

**COMMERCIAL SEAFOOD DEALERS IN LOUISIANA, 2009 - 2009:
ANALYZING POINT OF FIRST SALES DATA FROM THE LOUISIANA TRIP
TICKET PROGRAM
WITH AN EXAMINATION OF CHANGES IN FIRST RECEIVERS' ACTIVITIES AFTER HURRICANES
KATRINA & RITA IN 2005 AND GUSTAV & IKE IN 2008**

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The Louisiana Department of Wildlife and Fisheries follows a non-discriminatory policy in programs and employment.

Chapter1

1.1 Introduction

The commercial fisheries harvesting industry in Louisiana represents an important component of the domestic and commercial seafood harvesting sectors in the Gulf of Mexico¹. The volume and dockside value (i.e., payment received by the vessel) of commercial landings in the Louisiana for all species was estimated to be 1.2 billion pounds (whole weight) and \$272 million dockside value (Figure 1.1) in 2009 (U.S. Dept. of Commerce, 2009). This represents 73 percent of the Gulf of Mexico landings and 44 percent of the total dockside value of commercial fisheries in the Gulf of Mexico in 2009 (Figure 1.2).

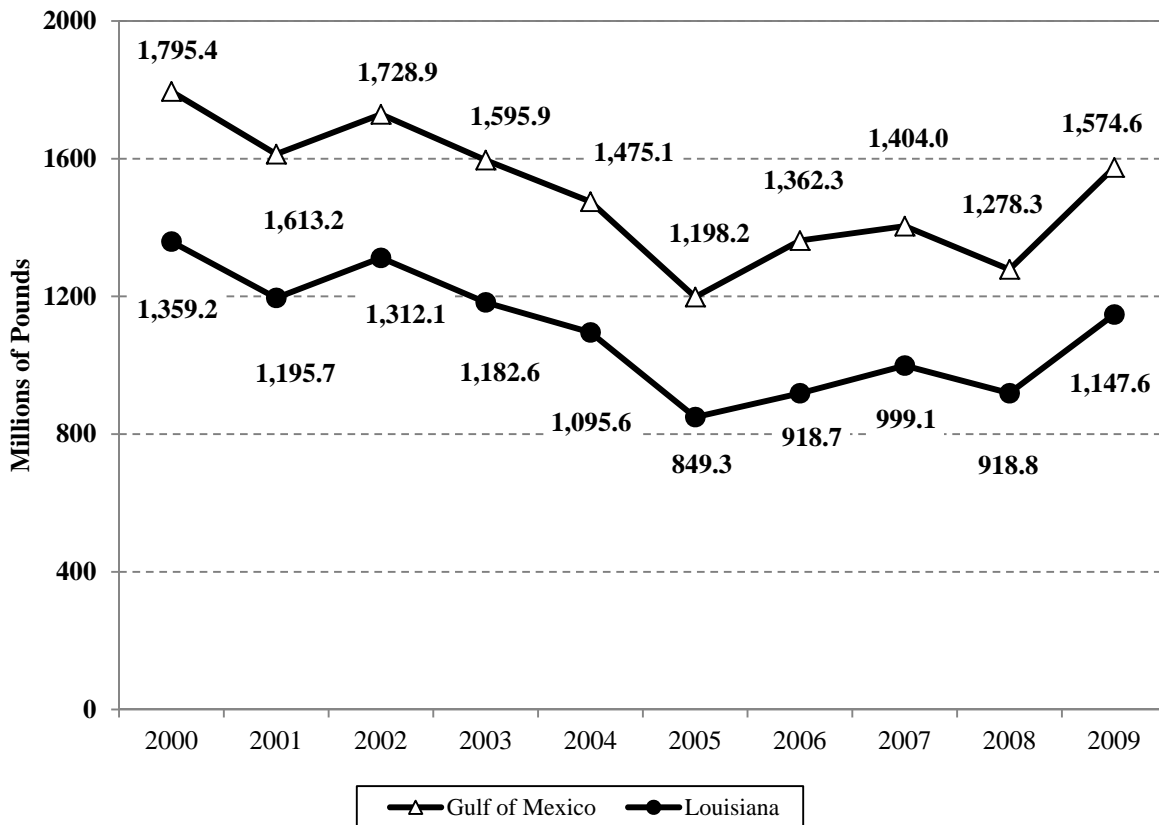


Figure 1.1. Volume of Commercial Seafood Landed in Louisiana and the Gulf of Mexico: 2000 - 2009

¹ The Gulf Region consists of Alabama, Louisiana, Mississippi, Texas, and West Florida. Landings data were accessed from the NMFS website from the Fisheries Statistics Division.

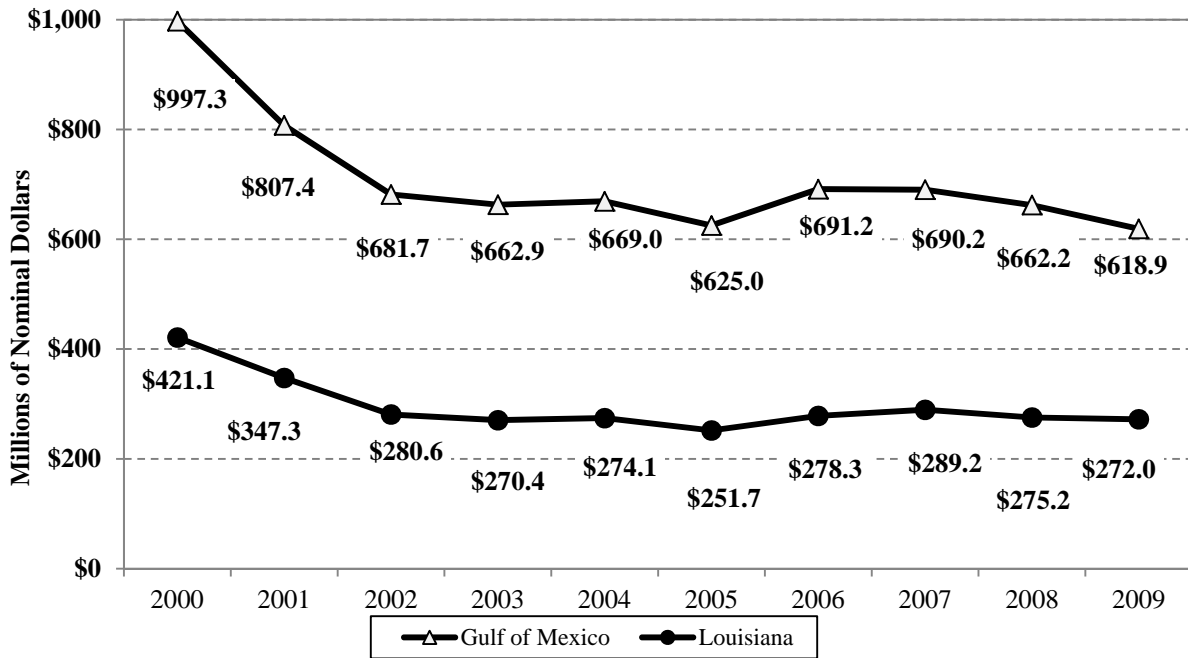


Figure 1.2. Docks Value of Commercial Seafood Landed in Louisiana and the Gulf of Mexico: 2000 - 2009

In 2005 and 2008, many fishing and fishing-related businesses experienced extensive and long-term damage from four major hurricanes: hurricane Katrina and Rita in 2005 and hurricanes Gustav and Ike in 2008. This report contains data regarding the number of commercial seafood dealers in Louisiana during the period immediately before and immediately after the occurrences of these storms.

Hurricane Katrina made landfall as a Category Three storm (a hurricane with winds between 110 and 135 miles per hour) on August 29, 2005 at Buras, Louisiana (Figure 1.3). According to NMFS (2006) report, the U.S. Coast Guard estimated the sinking of 3,500 to 5,000 vessels, majority of which were commercial fishing boats. There were reports of extensive damage to infrastructure facilities supporting both, commercial and recreational fisheries such as boat yards, ice houses, processors, marinas, bait and tackle shops, seafood restaurants and retail markets, offloading facilities and repair shops (NOAA, 2007c).

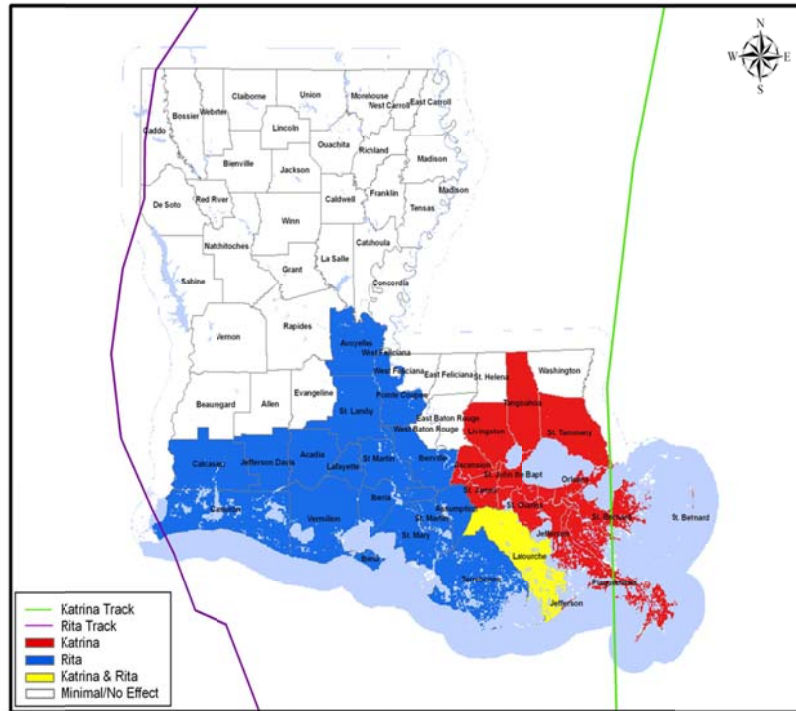


Figure 1.3. Paths of Hurricane Katrina and Rita and Affected Parishes in Louisiana in 2005

According to a report by Burton and Hicks (2005), Hurricane Katrina generated commercial structure damages of \$21 billion, commercial equipment damages of \$36 billion, residential structure and content damages of almost \$75 billion, electric utility damages of \$231 million, highway damages of \$3 billion, sewer system damages of \$1.2 billion and commercial revenue losses of \$4.6 billion. Less than a month after Katrina hit Louisiana, Hurricane Rita made landfall as a category three storm at Sabine Pass, Texas on September 24, 2005 (Figure 1.3). This storm also inflicted major infrastructure damages, worsening an already difficult situation for the Gulf of Mexico fisheries. Losses to the seafood industry estimated by Impact Assessment (2007a) amounted to \$1.3 billion (annual total retail value). The devastating impacts of the storms led to the declaration of fishery disaster² relief funds and five supplemental appropriations bills were passed between 2005 and 2007.

