

M E M O R A N D U M

TO: Council, SSC, and AP Members
FROM: Jim H. Branson *JHB*
Executive Director
DATE: May 10, 1982
SUBJECT: Joint Venture Update

ACTION REQUIRED

Various reports as indicated below. Oral reports should be available for the joint ventures indicated below with an asterisk.

BACKGROUND

Joint ventures have harvested 7,400 mt in the Bering Sea and 77,000 mt in the Gulf of Alaska (all from the Central Gulf) as of April 24. The Bering Sea catch was 3,800 mt pollock, 2,400 mt Pacific cod and 1,000 mt yellowfin sole and other flatfish. The Gulf catch was mainly pollock.

Additional information is provided below. Written reports will be inserted in this tab as they become available.

*1. Marine Resources Company's Soviet Joint Venture (1982 request: 96,000 mt)

Mick Stevens will report on the yellowfin sole fishery.

2. Mrs. Paul's Polish Joint Venture (1982 request: 24,300 mt)

Operations began on March 20 and will end in June. Three to four trawlers are fishing around Unimak and a fifth trawler is expected shortly.

*3. West German Joint Venture (1982 request: 15,420 mt)

John Schmeidtke will report on their operations which began February 27 and have harvested 2,500 mt of cod and 1,100 mt of pollock using four trawlers in the Unimak Pass region.

4. Fish Producers Associates/Korea Wonyang Fisheries Company
(1982 request: 30,000 mt)

Operations ended on April 25 with a total harvest of 32,000 mt mainly of pollock. A full written report provided by Charles Jacobsen of FPA is available under this tab.

5. J.V. Fisheries/North Pacific Joint Fishing Operation Committee (ROK)
(1982 request: 16,500 mt)

Kit Adams has provided a written summary of their operations. Mick Stevens is available to answer questions.

- *6 Westward Trawlers/Taiyo Fishery Company (1982 request: 20,000 mt)

Joe Gnagey will be here to report on their operations.

7. Universal Seafoods/Nippon Suisan (1982 request: 20,000 mt)

Peter Block of Universal Seafoods reports that their first operation concluded on April 20 after 47 days of fishing around Unimak Pass and Shelikof Straits with U.S. trawlers American No. 1 and Starward delivering to the Kongo Maru. The total harvest was 9,908 mt (9,796 mt pollock, 62 mt cod, and 50 mt other). The second joint venture will begin June 7 in the Bering Sea.

8. Whitney-Fidalgo Seafoods/Ohtori Suisan (1982 request: 10,000 mt)

No information available.

9. Jeff Hendricks and Associates/Hoko Fishing Company
(1982 request: 10,000 mt)

No information available.

- *10. Taiwanese Operations

Michael Jones of Pribilof-Highly Seaproducts, Inc will present a report.

*Oral reports will be given on these operations.

FISH PRODUCERS ASSOCIATES

International Seafood Specialists
215 W. 12th St. - Suite 202
Vancouver, Washington 98660

Mailing Address:
P. O. BOX 273
VANCOUVER, WA 98666

Phone (206) 696-0737
Telex
152804 FPA KMIDC VANC

May 5, 1982

North Pacific Fishery Management Council
P.O. Box 3136DT
Anchorage, Alaska 99510

Gentlemen:

This letter is an update to our last report ending March 13, 1982.

Fish Producers Associates are pleased to announce the fulfillment of our joint venture quota of 30,000 M/T for 1982. We wish to notify the Council that the FPA/KWF operation has been terminated as of April 25, 1982 with a total of 32,023.1 M/T harvested since January 19, 1982.

By March 30, 1982 the initial 30,000 M/T commitment was delivered to six KWF processors and as a good will token between KWF and the fishermen, an additional 690 M/T were allowed to be delivered to a total of 30,690 M/T by March 31. While the processors were unloading cargo, an additional 1,000 M/T of pollock was taken during the first week of April.

