties beyond their respective exclusive economic zones (Article VII).

Mr. Clement V. Tillion
September 23, 1988
Page 5

Finally, PSPA intends to seek every means available to make the swift resolution of the continuing interception of salmon by unregulated and irresponsible foreign fisheries a matter of national priority. We intend to make strong representations to our government through our elected representatives, appropriate agencies of government and the press regarding the serious nature of this problem and the need for its swift resolution. We urge all interested parties to join in the effort.

Sincerely,

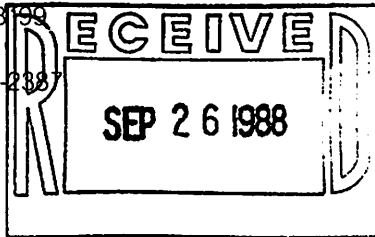

Barry D. Collier,
President

Enclosure

cc: President Ronald W. Reagan
Secretary of State George Shultz
Secretary of Commerce William C. Verity
Dr. William E. Evans, Administrator NOAA
Ambassador Edward E. Wolfe
Mr. James W. Brennan, Asst. Administrator NOAA
Senator Ted Stevens
Senator Frank H. Murkowski
Senator Brock Adams
Senator Daniel J. Evans
Senator John B. Breaux
Congressman Don Bonker
Congressman Mike Lowry
Congressman John R. Miller
Congressman Don Young
Alaska Governor Steve Cowper
Washington Governor Booth Gardner
Mr. John G. Peterson, Acting Chairman NPFMC



PACIFIC SEAFOOD PROCESSORS ASSOCIATION
4019 - 21st Ave. West, Suite 201
Seattle, WA 98199
(206) 281-1667
FAX (206) 283-2387



AGENDA B-1
SEPTEMBER 1988
SUPPLEMENTAL

September 20, 1988

Ambassador Edward E. Wolfe
Deputy Assistant Secretary
Oceans and Fisheries Affairs
United States Department of State
Washington, D.C. 20520

Mr. James W. Brennan
Assistant Administrator for Fisheries
National Oceanic and Atmospheric Administration
National Marine Fisheries Service
1825 Connecticut Avenue N.W.
Washington, D.C. 20235

Dear Ed and Jim:

The Pacific Seafood Processors Association has in recent months received information from reliable sources indicating that large quantities of Pacific salmon have been taken in the high seas squid fishery (enclosures). These documents do not provide clear evidence of the origin of the catch, however there appears to be little doubt as to source. Our evidence indicates that these fish are being harvested by the Taiwanese and Japanese fishing fleets.

Taiwan and Singapore have been identified as the primary locations for the purchase and distribution of the frozen salmon in question (Taiwanese law prohibits export of salmon from that country). We also have evidence that substantial amounts of Pacific salmon is being canned in Bangkok, Thailand and offered for sale on the world market. Contacts for offers/sales have been made with at least three countries, namely France, England, and Australia. We have reason to believe that the seller of some parcels is a Japanese company.

The size of fish is small suggesting immature salmon typical of a high seas fishery. Accurate assessment of the numbers of fish involved is difficult, but based on the evidence to date it is likely that several million salmon have been removed. It is relatively easy to project that up to 10,000 metric tons of salmon have secretly been taken and laundered under devious methods. The loss of income to the U.S. seafood industry is very significant, a multimillion-dollar loss. In addition to the direct loss of the income to the harvesting and processing sectors, the value of legal U.S. product has been negatively impacted.


Ambassador Edward E. Wolfe
Mr. James W. Brennan
September 20, 1988

It is noteworthy that the names Lee and Chen appear on many of the recent documents and these names were also present on the Affidavits of W. Lutton and C. Walters filed in 1986 in the Taiwan - Singapore illegal distribution of high seas Pacific salmon case (enclosures).

It appears that the squid fishery involving Taiwanese and Japanese fishermen is being used in part as a front for salmon related activities. The evidence warrants the government's most exhaustive investigation. Proper management and protection of the resource demands that an immediate inquiry be conducted to bring an end to this high seas piracy. The U.S. seafood industry cannot continue to endure these severe financial losses.

Circumstances in the present matter appear to be similar in many respects to the earlier referenced case in 1986. We most strenuously urge that the successful government effort that culminated in prosecution of the persons involved be renewed and expanded as required. Our nation, industry, and resource requires that strong measures be directed to permanently resolve the problem. We trust you will give this serious matter your utmost attention. We would be pleased to continue to assist you in this investigation.

Sincerely,


Barry D. Collier
President

Enclosures

cc: Senator Ted Stevens
Senator Frank H. Murkowski
Senator Brock Adams
Senator Daniel J. Evans
Senator John B. Breaux
Congressman Don Bonker
Congressman Mike Lowry
Congressman John R. Miller
Congressman Don Young
Alaska Governor Steve Cowper
Washington Governor Booth Gardner

BRINDLE
BRINDLE

PROCESSORS OF
CHOICE ALASKA SEAFOOD
SINCE 1912

Wards Cove Packing Company

PHONE (206) 323-3200
EX 328759

88 E. HAMLIN STREET
P.O. BOX C-5030
SEATTLE, WA 98105-0030

Day Fax (206) 323-3200 Ext 258
Night Fax (206) 323-3204

August 3, 1988

The Honorable Frank H. Murkowski
United States Senate
Washington, D. C. 20510

Dear Frank:

You have probably heard that to date pink salmon returns to Alaska can best be described as disappointing. Yesterday I received word that the Taiwanese are again offering frozen at sea pinks and sockeyes. What quantities are available are as yet undetermined nor do I know where the fish were actually caught. However, I would have to assume that the at sea interception is continuing. The company offering the ocean run Pacific salmon is Patlee Products, Inc., Taipei, Taiwan; Telex 21279 Patlee; Phone (02) 5512931; Fax 886-2-5512138.

We have no way of determining anything further with regard to these fish. Hopefully through your efforts and as part of your continuing effort to stop at sea interception of Alaska Salmon we can find out if in fact they are Pacific salmon. If I learn anything further about this I will advise your office.

Kindest personal regards.

Sincerely,

Alec W. Brindle

AWB:kmh
cc: Barry Collier

5 1988

PROCESSORS OF
CHOICE ALASKA SEAFOOD
SINCE 1912

Wards Cove Packing Company

88 E. HAMLIN STREET
P.O. BOX C-5030
SEATTLE, WA 98105-0030

Day Fax (206) 323-3200 Ext 253
Night Fax (206) 323-3204

3-3200

August 9, 1988

The Honorable Frank H. Murkowski
United States Senate
Washington, D.C. 20510

Dear Frank:

A short time ago I wrote you concerning an offer by a Taiwanese company of ocean caught Pacific salmon. Since then I have learned that the amount available is approximately 80 tons, consisting of about 65% cohos and chums, 30% sockeyes and the balance pinks.

I hope this information will be useful to you in your attempts to stop this poaching of U.S. salmon on the high seas.

Sincerely,



Alec W. Brindle

AWB:kmh

cc: Barry D. Collier

Re Singapore Frozen Salmons

Pursuant to our yesterdays fax and to our todays phone conversation we are pleased to inform you that the goods offered can be inspected by your representative in the following address :

Hook Bee Frozen food Enterprise Pte Ltd.
Singapore Pty / Office
10/12 Fishery Port Road
Singapore 2261
Tel : 2689 144

Please contact : Mr. Richard P L Peh - Managing Director
or
Mr. Lee

B.W.I. Marino Products Ltd.