² U.S. Commerce Secretary Carlos Gutierrez announced fishery failure determinations on September 9, 2005 (in response to Hurricane Katrina, applied to Florida Keys and coastal areas from Pensacola, Florida to the Texas

Even as Louisiana was still recovering from the impact of storms from 2005, Hurricane Gustav made landfall at Cocodrie, Louisiana on September 1, 2008 as a category two³ storm. According to a National Hurricane Center⁴ (2009) report, the strong winds, high storm surges and heavy rains caused an estimated damage of \$4.3 billion in Louisiana. Soon after Hurricane Gustav, Hurricane Ike made landfall along the north end of Galveston Island, Texas on September 13, 2008. Louisiana landings experienced an eight percent decline in volume (at 919 million pounds) and five percent decline by value (at \$275 million) in 2008. Subsequently, the Gulf of Mexico landings also declined by nine percent in volume (1.4 billion pounds) and four percent in value (\$662 million) following hurricanes Gustav and Ike in 2008 from 2007 levels (Figure 1.1 and 1.2).

The hurricane caused severe flooding, power outages and moderate wind damage in many communities. According to a preliminary report released by Louisiana Economic Development (2008), even though Hurricane Gustav caused significant physical damage across broad swaths of Louisiana, Hurricane Ike had a more devastating impact on parishes in south Louisiana than on parishes in the rest of the state. Preliminary estimates related to physical damage amounted to approximately \$8 billion to \$20⁵ billion in Louisiana as a result of Gustav and Ike (including insured and uninsured losses) (LED, 2008).

border) and again on October 4, 2005 (in response to Hurricane Rita, applied to coastal areas of Texas and Louisiana). Both determinations were made under the authority of the Magnuson-Stevens Fishery Conservation and Management Act and the Inter jurisdictional Fisheries Act, authorized Congress to appropriate federal funds for the purpose of assessing the impacts of the storms, restoring Gulf Coast fisheries (NOAA, 2007c).

³ ["Tropical Weather Summary". National Hurricane Center.](#) Website Accessed on December 9, 2010.
http://www.nhc.noaa.gov/archive/2008/tws/MIATWSAT_nov.shtml

⁴ Tropical Cyclone Report- Hurricane Gustav (AL072008).
http://www.nhc.noaa.gov/.../TCR-AL072008_Gustav.pdf

⁵ These numbers do not include losses in economic activity or economic impacts related to assets in the Gulf of Mexico (LED, 2008).

President Bush signed PL 110-329⁶ on September 30, 2008 providing \$75 million for financial assistance to impacted fisheries following Hurricanes Gustav and Ike in Louisiana and Texas (GSMFC, 2008). Since then, NMFS has been partnering with state agencies to conduct hurricane-related damage and impact assessments.

1.2 Purpose of This Study

This study is part of an on-going project by Louisiana Department of Wildlife and Fisheries to monitor recovery of fisheries from the impacts of the hurricanes Hurricane Katrina and Rita in 2005. Initially, the recovery of the fisheries was to be analyzed till year 2007 only, however, in September 2008, Louisiana was hit by two more hurricanes: Hurricane Gustav and Hurricane Ike. Due to the devastating nature of the hurricanes in 2008, it became difficult to separate the impacts of the two storms and analyze the recovery from previous hurricanes Katrina and Rita. Hence, the analysis was extended to include year 2009 and includes effects of Hurricanes Gustav and Ike on Louisiana fisheries. Specifically, objectives of the study are:

1. To better understand the impacts of hurricanes on seafood dealers operating in Louisiana's oyster industry by using the Louisiana Department of Wildlife and Fisheries "trip ticket" data to track purchases by seafood dealers in the years before and after the hurricanes. Hence, presenting analysis related to quantity and value of seafood purchased by seafood dealers from 2000 to 2009. This allows comparison of seafood harvests before and after the hurricanes, thus providing insights into recovery of the dealer sector of Louisiana seafood industry.
2. To analyze seafood dealers' purchasing behavior (based on volume of seafood purchased) in the industry in two ways: First, by dividing dealers in different categories based on the volume of seafood purchased by dealers in a calendar year and observing their trends within and across categories from 2000 to 2009. Second, the study also explores the structure of Louisiana seafood dealer market by

⁶ Disaster Fund Appropriations for 2009. Congress directs that the NMFS shall cause such amounts to be distributed among eligible recipients of assistance for fishery resource disasters and commercial fishery failures as declared by the Secretary of Commerce under sections 308(b) and 308(d) of the Interjurisdictional Fisheries Act (16 U.S.C. 4107) and sections 312(a) and 315 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a (a) and 1864) (GSMFC, 2008).

examining different types of wholesale/retail dealer licenses issued by Louisiana Department of Wildlife and Fisheries and the associated quantity and value of seafood purchased (at first point of sale) by seafood dealers of each license type (focusing mainly on resident licenses) from 2000 to 2009.

3. To examine the recovery of seafood dealers at the both the statewide and regional levels.

The analyses will aid in understanding observable changes in Louisiana commercial seafood dealers' activities before and after the 2005 and 2008 hurricanes. However, one has to be cautious about making causal linkages between the hurricanes and changes in seafood dealers' economic activities since many other preexisting and continuing factors have contributed to a decline in commercial seafood fisheries participation and activities in Louisiana that was observable before the hurricanes (Buck, 2005; Impact Assessment, 2007a). Low seafood prices and rising fuel, supplies, insurance, and labor costs have cut into profit margins for fishermen and dealers. The situation confronting commercial fishermen and vessel operators has been a classic cost/price squeeze, in which dock side prices keep declining and operating costs keep rising (NOAA, 2007b). In addition, other possible factors, such as fishery overcapitalization and environmental conditions, further complicate the matter of trying to isolate and understand the impacts of hurricanes on Louisiana fisheries.

1.3. Data and Methodology

The trip ticket program was established by the Louisiana Legislature in 1991 as a system to collect commercial landings and associated information by trip. Funding for the trip ticket program became available in 1998 and the program started on January 1, 1999. Trip tickets have become the standard method of collecting marine commercial landings for most states in the nation.

Data from the Louisiana Trip Ticket program administered by the Louisiana Department of Wildlife and Fisheries Marine Fisheries Division are available since 2000. The trip tickets provide data about the type of seafood purchased (such as shrimp, crabs, or oysters), condition of seafood purchased (gutted, heads-

off, headed, peeled or meat pieces or chunks), units of purchase (pounds, sacks, bushels, barrels or dozens), volume and value of seafood purchased at the first point of sale between commercial fishermen and seafood dealers. It also provides information related to the type of dealer license used for transaction and other trip related characteristics such as the date of the transaction and area fished. Participants in the trip ticket program include all businesses and individuals who purchase or sell seafood landed in Louisiana at the first point of sale. These participants' complete forms (trip tickets) that identify the type, volume, and value of seafood landings and selected trip-related parameters (species, unit, condition, area fished, and trip time).

For this study, the trip ticket data administered by the Marine Fisheries Division is merged with the dealer licensing data managed by the LDWF Licensing Section for each year from 2000 to 2009 to construct a comprehensive dataset for each year by all the major species such as shrimp, blue crabs, oysters, and various species of saltwater finfish species and freshwater finfish.

1.4. Organization of This Study

This report is organized in four chapters. This chapter presented an introduction to the report. Chapter 2 contains a description of the Louisiana commercial seafood dealer licensing system and presents statistics regarding the number of commercial seafood licenses issued in the state of Louisiana from 2000 to 2009. Chapter 3 describes the number of commercial seafood licenses issued within geographic regions of the state. Chapter 4 discusses the number of "active commercial seafood dealers" in Louisiana, that is, the number of licensed dealers who indicated purchases of seafood directly from commercial seafood dealers in each calendar year from 2000 to 2009, inclusive.

This report serves as the first in a series of reports related to the commercial seafood dealer sector in Louisiana. Separate reports in this series examine commercial seafood dealer activity specifically related to individual seafood types: shrimp, crabs, oysters, saltwater finfish other than menhaden, and freshwater finfish.

Chapter 2. Louisiana Seafood Dealers

2.1 Introduction

This chapter focuses on the role played by seafood dealers in Louisiana seafood industry. The first part of the chapter discusses the license structure for commercial seafood dealers in Louisiana. The second part describes the number of different license types issued in the state of Louisiana from 2000 to 2009.

2.2. Seafood Dealer Licensing System

Louisiana Department of Wildlife and Fisheries licensing system has evolved to its present form after several amendments and revisions⁷. One of the key revisions (in 1987) was to divide the wholesale/retail dealer license into wholesale/retail business license and wholesale/retail vehicle license. The latter was created for businesses operating from a vehicle or other mobile facility. In 1999, the legislature made another amendment to the license structure with the creation of a fresh product license. This license, which must be purchased in connection with the commercial fisherman license, allowed the fishermen to sell their catch within the state directly to the consumers and hence, allowed the agency to track the sales made by commercial fishermen directly to the consumers.

