

INSIDE THIS ISSUE

- 2012-13 ... THE YEAR AT A GLANCE
- ANOTHER SUPER SQUID SEASON – CWPA SQUID RESEARCH PRODUCES INTRIGUING FINDINGS
- SARDINE HARVEST PARAMETER WORKSHOP SIGNALS POSSIBLE CHANGE IN SARDINE MANAGEMENT

CWPA NEWS:

- 2012-13 FINANCIAL REPORT
- 2012-13 DIRECTORS

A CLOSER LOOK:

- FORAGE WARS – ENGO FORAGE FISH CAMPAIGN RAMPS UP, WHILE OCEANA LOSES CPS LAWSUIT

THE LAST WORD

THE NEED FOR UNITY – AND A STRONG ASSOCIATION – HAS NEVER BEEN GREATER.

CWPA PROMOTES THE 'GOOD NEWS' AND PROTECTS ACCESS FOR THE FUTURE OF CA'S WETFISH INDUSTRY.

EDITOR: D.B. PLESCHNER

FY 2012–13 ...THE YEAR AT A GLANCE

In FY 2012-13 your executive director again spent more than a month of days attending meetings on behalf of CWPA:

- 19 days in meetings related to federal CPS and CA Current Ecosystem Plan issues, including attendance at CPS and Stock Assessment Review (STAR) Panel meetings and testimony at the Pacific Fishery Management Council;
- 10 days in state meetings related to Fish & Game Commission forage fish policy and squid management issues;
- 9 days attending meetings related to CWPA and wetfish industry business.

Two good news items marked the year:

- 2012 was another banner squid season. CWPA expanded our collaborative squid research program: preliminary results are promising.
- SF District Court denied Oceana's allegations of overfishing and ecosystem harm in the Amendment 13 lawsuit. So CWPA / Defendants prevailed ... for now. Oceana has 60 days from publication of the ruling on April 15, 2013 to appeal.

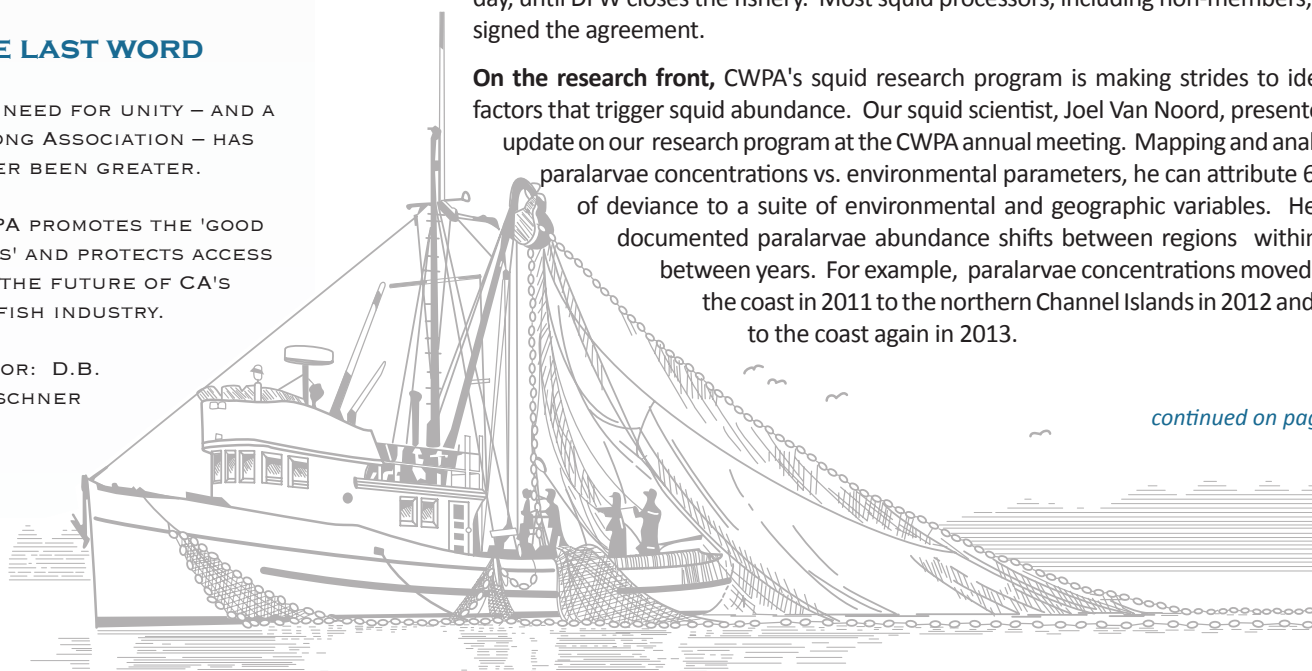
Protecting access to fishery resources

Market squid: The 2012 squid season was even more productive than 2011, predicted by our paralarvae counts in January. Squid were again so abundant that the fishery harvested the 118,000 ton max cap and closed November 21, the day before Thanksgiving.

