The California Current

A CRIMINAL INVESTIGATION, POLITICAL INTRIGUE, AND A MARINE ECOSYSTEM IN TROUBLE

WOULD YOU BUY A FISH FROM THIS GUY?

FRANK DULCICH'S FISH COMPANY, THE NATION'S BIGGEST, HAS A LONG HISTORY OF BREAKING THE LAW. YET HE IS POISED TO GAIN A $50 MILLION CHUNK OF YOUR OCEAN RESOURCES
Above: A leatherback sea turtle eats a jellyfish in waters off California (Courtesy Sea Turtle Restoration Project). Cover: (Top) THE CALIFORNIA CURRENT’S SEVEN DEPLETED ROCKFISH ... .••

Would you buy a fish from this guy? Frank Dulich’s fish company, the nation’s largest, has a long record of breaking the law. Yet he is poised to gain a $50 million chunk of your ocean resources.

Frank’s world: A timeline

New threats for leatherbacks: Pacific council, NOAA push plans to erode endangered sea turtle’s protective shield

CONNECTING THE WEBs OF LIFE IN THE CALIFORNIA CURRENT.
TWO-PAGE INTERPRETIVE MAP ........................................12-13

IT’S ALL ABOUT THE ECOSYSTEM: EXPERTS URGE PACIFIC COUNCIL TO TAKE A MORE HOLISTIC APPROACH ............................14

AQUATIC RESERVES IN PUGET SOUND CONNECT LAND, SEA, PEOPLE ....................................................16

Why you mustn’t kill krill and other lessons from schools of fish ..................................................17

A LEGACY OF CONSERVATION ........................................17

PACIFIC COUNCIL SOUGHT TO WEAKEN OCEAN PROTECTION: COUNCIL URGED CONGRESS TO PASS POMBO BILL ..................18

SCIENCE SOMETIMES IGNORED WHEN PACIFIC FISHERY MANAGEMENT COUNCIL MEETS .................................19

RESOURCE DIRECTORY ..................................................22

Dear Reader

Something to get off our chest: The Pacific Fishery Management Council needs to take a fresh look at what’s going on. We think it should move ahead now with ecologically-based fishery management, and dump the traditional but myopic single-species approach to managing the California Current just as soon as possible.

The council, which has more say about what happens in the California Current than anyone else, claims it lacks the funding to change the way it does business. Nonsense. The council seems to have plenty of time and money to fight silly turf battles with the National Marine Sanctuary program, while making doomed attempts to develop fisheries in conservation zones for endangered sea turtles. These efforts are examples of government waste. That money would be much better spent on programs designed to understand and protect the ocean environment.

In the coming months, the Pacific council will be umpiring a dispute over who receives valuable catch shares of groundfish. If it chooses to award shares to fish processors, we have it on good authority that the only winners will be the lawyers. The council can save itself the time and expense of certain litigation, and redirect the money to ecosystem management, if it would just say no to the processors.

That, of course, also means saying no to Frank Dulich. We wonder if it can summon the courage to do so. He’s the biggest player in the council’s entire universe, he’s well-connected politically, and he’s something of a philosopher: “Kill our allies last,” he once said.

Cascadia Times has many people to thank for helping to this issue possible, and our appreciation for your efforts is great.

We also would like to thank those who helped fund this report, including Samantha Campbell and the Keith Campbell Foundation for the Environment, the Bullitt Foundation and the Marisla Foundation.

Finally, we dedicate this issue to Analilly, Cayden and the next generation.
The California Current

ONE OF THE WORLD'S RICHEST MARINE ECOSYSTEMS, THE CALIFORNIA CURRENT CARRIES 10 TIMES AS MUCH WATER AS THE AMAZON

By Paul Koberstein

The California Current spins clockwise along the West Coast, a cog in the enormous North Pacific Gyre.

The California Current is said to be as rich if not richer with marine life than any other ocean ecosystem on earth, supporting large populations of whales, seabirds and valuable fisheries. But many of its fisheries and wildlife populations are badly depleted.

Scientists say the California Current ranges from 50 to several hundred kilometers in width as it moves generally southward at about one-tenth of a knot, carrying some 10 trillion gallons of water per hour, or about 10 times the size of the Amazon River. It extends from the bottom of Vancouver Island to the southern tip of Baja California in Mexico.

The current runs strongest in spring and summer, when northwest winds drive upwellings southward and towards the coast, according to the National Ocean Service, which manages five National Marine Sanctuaries off California and Washington.

Cold, nutrient-rich water rises toward the surface, where phytoplankton nourishes ocean food webs and undersea forests of kelp.

The science of managing seas as large marine ecosystems dates back to the mid-1980s, when scientists said managers should no longer focus just on single species, but rather on a long-term perspective that considers humans as part of the ecosystem.

The California Current is among 11 large marine ecosystems in the United States and 64 around the world. These ecosystems produce 95 percent of the world's fish catch, making them the focal point of global efforts for sustained productivity. Large marine ecosystems are expansive ocean areas, generally greater than 77,220 square miles. They encircle nearly every continent, large islands and island chains.

Others in U.S. waters include the East Bering Sea, the Gulf of Alaska, the Chuckchi Sea, the Beaufort Sea and Hawai'i. The Gulf of Alaska ecosystem includes waters off British Columbia.

In 2006, the governors of California, Oregon and Washington signed an agreement to work together for ecosystem management of the California Current, a cause that has also enlisted the support of British Columbia.

The state of California has been most active in protecting its marine waters. It is creating a network of marine reserves in which commercial exploitation is banned or sharply limited for the sake of allowing the ecosystem a chance to thrive. This summer the state designated 29 marine protected areas in the central coast region, and has begun the process of designating reserves on the north coast. The California Coastal Commission this summer took steps to block commercial fishing in a sea turtle conservation area along the central and north coast, where it is challenging the Pacific Fishery Management Council and NOAA to back down on plans to reduce protection for the endangered leatherback sea turtle.

In Washington's Puget Sound, the state Department of Aquatic Resources manages a network of marine reserves and this summer issued a call to create more.

Meanwhile, the state of Oregon is developing plans for designating marine reserves on its coast, but after eight years of meetings, its Ocean Policy Advisory Council has yet to designate its first reserve. But a citizen's group in Port Orchard on the south coast, not willing to wait for state action, is moving ahead with its own plans to manage an area off its shore in an ecologically sensitive way.
A criminal investigation, political intrigue, and a marine ecosystem in trouble

Seafood companies, fishermen tangle over valuable shares of ocean fisheries

The California Current is famous for its catches of crab, salmon and halibut, but the most valuable commercial fisheries are the groundfish, a group that includes the colorful rockfish that sometimes live more than 100 years old, and Pacific whiting, a small fish that often ends up as surimi or fake crab. But these are rocky times for the people who catch rockfish. After a spate of overfishing that peaked during the 1990s, a widespread crash of rockfish populations followed, and then inevitably, unemployment in fishing communities rose.

In response to the crash, the Pacific Fishery Management Council chose a slow route toward their rebuilding depleted stocks - reflecting its intent to cushion an economic downturn it had a hand in creating.

However, lawsuits filed by the National Resources Defense Council, Oceana and other conservation groups forced the council to rethink its rebuilding strategy. Conservationists pointed out that to continue overfishing would mean even greater hardships, and further fishery declines, down the road.

They also pointed out that the nation's primary fishing law, the Magnuson-Stevens Act, does not give council much choice. Rebuilding depleted stocks is the law, as the Ninth U.S. Circuit Court of Appeals ruled in a 2005 decision.

Today, fish from many depleted stocks are still being caught too frequently, forcing early shutdowns of fisheries, and still resulting in severe economic hardships for fishing families and coastal communities. Recovery for many depleted species is still decades away.

The Pacific council has been forced to slash catch limits, enact area closures and design a long-term solution that could rebuild the depleted stocks while keeping unemployment to a minimum.

Recently, the unavoidable killing of untargeted fish and wildlife, or bycatch, and protect marine habitats. Despite its efforts, large amounts of bycatch and waste still plague the groundfish fisheries. Last year, the Marine Fish Conservation Network, a national coalition of 190 conservation and fishing groups, said the groundfish is the nation's sixth "dirtiest" fishery, based on the amount of bycatch it produces.

As a series of events last summer made clear, discussed below, the fishery is apparently far dirtier than the conservation network realized.

In 2003, the council began work on a different approach.

A committee comprised mostly of fishermen and fish company executives developed what is known as a "catch share" system that, if designed correctly, could clean up the groundfish fishery. The plan would allocate the fishery's total catch to individual fishermen, communities or associations. The council will launch a formal environmental impact study of alternatives in November, with final action a year later. It hopes to be putting a plan in place by 2011.

A federal criminal investigation

Groundfish are fish that live near the bottom of the ocean. There are more than 100 species of groundfish in the California Current, and some are nearly fished out.

Catching groundfish would be easy, but the law says fishermen must avoid species that are depleted, or overfished - even if it means sending fishing vessels back to port. That's what happened to the whiting fishery in the summer of 2007. Whiting vessels caught too many of a depleted species, widow rockfish. To protect the widows, the federal government closed the whiting fishery in late July.

The closure cost money for crews, cannery workers and fishing communities. Law enforcement officials say the actions that led to the closure are being investigated as a possible federal crime.

Investigators said someone in the fleet hatched a plan to prolong the whiting season anyway by trying to conceal the catch of the imperiled rockfish. It allegedly by one or more whiting vessels that were trying to avoid surpassing the catch limit on widow rockfish.

In all, Warrington said about 8 tons of widow rockfish had been dumped, most of which probably sank to the seafloor was eaten by other animals.

Dumping the fish was illegal, and someone apparently tried to cover up the crime. Warrington said the whiting fleet's activities are monitored by video cameras aboard each vessel, and recorded on computer hard drives. Police seized the hard drives from all 32 vessels that were fishing on July 16.

Analysis of the hard drives determined that three of the video cameras were disabled just as the boats' nets were being hauled to the ocean surface, and on a fourth, the replay of the video showed nothing. The time gaps ranged as long as three hours. Police have yet to announce the content of tapes from the remaining 25 boats.

Warrington said one person who had been on one of the vessels volunteered information about the case that led investigators to believe a crime or crimes had been committed.

Ten days after the rockfish washed ashore, a second incident drew the attention of investigators. A 5 a.m. inspection of a fish processing plant in Gray's Harbor by Washington Department of Fish and Wildlife officer Matt Jewett revealed an effort to dispose of widow and yelloweye rockfish by sending them through a meat grinder.

That plant, known as Washington Crab Producers, is partially owned by Pacific Seafood, the nation's top seafood processor in terms of sales, according to the National Marine Fisheries Service.

The rockfish came from a 10,000 pound haul that had been, or was in the process of being, dropped off at the plant. About 1,000 pounds of rockfish had been dumped when the grinding operation was discovered, with the remainder awaiting the destruction.