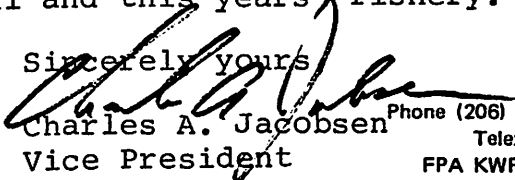
A second phase of the venture was organized and started by April 10, but was terminated for the time being. For the period of April 10 through April 25 four U.S. vessels travelled to Sequam Pass to fish atka mackerel and cod. When it was found that KWF could not wait until mid-May when the fish schools would arrive, it was mutually agreed to terminate the operation in order that the Gae Cheog Ho could be taken back to Korea for repairs and outfitting. We appreciate the efforts extended by both the U.S. vessels and KWF to bring this joint venture to its present level.

The joint venture has ended with KWF owing the fishermen approximately 1.3 million dollars as of April 29, 1982. We are awaiting a letter of credit to be opened to cover this balance.

Please find enclosed statistical data we have compiled for your information.

We are anticipating another successful program in 1983 and are looking forward to begin the planning stages soon. We hope that the 1983 program will be as successful and this years' fishery.

Sincerely yours


Charles A. Jacobsen
Vice President

Phone (206) 771-5686
Telex
FPA KWF EDM

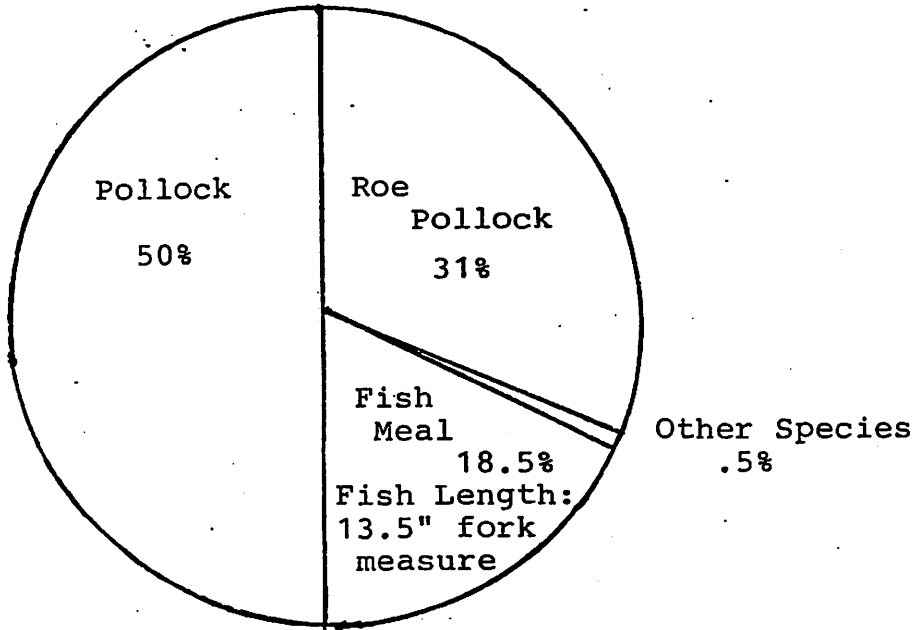
CAJ:c
Edmonds Office:
209 Dayton Avenue, Suite 105
Edmonds, Washington 98020