According to the commercial fishing regulations in Louisiana, a wholesale/retail seafood dealer is the only licensee who can legally purchase seafood⁸ from a commercial fisherman and resell such fish. The different kinds of wholesale/ retail dealer licenses are listed below:

1. Resident Wholesale/Retail – Business License: (or resident seafood business dealer license)
License held by commercial dealers who have a seafood business location within the state.
Individuals and businesses holding a resident wholesale/retail – business license are hereinafter called “resident seafood business dealers.”

⁷ The report appendix describes key changes to the Louisiana Department of Wildlife and Fisheries licensing system.

⁸ Seafood means all finfish, shellfish and crustaceans.

2. Resident Wholesale/Retail – Vehicle License: (or resident seafood vehicle dealer license) License held by commercial dealers to sell fish from their vehicle. Individuals and businesses holding a resident wholesale/retail – vehicle license are hereinafter called “resident seafood vehicle dealers.”
3. Non-Resident Wholesale/Retail Dealer – Business License: (or non-resident seafood business dealer license): License held by an out of state commercial dealer with a business location. Individuals and businesses holding a non-resident wholesale/retail – business license are hereinafter called “non-resident seafood business dealers.”
4. Non-Resident Wholesale/Retail Dealer – Vehicle License: (or non-resident seafood vehicle license) License held by an out of state commercial dealer with a business vehicle. Individuals and businesses holding a non-resident wholesale/retail – vehicle license are hereinafter called “resident seafood vehicle dealers.”
5. Resident Fresh Products Dealer License: (also called resident fresh products dealer license) License held by licensed commercial fishermen to sell fish directly to the consumer within the state. Individuals and businesses holding a resident wholesale/retail – vehicle license are hereinafter called “resident fresh products dealers.”
6. Others: Other types of seafood dealer licenses include the non-resident fresh products dealer license, the resident fresh products dealer – spouse licenses and the four-year wholesale/retail seafood dealer license.

The discussion in the following chapters is limited to key resident (wholesale/retail business, wholesale/retail vehicle and fresh products license) and non-resident licenses (non-resident wholesale/retail business and non-resident wholesale/retail vehicle license) because the nature of the data. This chapter does not include an examination of the seafood dealer activity of those who held non-resident fresh product licenses, the resident fresh products – spouse license, and the four-year wholesale/retail seafood dealer license because the number of individuals and businesses that held these types of licenses was frequently less than five in individual years within the study timeframe⁹.

⁹ Data are discussed only when number of dealers is more than five to avoid identification. Refer to Appendix tables for raw data.

2.3. Seafood Dealer Licenses Issued from 2000 to 2009

The total number of seafood dealer licenses of all kinds issued by the LDWF fell from 3,442 in 2000 (the beginning of this report's timeframe) to 3,093 in 2001 (Figure 2.1) but had reached a period high of 3,538 in 2004. The total number of seafood dealer licenses fell to 3,191 in the hurricane year of 2005 and continued to decline to 3,080 in 2006, 2,968 in 2007, and 2,769 in the hurricane year of 2008. The number of seafood dealer licenses rose to 3,150 in 2009.

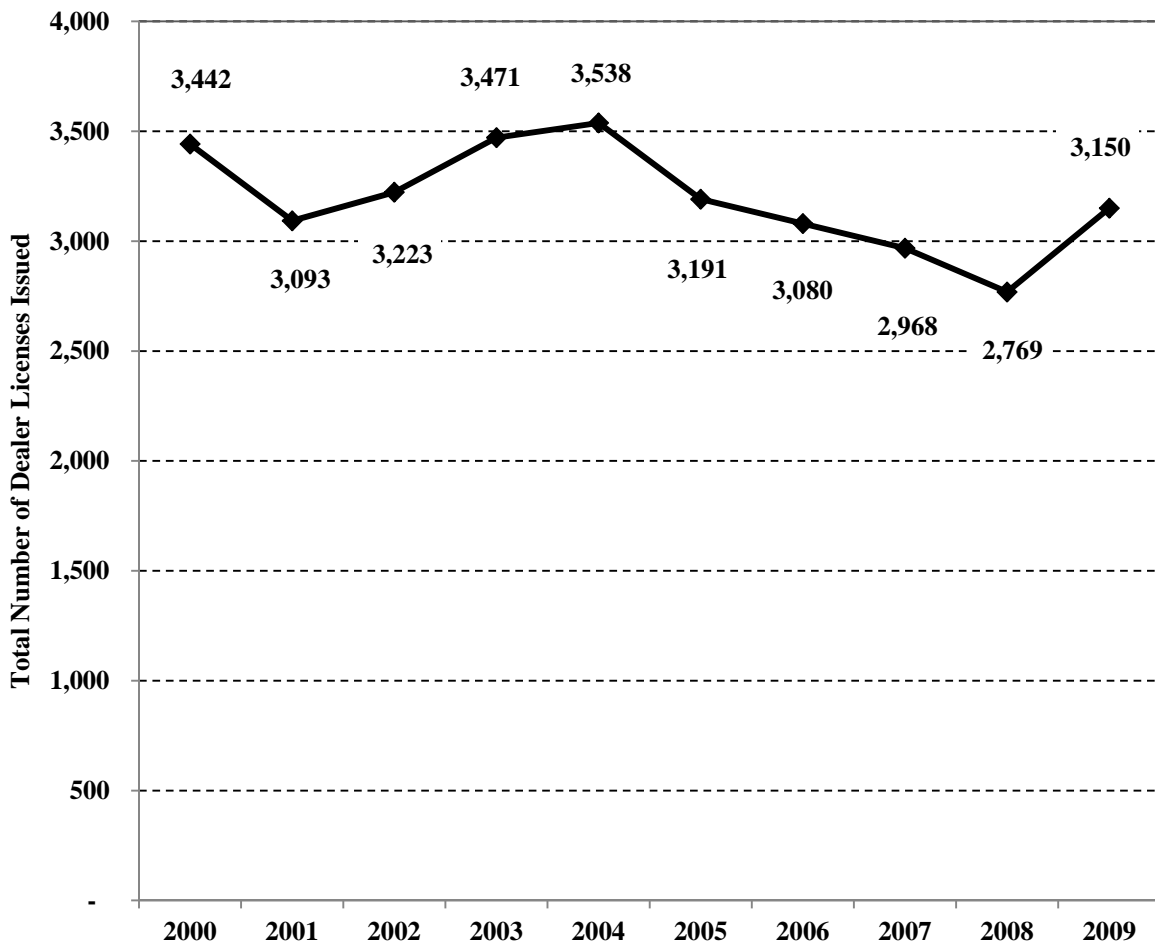


Figure 2.1. Number of Commercial Seafood Dealer Licenses Issued: 2000 to 2009

2.4. Number of Resident Seafood Dealer Licenses Issued from 2000 to 2009

In any given year, resident commercial seafood dealer licenses (resident seafood business dealer, resident seafood vehicle, resident fresh products, resident fresh products spouse, and four-year seafood dealer licenses) comprise 94 to 95 percent of the total number of commercial seafood dealer licenses. This portion of the report examines the number of resident seafood dealer licenses issued for each of the main dealer license types from 2000 to 2009: resident fresh products licenses, resident seafood business dealer, and resident seafood vehicle dealer licenses. It continues with an examination of the number of resident seafood dealer licenses issued within three separate regions: southeast Louisiana, southwest Louisiana, and the rest of the state.

2.4.1. Number of Resident Seafood Dealer Licenses Issued by License Type

In every year between 2000 and 2009, the resident fresh products license was the most common type of commercial seafood dealer license issued by the LDWF (Figure 2.2). The number of resident fresh product licenses issued can be relatively variable from year to year. The number of issued license in this category, after falling from 1,758 in 2000 to 1,475 in 2001 followed an four-year upward trend to reach 1,758 in 2005. Beginning in the hurricane year of 2005, the number of resident fresh product licenses took a four-year downward trend, reaching a period nadir of 1,200 in 2008. The number of resident fresh products dealer license rose sharply to 1,458 in 2009 the year after hurricanes Gustav and Ike.

The LDWF issued an average of 1,111 resident seafood business dealer licenses per year from 2000 and 2009, inclusive, with a high of 1,204 licenses in 2004 and a low of 1,040 licenses in 2008 (Figure 2.2).

Resident business seafood dealer licenses are the second –most common license type issued by the LDWF. The number of resident business dealer licenses issued in the hurricane year of 2005 was 1,105 or 6.8 percent less than the number issued in 2004 (1,185). The number of resident business dealer licenses declined to 1,024 in 2006 and subsequently varied between 1,040 and 1,066 between 2007 and 2009.