"The by-catch would have been destroyed if Officer Jewett hadn't showed up when he did," WDFW Capt. Mike Cenci said. "In my opinion this was a blatant effort to avoid the by-catch cap."

After the second incident, the National Marine Fisheries Service issued 24-hour advance notice that it was closing the whiting fishery.

During those 24 hours, the fishermen went on a destructive fishing spree. They caught 21 tons of widow rockfish, pushing the yearly catch to a point that far exceeded allowable limits.

At its September meeting, the Pacific Fishery Management Council, mindful of the harm caused by the closure on fishing businesses and communities, voted to reopen the whiting fishery, and increase the catch limits on widow rockfish by 55 tons.

Some criticized the council for rewarding dirty fishing.

Julie Sherman of the Marine Fish Conservation Network said the council showed "alarming disregard" of the Magnuson-Stevens Act.

"It is unfair to reward the whiting fishery by allowing them to keep fishing after they exceeded their bycatch caps, while punishing the other fisheries that have obeyed the legal limits," Sherman said.

"Instead of managing on the cutting edge, you're responding to poachers, you're responding to those who are dumping fish and those who are cheating," Tony Warrington, chair of the council's advisory committee on enforcement, said in a recent interview with the Washington Post. He added that the council's enforcement efforts were "largely ineffective at keeping fishermen from cheating."
"The catch shares program is about aligning incentives and providing resources and opportunity to include key environmental elements in the management of the groundfish fishery — elements that wouldn't otherwise be contemplated or feasible under current management.” — Johanna Thomas, Environmental Defense

edge of sustainability, the Council is managing the whiting fishery on the edge of disaster. Managers shouldn’t re-open this fishery without first solving the serious monitoring and enforcement problems,” said Ben Enicknap, Pacific project manager for Oceana, a global conservation group.

But others noted that reopening the fishery extended the jobs of hundreds of innocent workers in communities up and down the coast who have been laid off during the whiting closure, while giving their communities an economic boost. Warrington said there are now six active investigations related to the incident, but so far, none have dealt.

The incidents underscore the severe hardships facing coastal communities. The pressure to keep fishing is so great, some fishermen say, that some apparently will resort criminal behavior if that means keeping the fishery open.

Seafish processors demand a piece of the pie

Environmental Defense, an international conservation organization, which said in a March 2007 report that catch share systems, if well-designed and fully monitored, have been shown to reduce waste and bycatch, improve safety in one of the world’s most dangerous occupations, and bring economic benefits to fish communities and workers.

In “catch share” systems reviewed by Environmental Defense, fishermen reduced their catches to an average of 5 percent below catch limits. Such systems have reduced bycatch by 40 percent, and at least slowed down the destruction of habitat caused by certain types of fishing gear. Catch share systems have saved fishermen’s lives, and resulted in an 80 percent gain in revenues due to higher yields and dockside prices.

These systems have produced increased economic stability in coastal communities that depend on fisheries, and increased stability of fish supply and quality to consumers, the report said.

However, catch share systems have resulted in job losses, as some positions have been converted from part-time to full-time. In the systems studied by ED, the catch shares were all award harvesters. As we will see, some systems have allowed catch shares to processors as well, but these have been fraught with trouble.

Johanna Thomas, Pacific Program director for the international organization, says the catch share program here, if done right, could be a "positive model" for similar programs elsewhere.

"The catch shares program is about aligning incentives and providing resources and opportunity to include key environmental elements in the management of the groundfish fishery — elements that wouldn't otherwise be contemplated or feasible under current management," says Johanna Thomas of Environmental Defense. "Those elements include gear switching, 100% monitoring on vessels, individual caps on all bycatch species, and setting aside quota for community and environmental purposes. These elements, combined with the innate incentives with assigning quotas on the percentage of total harvest levels, will lead to measurable environmental improvements."

Thomas and other conservationists have asked the Pacific Fishery Management Council to set aside some catch shares to assist communities that might be harmed by the program. Peter Huhtala, conservation director for the Pacific Marine Conservation Council in Astoria, said poorly designed systems can work against goals to reduce bycatch, and protect marine habitats, while buoying coastal communities, he said.

"PA MCC would support a market based plan that is comprehensive, prevents adverse impacts such as excessive consolidation, and provides strong incentives for a sustainable fishery," he said.

Others, like Tony DeFalco of the Marine Fish Conservation Council, are skeptical. "The Pacific council has been squandering valuable time and resources digging around for the last five years with an unproven (catch share) program, when they’ve had a legal mandate for the last 11 years to reduce bycatch and restore overfished species."

"There is still no solid evidence these programs work." Environmental Defense, along with other conservation groups and fishermen, have warned the Pacific council that a poorly designed system could actually do great harm to the marine environment, coastal communities and workers — especially if it allocates some of the harvest to seafood processors.

The seafood processors are demanding a significant slice of the pie at a 50 percent share of the whiting, and a 25 share of all the other groundfish. "The processors seek a quota allocation which would allow us to be an equal stakeholder and partner," Jay Bonstein, owner of fish processing plants in Astoria and Bellingham. "The allocation is a reflection of a processors’ longstanding

The California Current’s 7 depleted rockfish

Under the Magnuson-Stevens Act, the U.S. government its fisheries through eight regional fishery councils. A big part of their job is to rebuild the depleted, or overfished, stocks, within 10 years or as short a time as possible. In some cases where the stocks are extremely depleted or the fish are slow to reproduce, the rebuilding plan can take longer. In June 2006, scientists presented the Pacific Fishery Management Council a range of options for harvesting the seven overfished species in the California Current. In all but one case, the council chose the option allowing for the largest harvest and the slower rebuilding schedule for each overfished species, as shown in this chart.

*Source: Pacific Fishery Management Council*
and significant involvement in the industry, exactly like the (fishermen). Speaking at a public hearing, Bonn et said that the FPC's recommendations would "will treat it as an asset and manage it in a way that protects and increases its value."

Jim Wilen, an economist with the University of California Davis, and a consultant for Environmental Defense, said the processors' share of the $200 million groundfish could be worth $75 million or more. He said their actual losses, if any, would be much smaller. Wilen contends that $75 million as compensation is "implausibly high - that seems impossible to me."

If each processor receives a share based on its volume, the big winner would be Pacific Seafood, based in Clackamas, Ore., which buys more than two-thirds of the groundfish, and up to 80 percent of the whiting, according to natural resource economist Hans Radtke and a former chair of the Pacific council. Two-thirds of $75 million equals $50 million, which approximates the value of Pacific Seafood's share.

Processors fear that if they don't receive shares in the harvest, the fishermen would have a stronger bargaining position during negotiations to determine prices for fish. But Wilen said it's the other way around.

"Processors already have a big advantage," Wilen said. "I don't know any other industry in the United States that is as concentrated as this.

"We know of no other quota system where harvesting quota has been allocated on the basis of processing history," Will Stelle, former Northwest regional director of the National Marine Fisheries Service and a consultant for Environmental Defense.

Wilen said fish companies could incur some losses under a catch share system for just harvesters, but the losses would be small. The "burden of proof should rest with" processors to make some explicit estimate of verifiable stranded capital losses," he said.

A two-piece harvester and processor system in Alaska's Bering Sea crab fishery provided harvester quota shares to both harvesters and processors to the fish companies. Stelle says the system failed to produce the expected benefits.

In a letter to the Pacific council, he said during the 2005-06 season, many processors changed the pricing structure for processors just paying for the first time significantly less for crabs that had any barnacles on them or that were somewhat darker in color. As a result, estimates of vs-at sea high grading suggest that harvesters discarded more than 20 percent of crabs, which could adds an eight-fold increase over the previous season.

The program "replaced the race for fish with a race to the processor," Stelle said. Harvesters tried to avoid being the "last man standing" with few options to sell their catch.

**Million Dollar Lobbyists**

According to the web site opensecrets.org, Pacific Seafood and the West Coast Seafood Processors Association paid the Gallatin Group, a lobbying firm, $1,060,000 on lobbying Congress between 2002 and 2007. Their chief objective: a law that would require the Pacific Fishery Management Council to award seafood processors and fishermen quota shares in the West Coast's groundfish fisheries.

A key target of their lobbying has been Oregon Sen. Gordon Smith, a Republican, who sponsored bills to provide quota shares for processors and $900,000 for a seafood group to help the company solve its water pollution woes. The pipe relocated the outfall of Pacific Seafood's waste from the tiny Skipanon River in Warrenton to the Columbia River near Astoria when the project was built in 2006.

While Smith's bill to deliver catch shares to Pacific Seafood, Senate Bill 1549, failed, he did get the money to build the sewage pipe.

Interestingly, one of the Gallatin Group's lobbyists is Dan Lavey, a former member of Smith's Senate staff.

Leipzig accused Pacific Seafood of threatening other seafood companies during the strike. He said so at a series of meetings with port officials up and down the coast.

But in a letter published Pacific Fishing newspaper, Pacific Seafood denied making any threats and said Leipzig to "immediately cease and desist from making false statements" about the company. Their attorney, Bruce Campbell of the Portland firm Miller Nash, said, "Not one Pacific company dropped prices after a boat went on a trip. Not only is it false, but it is extremely harmful."

**Dulchick's insider access.**

Pacific Seafood has had its eye on a share of the groundfish fishery for several years, and has been pushing Congress to help out. From 2002-2007, Pacific together with its trade group, the West Coast Seafood Processors Association, has spent more than $1 million lobbying Congress, according to opensecrets.org. The money went to the Gallatin Group.

Environmental Defense's Thomas Moore's name, along with two others, was forwarded the Commerce Department for final selection. Few were surprised that Moore got the job; Dulchick had played a role in Bush's election in 2000 by bundling more than $100,000 in contributions.

Radtke was up for re-appointment also a nominee. He said he was told by two high-level sources that the decision to appoint Moore came directly from the White House.

Since joining the council, Moore has pushed for an increase in catch limits. In 2006, he asked the council for a substantial increase in existing catch limits, even though the fishery was teetering on the brink of being overfished. His motion, which would have benefited Pacific Seafood by providing it with more fish to process, was defeated.

In the future, Moore will likely cast more votes that impact the financial interests of his employer, the West Coast Seafood Processors Association, or its members.

Pacific Seafood is not just a member. Dulchick, its CEO, is the seafood processors association's president.
WOULD YOU BUY A FISH FROM THIS GUY?

FRANK DULCICH’S FISH COMPANY, THE NATION’S BIGGEST, HAS A LONG HISTORY OF BREAKING THE LAW. YET HE IS POISED TO GAIN A $50 MILLION CHUNK OF YOUR OCEAN RESOURCES

In the mid-1980s, Jeff Dulcich and Anne Dulcich noticed that large amounts of money were disappearing from their family business, Pacific Seafood. At the time, they had no idea how much money was gone, but they had a good idea where it was going: not to any anonymous thief, but to a co-owner, their brother Frank. The three siblings - Frank, Jeff and Anne - were shareholders in Pacific Seafood, along with their mother and father, Melba and Dominic.