No 287747

PARIS OFFICE :
60, AV. DES CHAMPELIERES
75008 PARIS / FRANCE
TELEPHONE : 48 63 66 69
FAX : 48 60 06 97
TELEX : 640167

A l'attention de Christophe

Re Singapore Frozen Salmons (caught in North Pacific)

We can presently offer you on behalf of our Japanese shipper and subject to their confirmation as follows :

aa) Coho Salmons - headless - G/G - tail on

size : 1/5 lbs per piece US\$3.50/lb CIF Le Havre
size : 2/3 lbs per piece US\$2.70/lb CIF Le Havre

Available quantity for immediate shipment 3/5 100 tons and 2/3 50 tons

Packed : 1/50 lbs each poly bag

bb) Red Sockeye - headless - G/G - tail on

size : 2/4 lbs per piece US\$4.20/lb CIF Le Havre
size : 4/6 lbs " " US\$4.50/lb CIF Le Havre

Available quantity for immediate shipment 200 tons
Orders must be 700 2/4 and 300 4/6

Packed : 1/50 lbs each poly bagged

cc) Silverbright - headless - G/G/ tail on

only available presently size 2/4 at US\$2.20/lb CIF Le Havre

Available quantity 50 tons

Please let us know, if possible today, if any of these offers is of interest for you.

Best regards

R. Miller : B.W.I.

TLX 6665

ATTN

TN

CC :

TRYING TO GATHER AS MUCH INFO AS POSSIBLE RE SALMON USED BY
THAI CANNERS WILL YOU WILL FIND HEREUNDER FIRST INFO RECEIVED
TRYING TO GET FURTHER DETAILS AS YOU WILL SEE FROM OUR TELEX
EXCHANGES QUOTED BELOW

QUOTE 1

- FEXXXXXX

- FEW CANNERIES PACK SALMON ; THAI UNION, SIN HENG, S.K. FOOD,
S.P.I.
- PRICES ARE NOT BELIEVABLE : SOME SAID 1,800 USD/MT BUT OTHERS
SAID 2400 USD/MT
- ABOUT 1,000 MT OF SALMON ARRIVED BANGKOK IN JYLY BY M.V. SHITAKARA
MARU AND ABOUT 1,200 MT ARRIVED IN AUGUST BY M.V. SHINE YEAR

UNQUOTE 1

QUOTE 2

THANKS YOUR TELEX TODAY RXXXXXX

THANKS YOUR TELEX TODAY RE SALMON - APPRECIATE YOUR INFO
HOWEVER WOULD BE GRATEFUL IF YOU COULD IF YOU COULD TRY
AND FIND OUT FOR US

1) NAME OF FISHING BOATS FISH ORIGINALLY CAME FROM, AS UNDERSTAND
BOTH VESSELS MENTIONED ARE CARRIERS NOT FISHING VESSELS
2) NAME OF SELLERS
3) ORIGIN OF FISH

ALSO WOULD MUCH APPRECIATE IF YOU COULD HAVE 2 OR 3 PIECES OF
FISH AND AIRFREIGHT THESEXXXXXX

FISH AND AIRFREIGHT THESE TO US AT OUR EXPENSES

PLEASE ADVISE

UNQUOTE 2

FEEF 11560

B.W.I. Marine Products Ltd.

PARIS OFFICE :
65, AV. DES CHAMPS ELYSEES
75008 PARIS / FRANCE
TELEPHONE : 01 40 64 00
FAX : 01 40 64 07
TELEX : 844187

*A l'Attention de
Christophe*

Re Singapore Frozen Salmons

Pursuant to our yesterday's fax and to our today's phone conversation we are pleased to inform you that the goods offered can be inspected by your representative in the following address :

Hock Bee Frozen food Enterprise Pte Ltd.
Singapore Pty / Office
10/12 Fishery Post Road
Singapore 2101
Tel : 2689 144

Please contact : Mr. Richard P L Poh - Managing Director
OF
Mr. Lee

Please let us know the name of the person that would inspect the goods for your account and the date of the inspection in order to advise our shipper Messrs. Igari & Co. Ltd. of Tokyo Japan.

Looking forward to your reply,

Best regards,

[Signature]
R. Müller / B.W.I.

8/16/88 +

CLIFF

FYZ!

625 Y 940 / 950 - RE SINGAPORE SALMON : I DO UNDERSTAND YOUR CONCERN WHICH ARE MINE ALSO ABOUT THIS BIG TROUBLE BUT FOR THE MOM I WONT BE OF GREAT HELP FOR YOU. MANY OF OUR CUSTS ARE BUYING THIS SORT OF SALMON AND BELIEVE ALL OF THEM ARE VERY VERY SECRET ABOUT WHERE OR FROM WHICH/AGENT THEY GOT THIS FISH (SPECIALLY IN SUCH A YEAR OF SHORTAGE FOR PACIFIC SALMON) SO I DONT HAVE ANY INFO FOR YOU FOR THE MOM I MEAN PRICES / SIZE / QTTY OFFERED ETC BUT BELIEVE I WILL DO MY BEST IN THE COMING DAYS FOR YOU ABOUT THAT.

YOU KNOW THAT CIB IS MAKING A GREAT BIZ WITH JAPAN ON SURIMI AND MICHEL TOLD ME THAT HE GETS OFFERED OF SINGAPORE SALMON THRU THE JPNS CO'S HE WORKS WITH ON SURIMI. SEEMS LIKE SOME JPNS CO'S HAVE SHARES OR SOMETHING LIKE THAT INTO CO. IN SINGAPOR/TAIWAN AND THAT THEY ARE OFFERING PACIFIC SLM (MOSTLY CHUMS WITH A LITTLE BIT COHO) TO THE FRENCH MKT. TOO BAD. WILL TRY TO HAVE MORE INFO THRU MICHEL FOR YOU ABOUT THAT. RVTG.



End of Message 002

Enter Command
Store Message 003

2166 Words Left

16/8/88

~~XXXXXXXXXXXXXXXXXXXX~~

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72578 GIVESHIN

07/27 16:07
051946707+

~~XXXXXXXXXXXXXXXXXXXX~~

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CLIFF

THIS IS ALL I HAVE. I DIDN
REPLY

FROM GIVE SHINE TRADING CO LTD (TAIWAN)

27/07/88

RE: SALMON EX SINGAPORE
WE HV 600M/T OF PINK WHOLEROUND NL BE LOADED TO S'PORE IN THE MIDDLE
OF SEP. AND WE HV 300M/T OF ~~XXXXXXXXXXXXXXXXXXXX~~ 300M/T OF PINK
H/G CAN SELL TO YOU IN THE MIDDLE OF AUG.
PLS ADVISE YR INTERESTS AND THE IDEA PRICE YOU ARE BUYING NOW, SO
THAT WE CAN OFFER YOU IN DETAILS ASAP.

B.RGDS

JOSEPH CHEN

001.3

End of Message 003

HELLO ~~XXXXXXXXXX~~

QUOTING YOUR HEREUNDER FOR YOUR INFORMATION TELEX RECEIVED FROM TAIWAN RE SALMON

~~UNQUOTE~~

JULY 30 1988

FROM : PATLEE PRODUCTS, INC
TAIPEI TAIWAN
TELEX 21279 PATLEE
PHONE (02) 5512931
FAX 886 - 2 - 5512138

DEAR SIRS

RE OCEAN RUN PACIFIC SALMON

FROM MID OF AUGUST TILL END OF SEPTEMBER, WE ARE ABLE TO SUPPLY FROZEN ON BOARD SALMON, BOTH PINK AND SOCKEYE ARE AVAILABLE. MINOR QUANTITY OF CHUM AND COHO.