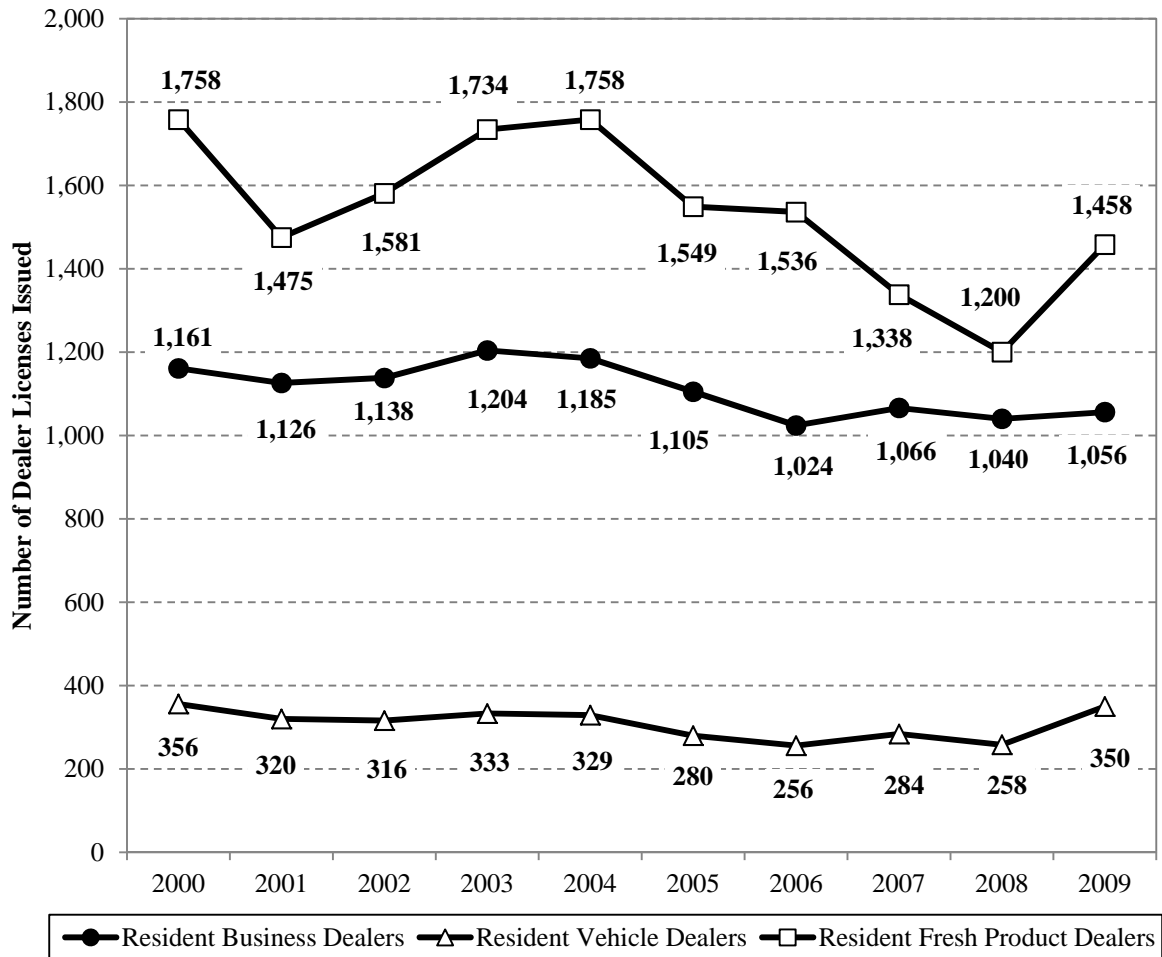


Figure 2.2. Number of Resident Dealer Licenses Issued by Type: 2000 to 2009

The average number of resident seafood vehicle licenses between 2000 and 2009, inclusive, was 308 per year. The number of licenses of this type was above the period average between 2000 and 2004 (Figure 2.2). Beginning in the hurricane year of 2005, the number of resident seafood vehicle licenses fell beneath the period average to 280 and remained below average through the hurricane year of 2008. The number rose to 350 in 2009.

Chapter 3. Commercial Seafood Dealers by Geographic Regions

3.1. Introduction

This chapter examines geographic patterns in commercial seafood dealer activity by placing each dealer into one of three geographic regions defined by the parish in which the dealer is located. The three regions of Louisiana are defined below (Figure 3.1):

- a) Southeast Louisiana which includes the following parishes: Ascension, Jefferson, Orleans, Plaquemines, Lafourche, Livingston, St. Bernard, St. Charles, St. James, St. John the Baptist, St. Tammany, and Tangipahoa.
- b) Southwest Louisiana which includes the following parishes: Acadia, Assumption, Avoyelles, Calcasieu, Cameron, Iberia, Iberville, Jefferson Davis, Lafayette, Pointe Coupee, St. Landry, St. Martin, St. Mary, Terrebonne, and Vermilion.
- c) Rest of Louisiana which all other parishes in the state.

The parishes in southeast Louisiana were affected disproportionately by Hurricane Katrina in 2005. The parishes in southwest Louisiana were disproportionately affected by Hurricane Rita in 2005 and Hurricane Ike in 2008. Hurricane Gustav in 2008 made landfall in south central Louisiana and affected parishes in both southeast Louisiana and southwest Louisiana.

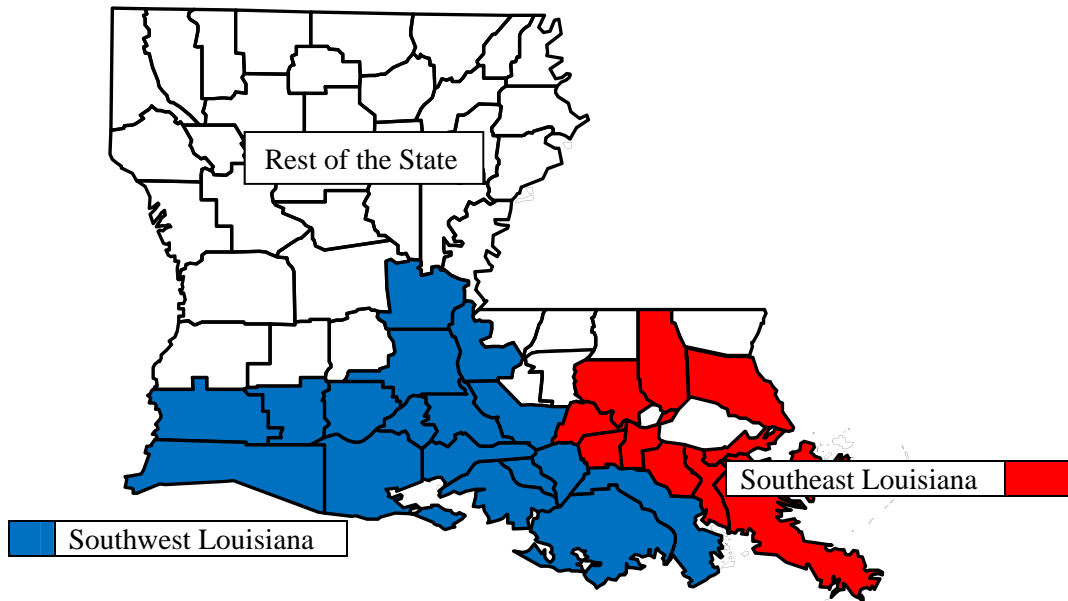


Figure 3.1. Designation of Southeast and Southwest Louisiana

The geographical delineation is based on the location of the commercial seafood dealer and not the place of residence of commercial fishermen or the area in which they harvested their commercial seafood products.

3.2. Resident Dealer Licenses Issued by Region from 2000 to 2009

This section discusses the number of resident commercial seafood dealer licenses issued in southeast and southwest Louisiana and the rest of the state from 2000 to 2009. It presents trends for the number of types of commercial seafood licenses (resident seafood business dealer, resident seafood vehicle dealer, and fresh product dealer licenses) issued in each year of the study timeframe for which the location of the license holder could be identified. This portion of the report does not examine data pertaining to those who held non-resident licenses, resident fresh products spouse licenses or four-year seafood dealer licenses or dealers for which the location could not be identified.

The combined number of resident seafood business dealer, seafood vehicle dealer, and fresh products dealer licenses issued in southeast Louisiana rose from 1,080 in 2001 to a period high of 1,342 in 2004 (Figure 3.2), a cumulative increase of 24.3 percent. The sum declined by nine percent to 1,179 seafood licenses in the hurricane year of 2005. The regional sum continued to decline over the next three years to a period low of 951 (a value 29.1 percent less than the 2005 value). In 2009, the number rose to 1,130.

The combined number of resident seafood business dealer, resident seafood vehicle dealer, and fresh products dealer licenses issued in southwest Louisiana (Figure 3.2) was generally higher than the sum in southeast Louisiana for every year within the study timeframe (except for 2004 and 2004). The sum rose from 1,350 in 2001 to 1,503 in 2003. The number fell by 22.6 percent from its 2003 value to 1,164 in 2004, the year before hurricane Katrina and Rita. The value for the hurricane year of 2005 (1,153) was roughly equal to that of the previous year. The sum rose to 1,407 in 2006 and declined to 1,314 in 2007 and declined further to 1,234 in the hurricane year of 2008. The total rose to 1,394 in 2009.

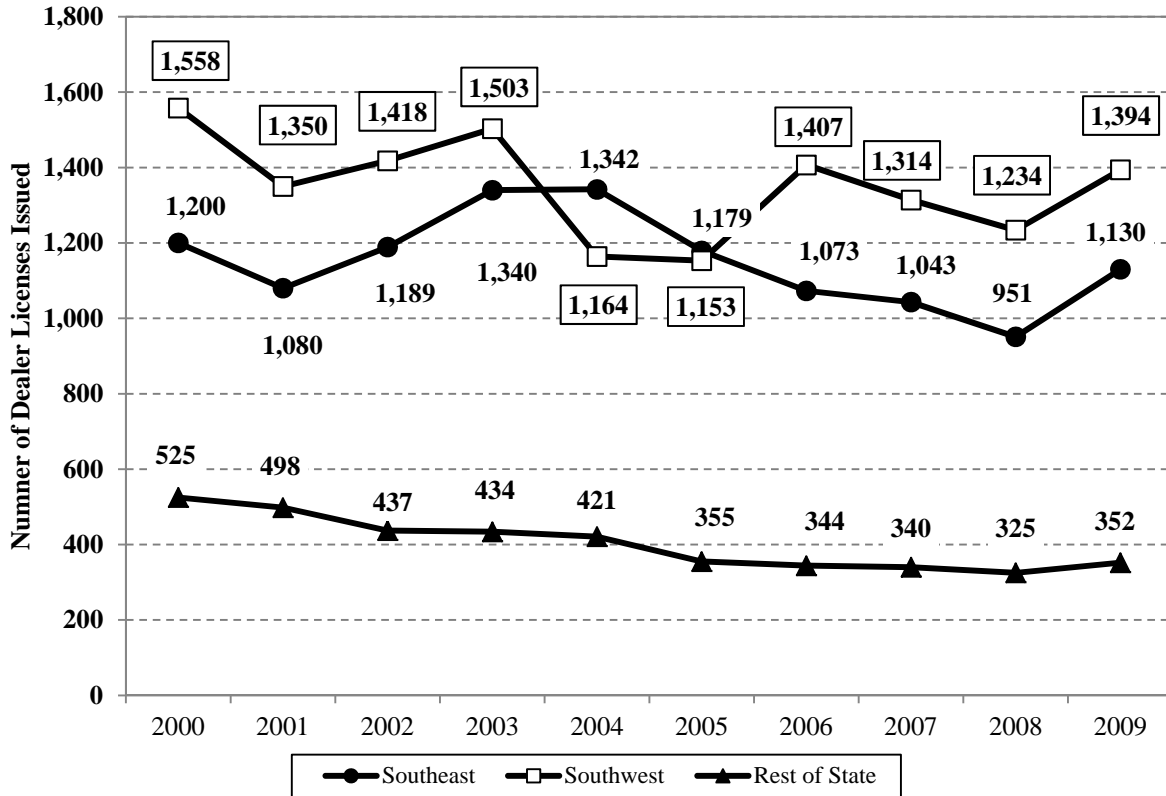


Figure 3.2. Number of Resident Seafood Dealer Licenses Issued in Louisiana by Region

The combined number of resident seafood business dealer, resident seafood vehicle dealer, and resident fresh products licenses issued in the rest of Louisiana (that is, that part of the state not included in southeast or southwest Louisiana) has been a small portion of the statewide total throughout the study timeframe. The regional sum was about one-sixth of the statewide total in 2000 and 2001, about one-eighth of the statewide total in 2002 through 2004, and about ten percent of the statewide total for 2005 to 2009 (Figure 3.2).