Enclosures

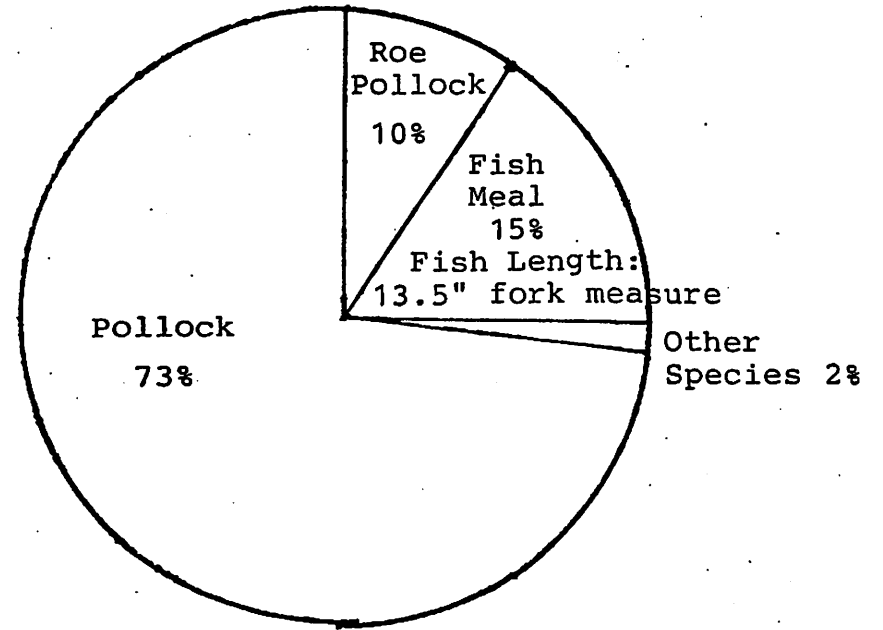
FPA/KWF JOINT VENTURE COMPARION 1981

Fish Composition by Percentages

1981



2/26/81 - 3/31/81



2/26/81 - 10/28/81

Fishing Period: 2/26 - 10/28 (30,800 m/t)

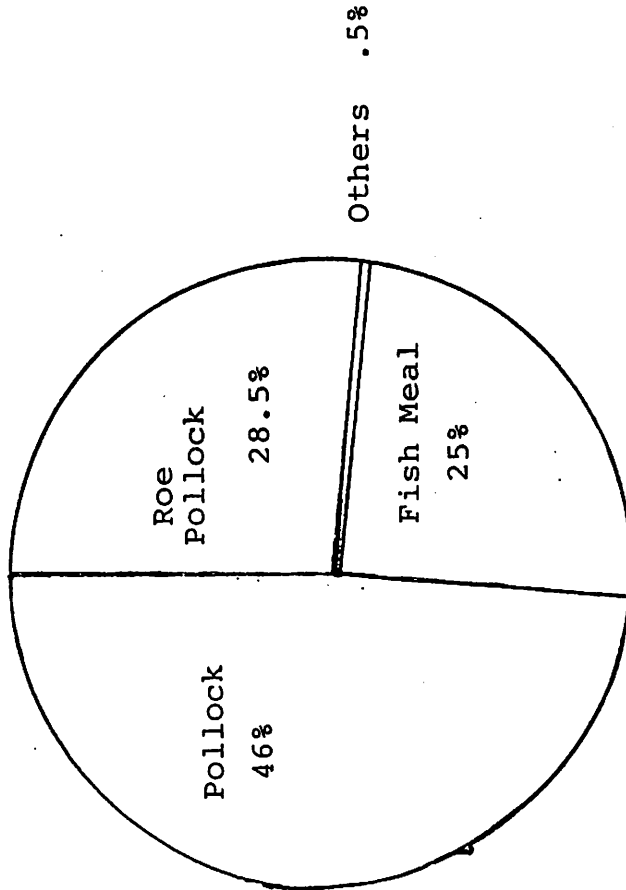
Location: Shelikof Straits
Bering Sea (Unimak Pass)

1981 Fish Length over 13.5" fork length measure

FPA/KWF JOINT VENTURE COMPARISON 1982

Fish Composition by Percentages

1982



1/19/82 - 3/31/82

Fishing Period: 1/19 - 3/31 (30,960 m/t)

