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A Business Analysis of the Charter Fishing Industry on the Texas Gulf Coast

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DRAFT

INTRODUCTION

The 1970 National Survey of Fishing and Hunting (U.S. Bureau of Sport Fisheries and Wildlife, 1970) estimates 33,158,000 fishermen in the U.S. spent $4,958,833,000 in pursuit of their activity. Assuming sport fishing could be classified as a single corporation, its national sales would be equivalent to the net sales, in 1971, of the J.C. Penney Corporation (Standard and Poors, 1976). In the region, Gulf Coast fishermen numbering 2,272,000 spent $404,646,000 in 1970 (U.S. Bureau of Sport Fisheries and Wildlife, 1970). Again, if all regional sport fishing were handled by a single corporation, its sales would be equivalent to the 1974 sales of Gulf State Utilities (Standard and Poors, 1976). Although the sales figures are comparable, these two companies are organized structures working toward identifiable goals, while sport fishing is a fragmented composite of many small individual units whose objectives may or may not be the same.

Gulf coast sport fishing can be grouped into three categories: (1) onshore activities; (2) bay fishing; and (3) gulf fishing. Onshore fishing includes activities that do not require a boat, such as pier, bank, wade, and jetty fishing. Bay and gulf fishing require a boat for access, with gulf fishing requiring a larger boat with more range. Each category is served by both the public and private sector. The public sector provides access points, jetties and piers, fish management programs and projects such as the Texas Liberty ship artificial reef project. Private enterprise includes businesses such as bait stands, equipment sales, rentals, and repairs, private access points and facilities, party boats and charter boats.

This paper is concerned with one segment of the Gulf coast sport fishing industry, namely, the Texas Gulf coast charter boat industry. Charter fishing

is unique because it has elements of commercial fishing - the charter operation is a business - and sport fishing - the consumer is the sport fisherman. The charter industry provides access to fishing areas for individuals who cannot purchase adequate equipment or prefer to let others purchase such equipment. An estimated 15% of all fishermen utilizing the Gulf's resources in 1970 used a charter boat or party boat at least once (U.S. Bureau of Sport Fisheries and Wildlife, 1970). These 355,000 users spent $20,838,000 on charter boat or party boat fees alone (U.S. Bureau of Sport Fisheries and Wildlife, 1970) or $58.70 per person. This figure does not include expenditures for various items as food, bait, tackle, etc.

The objectives of this paper were to identify and describe operators, their business activity and structure and their financial status. A data base, which presents a descriptive understanding of this industry, is crucial to legislators and resource managers whose decisions and regulations potentially effect the viability of this industry. The coastal zone is becoming more crowded resulting in serious allocation problems and conflicts of use. As fishing-related issues surface, like the Pier 19 controversy in Galveston, data is needed so managers can make a proper analysis of the situation. The Pier 19 issue concerns the decision by the Galveston Wharf Commission to either continue using Pier 18 and 19 for party boat and commercial fishing activities or convert the piers to an open-cargo dock. An important question in the issue is which use provides the most benefits to the community.

Before attempting the study, two preconceptions were noted about charter fishing operators. The first came from Motorboating and Sailing, (Groene, 1973) which characterized the industry as "fishing all day, every day, from your own fully tax-deductable boat and getting paid for it." The second view

of charter fishing is commonly voiced by the consumers of charter operators services. They "know" operators take parties fishing for $250 a day five days a week for six months and vacation the remaining six months. Such preconceptions may affect how legislators and managers approach charter fishing related issues and problems. This paper will evaluate the truth of these preconceptions.

METHODS

No useable list of Texas charter boat operators existed prior to the study. Therefore, a list of charter boat operators and businesses was obtained by consulting marinas, marine extension agents, chambers of commerce, Coast Guard vessel documentation records, newspaper ads, and phone books. From the total list compiled, each individual was contacted to verify that he was in fact a charter operator during 1975. Several persons had retired from charter fishing and several others had just entered the business. These persons were systematically excluded from the formal interviews since our questions dealt with the 1975 season. Many of these persons did, however, provide valuable informal information.