3.3. Resident Dealer Licenses Issued in Southeast Louisiana, by License Type from 2000 to 2009

There was some variation across time in the composition of different seafood business license types issued in southeast Louisiana (Figure 3.3). The resident fresh products license was the most common type of license issued in the region for all but three years in the study timeframe (2001, 2007, and 2008). From 2001 to 2004, the number of resident fresh products dealer license holders by 47.9 percent rose

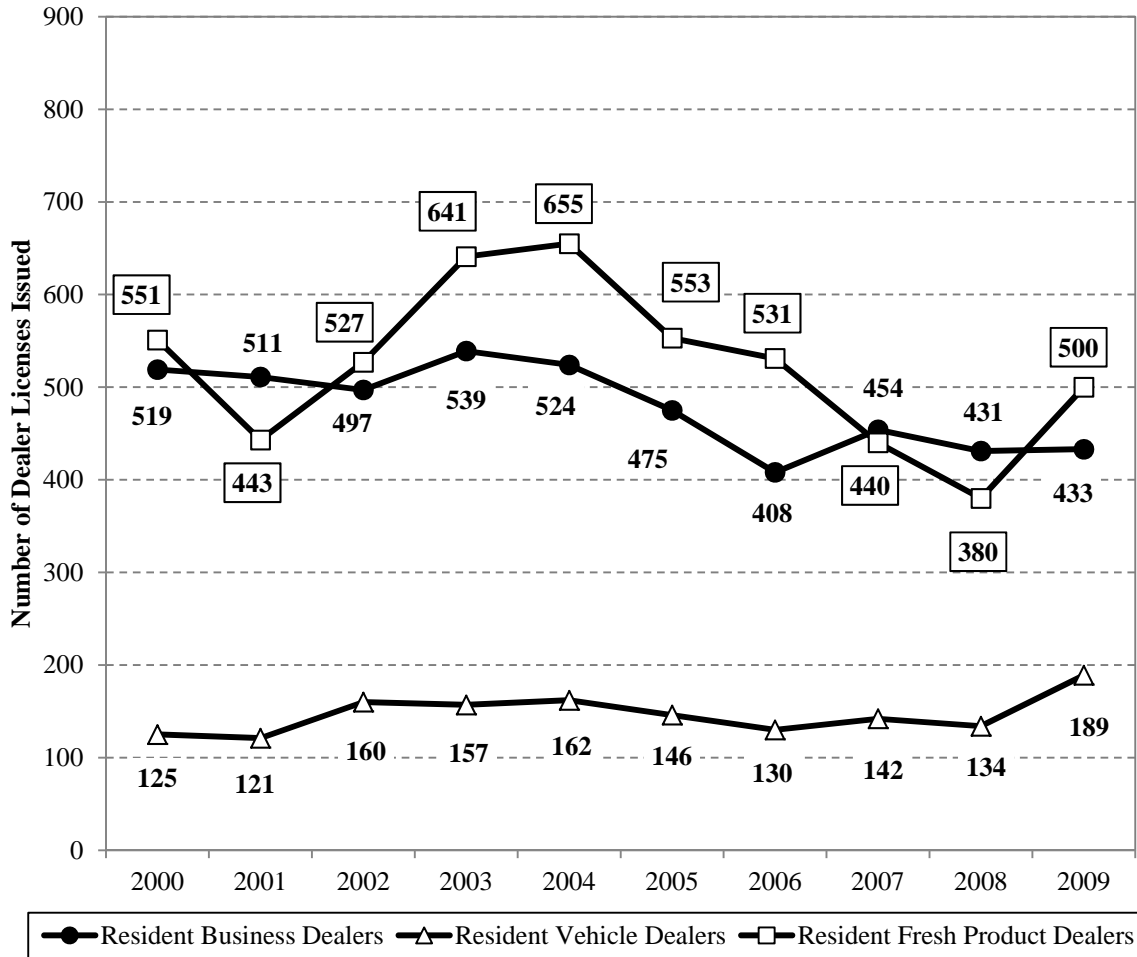


Figure 3.3. Number of Resident Seafood Dealer Licenses Issued in Southeast Louisiana by Type: 2000 to 2009

from 443 to 655. From 2004 to 2005, the number of fresh products dealer licenses fell by 18.6 percent to 553. The number of fresh products licenses in southeast Louisiana slid over the next three years to reach a period minimum of 380, a decrease of 42.0 percent from the 2004 maximum. The number of fresh products licenses in this area rose to 500 in 2009.

The number of resident seafood business dealer licenses (Figure 3.3) was relatively stable between 2001 and 2004. The number of resident business dealer licenses in the hurricane year of 2005 (475) was 9.4 percent less than the 2004 total. The number declined 14.1 percent to 408 in 2006, the year after

hurricanes Katrina and Rita. The number of resident business dealer licenses issued in 2008, the year of hurricanes Gustav and Ike, was 454. The sum declined to 433 in 2007 and 431 in 2008.

The number of resident seafood vehicle dealer licenses in this region was relatively stable for most of the study timeframe (Figure 3.3). After hurricanes Gustav and Ike, however, the number of resident seafood vehicle licenses issued in southeast Louisiana climbed from 134 in 2008 to 189 in 2009.

3.4. Resident Dealer Licenses Issued in Southwest Louisiana, by License Type from 2000 to 2009

As in southeast Louisiana, the most commonly held type of commercial seafood license in southwest Louisiana for most the study timeframe was the resident fresh products license (Figure 3.4). The number of fresh products licenses issued in southwest Louisiana was 774 in 2001, 814 in 2002, and 844 (a period maximum) in 2003. In 2004, the year before hurricanes Katrina and Rita, the number of fresh products licenses issued in southwest Louisiana dropped to 506, a value 40.0 percent less than that of the previous year. The number of such licenses remained unchanged at 506 in the hurricane year of 2005. The number rebounded temporarily to 833 in 2007 but then declined over the next two years. In the hurricane year of 2008, the number of fresh products licenses in southwest Louisiana was 674. The number increased to 800 in 2009.

The number of resident seafood business dealer licenses issued in southwest Louisiana was fairly stable throughout the study time frame (Figure 3.4). Between 2000 and 2003, the number of these licenses in the region varied between 477 (in 2001) and 520 (in 2003). In 2004, the number of resident seafood business dealer licenses in the region dropped to a period low of 407 (a decrease of 21.7 percent of the 2003 value). The number climbed to 517 in the hurricane year of 2005. The number of resident seafood business dealer licenses in southwest Louisiana decreased to 482 in 2006 and remained fairly stable from then through the end of the study timeframe.

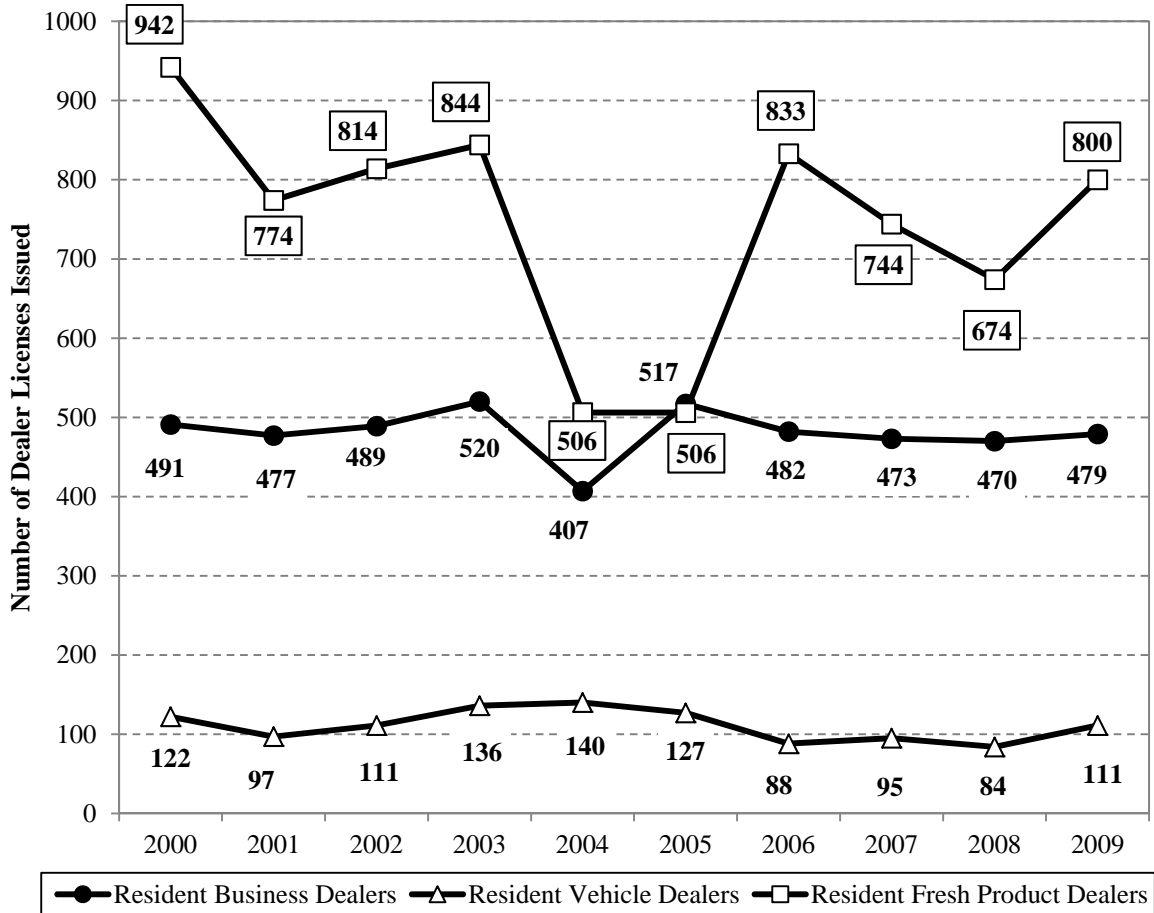


Figure 3.4. Number of Resident Seafood Dealer Licenses Issued in Southwest Louisiana by Type: 2000 to 2009