Location: Shelikof Straits

1982 Fish Length over 14.5" fork length measure

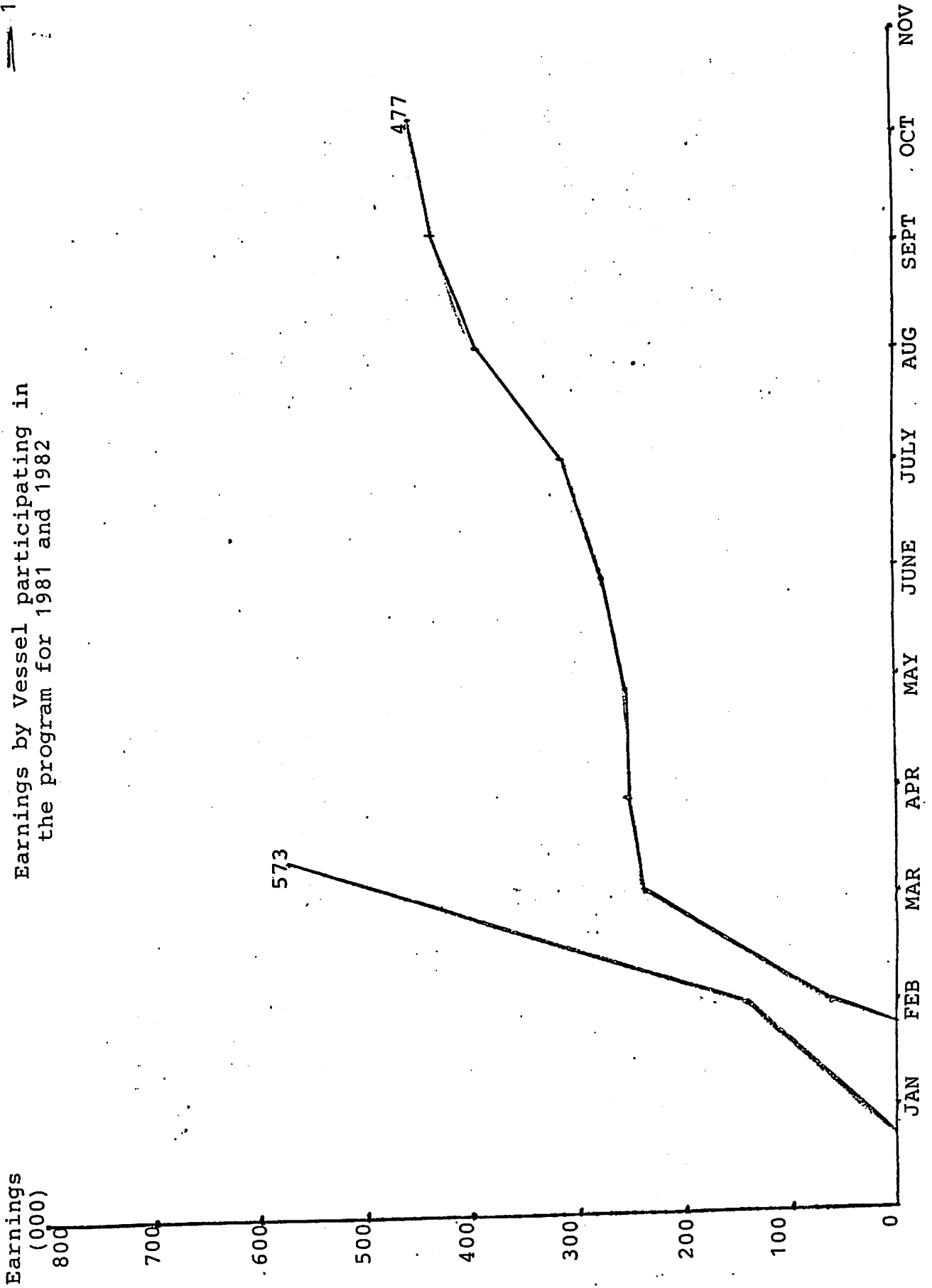
SEASON STATISTICS - 1982 - P-HO - H-HO - K-HO - GCHO - KKS - KWHO

	GCHO	KHO	PHO	HHO	KKS	HWHO	Total
Tows Received	39.3% 295	30.8% 231	9.2% 69	13.5% 101	4.3% 32	2.9% 22	750
Round Pollock	5,372	4,204	1,324	2,200	556	417	14,073
Pollock with roe	3,450	2,228	952	1,410	359	251	8,650
Undersize Pollock	3,284	2,443	77	20	31	233	7,708
Other species	8	8	-0-	-0-	-0-	-0-	16
Total fish received	12,114	8,883	2,853	4,430	1,266	901	30,447
Average m/t per tow	41.06	38.45	41.35	43.86	39.56	40.95	40.6
Finished prod. Round fish	2,961	3,822	1,085	1,455	594	361	10,478
Finished prod. Gutted	308	118	529	1	81	126	1,533
Finished prod. Fillet	106	111	-0-	3	-0-	-0-	220
Finished prod. Meal	1,308	822	-0-	257	-0-	-0-	2,387
Finished prod. Misc.	3	8	76	-0-	-0-	-0-	87
Roe							Roe total
Metric Tons	307.462	222.390	107,820	166,425	48,345	27,405	879,847 m/t
Total finished product - roe fillet, meal, round, etc.	4,993	5,103	1,798	1,952	1,023	714	15,585 m/