ROUND WEIGHTS 1.8 KGS AND UP EACH FISH
IF HEADED AND GUTTED IS AVAILABLE, EACH WEIGHTS 1.2 KGS AND UP

PLEASE LET US HAVE YOUR QUANTITY AND PRICE IDEA IN ORDER TO DISCUSS FURTHER

BEST REGARDS

IVAN LEE/MANAGER

UNQUOTE

BEST REGARDS

MESSAGE:

HERE IS A COPY OF THE TLX WE
RECEIVED FROM OUR FRENCH OFFICE
REGARDING TAIWANESE SALMON.

FYI THERE IS NOW OFFERS OF BRITES FROM SINGAPOR FOR 4/6 AT USD 2.00
CIF AND 6/9 AT USD 2.10 CIF. THE RUMOUR IS THAT IT IS GOING TO BE
OFFERED QUITE A GREAT DEAL OF CHUMS AND COHO FROM SINGAPORE IN A VERY
NEAR FUTURE AT RATHER SHORT PRICE.

English guy called Pat Martin said he was offered 3000 Tons
of Pinkie (Round frozen) and Chums from Singapore.

078521279+
214 1141 /888/
21279 PATLEE

~~CONFIDENTIAL~~

PARIS AUGUST 1ST 1988

TLX 6055

ATTN MR IVAN LEE

THANKS YOUR TELEX JULY 30 RE OCEAN RUN PACIFIC SALMON
ARE INTERESTED IN RECEIVING YOUR OFFERS
PLEASE ADVISE AS SOON AS YOU WILL HAVE QUANTITIES AVAILABLE
RATHER DIFFICULT TO GIVE YOU QUOTATIONS FOR TIME BEING AS
PRICES VERY FLUCTUANT SO IS DOLLAR RATE
AWAITING YOUR OFFERS

BEST REGARDS

~~CONFIDENTIAL~~
~~CONFIDENTIAL~~

21279 PATLEE

~~CONFIDENTIAL~~

-D=01:48-E:06A-H:11:42-CFC:RASD

220107F
1136
279. PATLEE

AUGUST 21, 1988
FROM : PATLEE PRODUCTS / TAIPEI
TO : ~~XXXXXXXXXXXXXXXXXXXX~~

ATTN :

RE OCEAN RUN PACIFIC SALMON

=====

H/G SALMON - 2000000 ON BOARD
SIZE 1.8 KGS TO 2.16 KGS EACH
PACK : 20 - 25 KGS IN A CARTON.
QUANTITY : 50 CARTONS
APPROXIMATELY CONTENTS:
SOCKEYE 25 - 30 PERCENT
COHO / CHUM 45 PERCENT
PINK 5 PERCENT (DUE TO MIS-ABSORB ON BOARD)
DUE TO CREW DO NOT AWARE DIFFERENT OF COHO/PINK, THEREFORE CAN
INFORM EXACT BREAKDOWN OF COHO AND CHUM.

PLS ADVISE YOUR OFFER AS IS.

2. IN GENERAL, DIFFICULT TO OBTAIN H/G SALMON UNLESS CONTRACT IN
ADVANCE WHICH IS MARCH EACH YEAR.
ROUND TYPE, SIMILAR CONTENTS AS H/G SALMON.
SIZE 1.8 KGS UP. PACK IN CARTON OF 20/25 KGS.
PRICE FOB SINGAPORE US\$3.25/KG.

BEST REGARDS,
IVAN LEE

=====

OUR PREVIOUS TLX TODAY POINT -1- SHLD READ :
DUE TO CREW DO NOT AWARE DIFFERENT OF COHO AND CHUM, THEREFORE
CAN NOT INFORM EXACT BREAKDOWN OF COHO AND CHUM.

REGARDS
IVAN LEE
PATLEE PRODUCTS

ANY HOW, WE WOULD LIKE TO SUPPORT TWO PIECES OF 40 FT CONTAINERS EITHER NOW OR EARLY NOVEMBER. EACH CONTAINER LOAD ABOUT 18,216 KGS (18.261 M.TONS) OF HEADED AND GUTTED SALMON. PROCESSED ON BOARD. TWO CONTAINERS WILL CONTAINS ABOUT 36,432 KGS (36.432 M.TONS).

IF YOU WICH TO TAKE DELIVERY FROM NOW, WE HAVE TWO READY CONATINERS FOR YOU WITH FOLLOWING CONTENTS EXACTLY :

AA. CONTAINER A -

QUANTITY : 778 CARTONS, NET WEIGHT 17682 KGS (17.682 M.TONS).

BREAKDOWN ; SOCKEYE 2/4 - 242 CARTONS,
 4/6 - 170 CARTONS
 CHUM 2/4 - 273 CARTONS
 4/6 - 93 CARTONS

EACH CARTONS CONTAINS NET W. 22.73 KGS.

BB. CONTAINER B -

QUANTITY; 825 CARTONS, NET WEIGHT 18,750 KGS (18.750 M.TONS). .

BREAKDOWN: SOCKEYE 2/4 315 CARTONS
 4/6 147 CARTONS
 CHUM 2/4 246 CARTONS
 4/6 108 CARTONS.
 PINK 2/4 9 CARTONS

EACH CARTONS CONTAINS 22.73 KGS N.W..

CONTAINER A ALREADY ON WATER TO FRANCE ON 8TH OF SEPTEMBER.
CONTAINER B WILL BE SAILED TO FRANCE ON 14TH/15TH FROM SINGAPORE, BUT HAD LOAD INTO CONTAINER. YOU MAY SEND A PERSON TO OPEN CONTAINERS AND CHECK IT.

PRICE CNF FRANCE (FOS) ;
SOCKEYE USD6.35/KG
CHUM USD5.25/KG
PINK 4.80/KG

FOR NOVEMBER, THE CONTENTS OF SALMON WILL BE ALMOST NO SOCKEYE.
THE CONTENTS OR PERCENTAGE OF SOCKEYE OF ABOVE WILL BE SUBSTUTED BY COHO.
CHUM ABOUT THE SAME. PINK ALSO VERY LITTLE TO NOTHING.

IF INTEREST IN THE TWO CONTAINERS NOW, PAYMENT BY T/T.

RE TAIWANESE SALMON

QUOTING YOUR HEREUNDER INFO RECEIVED RE SUPPLIES TO THAI CANNERS

QUOTE

ONLY PRODUCT THAI UNION RECEIVED IS FROM PAGODA SINGAPORE
CAME IN ON MAERSK MONDO WAS 7 FCL (155 MT)
SPI IMPORTED 1000 MT FROM KING SALMON CO IN ALASKA
SK FOODS COMPANY IMPORTED SALMON FROM TAIWAN BUT CANT GET
INFO ON THIS

UNQUOTE

BEST REGARDS

RE TAIWANESE SALMON

OUR MAN IS NOW IN SINGAPORE

HE VISITED A SALMON PARCEL IN NCS COLDSTORAGE
2261 FISHERY PORT ROAD
SINGAPORE

PINK SALMON GEING DELIVERED IN THAILAND ONLY. ONLY SPECIES
AVAILABLE IN SINGAPORE ARE COHOES/SOCKEYES/CHUMS
SIZES 2/3 TO 3/5 (ONLY 15 0/0 3/5), FISH BEING V-SHAPE HEADED,
ALL SMALL SIZES FISH AND HALF GUTTED, WITH MARKS FROM NETS/BLACKISH
MEAT, MOST PIECES OF FISH HAVE LOST THEIR ORIGINAL SHAPE,
ALL IQF IN BLANK POLYBAGS, PINK COLOUR, PACKING 50 LBS CARTONS
FREEZING DATE AUGUST 15TH 1988, SINGAPORE ORIGIN.