3.4. Resident Dealer Licenses Issued in the Rest of Louisiana, by License Type from 2000 to 2009

The number of resident fresh products dealer licenses issued in the rest of Louisiana was on a slight decline before hurricanes Katrina and Rita, from 265 in 2000 to 237 in 2004 (Figure 3.5). In the hurricane year of 2005, the number of fresh products licenses issued in the rest of Louisiana declined to 187, a value 21.1 percent less than the 2004 total. The number declined to 146 in the hurricane year of 2008 then rose slightly to 158 in 2009. The number of resident seafood business dealer licenses issued in the region has been fairly from 2000 to 2009. Likewise aside from a drop from 102 in 2001 to 45 in 2002, the number of resident seafood vehicle dealer licenses issued in the rest of Louisiana has also been fairly stable.

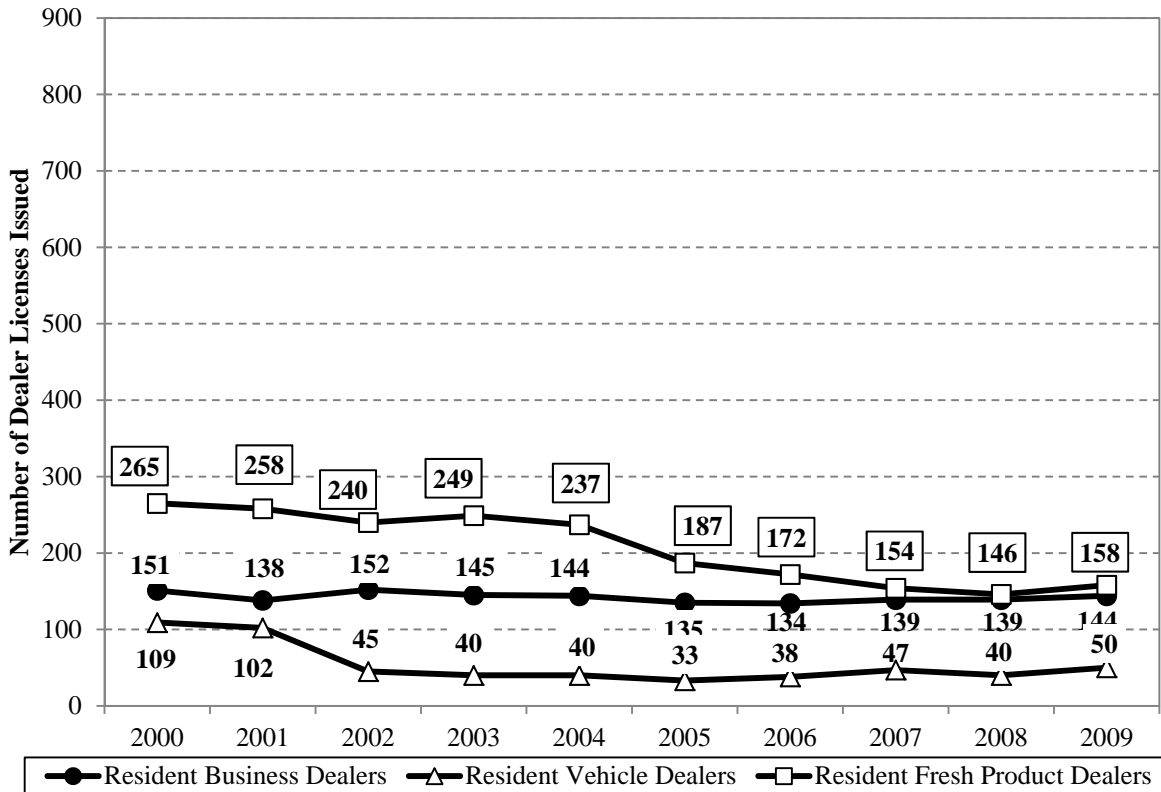


Figure 3.5. Number of Seafood Resident Dealer Licenses Issued in the Rest of Louisiana by Type: 2000 to 2009

3.6. Non-Resident Seafood Dealer Licenses Issued from 2000 to 2009

The cumulative number of non-resident seafood dealer licenses has been relatively low in absolute and relative terms throughout the timeframe of this report, numbering less than 200 for all but one year (2004) and generally comprising only five to six percent of the total number of seafood dealer licenses in every year throughout the period.

The number of non-resident seafood business licenses issued followed a generally upward trend throughout this report's timeframe from a low of 69 in 2000 to a high of 112 in the hurricane year of 2008. The number declined somewhat to 112 in 2009 (Figure 3.6). The number of non-resident vehicle licenses issued reached 98 in 2003 and then declined over the next five years to a period low of 60 in the hurricane year of 2008. The number of non-resident vehicle dealer licenses rose to 75 in 2009.

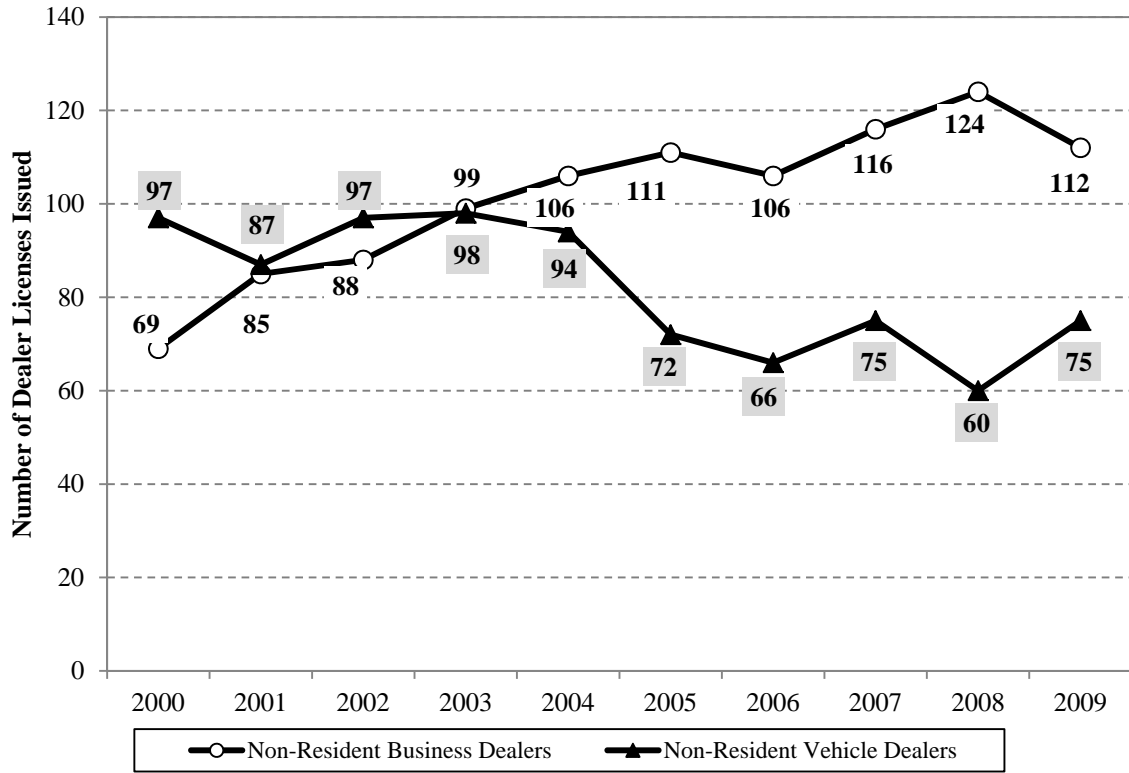


Figure 3.6. Number of Non-Resident Dealer Licenses Issued by Type, By Year: 2000 - 2009

Chapter 4. Active Louisiana Seafood Dealers

4.1. Introduction

This chapter uses the results of a merger of data from the LDWF Licensing System and the LDWF Trip Ticket Program to identify “active commercial seafood dealers,” that is, those who could be identified as having purchased seafood directly from commercial seafood harvesters during a calendar year according to trip ticket reports. It includes a brief discussion of data derived from the LDF Trip Ticket Program and a discussion of the number of commercial seafood dealers reporting purchases of seafood directly from commercial seafood harvesters by dealer license type.

4.2. Trip Ticket Data

The trip ticket program was established by the Louisiana Legislature in 1991 as a system to collect commercial landings and associated information by trip. Funding for the trip ticket program became available in 1998 and the program started January 1, 1999. Individual trip information provides fishery scientists with species specific catch information that will improve the accuracy of stock assessments.