FPA/KWF JOINT VENTURE COMPARISON 1981 - 1982

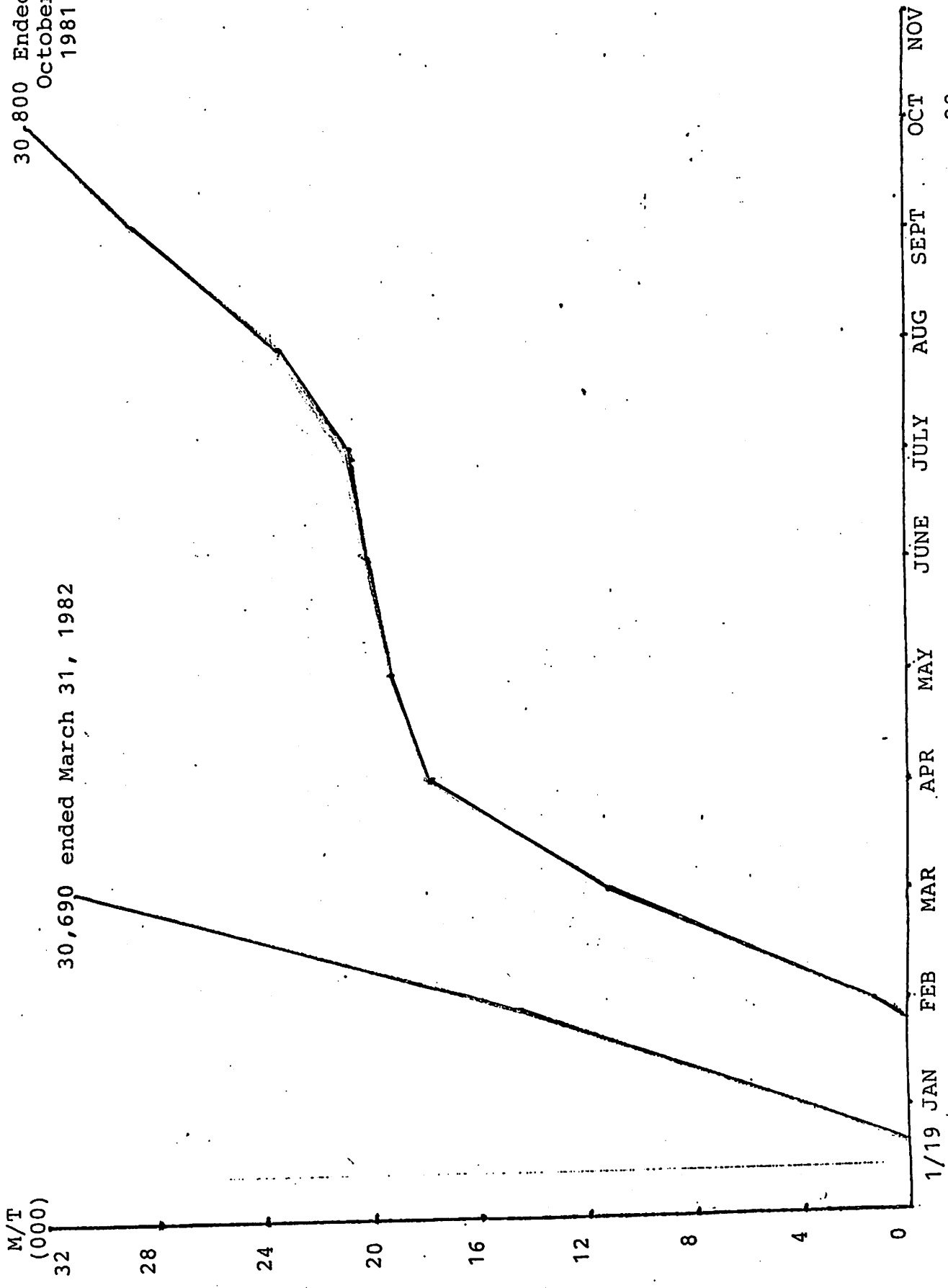
Earnings by Vessel participating in
the program for 1981 and 1982

— 1981
= 1982



FPA/KWF JOINT VENTURE () COMPARISON - 1981 - 1982
 Number of Tons Caught by Month

1981
 1982





Universal Seafoods, Ltd.