The siblings’ deceased grandfather, also named Frank, started the business in southeast Portland in 1941. Today the younger Frank owns all the shares in the company, now a conglomeration of subsidiaries and affiliates under an umbrella corporation known as Dulcich Inc.

Frank’s unauthorized transactions during the 1980s constituted just some of the behavior that has plagued Dulcich Inc. throughout the last 20 years, ripping his family apart and thrusting their business into a series of lengthy court battles.

This behavior, which is detailed in publicly available court documents filed in five separate lawsuits, included: a conviction for felony theft of hundreds of thousands of dollars from fishermen and from the state of Oregon; allegations from Frank’s family members accusing him of securities fraud, racketeering, theft by deception and breach of contract; more than two decades of alleged Clean Water Act violations; and an alleged attempt to destroy a rival in the oyster business, steal its assets, acquire its property at a “distress price,” take over its processing facility and enlist a government agency in these efforts.

“Frank’s pattern of fraud and abuse of his position of trust and confidence requires his removal as an officer and director,” and “reflect a continuing course of fraudulent conduct that presents a case of civil racketeering.”

— Attorney Pamela Van Duyn

FRANK’S WORLD: A Timeline

Frank Dulcich’s troubles go back to 1986 when his two siblings noticed large amounts of money were missing from the family seafood business, Dulcich Inc., also known as Pacific Seafood. They hire a lawyer to investigate.

1993: Dulcich Inc.’s Board of Directors determine Frank Dulcich took an unauthorized $288,000 from the company.

1994: Frank settles siblings’ lawsuit, agrees to buy all shares in Dulcich Inc.

1995: Hayes Oyster sues Frank and his company for trying to destroy its business and steal its assets.

1996: Jury finds Dulcich illegally took valuable oyster shells from Hayes Oyster, orders Dulcich Inc. to pay $46,400. In 2006 Dulcich Inc. agrees to pay $150,000 more.

1999: Frank advises his managers to “use and abuse” rival companies, and “kill our allies last,” according to court evidence.

A Dulcich Inc. subsidiary begins to steal from fishermen and the state of Oregon.

1999: The Oregon Department of Environmental Quality finds a Pacific Seafood...

(Continued on Page 8)
A continuing course of fraudulent conduct...

After discovering that money was missing from the family business, Jeff and Anne hired Portland attorney Pamela C. Van Duyin to investigate Frank's activities. By 1993, she had identified not only Frank Dulcich's history of issuing unauthorized loans from the company, but uncovered many other troubling transactions as well.

Van Duyin stated her concerns in a letter to the company's Board of Directors in January 1993. "Frank's pattern of fraud and abuse of his position of trust and confidence require his removal as an officer and director," she wrote, adding that his actions over a period of time "reflect a continuing course of fraudulent conduct that presents a case of civil racketeering."

A "special committee" appointed by the Dulcich, Inc., Board of Directors determined that Frank, as of 1991, had improperly obtained $124,763 from the then-family owned corporation, in unrecorded interest, unpaid loans plus interest, and loans forgiven and expensed but never approved by the Board. Family members said in diverting these funds away from the corporation, he was diverting them from his own mother, father, sister and brother. Frank never denied his family's charges that he had concealed these transactions from them, but responded that he did nothing wrong and was entitled to the money, court papers say.

Frank had also diverted an additional $164,081 from the family corporation in the form of overpriced rent he charged to the company for his personal airplane, court records state.

In a 30-page complaint filed Sept. 3, 1993, Jeff Dulcich and Anne Bisio alleged that Frank attempted to buyout their shares at a below-market price while witholding from them the real financial performance of the company. They claimed that Frank had used his majority control of the company to remove his mother and his siblings from the Board of Directors in part because they had "refused to ratify certain of his self-dealing transactions."

The siblings' lawsuit accused Frank Dulcich of theft in the first degree; theft by deception; falsifying business records; issuing a or more false financial statements; misapplying and wasting corporate assets; consistently acting in a manner that is illegal, oppressive and fraudulent; negligent mismanagement; breach of contract; securities fraud; and violating the Oregon Racketeer-Induced and Corrupt Organizations Act through a "pattern of racketeering activity" in which the siblings received a lower value for their shares in the family business "than was justified."

The lawsuit was resolved in 1994 in an out-of-court settlement. During negotiations, Frank agreed to pay his mother, Melba, $150,000 per year for the rest of her life in exchange for her shares in the business. According to court documents, the siblings said they would not have settled if Frank did not agree to pay his mother. By 2001, Melba still had not been paid a dime, and was contemplating a lawsuit against her son.

And then she sued her son

On Feb. 16, 2001, Frank Dulcich wrote a letter to his family in an effort to resolve family differences. "I made a commitment to Mom that before her birthday on April 13 I would provide a first step to encourage family reconciliation. We are approaching the seventh anniversary of the family buy-out and our relationship, as a family, definitely has not improved."

Melba wrote back, saying, "This scheme to destroy a rival that "approached the diabolical"...
"In oystering, old shells mean new life. Without oyster shell, you have nothing to plant your next year's crop. If you don't plant your crop, you have no business." — Jesse Hayes

Dulcich's offer to buy the company came in at "several hundred thousand dollars," an amount Hayes considered to be not only low, but "insulting." According to Hayes' lawsuit against Dulcich, filed in 1995, Dulcich's advisor said "they will simply wait for Hayes Oyster to go bankrupt and buy its assets at a depressed price."

The suit said "the actions of the Dulcich defendants in this case approach the diabolical," adding that Dulcich Inc. "almost succeeded in their long-term plan to kill Hayes Oyster as a business entity. They did not quite do so, however. Hayes Oyster Co. today is alive and growing stronger."

The Dulcich group knew that Hayes still owed money for the 300-acre purchase of oysterland, under an unpaid, past-due note. Dulcich learned of this fact when Hayes confidentially opened his books during negotiations on the failed sale of the company.

Without Hayes' knowledge, Dulcich proceeded to purchase the note. In 1991, Dulcich foreclosed and took possession of the 300 acres.

Next, Dulcich turned his attention to Hayes' lease of property on the Bay City Pier in Tillamook Bay. The Port of Garibaldi owned the land, and Dulcich began lobbying the port to force Hayes out and give him the lease. The port and Dulcich's company, soon to be named Pacific Oyster, entered into a lease in May 1992. Around that time, the port terminated Hayes' lease.

Dulcich then attempted to obtain Hayes' remaining 1,500 of oysterland through a similar strategy involving a note held by the estate of Sam's brother, Verne, court documents say. That effort was not successful.

Next, according to Hayes' lawsuit, Dulcich began to "systematically loot" a pile of oyster shells that belonged to Hayes. Hayes considered the shells to be extremely valuable for seeding new oysters, and called the sheriff, who considered it a civil matter.

"In oystering, old shells mean new life," Hayes said in his lawsuit. Like young trees on a nurse log, a dozen or more baby oysters may attach themselves to the crannies and ridges of one old shell, and grow to their maturity. That is why oyster families call it the "mother shell."

"Without oyster shell," he said in testimony, "you have nothing to plant your next year's crop. If you don't plant your crop, you have no business."

Despite Hayes' protests, Dulcich began removing the shell, selling $76,000 worth to buyers in Japan, and delivering truckloads more for planting in Dabob Bay in Hood Canal near Shelton, Wash. The exact amount taken by Dulcich's company remained in dispute for 12 years.

Dulcich's employees told a jury that Dulcich Inc. took a total of 22,700 bags of shell from 1991 to 1994. At trial, a jury awarded Hayes $45,000 for the loss of these shells. In 2006, after two appearances before the Oregon Court of Appeals, Hayes presented evidence that far more shell than estimated in 1996 had been looted, and that the evidence "establishes a cover up of Dulcich, Inc.'s shell shipments not just to Dabob Bay, but to Willapa Bay and to other parts of Hood Canal."

Inspection reports with the Washington Department of Fish and Game showed records of shell shipments to the state in 1991, 1992 and 1994, but none in 1993. Other evidence, however, shows that unspecified amounts of oyster shell were in fact delivered to Washington in 1993, but not inspected, a possible violation of a state law that requires shell imports to be inspected to protect against the spread of alien species and disease.

In 2006, Dulcich Inc., finally settled the oyster case, agreeing to pay Hayes an additional $150,000 for the missing oyster shell, for a total settlement of $195,000.

The Pink Stink

As the state police knocked on the front doors with search warrants, the Oregon Department of Environmental Quality was checking out what Pacific Seafoods was throwing out the backdoor, onto its loading docks and into the Skipanon River below. They saw work-

(Continued on Page 20)
New threats for leatherbacks
Pacific council, NOAA push plans that would erode endangered sea turtle's protective shield

It's August 2007, and scientists are heading for the beach — but not for a swim. It is just after sunset, and they are patrolling the sand for sea turtles who they hope will crawl out of the surf and start digging their nests. The location is Jamursba-Medi, Papua, a province of Indonesia on the western half of the island of New Guinea. Jamursba-Medi is the largest leatherback rookery in the entire Indo-Pacific region and a place that is vitally important to sea turtles in the California Current.

On patrol is Scott Benson, a marine ecologist with the National Marine Fisheries Service, and the author of a new research that served a critical role in killing a proposed commercial drift gillnet fishery in the California Current, and that may soon help to doom a longline fishery there as well. Such fisheries have the potential to expose critically imperiled leatherback sea turtles to potential injury or death.

"Each nesting leatherback performs an intricate set of choreographed movements to create a body pit and nest cavity, then she deposits her eggs and disguises the nest," Benson writes in his blog at topg.org. "The hind flippers do the digging and are remarkably dexterous. The entire performance is astonishing, and I've never met anybody that wasn't pleasantly shocked after witnessing it for the first time."

They find a turtle that has entered a trance and is laying eggs; soon two other females emerge from the surf. Benson’s team attaches satellite transmitters, and for permanent identification, inserts Passive Integrated Transponder (PIT) tags the size of a grain of rice under each turtle's leathery skin. Leatherbacks are unique among turtles in that they have no hard shells. "We stumble back to camp tired, wet, but happy," Benson writes. "Three more turtles tagged."

They are some of the largest and longest living reptiles on Earth. "Having outlived the dinosaurs, the leatherback is, in effect, the last survivor of the age of giant reptiles," says Brenden Cummings, attorney for the Tucson-based Center for Biological Diversity.

Ahead: a gauntlet of fishing lines

In Indonesia and elsewhere in the western Pacific, there is renewed hope for the leatherbacks. Local communities near Jamursba-Medi no longer harvest leatherback eggs, and are working to control feral pigs that like to scavenge for eggs. But far away in the eastern Pacific, new threats are just on the horizon.

"Having outlived the dinosaurs, the leatherback is, in effect, the last survivor of the age of giant reptiles." — Brenden Cummings, Center for Biological Diversity

bycatch, and over the years, longline fishing has decimated the leatherback population.

