



OSU SEA GRANT MARINE ADVISORY PROGRAM

OREGON STATE UNIVERSITY CORVALLIS, OREGON 97331

MEDS - 10
Rev April 1973

MARINE ECONOMICS DATA - 72-FOOT SEATTLE HALIBUT SCHOONER^{a/}

Description \$45,000 market value, 72 feet by 17 feet, wood hull, 38-ton capacity, 250 HP diesel engine, 2 lorans, 2 fathometers, 2 radios, radar, direction finder, automatic pilot, hydraulic line puller, and 60 skates.

<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>)
Halibut.....	75	1,300	.65	101.5	145.0	188.5
(1) Gross returns.....				\$131,950	\$188,500	\$245,050

Variable costs^{e/}

	<u>Low</u> <u>production</u>	<u>Medium</u> <u>production</u>	<u>High</u> <u>production</u>
Vessel repair and maintenance.....	\$ 6,797	\$ 6,797	\$ 6,797
Gear repair.....	1,130	1,255	1,381
Gear replacement.....	2,666	2,666	2,666
Ice and bait.....	11,156	12,396	13,636
Fuel.....	3,778	3,778	3,778
Galley.....	3,447	3,447	3,447
Transportation.....	907	907	907
Crewshare.....	<u>78,521</u>	<u>120,259</u>	<u>161,997</u>
(2) Total variable costs.....	\$108,402	\$151,505	\$194,609

Fixed costs^{f/}

Depreciation.....	\$ 4,500	\$ 4,500	\$ 4,500
Insurance.....	1,292	1,292	1,292
Social Security and unemployment.....	2,700	2,700	2,700
Miscellaneous ^{g/}	<u>723</u>	<u>723</u>	<u>723</u>
(3) Total fixed costs.....	\$ 9,215	\$ 9,215	\$ 9,215

Opportunity costs^{h/}

	<u>Low production</u>	<u>Medium production</u>	<u>High production</u>
(4) Operator's labor (20% of crewshare)....	\$15,704	\$24,052	\$32,399
(5) Operator's management (7% of gross)....	9,237	13,195	17,154
(6) Total investment (\$45,000 @ 9%).....	4,050	4,050	4,050

Summary

Return to labor, management, and investment (1 less 2 and 3).....	\$14,333	\$27,780	\$41,226
Return to labor and management (1 less 2, 3, and 6).....	10,283	23,730	37,176
Return to investment (1 less 2, 3, 4, and 5).....	-10,608	-9,467	-8,327

a/ Original data developed by selected Seattle fishermen, April 1969, in cooperation with Oregon State University Marine Advisory Program and University of Washington Marine Advisory Program. Costs, landings, and prices have been adjusted to reflect changes since the original data was developed, and is representative of above-average operators for this port.

b/ Fishing days at sea.

c/ Prevailing prices for this port during 1972 season.

d/ Low and high are 30% below and above medium.

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

f/ Costs that do not vary with fishing effort.

g/ Utilities, accounting, 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.