15110 N.E. 90th St.
P.O. Box 94
Redmond, WA 98052
(206) 881-8181

May 11, 1982

Mr. Jim Branson
Executive Director
North Pacific Fishery Management Council
P.O. Box 3136DT
Anchorage, Alaska 99510

Dear Jim:

Universal Seafoods, Ltd. concluded its first joint-venture in 1982 with Nippon Suisan Kaisha on April 20. We also have plans for a second joint-venture which will commence on June 7. I would like to take this opportunity to report on the joint-venture just concluded.

This joint-venture began on February 14th in the icy Shelikof Strait with two combination trawlers, the American No. 1 (160') and the Starward (122') and the surimi factory trawler, Kongo-Maru (335').

Both NMFS and fishing vessel representatives were aboard the Kongo-Maru for the duration and their efforts contributed significantly to the success of the joint-venture.

A total of 7,279 metric tons of fish were taken from the Shelikof fishing grounds during a 47 day period which included vessel resupply, repair work and storm breaks.

On April 2nd, the fleet shifted to the Bering Sea fishing grounds to take advantage of better fishing conditions and caught 2,530 metric tons of fish within seventeen (17) days after shifting. Stormy, early spring weather conditions, were prevalent. A detailed summary of operations from these two areas is included for your review.

The two fishing vessels grossed some \$987,000 for the 66 day fishing period.

Nippon Suisan reports that the financial outlook for the Japanese fishing industry appears generally gloomy, mainly because their directed national allocations within the FCZ have been cut.

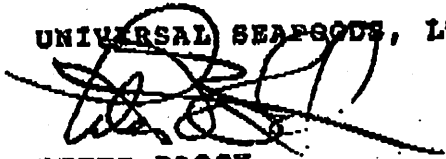
Mr. Jim Branson
May 10, 1982
Page Two

In order for joint-ventures of this type to continue, we believe a balance will have to be struck between the financial needs of the American fishermen, the Japanese mothership operators and the American processing community. Universal Seafoods is continuing to explore ways in which its processing facilities can be used in the development of the pollock fishery in conjunction with these joint-venture operations.

Should you have any questions or comments, please feel free to call me.

Sincerely,

UNIVERSAL SEAFOODS, LTD.



PETER BLOCK
Vice President

PB:vt
Enclosure

cc: Mr. C. Perovich,
American No. 1

Mr. H. Swasand,
Starward

Mr. T. Takahashi,
Nippon Suisan (U.S.A.) Inc..

2/1

F/V STARWARD AND F/V AMERICAN NO. 1

COMBINED TOTALS

NISSUI JOINT VENTURE, Gulf of Alaska & Bering Sea

February 14 - April 20

TOTAL TONNAGE: (M/T) 9,908.6 (Achievement ratio-Total 90%, Pollock 98%)

ESTIMATED VALUE: \$987,000.00

AVERAGE DAILY CATCH: 152.67 Metric Tons

AVERAGE DAILY VALUE: \$15,000.00

INCIDENTAL CATCH RATE: 1.1%/112.2 MT (Other than Pollock)

SPECIES CATCH BREAKDOWN

<u>SPECIES</u>	<u>ESTIMATED CATCH (M/T)</u>	<u>ACTUAL CATCH (M/T)</u>	<u>ESTIMATED VALUE US\$</u>
Pollock	10,025	9,796.4	975,700.00
Cod	220	61.9	9,500.00
Other	755	50.3	1,700.00
TOTAL	11,000	9,908.6	987,000.00

May 19, 1982

TO: The North Pacific Fishery Management Council

RE: ANNOUNCEMENT OF PENDING JOINT-VENTURE AGREEMENT BETWEEN SWIFTSURE SEAFOODS AND CHONG SHING OCEAN ENTERPRISES, INC.