The leatherback turtle has declined in population by 95 percent over two decades, and is a "critically endangered species" on the World Conservation Union Red List, and "endangered" in the United States.

The killing of sea turtles by longline gear is a worldwide problem. According to researchers from Duke University, longline fisheries killed some 50,000 leatherbacks in 2000 alone.

In the Pacific, where leatherback populations are much smaller than in the Atlantic, thousands die each year. Scientists have predicted leatherbacks would become extinct within 10 to 30 years unless there is a significant reduction in adult mortality.

A leatherback turtle's left flipper is entangled in longline fishing gear. Photo courtesy NOAA Fisheries

Longline fishing vessels deploy thousands of baited hooks on hundreds of lines that can stretch as far as 60 miles long. Every year longliners set as many as 10 billion baited hooks in the world's oceans.

The turtles do not go for the baited hooks, but the plastic lines can wrap around their unusually long flippers. If they cannot get free themselves, or the fishing crew fails to rescue them, they will drown.

California has prohibited longline fishing off its shores has been prohibited since at least 1977. In 2004, NMFS prohibited any longline fishing within the exclusive economic zone off the U.S. West Coast.

All swordfish longlining east of the 150th meridian, near Hawai'i, is also banned.

In 2001, NMFS closed down the Hawai'i-based longline fleet after a federal court ruled that too many leatherbacks were being killed by the boats. NMFS also created the Pacific Leatherback Conservation Area, where it said the reptile could safely feed without encountering any longlines or drift gillnets, which are also a danger to sea turtles.

NMFS reopened the Hawai'i fishery in 2004 by introducing a new kind of hook. It claims is safer for the turtles, and is now recommending longlines return to the leatherback's safe haven.

In April 2007, the Pacific Fishery Management Council added its backing of the plan to introduce longlining to the turtle conservation zone, a 180,000 square mile area extending from Big Sur, Calif., north to Lincoln City, Ore., and out to 300 miles offshore.

Mark Helvey, an assistant regional administrator the NMFS, the same agency that employs Benson, said the new fishery would be just experimental, just a test to determine whether it would be economical and safe for leatherbacks. Or, at least safer than an alternative
way of catching swordfish, the drift gillnet.

But the drift gillnet fishery’s excellent record of late will be tough to beat. Seasonal and area closures have reduced the drift gillnet fishery’s bycatch of sea turtles to zero since 2001.

Helvey said that with new protective measures instituted in 2004, sea turtle mortalities have dropped by about 90 percent in the Hawaii’s longline fishery. Helvey said the longline fishery would harm only a handful of leatherbacks, and at most only one would be killed. But Karen Steele of the Turtle Island Restoration Network, a Marin County-based organization, says mortality could be higher. Some leatherbacks caught in the longline fishery would release by the fishing vessel, but federal statistics have no way of accounting for these deaths.

Only one boat, owned by longtime fishermen Pete Dupuy, would use up to 60-mile-long lines, with hooks set at an approximately every 40 meters. In all, he would use some 67,000 hooks. His proposal called for four trips from September 15 through December 2007, but they have now been delayed.

Dupuy’s permit would allow the harvest of up to 18 tons of swordfish, but swordfish would represent about 40 percent of the total catch. Non-target species, including sea turtles, blue sharks, seabirds and marine mammals, would make up the other 60 percent of the catch. The only currently practiced fishery for swordfish that avoids significant bycatch of any kind is harpoon fishing. Some restaurants specify on their menus that they feature harpoon-caught swordfish.

But the council’s science advisors refused to endorse the new fishery. They said, “no experimental design is proposed to test the hypothesis that longline gear would lead to any significant decrease in bycatch rates over drift gillnet. Data collected from a single vessel” would not be adequate for this purpose. But the council disregarded that piece of advice and approved the plan to allow longlining in the turtle conservation zone, anyway.

*Pacific council votes several times to weaken turtle protection*

Steele says her organization has consistently opposed longline fishing along the West Coast, and not just due to its impacts on the leatherbacks, but also because of harm to loggerhead sea turtles, marine mammals and seabirds.

“These extensive bans by NMFS, primarily to protect endangered sea turtles, demonstrates the vulnerability of these species to the impacts of longline fishing,” Steele says.

Cummings of the Center for Biological Diversity said the Bush administration would violate seven environmental laws, including the Endangered Species Act, if it issued the permit to Dupuy. He said banning longlining has strong international support among scientists.

“Over 1000 international scientists from more than 100 countries and 300 non-governmental organizations from 62 countries are calling on the U.N. to institute an immediate moratorium on pelagic longline fishing in the Pacific until measures can be put in place that protect the leatherback,” Cummings said.

In September 2007, the Center for Biological Diversity, Turtle Island and Oceana petitioned NMFS to provide stronger protection under the Endangered Species Act for the sea turtle, asking the agency to declare foraging areas off the Oregon and California Coast as the leatherback’s ‘critical habitat.’ The Endangered Species Act defines critical habitat as ‘areas essential for the conservation of the species.’

The Pacific council has voted several times in the last 15 months to weaken protection for the leatherback. It approved a drift gillnet fishery in the leatherback conservation zone — a fishery that would have been even more damaging to protected species than longlining, according to NMFS.

In the summer of 2007, NMFS rejected the drift gillnet plan. It said Benson’s research, spanning over a decade, “documents the importance of near-shore waters off the U.S. West Coast for foraging leatherback turtles.”

The Pacific council’s votes for these fisheries featured the usual conflicts of interest as council members’ own business interests tangled with council business. Council member Kathy Fosmark, of Carmel, Calif., would have directly benefited from the drift gillnet fishery. Her family owns a drift gillnet boat that would have participated.

Another council member who strongly advocated the experimental fisheries was Rod Moore, the executive director of the West Coast Seafood Processors Association, a trade association whose members could financially benefit from the fisheries. Moore, in fact, made the motions to open both fisheries in the sea turtle protection zone.

*California and Washington object, but not Oregon*

More support for the fisheries came from Curt Melcher, deputy director of the Oregon Department of Fish and Wildlife. Unlike California and Washington, Oregon has raised no objections to the potential harm they could do to the leatherbacks. State representatives from Washington made sure the longliners came nowhere near Washington waters.

California aggressively pursued a challenge to the longline fishery. The proposal went before the California Coastal Commission, which voted to object after a hearing in August 2007. “Considering the status of this species, even one mortality would represent a significant impact,” the California Coastal Commission said.

The coastal commission has historically urged the fullest possible protection for leatherbacks. “The status of leatherbacks in the Pacific Ocean is so precarious that some scientists believe they will become extinct within one or two human generations,” the commission said.

Studies by Benson and others serve to reinforce that conclusion. Declines have been documented at nesting beaches in the eastern Pacific and throughout the Indo-Pacific region. Scientists have documented a complete loss of the Malaysian nesting population, severe declines at nesting beaches in Costa Rica and Mexico, and lesser declines at western Pacific nesting beaches, according to Benson’s study, published by NMFS in its Fisheries Bulletin in 2007.

Another report, a review of the leatherback’s status, published NMFS and the U.S. Fish and Wildlife Service in August 2007, says the incidental bycatch in commercial fishing operations, including longline fisheries, is a major impact that is far from being resolved.

The status review, published every five years, said the most recent population size estimate for the North Atlantic alone is a range of 34,000-94,000 adult leatherbacks, an increase over earlier estimates.

Satellite telemetry studies described by Benson linked leatherback foraging in the California Current with turtles nesting at Januaria-Medi. An average of about 16 percent of the Januaria-Medi females use the California Current’s near-shore foraging areas.

Benson reported that aggregations of leatherbacks off Oregon are denser and larger during summer. In addition, the broad shallow area in the Gulf of the Farallones National Marine Sanctuary consistently exhibits greater abundances of leatherback turtles.

The Pacific council even voted to allow longlines within the Monterey Bay National Marine Sanctuary, where large concentrations of leatherbacks feed, but NMFS blocked the idea.

Benson’s study concluded, “nearshore waters off California ... represent an important foraging region for the critically endangered Pacific leatherback turtle.” He said they are especially important for the Januaria-Medi turtles, “one of the largest remaining Pacific nesting populations.”

The Pacific council now has its eyes on opening more ocean areas to longlines. These areas would be outside the 200-mile exclusive economic zone, but still within the leatherback’s migration routes. Further action by the council is scheduled for March 2008.
For decades, ocean fisheries off the West Coast have been managed a single species at a time, as though they exist in isolation. Of course, they don't. Now, as ocean climate changes, a massive sea change, the entire ecosystem is at a heightened state of risk. Yet new ideas that take into account the needs of the entire California Current Large Marine Ecosystem are still highly controversial.

LONG SEABIRD MIGRATIONS

More than 100 species of seabirds have been recorded migrating to the California Current, according to the 2005 California Current Marine Bird Conservation Plan. By the Point Reyes Bird Observatory. Seabirds migrate between September and May from breeding colonies in New Zealand and the southern oceans of South America, and are the most abundant birds in the Southern California Bight off the Pacific Coast. Within Monterey Bay, seabirds are observed in vast numbers. The two other seabird species that can be found here are the Northern Fulmar and the Black-legged Kittiwake.

CURRENTS AND UPWELLINGS

The Point Reyes Bird Observatory has performed one of the most thorough reviews of ecological conditions in the California Current, at least as it pertains to seabirds. In 2005, report, California Current Marine Bird Conservation Plan, breaks down the main components of the California Current: the southward-flowing California Current, the northward-flowing California Current, the Southern California Undercurrent, and the Southern California Coastal Current. Seabirds within the northern waters during late spring and early summer lead wind-driven upwelling, particularly near headlands. Along the coast, surface waters are pushed towards the ocean and wind and wave action. Fishermen have long recognized the importance of upwelling areas for marine life, as the upwelled waters bring nutrients to the surface, where they are consumed by phytoplankton and zooplankton, which in turn support the growth of fish and other marine organisms.

LEATHERBACK CONSERVATION ZONE

Leatherbacks are the largest of the sea turtles in the world. They can grow to over 1,000 pounds and live for more than 100 years. They are found in the Pacific Ocean, from the Arctic to the tropics, and are listed as critically endangered.

FORAGE FISH

Forage fish are an important resource for marine life, providing food for a wide variety of predators. They are also an important food source for humans. In the California Current, forage fish include: Pacific sardines, Northern anchovies, Pacific herring, and Pacific hake.

WAVE ENERGY

A gold rush in wave energy projects is hitting the California Current, and at least 23 projects have been proposed, including ones in Oregon. There is concern that energy development could interfere with marine fisheries and put at risk the large populations of sea turtles and other marine mammals. Unlike in other parts of the world, Oregon will not need to rely on wave energy.

CAVITY IN BP

The Pacific Leatherback Conservation Area is a critical habitat for leatherback turtles. It is the largest and most diverse assembly of leatherbacks in the world. The area is located in the southern California Bight, off the coast of California, and includes the Farallon Islands and the northern Channel Islands.

