

MEDS - 27
March 1972

MARINE ECONOMICS DATA - 42-FOOT CHARLESTON TROLLER^{a/}

Description \$30,000 market value, 42 feet by 15 feet, 12-ton capacity, 165 HP diesel engine, fathometer, loran, 2 radios, automatic pilot, and 6 spool hydraulic gurdies.

<u>Fishery</u>	<u>Effort^{b/}</u> (days)	<u>Price^{c/}</u>		<u>Production^{d/}</u>		
		<u>Per ton</u> (\$)	<u>Per lb.</u> (\$)	<u>Low</u> (tons)	<u>Medium</u> (tons)	<u>High</u> (tons)
Troll salmon.....	62	960	.48	11.2	14.0	16.8
<u>(1) Gross returns.....</u>				\$10,752	\$13,440	\$16,128

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 repair.....	\$ 650	\$ 650	\$ 650
Gear repair.....	405	450	495
Transportation.....	200	200	200
Fuel.....	225	225	225
Bait.....	50	50	50
Ice.....	150	150	150
Galley.....	600	600	600
Miscellaneous.....	200	200	200
Crewshare (30% of gross).....	<u>3,226</u>	<u>4,032</u>	<u>4,838</u>
<u>(2) Total variable costs.....</u>	\$ 5,706	\$ 6,557	\$ 7,408

Fixed costs^{f/}

Depreciation.....	\$ 3,000	\$ 3,000	\$ 3,000
Insurance.....	1,000	1,000	1,000
Moorage.....	160	160	160
Business fees.....	150	150	150
Miscellaneous ^{g/}	<u>140</u>	<u>140</u>	<u>140</u>
<u>(3) Total fixed costs.....</u>	\$ 4,450	\$ 4,450	\$ 4,450

Opportunity costs^{h/}

	<u>Low production</u>	<u>Medium production</u>	<u>High production</u>
(4) Operator's labor (30% of gross).....	\$3,226	\$4,032	\$4,838
(5) Operator's management (10% of gross)..	1,075	1,344	1,613
(6) Total investment (\$30,000 @ 8%).....	2,400	2,400	2,400

Summary

Return to labor, management, and investment (1 less 2 and 3).....	\$ 596	\$2,433	\$4,270
Return to labor and management (1 less 2, 3, and 6).....	-1,804	33	1,870
Return to investment (1 less 2, 3, 4, and 5).....	-3,705	-2,943	-2,181

^{a/} Data developed by selected Charleston fishermen in cooperation with the Oregon State University Marine Advisory Program. This data is representative of an above-average operator for this port.

^{b/} Fishing days at sea.

^{c/} Prevailing prices for this port during the 1972 season.

^{d/} Low is 20% below and high is 20% 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/} Includes licenses, property tax, and storage.

^{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.