CWPA initiated a voluntary effort to track landings at the end of season, and DFW lauded industry cooperation, but still took more than a month to verify preliminary landings totals. To the consternation of fishermen and markets alike, the preliminary final tally came in more than 10,000 tons short of the max. cap. DFW reps. attended the CWPA annual meeting and heated discussion ensued. The upshot: CWPA launched an expanded initiative, promising to track landings throughout the season in 2013. The initiative includes agreement to stop fishing voluntarily for up to one week when landings reach 100,000 tons, to allow DFW to verify the total, then to fish at a reduced rate, i.e. one trip per 24-hour day, until DFW closes the fishery. Most squid processors, including non-members, have signed the agreement.

On the research front, CWPA's squid research program is making strides to identify factors that trigger squid abundance. Our squid scientist, Joel Van Noord, presented an update on our research program at the CWPA annual meeting. Mapping and analyzing paralarvae concentrations vs. environmental parameters, he can attribute 64.8% of deviance to a suite of environmental and geographic variables. He also documented paralarvae abundance shifts between regions within and between years. For example, paralarvae concentrations moved from the coast in 2011 to the northern Channel Islands in 2012 and back to the coast again in 2013.

continued on page 2



A CLOSER LOOK...

Forage Wars... ENGO Campaign Ramps Up – Oceana Loses CPS Lawsuit

ENGOS continued their full court press to protect "forage fish" in 2012-13. AB 1299 died quietly in Senate Appropriations, thanks to our efforts, but enviros, spearheaded by Oceana and Pew, redoubled their campaign in a multi-front war.

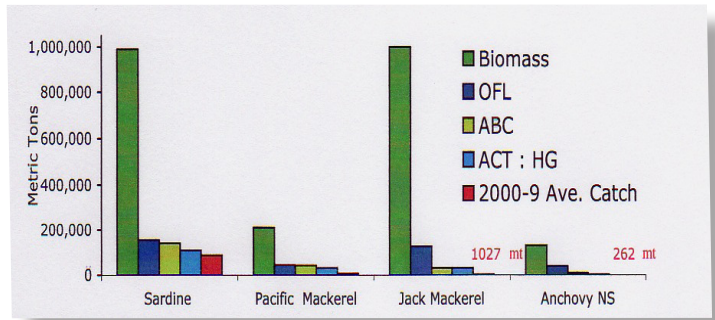
Fish & Game Commission: Spurred by a request to reopen the squid fishery, ENGOS pressed the Commission to develop a policy governing harvest of forage fish. CWPA's ED negotiated with enviros and succeeded in striking a balance between forage and fisheries: the policy now recognizes and integrates existing fishery management, which already contains a precautionary framework to govern harvest limits.

ENGOS are now working to develop regulatory "teeth" for the policy, and CWPA will again do damage control to keep the focus on unmanaged "emerging fisheries", and away from fisheries with current management in place.

Pacific Fishery Management Council: ENGOS pressed the Council to adopt the California Current Fishery Ecosystem Plan (FEP) and its first initiative: a policy prohibiting harvest of currently UNFISHED and UNMANAGED forage species until assessing the impact of fishing on the ecosystem and assuring no harm. CWPA participated actively in FEP discussions, drafting advice from the CPS Advisory Subpanel, to ensure a science-based approach to the FEP, including recognition of the ultra-precautionary management already applied to CPS. We also corrected media errors reporting the Council's action, via an op ed that received wide distribution.

Legal Challenge:

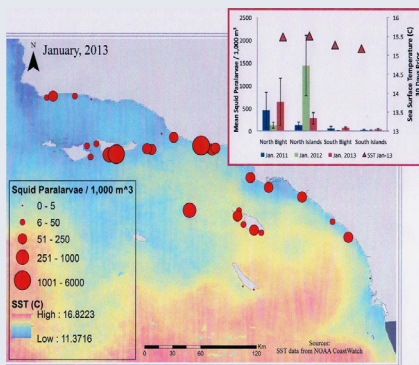
In 2011 Oceana filed federal lawsuit challenging CPS FMP Amendment 13, claiming overfishing and harm to the ecosystem among other grievances. CWPA submitted two briefs rebutting wild allegations, and CWPA's attorney scored points at the Court hearing on February 14, 2013. SF District Judge Chen clearly saw through the b.s., granting CWPA / Defendant motions on all major points. On Oceana's claim of harm to the environment, Judge Chen wrote: "Amendment 13 is...an action that by its very terms has no negative impact at all." The judge did grant Oceana's point that the FMP should specify an MSY proxy for northern anchovy. However, the SSC and Council had already approved a number, simply failed to insert it in the final document. Clearly, CWPA's factual briefs (including the figure above) were persuasive!! Oceana has 60 days from the ruling date, April 15, 2013, to appeal.



