

MARINE ECONOMICS DATA - 80-FOOT RHODE ISLAND LOBSTER TRAWLER^{a/}

Description \$196,000 market value, 80 feet by 22 feet, steel hull, 12.5 ton capacity, 15 ton circulating sea-water refrigeration, 450 HP diesel engine, 3 radios, 2 lorans, 2 fathometers, radar, automatic pilot, hydraulic pot hauler, and 750 wood pots.

<u>Fishery</u>	<u>Effort (days)</u>	<u>Price</u>		<u>Production^{b/}</u>		
		<u>Per ton (\$)</u>	<u>Per lb. (\$)</u>	<u>Low (tons)</u>	<u>Medium (tons)</u>	<u>High (tons)</u>
Northern lobster...	214	2,800	1.40	65.62	87.5	109.37
<u>(1) Gross returns.....</u>				\$183,736	\$245,000	\$306,236

Variable costs^{c/}

	<u>Season total with:</u>		
	<u>Low production</u>	<u>Medium production</u>	<u>High production</u>
Vessel repairs.....	\$ 10,204	\$ 10,204	\$ 10,204
Gear repairs.....	26,276	26,276	26,276
Bait.....	22,040	22,040	22,040
Welfare fund.....	9,187	12,250	15,312
Fuel.....	8,240	8,240	8,240
Galley.....	6,120	6,120	6,120
Transportation.....	1,735	1,735	1,735
Ice.....	1,531	1,531	1,531
Crewshare ^{d/}	66,610	94,048	126,718
(2) Total variable costs.....	\$151,943	\$182,444	\$218,176

Fixed costs^{e/}

Depreciation.....	\$ 1,960	\$ 1,960	\$ 1,960
Insurance.....	10,200	10,200	10,200
Legal, professional, & administration.....	950	950	950
Moorage.....	380	380	380
Miscellaneous.....	510	510	510
(3) Total fixed costs.....	\$ 14,000	\$ 14,000	\$ 14,000

Opportunity costs^{f/}

	<u>Low production</u>	<u>Medium production</u>	<u>High production</u>
(4) Operator's labor (1/7 crewshare).....	\$10,341	\$14,914	\$20,359
(5) Operator's management (10% of boatshare).	5,923	8,542	11,660
(6) Total investment (\$196,000 @ 10%).....	19,600	19,600	19,600

Summary

Return to labor, management, and investment (1 less 2 and 3).....	\$17,793	\$48,556	\$74,060
Return to labor and management (1 less 2, 3, and 6).....	-1,807	28,956	54,460
Return to investment (1 less 2, 3, 4, and 5).....	1,529	25,100	42,041

a/ Original data developed by selected Point Judith, Rhode Island fishermen in cooperation with the University of Rhode Island and Oregon State University. Costs, landings, and prices have been adjusted to reflect changes since the original data were developed, and is representative of above-average operators for this port.

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

c/ 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.

d/ Using "broken 45 lay," the crewshare shown is 6/7 of total, including fringe benefits. The remaining 1/7 goes to the operator under (4).

e/ Costs that do not vary with fishing effort.

f/ 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.