### **Omega Protein's Claims**

## Moving Reduction Fishing out of the Bay

## July, 2022

Claim: Moving reduction fishing out of the Chesapeake Bay would have a devastating impact on hardworking Virginians whose families rely on the fishery for their livelihoods.

- Omega has made this claim for years, but there is no evidence that employees have been laid off due to the Bay cap, which has dropped substantially over time. Note: Omega's employment numbers have not been shared since they were bought by a Canadian Company, Cooke Inc., in 2017.
- On the other hand, <u>thousands</u> of fishing jobs (charters, bait shops, etc.) have been lost due to the decline of the striped bass fishery, reduced from 3,582 jobs supported by the recreational striped bass fishery in 2009 to 1,444 jobs in 2016.

Claim: Omega Protein will be forced to close the Reedville facility if the Reduction Fishing Bay Cap is lowered.

- During the 2020 fishing season, when Omega caught only 27,700 MT in the Bay (after exceeding their 2019 Bay quota) there were no reported layoffs.
- That same year, Omega also moved its <u>corporate headquarters</u> to Reedville. Would the company have vested so much in Reedville if a lower Bay cap caused the company such harm?
- Omega's boats would still be able to catch their entire Chesapeake Bay quota outside of the Bay, in state waters. Omega currently catches 2/3 of their total harvest in the ocean and they could easily catch the other third there as well, allowing the company to continue to catch the total quota allotted by the Atlantic States Marine Fisheries Commission (ASMFC). Like any other commercial fisherman, however, they would have some additional days where it is too rough to fish the ocean and the longer runs to the ocean may increase operating costs, but no jobs need be lost.

#### Claim: Menhaden are not "overfished."

- "Overfished" is a coastwide designation that does not make local distinctions for places like the Chesapeake Bay.
- ASMFC scientists have said that it will take it will take 7-10 years to produce a spatially explicit model that will allow managers to know whether localized depletion is occurring.
- However, many fishermen in the Bay have observed a decline in menhaden schools for the past two decades and recruitment of new menhaden in the Bay is low.
- Menhaden fishing impacts other species like striped bass, so even if menhaden is not
  overfished, fishing can still cause irreparable harm to predator species. "Ecosystem overfishing"
  is an important consideration for the Bay, which is the <u>primary spawning and nursery area for</u>
  70-90% of the Atlantic striped bass stock.

- In fact, the <u>2020 stock assessment</u> shows in Figure 251 that striped bass biomass decreases as menhaden fishing pressure increases.
- At current menhaden fishing levels, striped bass biomass does not meet the biomass threshold nor biomass target set forth by the ASMFC.

#### Claim: The menhaden fishery is certified as sustainable by the Marine Stewardship Council.

- Omega Protein received <u>conditional certification</u> by the Marine Stewardship Council in 2019, and was granted five years to meet those conditions. Omega has yet to meet those conditions.
- We agree that striped bass are overfished partly because their total population has been hurt by years of industrial fishing.

# Claim: Omega Protein offers the highest blue-collar wages with the most generous benefits in the Northern Neck, and is a critical part of the state's economy.

- Reedville needs good jobs, however, these are seasonal jobs for a 28-week fishing season, and most employees likely collect state unemployment benefits in the off-season.
- According to a <u>2021 NOAA report</u>, total revenue from menhaden landings in Virginia in 2018 was \$28 million, while recreational fishing in Virginia in 2018 added \$465 million in economic value to the state. In 2018, angler trips and durable good expenditures in Virginia surpassed \$620 million. The economic contributions from recreational angling, charter trips, and gear far surpass the contribution of the menhaden industry in Virginia.

#### Claim: Menhaden fishing does not threaten striped bass.

- The current menhaden fishing rate target is "<u>defined</u> as the maximum F [fishing mortality] on Atlantic menhaden that would sustain striped bass at their biomass target when striped bass were fished at their F [fishing mortality] target." However, striped bass are not fished at their F target, meaning that their population has no chance of recovering at current menhaden harvest levels.
- The regulatory framework for the menhaden fishery is based off ecological reference points which assume a <u>tradeoff curve</u> between menhaden fishing pressure and striped bass biomass. Moving menhaden reduction fishing out of the Bay would make more menhaden available to striped bass within the Bay (which is the primary nursery ground for <u>70-90%</u> of the coastwide population), which would increase their biomass to equilibrium levels.

Claim: Striped bass are not highly dependent on menhaden, and the impact of menhaden fishing on predators is mitigated by the availability of other prey. The main driver for Atlantic menhaden availability to predators is recruitment (reproductive) success," not fishing.