Dr. Richard Parrish provided scientific advice in the CWPA legal challenge. This figure, included in CWPA's brief to the Court, shows biomass and reference points approved in CPS FMP Amendment 13 – a graphic illustration that the CPS fisheries harvest less than 2% of the planktivorous forage pool, leaving 98% for other marine life.

2012-13 CONTINUED

Year at a Glance (continued)



CWPA now conducts surveys five times a year, primarily in winter, covering 32 sites in the SCB. This research provides insight into squid behavior and helps to assure a sustainable fishery.

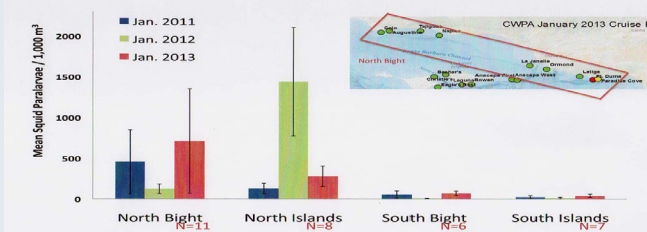
Sardine:

In light of a study questioning the Scripps pier SST as a useful environmental covariate for sardine management, the PFMC sponsored a harvest parameters workshop in 2012. The primary goals were to investigate the SST question and distribution of sardines in the US, in light of expanded fishing in Canada. All three scientists who developed the Amendment 8 harvest control rule (HCR) participated, along with the CPS management team and CWPA ED on behalf of the CPS Advisory Subpanel. A few fishermen and several ENGOS also attended.

A rerun of the Amendment 8 model demonstrated that the original HCR still appears to be the best balance between sustainable fisheries and forage needs. Further work is underway, and the Council will consider at the June 2013 meeting whether or not – and if so how – to change the sardine harvest formula. Changing either the harvest fraction (related to SST) or distribution fraction could substantially alter future harvest guidelines. CWPA's ED is the designated advisory subpanel member to attend a pre-Council meeting to review outcomes from modeling efforts.

Paralarvae shift back to North Bight

2013 – No significant differences between regions within '13 or between years.



continued on page 3

The last word... (bears repeating)

In unity there is strength – and there has never been a greater need for strength, and a strong association!

In recent years fishery management has become ever more restrictive, as both state and federal policies adopt an ecosystem-based approach. The Magnuson Reauthorization Act mandate to prevent overfishing required all federal FMPs to set Overfishing Levels and Annual Catch Limits to account for uncertainty, and that translates into additional buffers on harvest guidelines. Amendment 13, the CPS FMP's effort to bring wetfish management into compliance, was challenged by Oceana in federal court. seeking sharp reductions in harvest limits. Although we won the first round, pressure to account for forage will continue.

The California Fish & Wildlife Vision Process also seeks to reinvent California fishery management. At risk are the current authorities vested in the Department of Fish and Game (now Fish and Wildlife) and the Commission, as Governor Brown grapples with a massive multi-billion dollar budget shortfall.

CWPA's executive director is a member of the Vision stakeholder group, working proactively to protect the interests of the wetfish industry.

With unity of purpose, we can assure a sustainable future.

CWPA is meeting today's (and tomorrow's) challenges with renewed vigor! Thanks very much for your help!

United we stand!!

BOARD OF DIRECTORS – 2012-13

President	Vince Torre Tri-Marine Fish Company
Vice President	David Haworth Ventura-Hueneme fisherman
Treasurer-Secretary	Mike Carpenter Sun Coast Calamari
San Pedro (alternate)	Vince Torre Vanessa DeLuca State Fish Company Nick Jurlin Richie Ashley
(alternate)	
Ventura-Hueneme (alternate)	Mike Carpenter John Gingerich, Hueneme Fish Co.
(alternate)	David Haworth Neil Guglielmo
Monterey (alternate)	Sal Tringali, MFC Pete Guglielmo, SCS David Crabbe Anthony Russo
Diane Pleschner-Steele	Executive Director

2012-13

WHERE THE MONEY WENT SUMMARY

SPECIES ASSESSED APR '12-MAR '13

P.MACKEREL	5,249 TONS
J.MACKEREL	41
SARDINE	23,092
SQUID	120,387
ANCHOVY	1,347
OTHER	489
TOTAL (ROUNDED)	193,832 ST
(FISHERMEN & PROCESSORS COMBINED)	