A total of 88 operators were identified as being in business in 1975. They were classified as being in one of five geographic regions: Freeport, Port O'Connor, Rockport, Port Aransas, and South Padre Island/Port Mansfield. A 50% random sample was drawn from each region. Occasionally, some operators drawn in the sample could not find time for an interview. Their name was dropped from the sample and another name randomly selected and added to the sampling list. The final sample can be characterized as a stratified random sample with replacement of non-usable cases. This is not uncommon to research focusing on small business. Figure 1 shows the total number of operators

and the number of interviews--in brackets--obtained from each region.

Using a structured interview schedule, information was obtained from 41 businesses in the study area[1]. The questions were designed to give data concerning (a) boat characteristics, (b) background information on the operators, (c) business data, (d) fishing data, and (e) economic data.

FINDINGS

Introduction

A difficulty encountered in analyzing the data was the lack of uniformity in the business structures. Charter business organizations on the Texas Gulf coast are very diverse in terms of ownership patterns and size of operation. The range includes one boat owned by two partners, three boats owned by two partners, one person owning three boats, but only using one at any given time, one boat with one owner, and one owner with three boats and two hired captains. To summarize this diversity, a total of forty-one interviews were obtained covering forty-one businesses with fifty boats and forty-five "risk taking" individuals. A breakdown of the business structures show 5% were one-boat partnerships, 17% were multiple boat businesses and 78% were one boat - one owner businesses.

Consequently, analyses were made with different bases as the situation required. The bases used are total boats (n=50), total interviews (n=41), and total boats capable of being used at a given time (n=46). The following explanation tells why the different bases are needed. Several multiple boat

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[1]Three operators could not be interviewed while interviewers were in the respective areas. Costs and time prohibited the interviewers from returning to the areas and obtaining the final three interviews.

businesses did not have enough captains for all boats. Hence, at any given time, not all boats (n=50) were capable of taking passengers for hire. Four boats were in this category. They were subtracted from the total of fifty boats, and the adjusted figure of forty-six boats was used in parts of the following analysis. Since the basic charter fishing unit is one boat with one captain, a base of total boats capable of being used at a given time (n=46) is more meaningful in evaluating expenses than total boats (n=50). The base of n=41 is used when a response given by a multiple boat owner either fit all boats or the response had no relation to the number of boats.

Operators

The Texas charter operators studied were diverse in their previous and present employment backgrounds. Some of their occupations include civil servant, auto mechanic, police officer, dentist, oil executive, musician, and military among others. Most operators continued to hold positions besides charter fishing. Fourteen of the 41 respondents interviewed indicated charter fishing is currently their only occupation. Eleven of the fourteen operators with no other employment were retired previously from other occupations. Only one operator indicated he had made a career of charter fishing.

Charter operators (n=39)[2] relied upon charter fishing for 41.3% of their income. They spent 61.5% of their working time with the charter business (n=41). Part of the difference in percent of income received and percent of working time given is accounted for by the operators who have retired from a previous occupation (n=11). Many of these operators had no second job but did

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[2]Two of the operators refused to respond to this section of questions.

have retirement income. Hence, the percent of working time is very high while the percent of income is dependent upon the amount of retirement income the operator receives. Adjusting for the operators with retirement income results in the percent of income received, being 39.8%, and the percent of working time being 41.9%.

Since operators spend proportionately more time working at charter fishing than they receive in income might suggest they are not following good business and economic sense. That is, they could possibly receive more income if they worked at another occupation or worked more time at their other occupation. When asked the open-ended question why they became charter boat operators, 10% stated they were in business for the money, 37% because they enjoy fishing, 24% because they enjoy boating. Thus, their main reason for being a charter boat operator appears to be for something enjoyable to do rather than as a business venture. This is similar to findings on Lake Michigan (Ditton, Strang, Dittrich, 1975) where over half of the operators receive less than 25% of their income from charter fishing.