PRICES OFFERED :

COHOES	2/3	USD 2.70 ✓	PER LB. CIF LE HAVRE
	3/5	3.50 ✓	
SOCKEYES	2/3	3.70	
	3/5	4.20	
CHUM	2/3	2.20 ✓	

SELLER OF THIS PARCEL IS A JAPANESE COMPANY

IGARI AND CO LTD
GINZA CHUO BUILDING
1-20 TSUKIJI 4 CHOME
CHYO-KU TOKY 104
TLX : 2522374

SOME SAMPLES WILL BE AIRFREIGHTED TO US THIS WEEK WITH TWO PIECES
OF PINK

BEST REGARDS

QUOTING YOU HEREAFTER TELEX JUST SENT TO CLIFF RE TAIWANESE SALMON

QUOTE

8/30/88

PARIS AUGUST 30TH 1988

Steve 300

TLX 6722



CLIFF

RE TAIWANESE SALMON

YOUR FAX AUGUST 29TH 1988

RE NATIONAL 1

CHRIS AND MYSELF ARE SURE IT IS NOT NATIONAL 1 WHO PURCHASED THE SALMON BUT OTHER BUYERS STOP MR BRBE SEEMS TO BE INVOLVED IN SALES OF THIS FISH AS SOME OF HIS CLOSE CONTACTS ARE RECEIVING SOME OF THIS SALMON PLEASE INVESTIGATE CONFIDENTIALLY

I WOULD SUGGEST YOUR AUTHORITIES SHOULD APPROACH OUR CUSTOM AUTHORITIES AND OUR MINISTRY OF QUALITY WHERE WE KNOW SOME PEOPLE WELL

IT SEEMS SIZES UNDER 2 LBS ARE NOT RESTRICTED/FORBIDDEN. DO YOU HAVE ANY OFFICIAL DOCUMENT IN HANDS STATING SUCH SIZES ARE NOT ALLOWED. PLEASE ADVISE WILL ASK MY "MATA HARI" TO GO TO SINGAPORE TO FOLLOWING COLDSTORE :

HOCK BEEFROZEN FOODS ENTERPRISE PTY LTD
SINGAPORE PTY OFFICE
10/12 FISHERY PORT ROAD SINGAPORE 2261
CONTACT MR RICHARD PL POH OR MR LEE

AND TAKE SOME SAMPLES WHICH WILL BE FORWARDED, PLEASE TELL US WHERE THESE SHOULD BE SENT

WILL ALSO TRY TO HAVE SOME SAMPLES THROUGH BANGKOK AND ALSO FROM PARCELS ARRIVING IN FRANCE

UNQUOTE

BEST REGARDS

INTER-OFFICE COMMUNICATION

DATE 9/14/88

TO Barry Collier 283-2387
FROM John Gilbert

Further to the matter of squid fleet salmon:

1. On 9/8 one of our largest Japanese buyers reported to us that the Japanese market for coho had been flooded (at least temporarily) by the arrival of 1500 mt. of coho from the Japanese squid fleet. It was reported that the vessel(s) underwent normal off-loading of squid in Hokaido ports during the day and unloaded the salmon at night.
2. The Seattle representative of the Japanese company made direct telephone contact with the All Japan Squid Driftnet Fisheries Assn. which reluctantly admitted that 1000 mt of coho had already been delivered in Japan and claimed that this was by-catch from the squid fleet operations, some by-catch.

SEP 14 '88 14:29

206 323 3200 258

TOTAL P.01
PAGE.001

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H.C.N. B.V.

01

MCM

MAARTEN CATZ MERCHANDISING B.V.

F A C S I M I L E

Schiedam, 17 aug. 1988

to: [REDACTED] - U.S.A
fm: M. Maarten Catz

ref: 5810

thanks yr fax 15.08.88

[REDACTED]

meanwhile with current developments pink salmon, resale possibilities europe for the off-grade product are improving.

probably best to leave this matter until my visit, by which time most relevant details should be known.

as to thailand they received about 4-5000 tons of which about 300 (threehundred) fcl are being packed - mostly pinks.

We made some contracts ourselves at usd. 35 c+f per 48/200 g. (tuna can) and have meanwhile approved quality.

estimate to tally 100-150 fcl sold to various destinations including australia.

best regards,

maarten catz

fcl = full container loads, 20' container :

1300 48/1/2" cs/20' container

300 fcl = 390,000 48/1/2 cs.

'88 06/30 10:11

Z 010 4739849

M.C.M. B.U.

01

MCM

MAARTEN CATZ MERCHANDISING B.V.

F A C S I M I L E

ref:4634

Schiedam, 30 juni 1988

to: 

Dear 

Tks yr offer 10 fcl pinktalls.

Gather from your description that these are soft type hatchery pinks. pls advise.

Your price indication not very tempting as from various sides we now have indications that a/apa pinktalls could well be available around usd 40.00 fob net.

Thai union continues offering 48/220 gr pinks at usd 33.00 - july/march.

Best regards,

Maarten Catz.

cc: Roy

RCA THRU DATA MSG 3301 TO 289654 RCVD APR 29 05:13
289654 SEFO UR

25462 MCH NL
290488 11.12

REF: 3153

~~REDACTED LINE~~
RE: CANNED SALMON - THAI PACK

FURTHER TO OUR FAX NO: 3058 WE MEANWHILE FOUND OUT THAT THAI UNION
CONFIRMED TO ZEITZ TOTALLY 40,000 CS 48/200 G SPREAD SHIPMENT AT
AVERAGE PRICE OF USD 33.00 C/F.

RGDS,
HAARTEN CATZ
289654 SEFO UR 3301

25462 MCH NL

289654 SEFO UR
12/12

$\frac{200}{873} = \frac{33}{7}$

PP9

PATLEE PRODUCTS, INC.
102 CHUNGSHAN NORTH ROAD.
SECTION 2, 4TH FLOOR
TAIPEI 10449 TAIWAN.
TLX: 21279 PATLEE TEL: 02-3512931 FAX: 886-2-3512138

Handwritten signature

SEP 14, 1988
21279 PATLEE

[REDACTED]

RE H/O SALMON

WE ARE OFFERING U OUR LAST PARCEL AS FOLLOWING:

1. QTY: 150M/TONS.

2. PRICES N ESTIMATED BREAKDOWN:

COHO: USD6.40/KG CNF FOB, AT LEAST 40% N MIGHT BE UP TO 55%. AT
LEAST 40% 4/6 LBS.

CHUM: USD5.45/KG CNF FOB, AT LEAST 40% 4/6 LBS.

PINK: USD5.00/KG CNF FOB, 1% - 10% 2/4 LBS.