INCOME (ROUNDED)

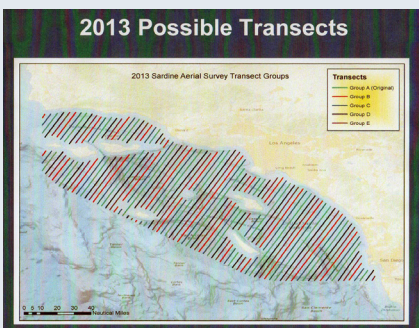
RETAINED 3/31/12	\$319,388.
DEPOSITED 2012-13	
FISHERMEN	195,519.
PROCESSORS	212,736.
TOTAL INTEREST	\$548.
ASSOCIATE MEMBERS	1,750.
TRI-NAT. SARDINE REG.	4,495.
CPS DEFENSE FUND	27,000.
TOTAL INCOME	\$442,127.

EXPENSES

BUSINESS TRAVEL TOTAL	9,078.
AIRFARE	3,904.
AUTO / TRAIN	1,360.
LODGING	2,020.
MEALS +	1,794.
MISC.	74.
CONTRIBUTIONS	0.
DBP&A SERVICES	72,000.
DUES & SUBSCRIPTIONS	280.
MEETINGS / ANN. REPORT	1,564.
OFFICE EXPENSES (TOTAL)	6,617.
OPERATIONS	1,689.
SUPPLIES	358.
POST + PRINT	660.
PHONE	3,899.
PROFESSIONAL (INS,CPA,GOV,LEGAL)	15,450.
CPS DEFENSE- LAWSUIT	210,232.
PUBLIC RELATIONS	24,000.
SCIENTIFIC CONSULTING	42,591.
SQUID RESEARCH	104,304.
SARDINE RESEARCH (LIDAR + DFG COLLAB)	29,856.
TRI-NAT.SARDINE FORUM	3,628.
WEBSITE	572.
TOTAL EXPENSES	\$523,553.
NET ORDINARY INCOME	(81,426).
OTHER INCOME/EXPENSE	3,488.
NET INCOME 3/31/12	(77,938).
BALANCE MAR. 31	\$241,451.

2012-13 CONTINUED

On the sardine research front, DFW and CWPA are again partnering to conduct aerial surveys near the mainland coast and Channel Islands seeking to develop an index of recruitment abundance in CA. This survey will measure sardines in nearshore waters, which are missed in current stock assessments.



Promote Sustainable Production & Facilitate Communications

Two goals of CWPA are to enhance sustainable production and facilitate communications.

In 2012-13 CWPA met with Fish & Game Commissioners, Department and Congressional representatives on issues of importance to industry. One emerging issue: the proposed consolidation of the Northwest and Southwest regions of NMFS, potentially moving decision-making to Seattle WA.

CWPA also maintains our website: www.CaliforniaWetfish.org and again contracted with media consultant Ray Young and Halldin PR to help us develop a media outreach program and maintain our public information blog: CaliforniaWetfish.org/FishingNews



CWPA GOALS

Maintain Access to Resources

- Track legislation & coordinate response
- Seek grant funding for research
- Communicate with management agencies to develop fishery management plans

Promote Sustainable Production

- Track issues & coordinate response
- Communicate with authorities re: production issues
- Facilitate resolution
- *Sponsor research

Facilitate Communication within and outside wetfish industry

- Serve as liaison between fishermen and processors
- Serve as liaison between industry and management
- *Produce periodic newsletters to inform industry of news and issues

CWPA — PURPOSE AND FUTURE

In today's political climate, with Legislative term limits and changes in administration every few years, fisheries need an industry group in place to maintain the fishery profile: the fishery's "institutional" knowledge base and long-term goals. The goal of CWPA is to provide a platform for the wetfish industry to speak with one voice and put the industry's best interests forward!

A non-profit organization such as CWPA commands attention despite political or management climate. It facilitates interaction and consensus building between fishery managers and industry, and it fosters communication with state and federal fishery managers as well as the Legislature and Congress. Maintaining a clear presence in management circles is essential now, with renewed state focus on precautionary management, including new forage fish management policy, as well as federal management guided by the Magnuson Reauthorization Act and new focus on ecosystem-based management. The current push for Sanctuary "management" of marine resources through MPAs adds yet another challenge. Maintaining "eyes on the ground" and a continued presence in management circles is critically important to stay in business.

In this era of precautionary management, it is essential to base management decisions on good science. Without good data, the precautionary principle will be applied and, as a result, fishermen and processors may not have a viable fishery. Field research is expensive, and that's where industry groups such as CWPA can play a critically important role. Research is the key to the future!