This is supported three ways: first, only three operators interviewed relied solely on charter fishing for their income; second, a large number of operators were probably receiving a steady retirement income and would need only to break even in cash flow each year; and third, nearly half the operators interviewed did not operate year round. Apparently, most operators are in business for non-economic reasons. Therefore, it is difficult to use a "dollar yardstick" for measuring the satisfactions received from charter fishing.

Operators have been in business on the Texas coast for an average of 11.5 years. This indicates charter fishing is an established industry on the Texas coast. Table 1 provides a breakdown of the years operators have been in

business by geographic region. The most established area is Port Aransas, where the operators have been in business an average of 15.5 years. These findings contrast sharply with studies elsewhere. Wisconsin (Lake Michigan) charter operators have been in business an average of 3.8 years (Ditton, Strang, Dittrich, 1975) and more than one-half of the Georgia (Atlantic) charter operators have been in business less than 3 years (Brown, Holemo, 1975).

When asked how long they had operated out of their present port, the average response given was 10.5 years. Thus, charter boat businesses are not very mobile along the coast. Once a site is selected for the business, it appears that site is relatively permanent. Only one operator interviewed reported regularly changing ports during the year.

Industry Organization

The predominant type of business structure among charter boat operators is the single proprietorship. Of the interviews conducted (n=41), 82.9% were single proprietorship, 9.8% were partnerships, and 7.3% were corporations. Breaking the industry down on a per boat basis (n=46) yields 5% one boat partnerships, 78% one boat-one owner businesses and 17% multiple boat businesses.

The industry is not organized outside of local community groups. The Port Aransas Boatmans' Association was the only charter organization identified on the coast. Eighty-two percent of the operators interviewed at Port Aransas belonged to the Boatmans' Association.

Only twenty-seven percent of the operators belonged to the local chamber of commerce, which is a usual affiliation for small businessmen. Of those operators belonging to a chamber of commerce, sixty-four percent indicated they were mentioned in brochures, and thirty-six percent received referrals. Eighteen percent said they received no support.

Much of the charter fishermen's business is carried on without formal agreements. Sixty-eight percent of the operators reported other operators and businesses refer customers to them, and sixty-six percent indicated they refer customers to other operators and businesses. Twenty-five percent reported paying commissions for booking and none reported receiving commissions. This indicates a considerable amount of inter- and intra-industry organization is based on a 'mutual backscratching' basis.

Charter Fishing Activity on the Texas Gulf Coast

Four distinct regions of the Texas Gulf coast were noted when type of species sought is considered. Freeport operators fished for kingfish from May until September, and fished for snapper the remaining months. Rockport and Port O'Connor are primarily trout and red-fish fishing regions with some kingfishing in the summer. Port Aransas is a solid summer kingfish region with some trout and snapper fishing in the winter months. South Padre offers the most diverse fishing on the coast. At South Padre, a fisherman's alternatives are trout, redfish, tarpon, sailfish, snapper, grouper and drum, depending upon the time of year.

To be a successful business operation, however, the operator's primary need is not an adequate supply of fish, but an adequate supply of customers. Put more simply, people pay to get on a charter boat, fish do not. And large catches may not be highly correlated with large numbers of customers. Several studies in fishermen's behavior and attitudes indicate many fishermen are equally satisfied catching few fish as opposed to many fish (Addis, Erickson, 1969) (Hendee, Clark, Dailey, 1974). The forty-one businesses reported taking out 16,442 customers or 357 customers per boat (n=46), during 1975.

This compares to 341 customers per boat in Wisconsin (Ditton, Strang, Dittrich, 1975).