BASIN

The California Current region is home to a diversity of marine life, including numerous species of fish, mammals, and seabirds. The currents and upwellings in the region create favorable conditions for marine life, and the ecosystem is highly productive. The current report highlights the importance of protecting this unique marine environment for future generations.
IT'S ALL ABOUT THE ECOSYSTEM

EXPERTS URGES PACIFIC COUNCIL TO TAKE A MORE HOLISTIC APPROACH

The catchphrase for President Clinton’s 1992 campaign framed the main issue and probably helped win the election: “It’s the economy, stupid.”

Today, in the California Current, it’s all about the ecosystem, or more accurately, it’s all about the neglect of the ecosystem. Species in the California Current and the food webs that connect them have become increasingly vulnerable to fishing and climate change. However, decision makers don’t know much about what’s going on, and they’ve done precious little to find out.

“A great many fish populations and the human communities that depend upon them are in a state of crisis as a result of a combination of factors,” according to biologists Robert Francis and John Field, in a 2006 paper on fishing has depleted many long-lived and slow growing groundfish stocks, and obligatory rebuilding plans suggest that some could take decades to centuries to recover to target levels, they say.

Francis and Field urged the Pacific Fishery Management Council to consider the ecosystem’s needs far more than it does.

Warning signs, indeed, are everywhere. Seabirds, a major indicator of marine ecosystem health, have declined, including species migrate from afar or breed locally. The Point Reyes Bird Observatory’s 2005 report, California Current Marine Bird Conservation Plan, says that 41 bird species that breed in the California Current, 34 have drawn varying levels of concern from government agencies from Mexico to Canada.

Of 53 bird species that commonly migrate to the California Current from all over the Pacific Rim, seven are on the World Conservation Union’s Red List of Threatened Species.

The list of troubled seabird species includes the endangered brown pelican and the sooty shearwater, a migrant from New Zealand that is down 75 percent over recent decades.

Many of the California Current’s main cash fisheries — whiting, salmon, tunas and rockfish — are also in trouble. The whiting fishery has depleted all but 25.1 percent of the stock, pushing it dangerously close to the 25 percent “overfished” line. The whiting were overfished earlier this decade, but recovered slightly. Further declines now appear likely, according to the National Marine Fisheries Service. Seven rockfish species are also depleted, and almost every major salmon run is on the U.S. endangered species list.

Where fisheries are depleted, seabirds can suffer. In the California Current, some 22 fisheries directly target the same species that seabirds consume. In some ecosystems, seabirds consume as much as 30 percent of the young fish. Fisheries compete with seabirds by reducing the amount of food available for them to eat.

Under global warming scenarios, scientists believe a sea level rise can drown nests or breeding habitat on islands and rookeries. Warming ocean temperatures can reduce the amount of food in the water and force fish to live elsewhere if they can. Scientists say fishery managers in the California Current have failed to understand these changes, given their lack of data, much less respond to them.

When it makes decisions on catch limits, Pacific council admits that it does not consider the food needs of seabirds or marine mammals like whales or sea lions. The potential impacts of climate change have made no impact on council decisions. The council says it intends to do become a champion of ecosystem-based management, once funds become available, but as for the near future, will continue to manage each commercially valuable species one by one, almost as if they are alone in the sea.

In the early part of this decade, the Pew Oceans Commission and the U.S. Commission on Oceans both recommended that the eight regional fishery management councils manage ecosystems, rather than single species. Last year, when Congress reauthorized the nation’s major ocean fisheries law, it insisted on an ecosystem-based approach.

The Pacific council says it will develop ecosystem management plans, but says it has no funds to pay for it. But, as we will see, recent developments suggest the council’s commitment to an ecosystem-based management may not be entirely sincere.

An idea “as old as the hills”

Biologists Francis, a retired professor at the University of Washington, and Field, a scientist with the National Marine Fisheries Service, say the council should consider the ecosystem’s needs as a whole when making decisions, rather than its current system of managing for single species. (Considering ecosystem-based fishery management in the California Current, Marine Policy, 2006).

Ecosystem approaches mean different things to different people, but as Francis and Field note, the “underlying concept is as old as the hills.”

Managers of marine fisheries must take into greater consideration everything from climate change to the role of humans as both predators and competitors in their hunt for food, they say.

The traditional approach, and the one taken by the Pacific council, is to emphasize production. The council tries to maintain fish populations as close as possible to “the maximum amount of surplus production, or maximum sustainable yield.” Usually that means removing 60 percent of any single species from the ocean. When the council determines maximum sustainable yield, it does not take into account the needs of other species in the food web.

The Pacific council, which is responsible for managing ocean fisheries, has published volumes of information on single species, but has never even tried to evaluate the needs of the ecosystem. The council has talked about drawing up ecosystem-based fishery management plans, but claims it lacks the funding to begin working on them.

Other councils have embraced the ecosystem approach, including councils in Hawai‘i and Alaska.

The North Pacific Fishery Management Council in Alaska publishes a yearly “Ecosystem Considerations” report on the health of Bering Sea and the Gulf of Alaska. It also has developed a “fishery ecosystem plan.” These documents evaluate the marine ecosystems and guide decisions. The Western Pacific Fishery Management Council in Hawai‘i, or WPC, has published a fishery ecosystem plan, but the document represents little more than old plans with a new cover.

The Pacific council has done neither of these. It has been extremely sensitive to fishing communities and fish companies in their call for increased harvests, especially in the wake of economically painful decisions over the last decade to cut fishing on depleted species. There’s a growing fear among fisheries that ecosystem-based management could cost them more.

“This ecosystem shows striking differences between trawled and untrawled areas. Areas that had obviously not been trawled were covered by forests of sea pens and other marine life, and the trawled areas looked like a desert, crisscrossed with trawl tracks.”

— Brian Tissot, Washington State University
“Because of this controversy, the PFMC has begun dialog for the planning and future implementation of ecosystem-based fishery management plans in order to prevail in its fishery management authority within the (National Marine Sanctuary) system on the West Coast.”

— Pacific Fishery Management Council

A giant kelp forest in the Channel Islands National Marine Sanctuary. Photo courtesy Channel Islands National Marine Sanctuary

jobs or income.

Others point out that ecosystem-based management by definition would lead to greater sustainability for all species, larger harvests in the long run and provide a buffer against climate change.

The council is dominated by fishing interests, including recreational and commercial fishers, government fishery agencies, and seafood processors. While its meetings are open to anyone who wants to testify, its decisions are left largely to industry insiders in both the private and public sectors.

That does not mean that the Pacific council vote for its members' pocketbooks every time. In fact, the council has voted to close areas and seasons for conserving the depleted rockfish. However, the council took some of its conservation actions on behalf of rockfish only after it was ordered to do so by the federal courts.

The Pacific council's record includes the designation of 500,000 square miles of essential fish habitat, where bottom trawling is banned - though other types of fishing are allowed.

While many fishers strongly oppose marine reserves, some fishing groups have acknowledged the potential benefit of ecosystem planning, such as the creation of marine reserves where all types of fishing is not allowed. While marine reserves reduce the size of fishing grounds, they can also benefit fishers.

“What the science has shown is that generally there are more fish, or at least resident fish, and they tend to be larger, when fishing is restricted or prohibited within these areas,” says Zeke Grader, Executive Director of the Pacific Coast Federation of Fishermen's Associations (PCFFA), the west coast's largest trade association of commercial fishing families.

Scientists have found that a marine reserve in the California Current may be most valuable for their ability to produce fish that are shown to be able to produce by far the most offspring. Fishers traditionally target these fish because of their high value at the fish market.

Problems that plague the changing ecosystem are likely to persist or get worse if policy-makers fail to understand the changes and act according to Plan accordingly. If the Pacific council fails to consider the ecosystem's needs, other government agencies are bound to step in and develop ecosystem plans in the absence of council action. Indeed, that's already happening.

A turf battle with the Channel Islands National Marine Sanctuary

While the council says it can't afford to develop ecosystem-based plans, it has found the time and money to create new, experimental and potentially damaging fisheries, as seen in the controversial longlining proposals in sea turtle conservation areas (see page 10). Then there's the council's longstanding turf battle with National Marine Sanctuaries that want to create marine reserves.

The five National Marine Sanctuaries in the region over the last several years have been working on plans to create no-fishing marine reserves in their waters. The idea that another government agency would regularize fishing within the Pacific council's turf has drawn the council's attention at least since 2001.

In August 2007, the Channel Islands National Marine Sanctuary, near Santa Barbara, created nine new marine protected zones in federal waters off the islands, including eight that allow no fishing and another that allows only limited harvest of fish.

The decision expanded a network of marine reserves created by the state in 2002. The total network size will be 240.4 square nautical miles that encompasses 22 percent of the sanctuary waters through 11 marine reserves and 2 marine conservation areas. Fishing in accordance with normal state and federal fishing regulations will be allowed in the remaining 78 percent of the sanctuary.

The Channel Islands network of reserves is now the largest in the United States outside of the Northwestern Hawaiian Islands, where the Papahanaumokuakea Marine National Monument is the largest marine conservation area in the world, encompassing 137,797 square miles in the Pacific.

The Pacific council argued that it is alone, and not the sanctuary, has the authority to regulate fishing. The council's proposed rules, issued in December 2005, banned only bottom trawling in the reserves, but did not prohibit fishing that targeting species found in midwater areas.

Marine resources around the Channel Islands, such as kelp forest ecosystems, have declined under pressure from a variety of factors, including commercial and recreational fishing, changes in oceanographic conditions and increased levels of pollution.

The sanctuary hopes that marine reserves can help to rebuild depleted fish populations, reduce bycatch and discards, and reduce known and as-yet unknown ecosystem effects of fishing.

In a council report issued last December, the council stated that the Channel Island controversy has spurred the council to escalate its efforts to control fishing regulations in sanctuaries.

"Because of this controversy, the PFMC has begun dialog for the planning and future implementation of ecosystem-based fishery management plans in order to prevail in its fishery management authority within the NMS system on the West Coast."

In addition, the Pacific council has lobbied Congress in recent years to strip National Marine Sanctuaries from their authority to ban fishing in their waters.

Meanwhile, the Monterey Bay National Marine Sanctuary is planning to create its own network of marine reserves. The Pacific council recently approved a sea turtle-killing longline fishery for areas inside and outside the Monterey Bay sanctuary. NMFS, however, overruled any longline fishery in sanctuary waters.

Western governors sign "ocean health" agreement

Oregon and Washington have joined California Gov. Arnold Schwarzenegger's call for a sweeping southwest coast call on protecting and restoring marine waters. In September 2006, the governors of three states signed the "West Coast governors' agreement on ocean health," which calls on the states to develop regional priorities. The governors' action plan, released in draft form in September, calls on the states to collaborate on climate change and ecosystem-based management issues, as well to continue to oppose offshore oil and gas development.