Data are available since 2000 from the Louisiana Trip Ticket program administered by the Marine Fisheries division of Louisiana Department of Wildlife and Fisheries. The trip tickets provide data about the type of seafood purchased (such as shrimp, crabs, or oysters), condition of seafood purchased (gutted, heads-off, headed, peeled or meat pieces or chunks), units of purchase (pounds, sacks, bushels, barrels or dozens) volume and value of seafood purchased at the first point of sale between commercial fishermen and seafood dealers. It also provides information related to the type of dealer license used for transaction and other trip related characteristics such as date of transaction and area fished. Participants in the trip ticket program include all businesses and individuals (mainly all resident and nonresident Wholesale/Retail Dealers and Fresh Products Licensees) who purchase or sell seafood landed in Louisiana at the first point of sale. These participants’ complete forms (trip tickets) that identify the type,

volume, and value of seafood landings and selected trip-related parameters (species, unit, condition, area fished, and trip time). Hence, information is available by area on quantity and value of different fisheries sold to individual dealers by commercial fishermen. The following section discusses purchases by overall dealers and dealers disaggregated by license type reporting on trip tickets from 2000 to 2009.

4.3. Active Louisiana Seafood Dealers from 2000 to 2009

Chapter 2 discussed the number of commercial seafood dealer issued by the LDWF according to dealer license type for each year within this study's timeframe. These statistics may not necessarily adequately reflect the number of individuals and businesses actively engaged in commercial seafood dealer activity. Some individuals may hold a license that grants them the legal privilege to purchase seafood directly from commercial seafood harvesters but not exercise that privilege. In other words, some may hold a license but not actually buy any seafood from commercial fishermen.

This section enumerates the number of seafood dealer licenses holders who actively used their commercial seafood dealer license to purchase seafood from commercial fishermen. It defines an "active seafood dealer" as any individual commercial seafood license holder who reported purchasing at least one pound of seafood from a licensed commercial fisherman in Louisiana in a given calendar year in the LDWF trip ticket program.

Thus defined, the number of active seafood dealers in Louisiana reached a high of 1,132 dealers in 2004 (Figure 4.1). The number of active seafood dealers declined to 948 in the hurricane year of 2005 and rose slightly (by about four percent) to 988 in 2006 and 2007. That number declined to 913 in the hurricane year of 2008 and then climbed to 1,064 in 2009, almost equal to pre-Katrina levels.

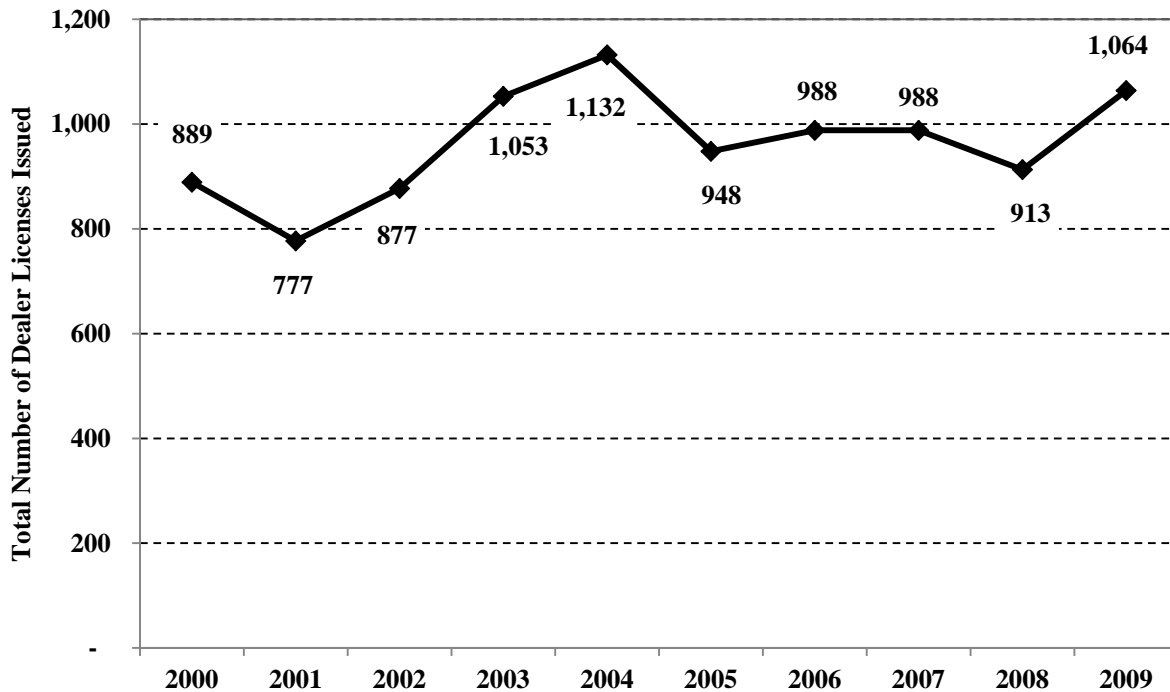


Figure 4.1. Number of Active Seafood Dealers in Louisiana: 2000-2009

4.4 Active Resident Seafood Dealer from 2000 to 2009, by License Type

This section discusses the number of individuals and business with different types of resident seafood dealer licenses who reported purchasing seafood directly from commercial fishermen in Louisiana in each year between 2000 and 2009. This enumeration includes active resident seafood business dealers, active resident seafood vehicle dealers, and active fresh products dealers. It does not include any discussion of the number of active resident fresh products – spouse dealers because the number of individuals with that license type reporting seafood purchases did not number as many as five, the authors’ minimum number required for public disclosure, in some individual years.

The number of active resident seafood business dealers rose from 515 in 2000 and 514 in 2001 to 578 in 2004 (Figure 4.2). The number of active resident business dealers declined to 529 in the hurricane year of 2005 and 444 the following year. The number rose to 470 in 2007 and declined slightly to 461 in the hurricane year of 2008 and 467 in 2009.

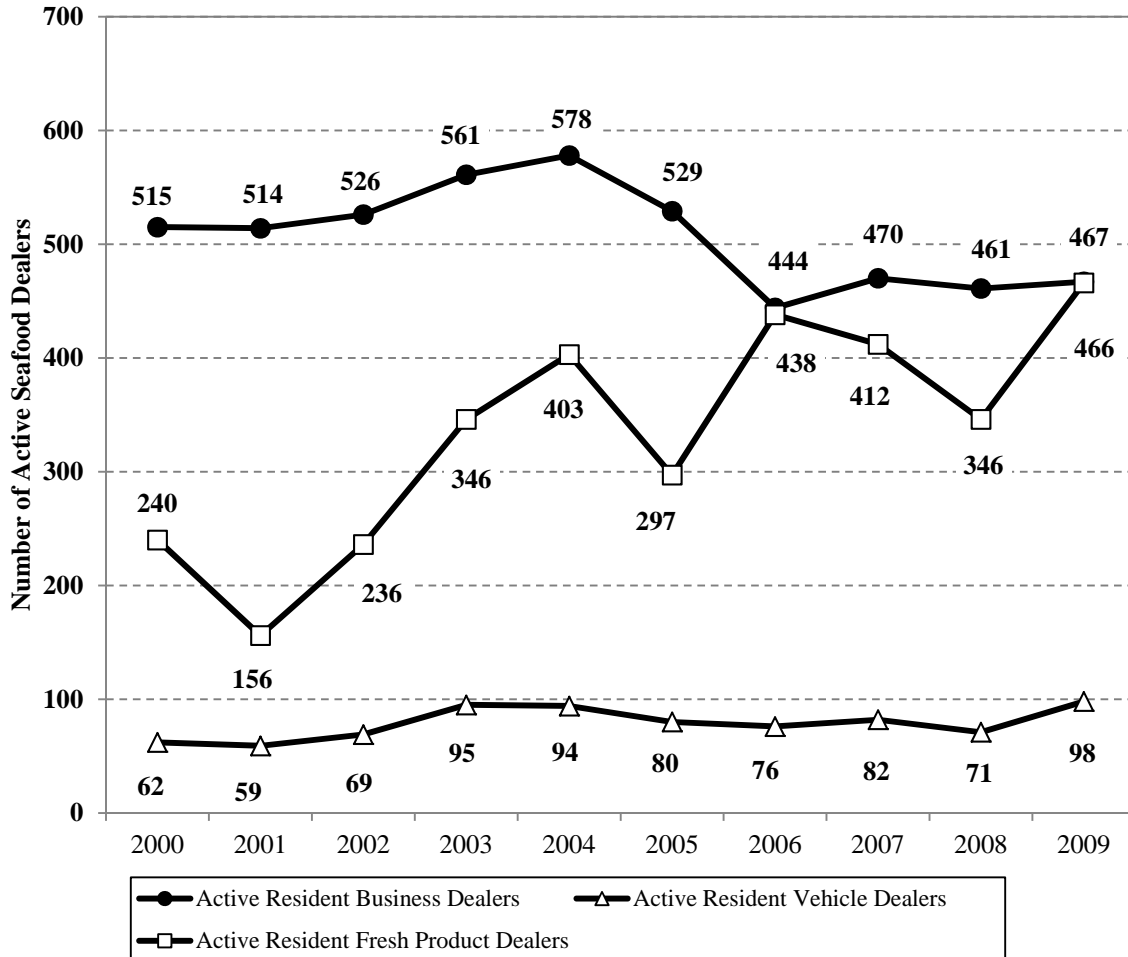


Figure 4.2. Number of Active Resident Seafood Dealers by Type: 2000-2009

The number of active resident seafood vehicle dealers has been relatively low, generally numbering less than 100. There were 62 active resident seafood vehicle dealers in 2000 and 59 in 2001 (Figure 4.2). In 2003 there were 95 and, in 2004, 94. In the hurricane year of 2005, the number of resident seafood vehicle dealers dropped to 80 and then declined to 76 in the following year. The number rose to 82 in 2007 but fell by 11 to 71 active resident seafood vehicle dealers in 2008. In 2009, the number of active resident seafood vehicle dealers climbed to a timeframe high of 98.