Seasonal customer variations, however, are more revealing than customer means and totals. Figure 2 shows the number of good customer months as a percentage of the best, or highest response month, and the percent of operators in business during a given month. The months of May to September are considered good customer months with July being the best in terms of customer business. In response to customer demands, seasonal operators begin their operations in May, reach a peak from June to August, and begin closing down the business from September to December. Similar findings were noted in a Wisconsin study of charter operators (Ditton, Strang, Dittrich, 1975). There, charter operators begin operation in March, reach a peak in July, and begin closing down business until December, when the final operators cease operating. Thus, although Texas charter operators have more potential for taking out customers year round due to a warmer climate, customer use patterns are similar to those experienced by Lake Michigan charter operators. This indicates seasonality concerns take precedent over fish availability.

A final characteristic of charter fishing is the distance travelled by an operator to a fishing location. Figure 3 is an ogive of one-way distances travelled by Gulf operators, and Figure 4 is an ogive of one-way distances travelled by bay operators. Fifty percent of the operators travel less than twenty miles in the Gulf, and less than ten miles in the bay. In further analyzing distances travelled by Gulf operators, Table 2 shows the one-way distances travelled by Gulf operators by region. Operators in the southern regions travel the fewest miles to fishing grounds. These regional differences are a reflection of the greater distances northern operators have to travel to snapper banks.

Economic Analysis

Table 3 provides a breakdown of the profitability of the charter industry on a per boat basis. Column A is the sum of all responses for each item. Column B is the total amount for a given item (Column A) divided by the number of boats incurring that expense (numerator of Column C). Column C is the number of boats incurring an expense divided by the total number of boats. For example, the total insurance expense incurred by all operators was $25,387. Thirty of the forty-six boats, 65.2%, incurred an insurance expense. The average premium for the thirty boats was $25,387/30 or $875.41. Multiplying Column B by Column C gives Column D, the Total Expenditure figure divided by the total number of boats. Subtracting the expenses from the income in Column D gives the average net pretax and interest profit per boat. Column E shows the percentage an expense item is to the total expenses. This column should be viewed cautiously because charter operators simply approach their businesses differently. Several operators paid their dockage fees on a commission basis. Others paid higher dock fees but received free bookings, bait, and/or ice. Some value judgements were necessary to determine which category best fit the expense figure given by the operator.

The key items to note are Column B, Column C, and the net profit figure in Column D. Column B shows the average expense an operator can expect to incur for a given expense. If an operator incurred all expenses at the industry's average, he would lose $895.66 per year. The $5,764.03 is the average net profit made by a charter boat before interest and taxes. This is the amount the average owner receives for his services, use of equipment, any other expenses and income taxes.

Of the fifty boats owned by operators, twenty-eight had been purchased

with personal savings and twenty-two by loans or a combination of savings and loans. The twenty-eight boats purchased with cash means these operators have foregone the interest they could have accrued if they had left the money in the bank. The average value of the charter boat studied was $16,823.90 (n=50). Assuming a 6% interest rate, this amounts to interest of $1,009.43 a year. Thus, the operator who pays for his boat in cash receives a net return of $4,754.60 for his services, other expenses and taxes, since he could have received $1,009.43, the opportunity cost of using his own money for doing nothing.

The operator who finances his business with a loan and has not repaid the loan must use the $5,764.03 to cover interest charges and repay the loan, along with his own wages, other expenses, and income taxes. For those nine operators who revealed the amount of their loan repayment, the average yearly payment was $2,433.00.

Bay vs. Gulf vs. Combined Bay/Gulf Operations

A more detailed picture of the economic structure of the Texas Charter industry is revealed when bay, gulf, and combined bay/gulf operators are grouped and compared. Even during interviewing, some major differences between bay operators and gulf operators were revealed. The value of the boat and price charged per trip were the most evident differences noted. A comparison of financial data for bay, bay/gulf combined, and gulf is presented in Table 4. The data in Table 4 shows the most profitable form of business is the operator who takes both bay and gulf charters. His yearly pre-tax profits are $11,945.31 compared to $5,137.20 for a bay only operator and $4,308.77 for a Gulf only operator. His investment requirements are only slightly higher than a bay only

operator ($11,112 vs. $9,555) but considerably less than a gulf-only operator ($25,554 vs. $11,112). To understand why a bay/gulf operator is the most profitable, an understanding of the differences between a bay only and gulf only operator is needed.

