

MARINE ECONOMICS DATA - 68-FOOT SEATTLE DRAGGER<sup>a/</sup>

Description \$105,000 market value, 68 feet by 16 feet, 52-ton capacity, 300 HP diesel engine, loran, 2 fathometers, radar, 2 radios, automatic pilot, hydraulic net drum and winches.

| <u>Fishery</u>                  | <u>Effort<sup>b/</sup></u><br>(days) | <u>Price<sup>c/</sup></u>       |                                 | <u>Production<sup>d/</sup></u> |                                  |                                |
|---------------------------------|--------------------------------------|---------------------------------|---------------------------------|--------------------------------|----------------------------------|--------------------------------|
|                                 |                                      | <u>Per ton</u><br>( <u>\$</u> ) | <u>Per lb.</u><br>( <u>\$</u> ) | <u>Low</u><br>( <u>tons</u> )  | <u>Medium</u><br>( <u>tons</u> ) | <u>High</u><br>( <u>tons</u> ) |
| Sole, cod, snapper,<br>etc..... | 93                                   | 220                             | .11                             | 684                            | 760                              | 836                            |
| <u>(1) Gross returns.....</u>   |                                      |                                 |                                 | \$150,480                      | \$167,200                        | \$183,920                      |

Variable costs<sup>e/</sup>

|                                      | <u>Season total with:</u>       |                                    |                                  |
|--------------------------------------|---------------------------------|------------------------------------|----------------------------------|
|                                      | <u>Low</u><br><u>production</u> | <u>Medium</u><br><u>production</u> | <u>High</u><br><u>production</u> |
| Repairs.....                         | \$ 6,999                        | \$ 7,777                           | \$ 8,555                         |
| Fuel, galley, and ice.....           | 13,331                          | 13,331                             | 13,331                           |
| Gear and supplies.....               | 3,828                           | 3,828                              | 3,828                            |
| Assessments.....                     | 4,514                           | 5,016                              | 5,518                            |
| Unloading.....                       | 353                             | 353                                | 353                              |
| Crewshare.....                       | 40,630                          | 45,144                             | 49,658                           |
| <u>(2) Total variable costs.....</u> | \$ 69,655                       | \$ 75,449                          | \$ 81,243                        |

Fixed costs<sup>f/</sup>

|                                   |           |           |           |
|-----------------------------------|-----------|-----------|-----------|
| Depreciation.....                 | \$ 6,264  | \$ 6,264  | \$ 6,264  |
| Insurance.....                    | 4,454     | 4,454     | 4,454     |
| Taxes.....                        | 1,421     | 1,421     | 1,421     |
| Miscellaneous <u>g/</u> .....     | 2,229     | 2,229     | 2,229     |
| <u>(3) Total fixed costs.....</u> | \$ 14,368 | \$ 14,368 | \$ 14,368 |

Opportunity costs<sup>h/</sup>

|   | <u>Low<br/>production</u> | <u>Medium<br/>production</u> | <u>High<br/>production</u> |
|---|---------------------------|------------------------------|----------------------------|
| (4) Operator's labor (15% of gross).....    | \$22,572                  | \$25,080                     | \$27,588                   |
| (5) Operator's management (8% of gross).... | 12,038                    | 13,376                       | 14,714                     |
| (6) Total investment (\$105,000 @ 8%).....  | 8,400                     | 8,400                        | 8,400                      |

Summary

|  |          |          |          |
|--|----------|----------|----------|
| Return to labor, management, and<br>investment (1 less 2 and 3)..... | \$66,457 | \$77,383 | \$88,309 |
| Return to labor and management<br>(1 less 2, 3, and 6).....          | 58,057   | 68,983   | 79,909   |
| Return to investment<br>(1 less 2, 3, 4, and 5).....                 | 31,847   | 38,927   | 46,007   |

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a/ Original data developed by Fishermen's Marketing Association of Washington, January 1971, 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.