In September, a Pacific council advisory committee could hardly mask its concern that the governor's might have veered too closely onto the council's turf. "It appears to be an effort to emulate what has already been occurring with fishery management for many years," the council's Groundfish Advisory Panel said in a written statement. "We are hopeful that it is not an attempt to usurp a collaborative process that has been successfully prosecuted for a long period of time."

California emerged as a global leader in the creation of new marine reserves (see map on Page 13) when voters approved the state Marine Life Protection Act in 1999. The state created its own network of reserves in the Channel Islands in 2002, and in 2007 created a network of 29 reserves on its central coast in 2007. It is now working on the development of potential reserve sites on its north central coast, from Point Arena in Mendocino County to Point Pinos in San Mateo County.

The state of Washington this summer began accepting nominations for new marine reserves in Puget Sound (see (Continued on Page 16)
Aquatic reserves in Puget Sound connect land, sea, people

In August 2007, the state of Washington created its second state aquatic reserve in Puget Sound, Cypress Island the last largely undeveloped island in the San Juan Islands. Protecting a “unique mosaic of state-owned uplands, tidal marshes, and bedlands,” a new management plan protects more than 11,000 acres of the island’s upland conservation areas and marine aquatic reserve.

They will be managed for the protection of the island’s outstanding terrestrial and marine ecological systems, scenic values, cultural resources, and habitat for threatened, endangered, and sensitive species.

The photographs below illustrate the natural character of the island, and its opportunities for low-impact recreation, left.

At right, a madrone tree sits on an offshore rock. The island received its name when early explorers mistook the tree for a cypress.

The state is working with the Samish tribe on the development of another marine reserve to the southeast of Cypress Island, at Fidalgo Bay. The state’s first aquatic reserve, at Maury Island near Tacoma, was designated in 2004. In the near future, the state expects to add Cherry Point (top right on map) to its list of reserves.

Meanwhile the state has identified about two dozen other sites in Puget Sound that would protect important marine habitats with high conservation benefits (blue areas on map).

The Aquatic Reserves Program is requesting addition proposals for new aquatic reserves on state-owned aquatic lands. The process for proposing a site for protection involves public or private groups or individuals submitting a letter of intent. For more information, contact Kyle Murphy, Aquatic Reserve Program Manager at (360) 902-1073 or by email at kyle.murphy@dnr.wa.gov.

Sea kayaking around Cypress Island, above. A madrone tree on a prominent rock, left. Photos by Paul Koberstein/Cascadia Times.

It’s all about the ecosystem

(Continued from Page 15)

The western governors have called for the development of a West Coast ecosystem-based management Network during 2008. In September 2007, the governors issued a draft “action plan” which available at their web site, www.westcoastocean.gov. The governors have proposed a “trust fund” to fuel implementation of their plan.

“This is the kind of leadership our region needs in terms of ocean management, protection, investment and recovery,” said Paul Engelmeyer of Yachts, Ore., statewide conservation representative on the state Ocean Policy Advisory Council and manager of an Audubon wildlife sanctuary at Ten Mile Creek on the Oregon Coast.

Council member rips ecosystem study off Oregon Coast

Opponents of marine reserves often contend the are not squarely based on science. One big problem is the lack of science. The amount of knowledge about the impacts of commercial fisheries on the ocean ecosystem is relatively sparse, scientists say.

But sometimes, political leaders do not welcome the advent of new science. This year, a significant peer-reviewed study was published that expanded what we know about the effects of bottom trawling on seafloor habitats. But instead of greeting this new science with enthusiasm, a member of the Pacific council and the Oregon Department of Fish and Wildlife attempted to stifle the report.

Mark A. Hixon of Oregon State University and Brian N. Tissot of Washington State University found significantly more species on untrawled seafloors, an important but not unusual finding for policy makers interested in knowing the impacts of trawling. Hixon and Tissot wrote.

Among the species most directly affected by trawling on deep mud seafloors were sea pens, the research found. Also known as sea whips, these soft-bodied, erect organisms that anchor in the seafloor and project upwards as much as 3 feet, forming forest-like stands. Sea pens, which can live up to 50 years, were nearly absent on trawled bottoms.

The study appeared to be the first to examine trawling impacts on the muddy seafloors commonly found beneath the California Current.

In the region managed by the Pacific Fisheries Management Council — federal waters off Washington, Oregon, and California — there has been only a single published study that compared trawled vs untrawled areas,” Hixon and Tissot wrote.

Just south of Monterey Bay, Calif., scientists examined a lightly trawled area near-shore, and a heavily trawled area further out. Their study, published in 1998, found higher densities of epifaunal species — species that are attached to the bottom, like sea pens.

Until the Hixon and Pissot study, they said “virtually nothing was known about bottom-trawl effects on the predominant trawled habitat off the U.S. west coast: mud seafloors of the outer continental shelf. Seafloors off Oregon have been subjected to higher bottom-trawling effort than those off Washington and California.”

Their findings squared with other research showing that “bottom trawling has substantial impacts” on stable mud habitats similar to those at Coquille Bank.

“This ecosystem shows striking differences between trawled and untrawled areas,” said Tissot, an expert in seafloor organisms. “Areas that had obviously not been tumbled were covered by forests of sea pens and other

(Continued on Page 17)
marine life, and the trawled areas looked like a desert, crisscrossed with trawl tracks."

After Hixon and Tissot published their study, the Oregon Department of Fish and Wildlife responded with sharp criticism in a review. "The evidence presented in this paper was inconclusive and should have been couched in language to address statistical and sample comparison problems," the ODFW review said.

ODFW cited a number of differences between the untrawled and trawled sites, and other alleged inaccuracies, that led it to question the study. "Staff determined that this paper is not adequate for the purposes making conclusions and should not be used to drive management decisions," the agency said.

"Other research by other authors which is cited in this paper offers more solid results of trawl effects on fish and inter­te­brate assemblages on habitat.

Frank Warrens, a member of the Pacific Fishery Management Council, ripped the peer-reviewed study. "When industry members reviewed the study based on very limited sample size and observation duration," he said in an email, "they turned up several errors and disputable data in the study that will need to be reviewed further. In short the study is not ready for prime time."

Warrens acknowledged that he represents "the fisheries side of the issue." In response, Hixon and Tissot defended the study and its results, denied the existence of any errors, and highlighted the lack of cooperation they received. They requested data regarding the efforts of trawlers, but received no information. Oregon Sea Grant, a state agency, rejected two small grants for widely documented adverse impacts of their study, the Oregon Department of Fish and Wildlife defended the study and its results, and an editorial in the Oregonian editorialized, "The Oregon Department of Fish and Wildlife, which阵es 'the fisheries side of the issue,' has invited everyone concerned to set aside its criticism in a review of the Hixon and Tissot study."

A school of northern anchovies in the Pacific Ocean. Photo courtesy OAR/National Undersea Research Program (NURP)

Why you mustn't kill krill and other lessons from schools of fish

Picklebacks, warbonnets, eel­blennies, cock­comb­sh and Shankys, Bristlemouths, light­fish, and ang­le­mouths. Sardines and anchovies.

And krill.

These are the pelagic fishes. They are tiny, but they feed millions. They are high up the food chain, but aren't bottomfeeders. Their importance in the food chain is immense.

Take krill, for instance. Krill is the primary prey of seven of the 10 most important near­shore commercial fishes on the central California coast. Salmon, rockfish, squid, sardine, mackerel and flatfish prey upon krill. So do whales.

The diet of whiting is 98 percent krill. For market squid, it's 97 percent. It also makes up over 90 percent of the diet of endangered blue and fin whales. Numerous seabirds including Sooty Shearwaters, Cassin's Aukslets, and Common Murres also depend on krill asking the nation's regional fishery councils to give greater attention to the forage fish and their role in feeding the ocean. There's nothing in U.S. fishery law, "to ensure that there are adequate supplies of forage fish in the ocean," according to the Marine Fish Conservation Network, coalition of conservation and fishing groups.

The catch limits set by the council do not account for the needs of predators or other ecosystem­level consider­ations. For three commercially harvested forage fish species, the Pacific council doesn't even set catch limits.

The councils' single species approach to setting allowable catches "largely ignores interactions between a target species and its competitors, predators, and prey," conservation biologists say. "They are 'fuel for the food web' as well as targets of large industrial fisheries," the Marine Fish Conservation Network said in a recent petition to NMFS. "The issue of how to allocate forage fish among predators and fisheries comes up in the management context, but there are no explicit guidelines for addressing the importance of forage fish to ecosystems."

There are other pressures on forage fish. The boom in aquaculture is putting increased pressure on forage fisheries to expand — Marine Fish Conservation Network:

NMFS, "The issue of how to allocate forage fish among predators and fisheries comes up in the management context, but there are no explicit guidelines for addressing the importance of forage fish to ecosystems."

There are other pressures on forage fish. The boom in aquaculture is putting increased pressure on forage fisheries to expand in order to supply feed­stock for farmed fish, among other uses. This issue is at the heart of ecosystem­based management.

The network asked NMFS to use more conservative standards and a more precautionary approach in dealing with forage fish.
Last winter, Congress strengthened the nation’s major ocean fisheries law, the Magnuson-Stevens Act — despite efforts by the Pacific Fishery Management Council and others to weaken it.

The council instead supported a bill sponsored by California’s Republican Sen. Richard Pombo, the Central Valley Republican who lost his bid for re-election to the U.S. House in November 2006.

In the end, Pombo — whom a Maine newspaper called the “notoriously anti-environmental chair of the House Natural Resources Committee” — saw his bill go down to defeat.

The episode, however, underscores the Pacific council’s lack of commitment to protecting the California Current ecosystem at a time when both the Pew Oceans Commission and the U.S. Commission on Oceans had joined numerous scientists in urging fisheries managers to do so.

In a related, and written testimony to Congress, the Pacific council lobbied to evasurise environmental review from fishery management, to roll back existing legal provisions designed to protect vulnerable fish populations and speed recovery of overfished species, and to prevent a modest accountability provision proposed by Republican Sen. Ted Stevens from seeing the light of day. Due to public pressure, Congress instead rejected Pombo’s proposal, though many of the Pacific council’s lobbying and strengthened the law.

The council, however, still can weaken the fisheries law. The National Marine Fisheries Service is now writing regulations that will implement the new Magnuson Act. The council is now persistently lobbying NMFS that they are already in compliance with the new law, even though the implementing guidelines have not yet been written.

Yet, the council’s track record of late indicates it is not adhering to scientific advice in setting catch levels (see “Science sometimes ignored”, p 19).

In 2006 and 2007, the council ignored scientific advice in setting the catch level for Pacific whiting. The council set the catch level such that the species would be within 1 percent of being overfished, despite scientific warnings that the species would decline. Instead, the council voted unanimously, hearing the advice of council member Rod Moore, who also represents the biggest Pacific whiting processor on the coast, who told his fellow council members not to worry, that “we’re going to be looking at more fish coming in.”