Mr. Chairman and Members of the Council:

I have been asked by an American and a Taiwanese party to announce that a new joint-venture is under serious discussion and that preliminary terms of agreement have been reached. Chong Shing Ocean Enterprises, Inc. of Taipei, Taiwan, has been discussing a possible joint-venture with Swiftsure Fisheries, the terms of which include the following:

1. Chong Shing will purchase seafoods caught and processed by Americans from Swiftsure, including such species as: white salmon, halibut, sablefish and crab.
2. Chong Shing will assign one of its freezer/trawlers to participate in a joint-venture program with American trawlers.
3. Chong Shing will transfer bottomfishing technology to participating American trawlers.

The planned area of operations is the Gulf of Alaska, and the joint-venture will request the Council's support for fishing allocations to support both joint-venture fishing operations and a small directed fishery in the Gulf of Alaska by Chong Shing. A further report and allocation request will be presented at the next Council meeting.

J.V. FISHERIES, LTD.
150 Nickerson, Suite 207
Seattle, Washington 98109

May 11, 1982

Jim Branson
Executive Director
North Pacific Fisheries Management Council
Post Office Box 3136 DT
Anchorage, Alaska 99510

Dear Mr. Branson:

On April 20, 1982, J.V. Fisheries, Ltd. and our Korean partner, the North Pacific Joint Fishing Operating Committee of the Korea Deep Sea Fishing Association, successfully concluded our joint operations on Alaska pollock in the Shelikoff Strait area. A total of 16,321.4 MT of fish was bought from American fishermen. Payment has been made in full. The venture went relatively smoothly, and relations were for the most part cordial.

Sincerely yours,



Kit Adams
Operations Manager

KA/kr



WESTWARD TRAWLERS, INC.

SPEECH BEFORE NORTH PACIFIC FISHERY
MANAGEMENT COUNCIL, MAY 19, 1982

Good Morning, Mr. Chairman. This morning I would like to bring you and the Council up to date on the Taiyo/Westward joint venture.

On April 4, 1982, we completed the original 10,000 ton quota and began fishing on a second 10,000 tons. Shortly thereafter our vessels moved from the Gulf of Alaska to the Bering Sea, where we are still fishing. As of May 15, 1982, approximately 15,060 tons of pollock have been delivered to the processor, with 95.0% being food grade size. Operations have continued without loss of codends, damage to vessels, or injury to personnel. Payments have been timely and our relationship with Taiyo is still very good. We expect to complete our efforts on or about June 5, 1982.

Joseph C. Gnagey

JCG:pr

Bewan

Colin Harris, University of Washington, RV Alaska, found illegal Japanese gillnet fishing at 178°W 48°N and took sample of gear and some of the fish. Japanese ships left immediately.

RIASU MARU caught no sockeye; substantial number of pinks, chums and some coho.

Pribilof-Highly SeaProducts, Inc.

REPORT TO THE NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
ON THE STATUS OF THE FISHERIES VENTURE BETWEEN THE
ST. GEORGE TANAQ CORPORATION AND
HIGHLY ENTERPRISE OF TAIPEI, TAIWAN
May 19, 1982

As the Council is no doubt aware, Highly Enterprise lost its fishing vessel permits during the first part of 1982 due to charges by the Justice Department of illegal fishing activities in its former Florida shrimping operations. The fishing vessel permits were re-stored during the first week in May as part of an agreement involving the Commerce and Justice Departments. Highly maintains its innocence and expects to be vindicated in Florida court proceedings.

Despite the loss of vessel permits and interruption of its fishing activities, Highly has made payments into the joint-venture program account during the first quarter of this year, and reaffirms its intention of maintaining its role in the joint-venture program with St. George. At this time Highly has one vessel fishing (the Golden Dragon), a second vessel is nearing the fishing grounds, and a third vessel will leave Keelung for the fishing grounds at the end of this month.

St. George and Highly have begun discussions to plan a training program in the Bering Sea this summer. Preliminary plans call for four trainees to spend a couple of months aboard one of Highly's vessels. The trainees will be recruited from among this year's graduating high school seniors.

Despite the problems encountered, St. George expects the venture to go forward and will present a more detailed progress report at the next Council meeting.