

MEDS 19
Rev June 1973

MARINE ECONOMICS DATA - 65-FOOT GULF OF MEXICO SHRIMPERS^{a/}

Description \$114,600 market value, 65 feet by 18 feet, 34-ton capacity, 220 HP diesel engine, loran, radio, fathometer, and twin bricole shrimp nets.

<u>Fishery</u>	<u>Effort^{b/}</u> (days)	<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>)
Shrimp.....	220	1940	.97	33	35	37
<u>(1) Gross returns.....</u>				\$64,020	\$67,900	\$71,780

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.....	\$ 7,623	\$ 7,623	\$ 7,623
Gear repairs.....	5,733	7,166	8,599
Fuel.....	5,299	5,299	5,299
Galley.....	2,716	2,716	2,716
Ice.....	1,787	1,787	1,787
Other.....	1,460	1,460	1,460
Crewshare.....	16,005	16,975	17,945
<u>(2) Total variable costs.....</u>	\$40,623	\$43,026	\$45,429

Fixed costs^{f/}

Depreciation.....	\$ 9,550	\$ 9,550	\$ 9,550
Insurance.....	5,266	5,266	5,266
Administration ^{g/}	3,187	3,187	3,187
<u>(3) Total fixed costs.....</u>	\$18,003	\$18,003	\$18,003

Opportunity costs^{h/}

	<u>Low production</u>	<u>Medium production</u>	<u>High production</u>
(4) Operator's labor (12% of gross).....	\$ 7,682	\$ 8,148	\$ 8,614
(5) Operator's management (10% of gross)..	6,402	6,790	7,178
(6) Total investment (\$114,600 @ 7%).....	8,022	8,022	8,022

Summary

Return to labor, management, and investment (1 less 2 and 3).....	5,394	6,871	8,348
Return to labor and management (1 less 2, 3, and 6).....	-2,628	-1,151	326
Return to investment (1 less 2, 3, 4, and 5).....	-8,690	-8,067	-7,444

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

b/ Actual days at sea.

c/ Prevailing prices during the 1972 season.

d/ Low and high are 5% 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/ Accounting, legal fees, licenses, etc.

h/ 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.