Among other things, the new Magnuson-Stevens Act:

- Empowers regional fishery councils to develop annual catch limits for all fisheries that are low enough so that overfishing does not occur. The catch limits must be based on scientific recommendations. Congress also instructed the councils to comply with “accountability measures” that also ensure overfishing does not occur.
- Requires fishery councils to end overfishing immediately, as well as to implement a rebuilding plan within two years for each stock that is declared overfished.
- The Pacific council helped to kill a proposal that would have broadened council representation to include more members of the public. And it helped to block the creation of no-fish marine reserves in National Marine Sanctuaries. As the Seattle Times wrote in an editorial in May 2006. “That negates the whole idea of a wildlife sanctuary, and should be rejected.”
- Added a layer of secrecy to the council’s deliberations. The bill would have exempted fisheries data, like observer information, from disclosure under the Freedom of Information Act.

“The council has allowed catches to exceed limits in the past and wants to be able to do so again without penalty to its biggest industry, Pacific Seafood.”

— Tony DeFalco, Marine Fish Conservation Network

The Pacific Fishery Management Council says it alone should regulate fishing in National Marine Sanctuaries in the California Current, including these two north of San Francisco, Cordell Bank and the Gulf of the Farallones. NOAA image.

Forces regional fishery councils to set annual catch limits for all fisheries that are low enough so that overfishing does not occur. The catch limits must be based on scientific recommendations. Congress also instructed the councils to comply with "accountability measures" that also ensure overfishing does not occur.

- Requires fishery councils to end overfishing immediately, as well as to implement a rebuilding plan within two years for each stock that is declared overfished.
- The Pacific council helped to kill a proposal that would have broadened council representation to include more members of the public. And it helped to block the creation of no-fish marine reserves in National Marine Sanctuaries. As the Seattle Times wrote in an editorial in May 2006. “That negates the whole idea of a wildlife sanctuary, and should be rejected.”
- Added a layer of secrecy to the council’s deliberations. The bill would have exempted fisheries data, like observer information, from disclosure under the Freedom of Information Act.

Presumably regional fishery councils to set annual catch limits for all fisheries that are low enough so that overfishing does not occur. The catch limits must be based on scientific recommendations. Congress also instructed the councils to comply with “accountability measures” that also ensure overfishing does not occur.

- Requires fishery councils to end overfishing immediately, as well as to implement a rebuilding plan within two years for each stock that is declared overfished.
- The Pacific council helped to kill a proposal that would have broadened council representation to include more members of the public. And it helped to block the creation of no-fish marine reserves in National Marine Sanctuaries. As the Seattle Times wrote in an editorial in May 2006. “That negates the whole idea of a wildlife sanctuary, and should be rejected.”
- Added a layer of secrecy to the council’s deliberations. The bill would have exempted fisheries data, like observer information, from disclosure under the Freedom of Information Act.

The council has allowed catches to exceed limits in the past and wants to be able to do so again without penalty to its biggest industry, Pacific Seafood.”

— Tony DeFalco, Marine Fish Conservation Network

The Pacific Fishery Management Council says it alone should regulate fishing in National Marine Sanctuaries in the California Current, including these two north of San Francisco, Cordell Bank and the Gulf of the Farallones. NOAA image.

The council has allowed catches to exceed limits in the past and wants to be able to do so again without penalty to its biggest industry, Pacific Seafood.”

— Tony DeFalco, Marine Fish Conservation Network

The Pacific Fishery Management Council says it alone should regulate fishing in National Marine Sanctuaries in the California Current, including these two north of San Francisco, Cordell Bank and the Gulf of the Farallones. NOAA image.

The Pacific Fishery Management Council says it alone should regulate fishing in National Marine Sanctuaries in the California Current, including these two north of San Francisco, Cordell Bank and the Gulf of the Farallones. NOAA image.

The Pacific Fishery Management Council says it alone should regulate fishing in National Marine Sanctuaries in the California Current, including these two north of San Francisco, Cordell Bank and the Gulf of the Farallones. NOAA image.

The Pacific Fishery Management Council says it alone should regulate fishing in National Marine Sanctuaries in the California Current, including these two north of San Francisco, Cordell Bank and the Gulf of the Farallones. NOAA image.
Scientists have noticed that fishermen used to catch large volumes of the bronzespotted rockfish fish a few decades ago but now are catching almost none.

Shortbellys grow rapidly and have an early age of maturity, unlike some other rockfish species. The species has decreased by about 50 percent since the 1950s.

The study authors cautioned that catches at the level allowed by the council would lead to further, major population declines. The council set catch limits so high that scientists projected that catches would cause populations to plummet and reduce the food supply for many other species.

This assessment went through a rigorous peer-review process, and NMFS wanted the council to review it and accept it, but the council refused.

Then there’s the plight of the bronzespot roackfish, a large fish native to Southern California that live up to 89 years of age. The bronzespot rockfish is one of 57 groundfish species that has never been assessed by the Pacific council. However, scientists have noticed that fishermen used to catch large volumes of these fish a few decades ago but now are catching almost none.

Fish with long lifespans typically grow and reproduce very slowly, which makes them especially vulnerable to fishing pressure. Although government scientists recommended conservation measures to protect this fish without significantly impacting the fishing industry, the Pacific council in March 2007 chose to take no action to protect the bronzespot rockfish.

When the council adopted its 2007 plan it appears to be moving this species to this list of stocks they will assess in 2009, but not until they have adopted an interest in assessing it after that.

The canary rockfish was once commonly caught off the West Coast. In the past, the Pacific council set catch limits that now were acknowledged were too low.

Now canary rockfish are overfished, and catch limits have been dramatically reduced. Surveys of canary rockfish are finding a higher percentage of small fish, which may mean that fewer fish are surviving to a mature age. Like bronzespot roackfish, canary rockfish are a slow-growing, long-lived species. Canary rockfish live at least 75 years, and do not become mature until they are 7 to 13 years old. Even with careful management, canary rockfish populations are not expected to recover for another 56 years.

Notably absent from this year’s stock assessments was the spiny dogfish, a type of shark which is on the IUCN red list as a vulnerable species, including in the northeast and northwest Pacific subregions. The council has never assessed spiny dogfish stocks off the west coast. Concerns about the status of the West Coast stock led the council to schedule an assessment for this year, but that now has been delayed until 2009-2010. As a result the council will continue to manage spiny dogfish with no population status information until at least 2011.

On April 18, 2007, a final rule for Pacific whiting management set catch levels with a 50 percent probability that the population would become overfished. In spite of having a stock assessment showing continued population declines, the council set a catch level projected to take the stock to within 1% of being overfished by 2009. As recently as 2002, the population was listed as overfished.

NMFS projects that whiting will reach the overfished thresholds in the next few years. A 2007 stock assessment of Pacific whiting stocks recommended that was available to the Council at its March 2007 meeting shows that the stock is continuing to decline.

"
The Top 10 Seafood Processors in the United States, according to Seafood Business magazine

1 Pacific Seafood Group
$874 million
Clackamas, Ore.
www.pacificseafood.com

2 Red Chamber Co.
$828 million
Vernon, Calif.
www.redchamber.com

3 Trident Seafoods Corp.
$800 million
Seattle
www.tridentseafoods.com

4 Connors Bros. Income Fund
$714 million
Markham, Ontario
www.connors.ca

5 Thai Union International
$700 million
Chicago
www.thaionline.com

6 Tri Marine International
$700 million
Bellevue, Wash.
www.trimarine-usa.com

7 Fishery Products International
$688 million
St. John's, Newfoundland
www.fpi.com

8 Nippon Suisan USA
$630 million
Redmond, Wash.
www.nissui.co.jp/english

9 StarKist Seafood Co.
$596 million
Pittsburgh
www.starkist.com

10 American Seafoods Group
$514 million
Seattle
www.americanseafoods.com

Note: Seafood Business also published a list for 2006, but Pacific Seafood did not release sales figures for that year.


"Frank Dulcich has been manipulating the seafood market at the fishermen, vessel owners and state's expense."
— Former Pacific Seafood employee Butch Wikstrom

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

Frank Dulcich's workplaces

One morning in April 2000, some 60 Oregon State Troopers descended upon Dulcich Inc. offices in Portland and at one of its fish processing plants in Warrenton, Ore., near Astoria, with search warrants.

The warrants, signed by Circuit Judge Phil Nelson, authorized the search for "evidence of the crimes of falsifying fish receiving tickets, falsifying fish dealer monthly remittance reports, (and) failure to pay catch fees."

State Police had been investigating the company for a year and a half after receiving tips that fishermen were being cheated on their pay, according to records with Clatsop County Circuit Court.

A special grand jury empanelled in early 2002 heard from 36 witnesses and reviewed thousands of documents. On Aug. 7, 2002, Pacific Surimi, a Dulcich Inc. subsidiary located in Warrenton, agreed in a plea bargain to be convicted of a single charge of first degree theft, a class C felony. Evidence pertaining to 60 convictions, including 60 tickets, was offered in the plea bargain.

The case, settled in 2005, was one of 12 shrimp-related convictions, including 12 convictions of first degree theft, which Dulcich's companies were forbidden to retaliate against any of the fishermen who cooperated in the investigation.

The fishermen who cooperated included:

David Duncan, of the fishing vessel Cape Falcon, said in 1997 that Pacific Coast Seafood began paying plant employees bonuses with incentive to increase production rates by not paying whiting fishermen for a portion of their catches. They would declare some of their catch unusable, or "weightbacks."

Duncan said that large volumes of "weightbacks" started at this time.

On occasion, Duncan said, plant employees would "forget" to turn on the electronic scales at the start of offloading the catch from the vessel, causing some portion of the catch to not be weighed.

Duncan stated that there was one instance in 1998 when particularly large amounts of weightbacks were subtracted from his gross landing and he challenged a plant official, Tom Tagliavento, who was responsible for the weighing program at the plant, according to a police report. Duncan recalled that Tagliavento stated that "we (Pacific Coast Seafood) have to do this."

Duncan continued to question the weighing until finally being told that "if he wasn't happy with the program then there are plenty of other guys who want his market."

Duncan also offered written documentation that landings made to other plants show a 15 percent increase in weight with the same volume delivered.

According to a police report, Duncan admits that he is "very bitter and angry with the company for what he believes is "being lied to and stolen from.

He stated that he met with Frank Dulcich "one more than one occasion in Portland to discuss these issues but nothing ever changed."" Pacific Surumi paid Duncan $924 in restitution.

Richard Nice, owner of fishing vessels Nicole and Karis, said beginning in the 1998 whiting season he was paid 40 percent of the catch that he landed for several weeks and that he was cheated on his pay.

The lawsuit was settled in 2007, with Dulcich's company agreeing to spend $500,000 over the next decade on restoring the Skipanon.

State Troopers raid two of Dulcich's workplaces

The Skipanon River at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

"Frank Dulcich has been manipulating the seafood market at the fishermen, vessel owners and state's expense."
— Former Pacific Seafood employee Butch Wikstrom

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.