This difference can be explained using a modified version of the Du Pont system of financial analysis. Since few operators are in business to make money, we hypothesized that operators are more interested in a given level of income than a maximum return on investment. Thus, return on investment becomes level of income. This is similar to buying stocks in utilities for a given level of cash income instead of buying growth stocks which generally yield a higher return but must be held over a longer period of time. The new model becomes:

$$\text{Level of Income} = \frac{\text{Sales}}{\text{Investment}} \times \frac{\text{Profit}}{\text{Sales}}$$

$$= \text{Turnover Rate X Profit Margin}$$

$$= \text{Number of Trips X Profit per Trip}$$

Using this system of analysis, bay fishermen can be classified as selling a low profit margin, high turnover good and gulf operators can be classified as selling a high profit margin, low turnover good. Combination bay/gulf operators have an advantage over bay-only operators and gulf-only operators. They can take out high profit margin gulf trips when available and utilize the time between these trips with high turnover, lower profit margin bay trips.

A plot of profit vs. trips is shown in Figure 5 and visually illustrates how profit is related to turnover. At any level of charters, profits are dependent upon the profit margin per trip. Gulf operators have the highest profit margin, bay/gulf operators the second highest, and bay operators the lowest.

The bay/Gulf operator, however, is able to break even sooner and, thus, contribute money to profit sooner than the other types of operators.

DISCUSSION

Three major points can be addressed from the study findings. First, there is little organization of the industry in the private sector. Second, versatility is a key to a more profitable operation. Third, most of the operators are in business not for the money, but for the lifestyle afforded.

The only organization found on the Texas Gulf coast was the Port Aransas Boatman's Association. Other less formal organizations also exist. But no inter-community charter fishing organizations exist on the Texas Gulf coast. This lack of private organization may seriously hamper charter operators in the future.

A major benefit a private organization can have is its ability to operate at a level above the individual businesses. That is, it can view events and problems from a different, preferably higher, perspective. For example, most charter operators on the coast felt they were in the charter fishing business. This is WRONG. The charter boat operators are in the recreation business. Their competition is not only the other charter boat operators, but also other business that compete for the recreation dollars and time of the public. One organization could better handle competition viewed in this manner (increasing primary demand as opposed to selective demand) than a single operator could.

Competition can also be viewed as competition for scarce resources. The scarce resources are the fisheries resources, and the various resources on land that are required by the charter fishing industry. Now that the U.S. is adopting a 200 miles economic zone, allocation of fishery resources will be better