Though the number of resident fresh products licenses issued throughout the study timeframe has consistently numbered 1,200 or more, the number of fresh products license holders reporting seafood in

the LDWF trip ticket program never reached as high as 500. The number of active resident fresh products dealers rose from 240 in 2000 and 156 in 2001 to 403 in 2003 (Figure 4.2). That number rose to 403 in 2004 and dropped to 297 in the hurricane year of 2005. In the year following the occurrence of hurricanes Katrina and Rita the number of active resident fresh products dealers rose to 438. The number subsequently fell to 412 in 346 in the hurricane year in the hurricane year of 2008. In 2009, the year after the incidence of hurricanes Gustav and Ike, the number of active fresh products dealers climbed to a timeframe maximum of 466.

4.5. Active Non-Resident Seafood Dealer Licenses Issued from 2000 to 2009, by License Type

Constituting about two to three percent of the number of all active seafood dealers in any given year throughout the study timeframe, the number of active non-resident seafood dealers has been low in absolute and relative terms. The number of active non-resident seafood vehicle dealers has been ten or less for every year between 2000 and 2009 (Figure 4.3). The number of non-resident seafood business dealers reached 18 in 2004 and fell to 12 in the hurricane year of 2005, 11 in 2006, and 10 in 2007. The number of active non-resident business dealers was 16 in the hurricane year of 2008 and 15 in 2009. The ratio of active non-resident license dealers to the number of such licenses issued in a given year has been about 0.1 between 2005 and 2009.

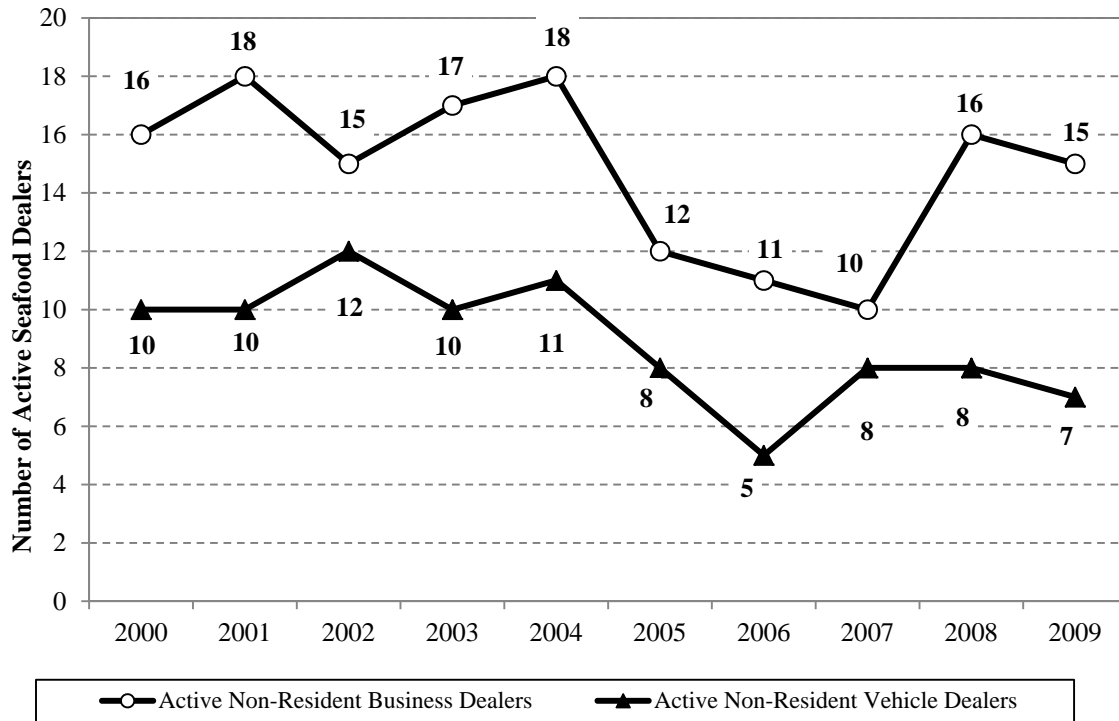


Figure 4.3. Number of Active Non-Resident Seafood Dealers: 2000-2009

4.6. Conclusion

This report presented a general discussion of the Louisiana commercial seafood dealer licensing system and the LDWF License data based. It also included statistics regarding the number of licenses of different types issued in the state of Louisiana as well as in geographical regions within the state. It also presented statistics regarding the number of commercial seafood dealers that reported purchasing seafood directly from commercial seafood harvesters in each year from 2000 to 2009.

Separate reports in this series contain information pertaining to active commercial seafood dealers that reported purchasing specific seafood types – shrimp, cabs, oysters, saltwater finfish, and freshwater finfish – directly from commercial seafood harvesters. These reports present additional data pertaining to the number of active dealers and the volume and dockside value of the seafood they reported purchasing in the LDWF trip ticket database.

Appendix 1

Table A.1. Number of Commercial Seafood Dealer Licenses Issued in Louisiana, by License Type: 2000 – 2009

Table A.2. Number of Commercial Seafood Dealer Licenses Issued in Southeast Louisiana, by License Type: 2000 -2009

Table A.3. Number of Commercial Seafood Dealer Licenses Issued in Southwest Louisiana, by License Type: 2000 -2009

Table A.4. Number of Commercial Seafood Dealer Licenses Issued in Rest of Louisiana, by License Type: 2000 -2009

Table A.5. Number of Commercial Seafood Dealers Reporting Purchases of Seafood in Louisiana Trip Ticket Program, by License Type : 2000 – 2009

Seafood Dealer Licensing System

In 1987, LDWF revised the licensing system to create four new different seafood dealer licenses –these were wholesale/retailer dealer license, a nonresident wholesale/retail dealer license, a wholesale/retail dealer-restaurant and grocer license, and a seafood transport license. The wholesale/retail dealer-restaurant and grocer license was mainly for businesses such as seafood restaurants or seafood sandwich shops that sold prepared or cooked seafood and did not apply to grocery stores or retail seafood shops that sold any unprepared seafood (Horst and Holloway, 2002). In addition to wholesale/retail dealer license, businesses had to buy a transport license, if a vehicle was involved in transporting seafood products for a licensed wholesale/retail dealer, unless the wholesale/retail dealer licensee was travelling with the vehicle.

The license structure was amended in 1989 to divide the wholesale/retail license into wholesale/retail-business license and wholesale/retail vehicle license. The latter was created for businesses operating from a vehicle or other mobile facility. The license structure was revised again in 1998¹ and the wholesale/retail dealer-restaurant and grocer licenses were discontinued. Instead, a seafood retail dealer license was created for only those restaurants serving raw seafood such as oysters or sashimi/sushi and others were exempted from any license requirements.

¹ Other amendments to the license structure included were the replacement of a single transport license with three new transport licenses mainly:- wholesale/retail dealer, retail dealer, and commercial fisherman license. Each was required to be purchased in connection with the appropriate dealer or commercial fisherman license. For more details please refer to study by Horst and Holloway (2002).

Table A.1. Number of Commercial Seafood Dealer Licenses Issued in Louisiana, by License Type: 2000 - 2009

Calendar Year Licenses	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Resident Wholesale/Retail Dealer -- Business	1,161	1,126	1,138	1,204	1,185	1,105	1,024	1,066	1040	1,056
Resident Wholesale/Retail Dealer -- Vehicle	356	320	316	333	329	280	256	284	258	350
Non-Res. Wholesale/Retail Dealer -- Business	69	85	88	99	106	111	106	116	124	112
Non-Resident Wholesale/Retail Dealer -- Vehicle	97	87	97	98	94	72	66	75	60	75
Resident Fresh Products Dealer License	1,758	1,475	1,581	1,734	1,758	1,549	1,536	1,338	1200	1,458

Source: L DWF Licensing Database

Table A.2. Number of Commercial Seafood Dealer Licenses Issued in Southeast Louisiana, by License Type: 2000 -2009

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Resident Wholesale/Retail Dealer -- Business	519	511	497	539	524	475	408	454	431	433
Resident Wholesale/Retail Dealer -- Vehicle	125	121	160	157	162	146	130	142	134	189
Resident Fresh Products Dealer License	551	443	527	641	655	553	531	440	380	500
Others	5	5	5	3	*	5	4	7	6	8

Table A.3. Number of Commercial Seafood Dealer Licenses Issued in Southwest Louisiana, by License Type: 2000 -2009

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Resident Wholesale/Retail Dealer -- Business	491	477	489	520	407	517	482	473	470	479
Resident Wholesale/Retail Dealer -- Vehicle	122	97	111	136	140	127	88	95	84	111
Resident Fresh Products Dealer License	942	774	814	844	506	506	833	744	674	800
Others	3	*	4	3	111	3	4	*	6	4

Table A.4. Number of Commercial Seafood Dealer Licenses Issued in the Rest of Louisiana, by License Type: 2000 -2009

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Resident Wholesale/Retail Dealer -- Business	151	138	152	145	144	135	134	139	139	144
Resident Wholesale/Retail Dealer -- Vehicle	109	102	45	40	40	33	38	47	40	50
Non-Res. Wholesale/Retail Dealer -- Business	63	79	83	94	101	106	101	110	114	104
Non-Resident Wholesale/Retail Dealer -- Vehicle	95	86	96	97	93	70	65	72	58	73
Resident Fresh Products Dealer License	265	258	240	249	237	187	172	154	146	158

Table A.5. Number of Commercial Seafood Dealers Reporting Purchases of Seafood in Louisiana Trip Ticket Program, by License Type : 2000 - 2009

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Calendar Year Licenses										
Resident Wholesale/Retail -- Business	515	514	526	561	578	529	444	470	461	467
Resident Wholesale/Retail -- Vehicle	62	59	69	95	94	80	76	82	71	98
Non-Res. Wholesale/Retail Dealer -- Business	16	18	15	17	18	12	11	10	16	15
Non-Resident Wholesale/Retail Dealer -- Vehicle	10	10	12	10	11	8	5	8	8	7
Resident Fresh Products	240	156	236	346	403	297	438	412	346	466
Others	46	20	19	24	28	22	14	6	11	11
Total	889	777	877	1053	1132	948	988	988	913	1064

Source: L DWF Licensing Database