3. WL ARRIVE SINGAPORE END OF SEPTEMBER OR EARLY OCTOBER, N WE CAN
SORT/REPACK TO COMPLETE SHIPMENT WITHIN 20 DAYS.

4. PACKING: EACH PC IN POLYBAG, 50 LBS IN CARTON.

5. PAYMENT: 100% AT SIGHT L/C.

PLS ADV UR DECISION IMMEDIATELY.

REGARDS
IVAN LEE

ATTN: ARI
fax 7145

KING'S
HOTEL SINGAPORE

A MEMBER OF THE HONG LEONG GROUP

Best Regards
Cherrier

FACSIMILE TRANSMISSION

No. 331-40261747

To [REDACTED] / FRANCE

Company [REDACTED]

From PATRICK LEE, PATLEE PRODUCTS.

Date SEP 16 Time 16:20

Subject H+G SALMON

No of Pages 1

Remarks DEAR [REDACTED]

THIS WILL BE THE LAST QUANTITY WE COULD OFFER TO YOU:
COTTO H+G ABOUT 40-60%, CATTUM H+G ABOUT 70/50%,
VERY MINOR PINK. SIZE ABOUT 40-60% 4/6 LBS, BALANCE 2/4.

DELIVERY FROM SINGAPORE:

- 3 CONTAINERS (50-60 M.T.) : OCTOBER 6, 13TH.
- 3 CONTAINERS (50-60 M.T.) : OCTOBER ~~13TH~~ 20TH, 27TH
- 3 CONTAINERS (50-60 M.T.) : NOVEMBER 3RD, 10TH.

DESTINATION : FOS.

ABOUT 80 M.T. H+G ON BOARD; 100 M.T. H+G IN SINGAPORE
FROM ROUND SALMON.

- * H+G ON BOARD PRICE SAME AS GIVEN 4 DAY/5 DAYS AGO.
- * H+G ON LAND : COTTO USD7.25/CSF; CATTUM USD6.25, PINK \$5.00

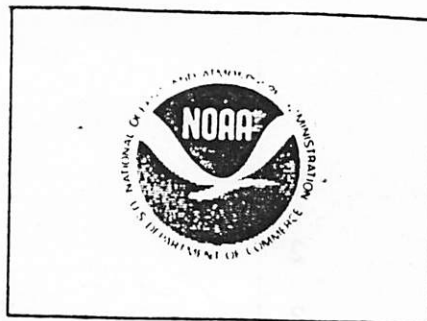
REGARDS X' P.S. AM BACK TO TAIPEI TOMORROW.

PATRICK LEE
King's Hotel Ltd. Havelock Road, Singapore 0316. Tel: 7330011
Telex: Kingtel RS 21931 Cable: 'Kingshotel' Fax: 7325764



UNITED STATES DEPARTMENT OF
COMMERCE
NEWS

Western Regional Center
Seattle, WA 98115



CONTACT:

Rolland Schmitt - (206) 526-6150
Regional Director, NWR-NMFS
William Lutton - (206) 526-6133
Deputy SAIC, Enforcement Division

NOAA-SEA-86-17

RECORD SALMON
SEIZURE BY NATIONAL
MARINE FISHERIES
SERVICE AGENTS

FOR IMMEDIATE RELEASE

National Oceanic and Atmospheric Administration (NOAA) officials in Seattle, Washington, have seized in Tacoma almost 595,000 pounds of salmon worth \$796,000 bound from Taiwan to Japan by way of the U.S. in an alleged multimillion-dollar fish laundering scheme.

The record haul, believed to be part of over 3.5 million pounds of salmon worth \$4,746,000 routed through Tacoma, consists of 4-6 pound chum and sockeye. It was seized by National Marine Fisheries Service enforcement agents in the course of its 13,000 mile round trip across the Pacific.

Japan prohibits the importation of Taiwanese-caught salmon, and salmon cannot legally be exported from Taiwan.

The Commerce Department agency said the salmon were shipped first to Singapore and Hong Kong. Then Union Inc., a trading company in Costa Mesa, California, shipped the fish to Tacoma. There it is alleged that new container seals and bills of lading were used to obscure Taiwan as the country of origin, and the salmon were to be reshipped to Japan.

The U.S. has a substantial salmon export market to Japan, and a U. S. bill of lading would be readily accepted there. Sophisticated tests, the seized fish's appearance, including gillnet marks, and fishing patterns indicate they were caught on the high seas and are of Taiwanese origin.

The Taiwanese ban on salmon exporting and gillnetting was imposed at U.S. urging, in an effort to eliminate migratory interceptions and bring Taiwanese gillnetting practices under control.

In addition to forfeiture of the fish, civil actions against Union Inc., and its general manager, Young Ho Lee, are expected later this week. Civil penalties against the company and Mr. Lee could total \$150,000.

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ENTERED ON
AUG 27 1986

FILED IN THE By Deputy
UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

AUG 27 1986
BRUCE RIFKIN, Clerk
Deputy

FILED LOCCED
RECEIVED
AUG 27 1986
CLERK U.S. DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
BY TACOMA DEPUTY

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
594,464 POUNDS OF SALMON,)
MORE OR LESS,)
)
Defendants.)

C86 - 666TB

Civil No.

ORDER DIRECTING CLERK TO ISSUE IN REM WARRANT OF ARREST

Based upon the Complaint filed herein, the Motion for Issu-
ance of In Rem Warrant of Arrest and attached affidavits, and
good cause appearing, plaintiff United States of America's motion
for issuance of warrant is GRANTED, and the Clerk of the Court is
this day ORDERED to issue the form of warrant submitted with the
motion.

DATED: August 27th, 1986

John E. Tanner
United States District Judge

ORDER

UNITED STATES ATTORNEY
1145 BROADWAY PLAZA, SUITE 350
TACOMA, WA 98402
(206) 593-6316

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FILED _____ RECEIVED
AUG 27 1986
CLERK U.S. DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
BY _____

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,
Plaintiff,
v.
594,464 POUNDS OF SALMON,
MORE OR LESS,
Defendants.

308TB

Civil No.

PRAECIPE FOR IN REM
WARRANT OF ARREST

Plaintiff, UNITED STATES OF AMERICA, having filed a Complaint for Forfeiture herein, hereby requests the Clerk of the United States District Court for the Western District of Washington to issue an In Rem Warrant of Arrest for the fish which are the subject of this action pursuant to Rule C(3) of the Supplemental Rules for Certain Admiralty and Maritime Claims, Federal Rules of Civil Procedure. Order of the Court herein.

DATED: GENE S. ANDERSON
United States Attorney

BY: William H. Rubidge
William H. Rubidge
Assistant United States Attorney

Attorneys for Petitioner
United States of America

PRAECIPE

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
 594,464 POUNDS OF SALMON,)
 MORE OR LESS,)
)
 Defendants.)
 _____)

Civil No.

IN REM WARRANT OF ARREST

TO: THE UNITED STATES MARSHALL FOR THE WESTERN DISTRICT OF
WASHINGTON,

WHEREAS, a Complaint for Forfeiture was filed herein
praying that process issue for the arrest of the fish that are
the subject of this action;

NOW THEREFORE you are hereby commanded to attach said fish,
594,464 pounds of salmon, more or less, located at the Port of
Tacoma Cold Storage Facility, Tacoma, Washington, fourth floor,
in storage areas 23, 24, and 35, in boxes marked "Union Inc."

