

MEDS - 16
Rev August 1973

MARINE ECONOMIC DATA - 64-FOOT ALASKA KING CRABBER^{a/}

Description \$140,000 market value, 64 feet by 19 feet, 380 HP diesel engine,
2 radars, 2 fathometers, loran, and 2 radios.

<u>Fishery</u>	<u>Effort^{b/}</u> <u>(days)</u>	<u>Price^{c/}</u>		<u>Production^{d/}</u>		
		<u>Per ton</u> <u>(\$)</u>	<u>Per lb.</u> <u>(\$)</u>	<u>Low</u> <u>(tons)</u>	<u>Medium</u> <u>(tons)</u>	<u>High</u> <u>(tons)</u>
King crab.....	23	780	.39	112	150	187
<u>(1) Gross returns.....</u>				\$87,360	\$117,000	\$145,860

Variable costs^{e/}

	<u>Season total with:</u>		
	<u>Low</u> <u>production</u>	<u>Medium</u> <u>production</u>	<u>High</u> <u>production</u>
Vessel repairs.....	\$ 9,060	\$ 9,060	\$ 9,060
Gear repairs.....	6,400	6,400	6,400
Fuel.....	6,520	6,520	6,520
Galley.....	3,110	3,110	3,110
Other.....	1,900	1,900	1,900
Crewshare.....	<u>27,955</u>	<u>37,440</u>	<u>46,675</u>
<u>(2) Total variable costs.....</u>	\$54,945	\$ 64,430	\$ 73,665

Fixed costs^{f/}

Depreciation.....	\$ 9,330	\$ 9,330	\$ 9,330
Insurance.....	9,230	9,230	9,230
Administration.....	<u>3,920</u>	<u>3,920</u>	<u>3,920</u>
<u>(3) Total fixed costs.....</u>	\$22,480	\$ 22,480	\$ 22,480

Opportunity costs^{g/}

	<u>Low production</u>	<u>Medium production</u>	<u>High production</u>
(4) Operator's labor.....	\$ 9,318	\$12,840	\$15,558
(5) Operator's management.....	5,940	7,956	9,918
(6) Total investment (\$140,000 @ 9%).....	12,600	12,600	12,600

Summary

Return to labor, management, and investment (1 less 2 and 3).....	\$ 9,935	\$30,090	\$49,715
Return to labor and management (1 less 2, 3, and 6).....	-2,665	17,490	37,115
Return to investment (1 less 2, 3, 4, and 5).....	-5,323	9,294	24,239

a/ Original data developed by the Economic Research Laboratory, National Marine Fisheries Service, 1967-68. Vessel characteristics, costs, landings, and price have been adjusted to reflect changes since original data were developed.

b/ Legal season, Kodiak southern district.

c/ Average 1972 Kodiak price.

d/ Low and high are 25% below and above medium.

e/ Costs that vary with fishing effort. May include unpaid crew, operator, and family labor. Some costs, such as gear repair and crewshare, also vary with production.

f/ Costs that do not vary with fishing effort.

g/ Opportunity cost of labor is the estimated value of this operator's time, or what could have been earned working for someone else. Opportunity cost of management is the estimated value of this operator's management (decision-making and risk), or what could have been earned managing another similar business. Opportunity cost of investment is the estimated fair return to total investment in the business, regardless of the actual amount of debt.