



February 1, 2021

Via Electronic Mail

Mr. A.G. "Spud" Woodward
Chair, Menhaden Management Council
c/o Atlantic States Marine Fisheries Commission
1050 N. Highland Street, Suite 200 A-N
Arlington, VA 22201

RE: Review of Menhaden Commercial Fishery Performance/Allocation

Dear Chairman Woodward:

The below-signed companies, all with a substantial stake in this fishery, submit this letter in conjunction with the Atlantic Menhaden Management Board's review of the recent commercial menhaden fishery performance and current allocations. We look forward to participating in a fair and open allocation review, consistent with the Menhaden Interstate Fishery Management Program ("ISFMP") and the Atlantic States Marine Fisheries Commission's governing authorities.

Understanding that this is the beginning, we believe that the review process should be guided by three principles: (1) the Management Board should ensure that the full amount of sustainable yield set for this year and next is able to be harvested; (2) understanding that the total allowable catch ("TAC") for 2021 and 2022 is lower than total landings for 2019 (and, likely, 2020), any reallocation scheme should recognize states that have already contributed to menhaden conservation since the TAC was first established in 2012; and (3) the conservation burden of the TAC reduction must be fairly and equitably distributed among states. Our rationale is provided below.

Since the last reallocation, which occurred as part of Amendment 3, there have been at least two major changes that should inform the current process. The first of these is the exponential growth in the Gulf of Maine menhaden fishery. In 2019, the three Gulf of Maine states (Maine, New Hampshire, and Massachusetts) landed 34.1 million pounds of menhaden. This compares to a combined total allowable catch for these states in 2021 and 2022 of just 9.7 million pounds.

The second major action has been the adoption and use of ecological reference points ("ERP"), designed to account for menhaden's role as forage in the ecosystem. As a result, the Board adopted a ten percent reduction in allowable catch this year as compared to last. Prior to adoption of ERPs in 2020, the Menhaden Board protected menhaden's forage role through ad hoc measures, such as precautionary TACs that were lower than if the single-species reference points were applied and allocating TAC to states with small or no menhaden fisheries.

The net result of these two changes is that there is now a significant mismatch between menhaden TAC allocation and its actual use. So long as the total quota was greater than coastwide harvest, this was not a major issue. With the reduction in allowable harvest, however, there is a greater imperative to address these new realities.

More specifically, now that the allowable amount of menhaden TAC has been reduced to account for ecological considerations, the management goal of achieving optimum yield is even more important. Despite the pandemic, which has ravaged fishing communities due to reduced demand by restaurants, the markets for menhaden products and menhaden as bait remain quite strong. Thus, there are pressing social and economic imperatives on the Board to help provide a reasonable opportunity for the bait and marine ingredients fisheries to fully harvest the amount of menhaden it has determined to be sustainable.

To this end, the Board should look at the distribution of TAC compared to its use, and to consider alternatives that better align the two. Furthermore, recognizing that real harvest cuts will be required, the Board should give credit to those states that have already contributed to coastal resource redistribution. Under Amendment 3, only two states – New Jersey and Virginia – had their original Amendment 2 allocation reduced.

Finally, and relatedly, in addition to better matching allocations with use, the Board should also use this process to ensure that conservation burdens are fairly distributed. This is a key principle of both the ISFMP Charter and the Atlantic Coastal Fisheries Cooperative Management Act. Toward this end, the states that have already contributed TAC allocation should not see those allocations further reduced. Rather, all states which are fully using their allocation or which have been recipients of quota transfers should equally bear any TAC reductions from the ten percent cut that cannot otherwise be mitigated through reallocation.

While reallocation necessarily entails “winners” and “losers,” it should not be forgotten that any revision to the current system can and will be reviewed and revised as warranted. In the meantime, the most important objective should be to create conditions under which optimum yield can be harvested and the market demand for menhaden and its products can be met to the fullest extent possible.

We look forward to working with the Board in this review. Thank you for your time and attention to these comments.

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