///

///

IN REM WARRANT OF ARREST - 1

UNITED STATES ATTORNEY
1145 BROADWAY PLAZA, SUITE 350
TACOMA, WA 98402
(206) 593-6316

1 CA. U.S.A.", and to detain the same in your custody until
2 further Order of the Court.

3 DATED this 27 day of August
4 **BRUCE RIFKIN** 1936

5 By: _____
6 Deputy Clerk

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AUG 27 1988

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

C86-666TB

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
594,464 POUNDS OF SALMON,)
MORE OR LESS,)
)
Defendants.)

Civil No.

EX PARTE
MOTION FOR THE ISSUANCE OF AN IN REM WARRANT OF ARREST

Pursuant to Rule C(3) of the Supplemental Rules of Certain Admiralty and Maritime Claims, plaintiff United States of America moves for the issuance of an in rem warrant for the arrest of the property that is the subject of this action. This motion is based upon the Complaint filed herein and the attached affidavits of William F. Lutton and Charles K. Walters. A proposed form of

///
///
///
///

EX PARTE
MOTION FOR ISSUANCE OF WARRANT - 1

UNITED STATES ATTORNEY
1145 BROADWAY PLAZA, SUITE 350
TACOMA, WA 98402
(206) 593-6316

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warrant and order directing the Clerk to issue a warrant are submitted with this motion.

DATED: August 26, 1986

GENE S. ANDERSON
United States Attorney

BY: William H. Rubidge
Assistant United States Attorney

Attorneys for Petitioner
United States of America

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
 594,464 POUNDS OF SALMON,)
 MORE OF LESS,)
)
 Defendants.)

Civil No.

AFFIDAVIT OF
WILLIAM F. LUTTON

County of King)
) ss.
State of Washington)

WILLIAM F. LUTTON, being duly sworn on oath, deposes and says:

I am a Special Agent of the U. S. Department of Commerce, National Marine Fisheries Service (hereinafter referred to as NMFS), and am Deputy Special Agent in Charge of the NMFS

1 Northwest Region Law Enforcement Office.

2 1. The Lacey Act (16 U.S.C. 3371 et seq.) prohibits the
3 import, export, transport, sale, receipt, acquisition or purchase
4 in interstate or foreign commerce of fish or wildlife taken,
5 possessed, transported or sold in violation of any foreign law.
6 16 U.S.C. 3372 (a)(2)(A).

7 2. Based on information provided by Taiwanese and Japanese
8 officials, I am advised that Taiwan prohibits the export of
9 salmon, and that Japan prohibits the import of salmon from
10 Taiwan.

11 3. On July 8, 1986, NMFS Northwest Region received evidence
12 indicating that a United States company may have been involved in
13 the exporting of salmon from Taiwan in violation of Taiwanese
14 law. The evidence consisted of copies of photographs and
15 explanatory notes described as depicting operations in several
16 cold storage facilities in Taiwan. The photographs and notes
17 showed boxes marked "Union Inc. CA U.S.A." being packed in Taiwan
18 with frozen salmon. (See attached photocopies marked Exhibit A.)

19 4. Union Incorporated, 320 Kalmus Drive, Costa Mesa, CA
20 92626 is a California corporation, engaged in the manufacture and
21 distribution of food products and the importing and exporting of
22 general merchandise.

23 5. On July 8, 1986, I was notified by the U. S. Customs
24 Service that on July 6, 1986, Union Inc. had imported 300,317
25 pounds of frozen salmon into the United States at Tacoma,
26

1 Washington. On July 10, 1986, I and Special Agent Forrest Carvey
2 Jr. inspected the salmon in the company of and with the consent
3 of Mr. Young Ho Lee, who identified himself as the General
4 Manager of Union Inc. Mr. Lee signed a Federal advise of rights
5 card and a consent to search form in connection with the
6 inspection of the salmon.

7 6. The fish were contained in six refrigerated shipping
8 containers, located at Tacoma Terminals Inc. at the Port of
9 Tacoma. Mr. Lee voluntarily opened two of the containers and
10 Special Agent Carvey and I examined the contents. The containers
11 each held approximately 700 boxes packed with salmon. The boxes
12 were marked "Union Inc. CA U.S.A." and were similar in size,
13 shape and packing to the boxes depicted in the photographs
14 mentioned in paragraph 3 above. (See photocopies marked Exhibit
15 B.) Mr. Lee stated that all six containers in the shipment
16 contained salmon packed in the same manner. The fish were frozen
17 whole, sexually immature, four to six pound chum and sockeye
18 salmon with gillnet marks on their bodies. The majority of the
19 fish were of an ocean "bright" condition - their surfaces had a
20 silvery, mirror-like appearance, indicating that at the time of
21 harvest the fish had not yet begun their upstream freshwater
22 spawning migration. These factors indicate that the salmon were
23 caught on the high seas by gillnet fishing vessels.

24 7. The fish inspected had been purchased by Union Inc. from
25 San Hai Trading Company of Singapore and had been brought into
26

1 Tacoma from Singapore. The salmon were scheduled to be reshipped
2 by Union Inc. without any reprocessing to Tokyo, Japan on the
3 next available Sea-Land Services Inc. vessel. Mr. Lee stated the
4 reason he had shipped the salmon from Singapore to Tacoma before
5 shipping them to Japan was to inspect the quality of the fish and
6 to ensure that a new bill of lading was prepared showing his
7 company as the shipper. Mr. Lee stated that he had received a
8 total of approximately six shipments of salmon from Singapore and
9 Hong Kong over the previous six months (since February, 1986) and
10 that those six shipments were the total extent of his salmon
11 importation business. Mr. Lee stated he did not know the source
12 of the salmon outside of Singapore and Hong Kong and did not
13 care. Mr. Lee stated he had boxes manufactured in Singapore and
14 Hong Kong and that he had the salmon packed there.

15 8. I am advised by experts within the NMFS that Singapore
16 and Hong Kong do not have high seas gillnet fishing fleets and
17 that the shipments of salmon could not have originated in
18 Singapore or Hong Kong. I am further advised that it is highly
19 improbable that the salmon came from any source other than Taiwan
20 (see Affidavit of Charles K. Walters.)

21 9. On July 14, 1986, based upon the evidence indicating
22 that the fish had been exported from Taiwan in violation of
23 Taiwanese law, and had therefore been imported in violation of
24 the Lacey Act, I directed the six containers to be seized pending
25 the filing of this action.

26

1 10. On July 13, 1986, Union Inc. imported at Tacoma another
2 shipment of frozen salmon from Singapore. This shipment, also
3 consisted of six containers and was in all respects identical to
4 the July 6, 1986 shipment. Because of logistical difficulties,
5 this shipment was not seized, but was reshipped to Singapore.

6 11. On July 20, 1986, Union Inc. imported at Tacoma another
7 shipment of frozen salmon from Singapore. This shipment was in
8 all respects identical to the July 6, 1986 shipment, and
9 consisted of 294,147 pounds in six containers. This shipment was
10 seized on July 21, 1986, pending the filing of this action.

11 12. NMFS Special Agents have conducted further
12 investigation into salmon imports by Union Inc. the results of
13 the investigation further indicate that the salmon imported by
14 Union Inc. originated in Taiwan. Specifically, I am advised of
15 the following facts:

16 Between March 27, 1985 and July 21, 1986, Union Inc.
17 imported fifteen shipments of frozen salmon totalling
18 approximately 2,661,518 pounds (including the two shipments
19 seized). The twelve shipments imported prior to the first
20 seizure were subsequently exported to Japan.