The Skipanon River in Warrenton, Ore., south of Astoria. The Skipanon flows upstream at high tide, washing pollution along with it. It was here that Diane Heinz noticed the "pink scum" and the smell that triggered her involvement in an effort to clean up the river and estuary.
percents per pound for rockfish "bycatch." The whiting fleet did not target, or was not supposed to target, rockfish, a highly valuable fish that had its own season. Fishermen were allowed to land the bycatch and the processor was allowed to sell it. But a portion of the proceeds were supposed to be paid to the state of Oregon.

During the 1998, the price went down to 25 percent per pound for rock fish, and then later to 10 cents. He said fishermen were immediately assured that they would receive bonus checks later for the difference so that they ultimately would be paid 40 cents. He stated that Tom Tagliavento requested that he not discuss the rockfish issue with other vessel owners and skippers who were not being paid at all for rockfish bycatch.

"He told us that the company has been very large and controlling during the past few years - almost a monop- oly," a police report said. The Nicole was paid $16,599 in restitu - tion. The Karis, which sank in 1998, was paid a undisclosed amount.

Burch Wikstrom, an ex-employee of Pacific Seafoods, told police that he felt "Frank Dulich has been manipulating the seafood market at the fishermen, vessel owners and state's expense," according to a police report. Wikstrom worked in sales and was responsible for accounts receivable and made daily bank deposits.

"During conversations with Wikstrom, he said that if Frank Dulich became upset with a competitor, he would instruct his sales department to sell seafood products at a reduced price in the competitor's area. This could be possible from buying cheap fish from Canada or if the (Pacific Seafood) plant had purchased rockfish at a reduced price."

Leonard Montalbano, owner of the fishing vessel Chellissia, said Pacific Coast Seafoods would reduce his whiting to catch by 25,000 pounds, saying it was not usable. The same fish at a rival plant was usable. "I'm just a pee-oo on to him like I say he's going to own the whole coast and run the whole show pretty quick."

Montalbano was paid $11,083 in restitution.

Gary Wintersteen, skipper of the Kaslo before it sank, told State Police that the whiting fishermen always have to fight and argue with Pacific Coast Seafoods to get paid a fair price, and they feel they are getting cheated.

He said Pacific never told him why he was under-paid, however he and other fishermen knew that the procedure was stealing out of his hull and then they're stealing out of our hull and then they're stealing out of the weighbacks. I'm losing a third of the load. You deliver three trips and the fourth one you give them for free." — Skipper Joe Ham

"I'm getting double whammied. First they're stealing out of my hull and then they're slaming me on the weighbacks. I'm losing a third of the load. You deliver three trips and the fourth one you give them for free."

They are responsible for accounts receivable and made daily bank deposits.

During conversations with Wikstrom, he said that if Frank Dulich became upset with a competitor, he would instruct his sales department to sell seafood products at a reduced price in the competitor's area. This could be possible from buying cheap fish from Canada or if the (Pacific Seafoods) plant had purchased rockfish at a reduced price.

Montalbano's boat also was paid a donation of $325,000 to a newly created University of Oregon, "Catch a Poacher" program.

CASCADIA TIMES JULY 2002
Resource Directory

RESEARCH PAPERS

Abundance, distribution and habitat of leatherback turtles
Scott Benson et al. fishbull.noaa.gov/1053/benson.pdf

"California Current Marine Bird Conservation Plan"
Point Reyes Bird Observatory

"Considering ecosystem-based fisheries management in the California Current"
John C. Field, Robert C. Francis

Leatherback Sea Turtle: Five-year review
U.S. Fish and Wildlife Service, NOAA

GOVERNMENT AGENCIES

California Coastal Commission
http://www.coastal.ca.gov/

California Marine Life Protection Act
http://dfg.ca.gov/mlpa/

National Marine Fishery Service
Northwest Region
www.nmfs.noaa.gov
Southwest Region
http://swr.nmfs.noaa.gov
http://www.coastal.ca.gov/

National Marine Sanctuaries
Channel Islands
channelislands.noaa.gov/
Monterey Bay
montereybay.noaa.gov
Gulf of the Farallones
farallones.noaa.gov
Cordell Bank
cordellbank.noaa.gov
Olympic Coast
c welcome.ocean.coast.noaa.gov/

Oregon Ocean Policy Advisory Council
www.lcd.state.or.us/LCD/OPAC/index.shtml

Pacific Fishery Management Council
pcouncil.org

Washington Department of Natural Resources
Aquatic Reserves Program
www.dnr.wa.gov/bindocs/aqp/reserves/

West Coast Governors Agreement on Ocean Health
westcoastoceans.gov

NON-GOVERNMENTAL ORGANIZATIONS

Audubon Society of Portland
www.audubonportland.org

Center for Biological Diversity
www.biologicaldiversity.org/swcbd

Environmental Defense
Ocean program
www.environmentaldefense.org/page.cfm?tagID=79

FISHERMEN'S MARKETING ASSOCIATION

Global Marketing
www.fishbull.noaa.gov/1053/benson.pdf

National Marine Fishery Service
Northwest Region
www.nwr.noaa.gov/

Northwest Region
www.nw Shaunais.com fisheries

Southwest Region
www.swr.nmfs.noaa.gov

"Catch Shares" report
http://www.environmentaldefense.org/page.cfm?tagID=79

Fishermen's Marketing Association
www.tnwfl.org

Marine Conservation Biology Institute
www.mcbi.org

Marine Fish Conservation Network
www.conservefish.org

Natural Resources Defense Council
NRDC.org

Ocean
oceanconservancy.org/north-america

Pacific Coast Federation of Fishermen's Associations
www.pcffa.org

Point Reyes Bird Observatory (PRBO)
www.prbo.org

Port Orford Ocean Resources Team
oceanresourcesteam.northcurry.net

Sea Turtle Restoration Project
www.seaturtles.org

The Ocean Conservancy
www.oceanconservancy.org

FRIENDS OF CASCADIA TIMES

1000 Friends of Oregon
1000 Friends of Oregon works to conserve farm and forest lands, protect natural and scenic resources, and promote livable cities with transportation and housing choices.
1000 Friends is currently working on the three-year Oregon Coastal Futures Project, a collaborative effort to help plan for the future of one of Oregon's great treasures. With your help, we can continue to advocate for protection of Oregon's coastal and natural resources.
534 SW Third Avenue, Suite 300
Portland, OR 97204
(503) 497-1000
fax: (503) 223-0073
info@friends.org
www.friends.org; www.coastalfutures.org

Audubon Society of Portland
The Audubon Society of Portland has been a pioneer in the federal, state and local

Creatures Of The Coast
Organize, build, inspire
Online or offline: helping creatures deliver their mission, on the web and at large with clear measures, sharp tools, vivid color & expert aim.
> Communications & Outreach
> Photography; Stock or Assignment
Come graze! Gallery > the OR COAST Tasty content; refreshed often creaturekind.com
Lisa Skube # 503.757.8392

An independent newspaper for the Pacific Northwest
2004 John B. Oakes Award for the nation's best environmental journalism

Cascadia Times
An independent newspaper for the Pacific Northwest
2004 John B. Oakes Award for the nation's best environmental journalism

YES. I want to support Cascadia Times' award-winning environmental journalism. Enclosed is my tax-deductible contribution to the non-profit Cascadia Times Research Fund.

$1,000+ Denali Circle
$500 Mount Rainier Circle
$100 Mount Hood Circle
$50 Mount Robson Circle
$25 Mount Shasta Circle
$15 Borah Peak Circle

Name
Address
City State ZIP
Email
Tel
FAX

Please mail this coupon to: CTRF, 25-6 NW 23rd Place #406 Portland OR 97210

Support Environmental Journalism

This report was made possible by the generous support of readers like you. Please make a donation to the Cascadia Times Times Research Fund.

Donations are tax-deductible

The northern fur seal, featured in Breaking Point in the Bering Sea, Spring 2005
efforts to conserve and restore Oregon's coastal and ocean resources. 5151 NW Cornell Rd Portland OR 97210

To get involved within the collaborative process to establish fully protected marine reserves, please contact Samantha Murray at: (503) 292-6855

smurray@audubonportland.org

www.audubonportland.org

CoastWatch

ADOPT A MILE OF THE OREGON COAST

Help to keep watch over the coast and take a stand to defend it through the CoastWatch program of the Oregon Shores Conservation Coalition.

605 S.E. 37th Ave, Portland, OR 97214

(503) 238-4450

crishores@teleport.com; www.oregonshores.org

Columbia Riverkeeper

Citizen group working to protect the quality of the Columbia River and all life dependent on her.

PO Box 912, Bingen, WA 98605

(509) 493-2808

721 NW 9th, Suite 300, Portland, OR (877) 252-6077

(503) 292-6855

smurray@audubonportland.org

www.audubonportland.org

FLOW (Friends of Living Oregon Rivers)

FLOW's mission is to provide legal oversight, monitoring and public education to help protect Oregon Water from the impacts of pollution and development.

P.O. Box 2478 Grants Pass, OR 97529

www.oregonwaters.org; flow@oregonwaters.org

541-251-3569

Oregon Water Watch

Protects, restores rivers, their watersheds, and native aquatic species. Current programs emphasize aquatic conservation in forested watersheds.

PO Box 1254, Hood River OR 97031

(503) 238-4450

www.oregonwaterwatch.org

Green Fire Productions

Green Fire Productions has produced a new documentary, Common Ground: Oregon's Ocean, that examines Oregon's ocean ecosystems and looks for ways to protect marine biodiversity and enhance fisheries.

PO Box 14906, Portland, OR 97293

(503) 486-4070 www.greenfireproductions.org

karen@greenfireproductions.org

Hawthorne Action of Oregon

Working for an environment safe from the uncontained hazardous radioactive wastes stored at Hanford, the nation's largest high-level nuclear waste dump.

P.O. Box 2478 Grants Pass, OR 97529

www.hawthorneactionoforegon.org

Oregon Fish Society

Our goal is the conservation, preservation and restoration of wild fish in the Pacific Northwest. We work to establish effective fish management policies based on the latest scientific research, and we encourage the public to get involved in this process.

PO Box 19570 Portland, OR 97280

(503) 310-3050; hanfordaction@comcast.com

Native Fish Society

The Nature Conservancy, Audubon Society, US Fish & Wildlife Service and Monsanto, and supported by our US Senators, Congressmen and the state legislature.

What's happened on Willapa Bay, to paraphrase Al Gore, is a deliberate strategy of propaganda taken as fact, of slogans taken as arguments, and yes, of lies and half-truths taken as truth. Why? That's the real question that needs to be answered.

www.mobydickhotel.com
Get a corner on the continent

Read Cascadia Times

From Alaska to British Columbia to California to Hawai`i and to places throughout the West, Cascadia Times investigates the crucial environmental issues. Get inside the politics and science that are shaping the future of this big, beautiful and endangered part of our planet.