This quote is misinterpreted. The rationale for not considering menhaden a "dominant component" of the striped bass' diet is because they comprise less than 50% of their diet. The reason that ecological reference points are now used by the ASMFC to make harvest regulations are precisely because multiple species, particularly striped bass, are dependent on menhaden in their diets, with up to 30% of their diet comprising menhaden. The current regulatory strategy is based off the latest science that shows that "small increases in menhaden F resulted in disproportionate drops in striped bass biomass."

- While yearly recruitment success is a main driver for general menhaden abundance, if menhaden are heavily harvested in their primary nursery area, namely the Chesapeake Bay, then there will not be sufficient availability to predators, because the fishery will <u>outcompete</u> them.
- Menhaden <u>catch-per-haul</u> inside the Bay has been consistently low for roughly the past twenty years.

Claim: The <u>report</u> our coalition frequently cites looked at the fishery as it is actually managed, but also at theoretical scenarios of what could happen if it operated at maximum yield. If Omega Protein fished menhaden at the highest level, it would cause declines in predator biomass, but they don't do that: "Atlantic menhaden are not managed with the traditional single-species approach of maximizing yield."

- The goal of <u>Buchheister et al.'s 2017</u> study was to evaluate "how menhaden fishing mortality rates (F) influenced different ecosystem indicators, including population biomasses, fisheries yields, prey to predator ratios, and the proportion of trophic groups that were positively or negatively affected."
- Using those simulations, they found that in all instances of menhaden fishing, as menhaden fishing mortality increases (up to 1.6x), striped bass biomass would decrease over time (Figure 6). In fact, the model showed that as menhaden fishing mortality increased, relative striped bass biomass decreased at a near 1:1 ratio (Figure 10).

Claim: The sportfishing lobby has repeatedly used an altered graph from a <u>2017</u> study to claim the menhaden fishery has caused a 30% decline in striped bass. This is not what the study shows. It is a gross oversimplification of one forward-looking simulation, and its use in this way has even been criticized by the study's lead author.

- We have never altered any figures from this study.
- Buchheister et al. (2017) show in Figure 2 that menhaden contribute to 5% of small striped bass, 15% of medium-sized striped bass, and 30% of large striped bass' diets. "Striped bass biomass and yield declined essentially linearly as menhaden B [biomass] was reduced from B0 [virgin biomass] (Figure A2.1)."
- Our coalition has been in contact directly with Andre Buchheister, the report's author, for multiple years to confirm appropriate interpretation of results

Claim: Since 2017, regulators have switched to ecosystem-based management of the menhaden fishery, reduced the Chesapeake Bay quota by 41% and reduced the coastwide quota by 10%.

- Ecosystem-based management and ecological reference points weren't implemented by the ASMFC until 2020. In 2017, the ASMFC reduced the Bay quota from 87,216 MT to 51,000 MT. This reduction in the Bay cap was based off actual harvest from 2014-2016, "with less than 45,000 MT harvest in 2014 and 2016 and less than 50,000 MT harvested in 2015," or just over 50% of the Bay cap. An additional 5,000 MT was added to the actual average Bay harvest as a cushion for the industry. In 2020, the coastwide quota was reduced from 216,000 mt to 194,400 mt.
- Ecosystem-based management along the Atlantic Coast is a good start, but does not consider specific conditions in the Chesapeake Bay.

Claim: The Chesapeake Bay is large and provides a safe environment for our Virginia fishermen to sustainably and safely harvest menhaden. They have coexisted with recreational fishermen.

- There have been user conflicts between recreational fishermen and menhaden fishermen for decades. The VMRC took over management authority in 2020, only after Omega Protein's disregard for ASMFC regulations led to a finding of <u>noncompliance</u> by the U.S. Secretary of Commerce, which threatened to shut down Virginia's fishery.
- Furthermore, angler representatives have recently made proposals for a "no netting safety buffer" around the <u>CBBT</u> and a <u>pay back</u> of thousands of wasted menhaden when net spills occur. Both proposals were rejected by the industry.

Claim: Our coalition asks readers to sign a petition urging the Governor to turn Omega Protein's workplace into an exclusive playground for their members.

- The petition does not ask that the Bay become an exclusive playground for recreational anglers.
- Current commercial fishing harvest of all other species in the Bay won't be affected in any way, and commercial harvest of menhaden will only be affected by menhaden reduction vessels only fishing in state waters outside of the Bay. This will simply move Omega's workplace slightly further out for a portion of their total quota.
- Our petition does not ask for the bait portion of the menhaden fishery be moved or altered in any way. In fact, we support the bait fishery for menhaden as it exists today and support expansion of the bait fishery.
- Recreational fishing supports thousands of jobs and small businesses, and is an important part of the Bay economy.
- This move will also put an end to wasteful and damaging <u>net spills</u> which also hurt tourism along the shores of the Bay.