21 Union Inc. imported eight of the salmon shipments, including
22 the two shipments that are the subject of this action, from San
23 Hai Trading Company of Singapore. Records show that San Hai is
24 connected to a group of fishing companies based in Taiwan. Mr.
25 Clifford C. H. Chen, a Taiwanese national residing in Singapore,
26

1 is the Managing Director of San Hai. Mr. Chen is also the
2 Managing Director of Tri-Ocean Marine Products Co., Ltd., Hsin
3 Cheng FA Fishery Co., Ltd., Kin Sin Fishery Co., Ltd., and Long
4 Dar Fishery Co., Ltd., all sharing the address of 86 Deng Shan
5 Street, Kaohsiung, Taiwan. Mr. Chen shows this same address on
6 his Taiwanese passport.

7 When questioned regarding the salmon shipments that are the
8 subject of this action, Mr. Chen provided documents indicating
9 that he had purchased the salmon from the Hsin Yuan Trading
10 Company, Hong Kong, and had it shipped to Singapore on a Japanese
11 vessel named UNO MARU NO. 18. The documents provided by Chen
12 have proven to be false: the Hsin Yuan Trading Company has been
13 contacted and it has been determined the company did not sell any
14 salmon to San Hai Trading Co.; also, shipping records indicate
15 that the vessel UNO MARU NO. 18 has not been to Hong Kong during
16 the past two years.

17 Records indicate that all eight shipments of salmon
18 purchased by Union Inc. from San Hai Trading Co. were first
19 transported from Singapore to Kaohsiung, Taiwan, then loaded onto
20 a vessel that called at Kobe, Japan, and Yokohama, Japan before
21 arriving in Tacoma. Although Union Inc. had purchased the salmon
22 for resale in Japan, Union Inc. did not have the salmon offloaded
23 at either of these Japanese ports. Instead the salmon remained
24 on the vessel and were ultimately delivered to Tacoma. After the
25 salmon were landed in Tacoma, Union Inc. prepared a new bill of
26

1 lading showing itself as the shipper and the port of lading as
2 Tacoma. The salmon were then exported and reshipped to Japan.
3 Sea-Land sales personnel in Singapore, who booked the shipments
4 on behalf of Mr. Chen of San Hai Trading Co., stated that they
5 believed the salmon were originally shipped from Taiwan by the
6 Taiwanese fishing companies related to San Hai Trading Co. and
7 managed by Mr. Chen.

8 The other seven shipments imported by Union Inc. were
9 purchased from Harry International Corporation of Hong Kong.
10 Shipping records show that the salmon sold to Union Inc. by Harry
11 International Corporation were purchased from the Bort-Sheng
12 Trading Company, Kaohsiung, Taiwan. The salmon were exported
13 from Taiwan to Hong Kong in shipping containers under bills of
14 lading showing the contents as frozen fish: squid bodies, thread
15 fin and horse mackerel, product of Taiwan. For three of the
16 shipments, Harry International wrote to Sea-Land Corp.
17 instructing the shipper not remove the contents of the containers
18 or to repack the containers, but to change the container seals
19 before shipping the containers to Tacoma. The new container
20 seals, coupled with new bills of lading prepared in Hong Kong
21 showing Harry International as the shipper, effectively obscured
22 Taiwan as the country of origin for the salmon.

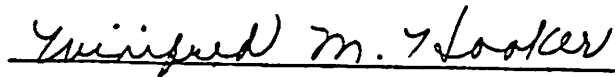
23 The vessels carrying all seven shipments from Hong Kong to
24 Tacoma transported the salmon through Kaohsiung, Taiwan, and, as
25 with the aforementioned Singapore shipments, also stopped in Kobe
26

1 and Yokohama, Japan without unloading the salmon before
2 discharging the fish in Tacoma. For each shipment into the
3 United States, Union Inc. prepared a new bill of lading showing
4 itself as the shipper and Tacoma as the port of lading. All
5 seven shipments were subsequently exported and reshipped to
6 Japan.

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12 William F. Lutton

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14 SUBSCRIBED AND SWORN TO before me this 27th day of August, 1986.

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17 Notary Public for Washington

18 My commission expires February 1, 1989

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
 594,464 POUNDS OF SALMON,)
 MORE OR LESS,)
)
 Defendants.)
 _____)

Civil No.

AFFIDAVIT OF
CHARLES K. WALTERS

County of King)
) ss.
State of Washington)

CHARLES K. WALTERS, being duly sworn on oath, deposes and
says:

I am employed by the National Marine Fisheries Service
(NMFS), National Oceanic and Atmospheric Administration (NOAA),
United States Department of Commerce. My background in and
experience with Pacific salmon issues is as follows: I was a
commercial salmon fisherman (purse seiner) in Southeast Alaska
and Puget Sound for the 1982 salmon season. In 1963 I received a
BS degree in general science (biological oceanography curriculum,

1 from Oregon State University. In 1966 I received a MS degree in
2 marine zoology at the University of Hawaii. I spent three years
3 on doctoral research at the University of Hawaii in marine ecology,
4 but I did not obtain my Ph.D. I then worked for seven years with
5 the Oregon Fish Commission, first as a research biologist at
6 Newport, Oregon, and later as a water resources specialist in the
7 Director's Office in Portland, Oregon, working with salmon as
8 well as marine fish species on a state-wide basis.

9 Since 1975, I have worked for NMFS, serving from 1975 to
10 1979 as the Northwest Regional Coastal Zone Management Coordinator
11 located in the Columbia River Program office in Portland, Oregon,
12 where I worked with salmon as well as marine and estuarine re-
13 sources in Oregon, Washington and Idaho. From 1979 to November
14 1982 I was the National Coastal Zone Management Coordinator for
15 NMFS in the Office of Habitat Protection in Washington, D.C.,
16 where I was responsible for determining impacts on all anadromous,
17 marine and estuarine resources, nationwide. From November 1982
18 to 1983, I was selected as a Department of Commerce legislative
19 fellow and assigned to the Senate Commerce Committee (National
20 Ocean Policy Study), working on all United States fisheries
21 issues. From October 1983 to July 1984, I worked on Columbia
22 River salmon issues with the Department of Commerce, Office of
23 Management and Budget, Department of Energy and Congress, on
24 special assignment to the NOAA Assistant Administrator for
25 Fisheries.

26 ///

1 From July 1984 to November 1985 I served on a detail to the
2 Department of State's Office of Fisheries Affairs, working pri-
3 marily on high seas Pacific salmon fishing issues and the negotia-
4 tions on the United States-Canada Pacific Salmon Treaty, with
5 principal focus on Japanese and Taiwanese high seas squid gillnet
6 fisheries and their salmon interceptions. I represented the
7 Department of State at three International North Pacific Fisheries
8 Commission (INPFC) meetings (Tokyo, Vancouver, Anchorage) where
9 international management of high seas salmon by member (the
10 United States, Japan, Canada) and non-member nations (Taiwan,
11 Korea, etc.) was the key issue. I was also a member of the
12 United States delegation in the bilateral negotiations with Japan
13 on eliminating high seas interception of United States salmon by
14 Japanese vessels (two trips to Japan in the fall of 1985). I was
15 one of three to four United States members involved in small
16 group negotiations with Japan government and industry officials
17 that resulted in a bilateral agreement.

18 In December 1985, I began my present position as the Pacific
19 Salmon Treaty Expert, a special assistant position to the NMFS
20 Northwest Regional Director in Seattle. My duties include advis-
21 ing the Regional Director and NOAA officials on issues affecting
22 implementation of the United States-Canada Pacific Salmon Treaty,
23 on special issues regarding the INPFC, and other high seas salmon
24 fishing problems.

25 In my different positions, I have had and continue to have
26 extensive contact with United States and foreign salmon fishing

1 industry representatives, foreign, state, federal and Indian
2 fisheries scientists and managers, the United States Fisheries
3 Attache in Tokyo, and other governmental officials working on
4 salmon issues.

5 Through my work with NMFS and the State Department, I have
6 become very familiar with problems associated with high seas
7 salmon fishing. Those problems stem in large part from salmon's
8 anadromous life cycle. The nations in whose rivers salmon origi-
9 nate (the United States, Canada, the Soviet Union, Japan and
10 Korea) each harvest the fish in their own coastal and fresh
11 waters when the salmon return to spawn. The United States govern-
12 ment has knowledge of high seas salmon harvest by only two coun-
13 tries: Japan and Taiwan.* Japanese vessels conduct directed
14 high seas salmon and squid gillnet fisheries under INPFC manage-
15 ment measures. Taiwan's high seas squid gillnet fleet have for
16 several years reportedly harvested large quantities of salmon as
17 a bycatch of their squid fishing efforts.

18 The indirect catch of salmon by Taiwanese vessels has been
19 a troublesome issue for high seas salmon management. Because
20 Taiwan is not a member of the INPFC, its vessels are not subject
21 to INPFC management measures. The Taiwanese salmon harvest there-
22 fore can have a very detrimental impact on stock assessment and
23

24
25 * Department of State officials are aware of only one incident
26 of salmon harvest on the high seas by another country,
involving a single Korean vessel and less than one hundred
fish.

1 conservation efforts. Consequently, United States interests have
2 attempted to convince Taiwan to adopt domestic measures to reduce
3 and ultimately prevent high seas salmon harvest by Taiwanese ves-
4 sels. The first of such measures -- a ban on the export of salmon
5 from Taiwan -- was adopted by the Taiwanese authorities in 1983.
6 This was followed soon after by a Japanese ban on imports of
7 salmon from Taiwan. Despite these restrictions, rumors continue
8 of international marketing of Taiwanese-caught salmon in Europe
9 and in Japan.

10 One of my major efforts while with the State Department's
11 Office of Fisheries Affairs was as the lead United States person
12 to work through appropriate channels to convince Taiwan to adopt
13 domestic regulations to control the Taiwanese gillnet fleet and
14 eliminate salmon interceptions. Taiwan adopted regulations this
15 year ⁽¹⁹⁸⁶⁾ prohibiting the harvesting of salmon by their high seas
16 fleet, and separating fishing areas by water temperature and time
17 to avoid salmon migration areas.

18 I am informed now by NMFS agents that they have seized in
19 Tacoma, Washington, some 594,464 pounds of frozen salmon shipped
20 from Singapore to the United States for reshipment to Japan. The
21 agents report that the vessel carrying the salmon from Singapore
22 to Taiwan stopped at two ports in Japan without unloading the
23 salmon before proceeding to Tacoma. The salmon are described to
24 me as being immature and "bright" in appearance -- meaning that
25 they were harvested on the high seas at a point before the salmon
26 had undergone the physical changes associated with their return.

1 to their rivers of origin to spawn. The salmon are also described
2 as bearing gillnet markings. The agents report that the seized
3 shipments of salmon are but two of some seventeen total similar
4 shipments from Singapore and Hong Kong handled by the same United
5 States company. The agents also report that the seized shipments
6 were to be handled in a manner similar to that followed with the
7 previous shipments: once the salmon were landed in the United
8 States, a new bill of lading was prepared for shipment to Japan,
9 indicating Tacoma as the origin of the shipment.

10 Based upon my knowledge of and experience with high seas
11 salmon fishing matters, I can only conclude that the salmon in
12 question are of Taiwanese origin. My conclusion is based on two
13 factors: the limited number of countries who harvest salmon on
14 the high seas, and the peculiar trade route utilized for these
15 shipments.

16 As I stated above, only Japan and Taiwan harvest salmon on
17 the high seas in quantities such as those involved here. The
18 highly circuitous route used to ship these fish from Singapore to
19 Japan makes it impossible to believe that the fish were caught by
20 Japanese vessels. Shipment of unprocessed salmon first to a
21 buyer in Singapore, then to a buyer in Tacoma, finally to a
22 Japanese purchaser would add considerably to the cost of the
23 salmon -- both in shipping costs and in the profit necessarily
24 taken by each of the various middlemen. Consequently, for
25 Japanese-caught salmon that followed such a route to compete in
26 Japan with salmon landed directly by Japanese vessels, either the

1 original seller of the indirectly-shipped salmon must sell for a
2 lower price, or the ultimate buyer must pay a higher price.
3 There is no logical commercial reason for such a transaction to
4 occur. This is especially true where, as is the case here, the
5 vessel transporting the salmon from Singapore to Tacoma actually
6 stopped in two different Japanese ports before continuing on to
7 Tacoma.

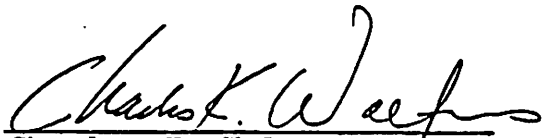
8 Taiwanese-origin salmon could only be imported into Japan
9 through a scheme such as that involved here. Because of the
10 Japanese ban on importation of Taiwanese salmon, the salmon must
11 appear to have come from somewhere other than Taiwan. Attempts
12 to ship Taiwanese salmon to Japan by going only through another
13 Asian port such as Singapore or Hong Kong would not likely be
14 successful: neither Singapore nor Hong Kong has a salmon fleet,
15 and a bill of lading indicating the shipment of salmon from
16 Singapore or Hong Kong would arouse suspicion. A bill of lading
17 indicating shipment from another country, such as the United
18 States, that has a substantial domestic salmon harvest would
19 appear outwardly unremarkable. Therefore, a shipping route such
20 as that used for the fish at issue here would very likely be the
21 only means of shipping Taiwanese salmon to Japan with any chance
22 of success.

23 I should add that, even if the seized salmon appeared to
24 have been taken near the shore of a river-of-origin country, I
25 would reach the same conclusion. None of the river-of-origin
26 countries mentioned (the United States, Canada, the Soviet Union

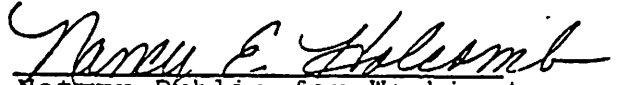
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Korea, as well as Japan) is the subject of an Japanese import prohibition such as directed at Taiwan. Consequently, fishermen in those countries would have no reason to incur the cost of shipping their catches first to Singapore, then to the United States, before sending them to Japan.

FURTHER, AFFIANT SAYETH NOT


Charles K. Walters

SUBSCRIBED AND SWORN TO before me this 27 day of August, 1986.


Notary Public for Washington
My commission expires Feb 1, 1989