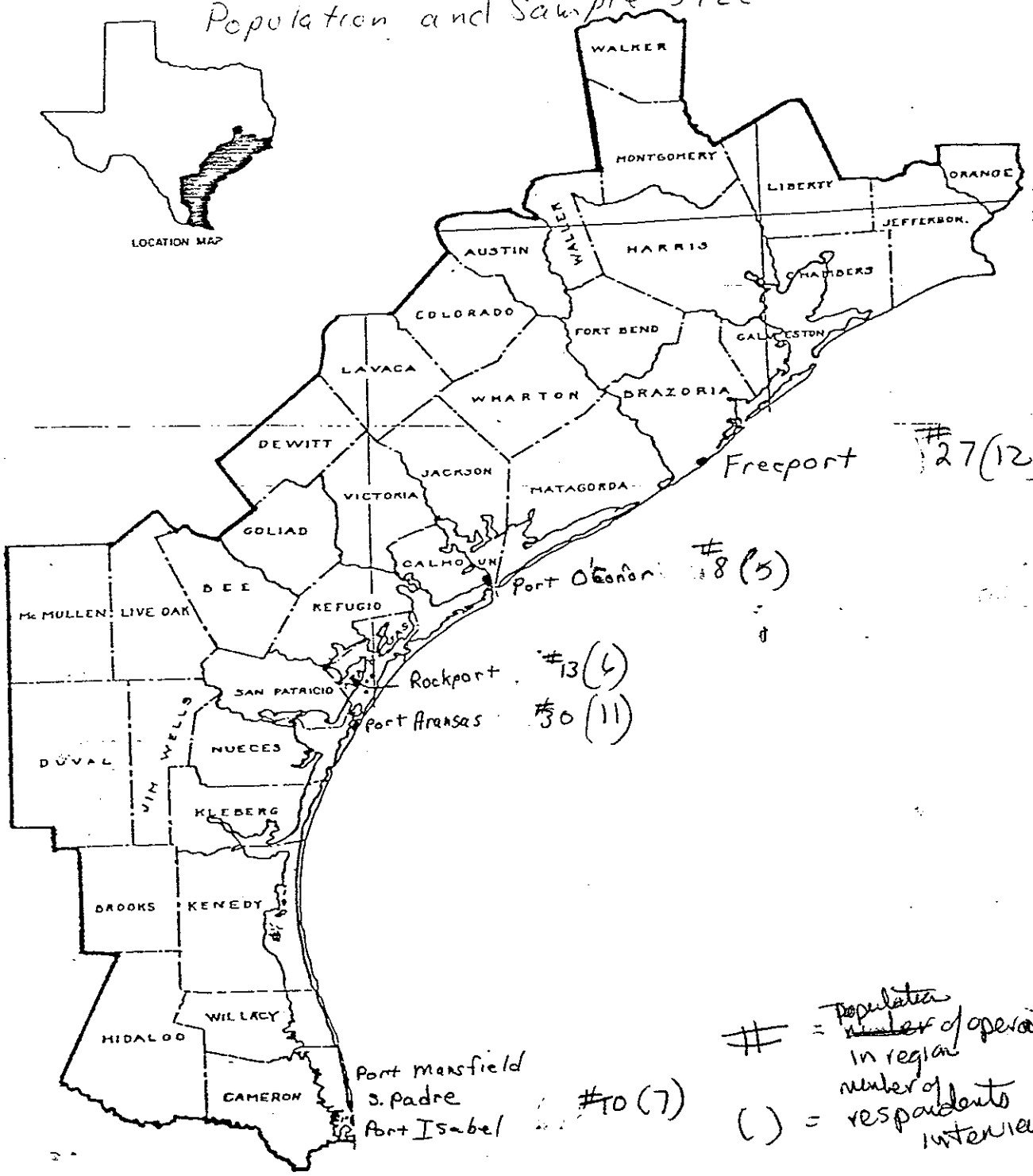
controlled by the government. Without organization, the operators may find it difficult if not impossible to make input into the allocation process.

Profits vary according to the type of charter operation with versatility being the key to a more profitable business. A charter operator who is capable of using his boat for other purposes, fishing and non-fishing, can expand his income opportunities by selling these other services. This is similar to corporations producing a variety of goods and services to add stability to their earnings. Although not part of this study, several operators studied took out divers, and others, close to the Aransas Wildlife Refuge, took out sightseeing tours. Once the major capital investment has been made with the boat, few other capital items need to be purchased. Profits would vary according to turnover or the number of trips an operator makes.

Profits are important for any businessman. They are not, however, as important to charter operators as other lifestyle benefits. Most operators rated profits low and lifestyle benefits high - when asked why they became charter operators. Also, few operators rely solely on charter fishing as their source of income. Although most operators are not in charter fishing for the money, they would have to at least break-even in cash flow and possibly make some return to justify their being in business.

Figure 1

The Texas Gulf Coast Study Area
Population and Sample Size



= Population number of operators in region

( ) = number of respondents interviewed

41/88

Sample %

~~Figure~~ Figure 2

~~Title~~: Seasonality of Customers and Operators

Percents

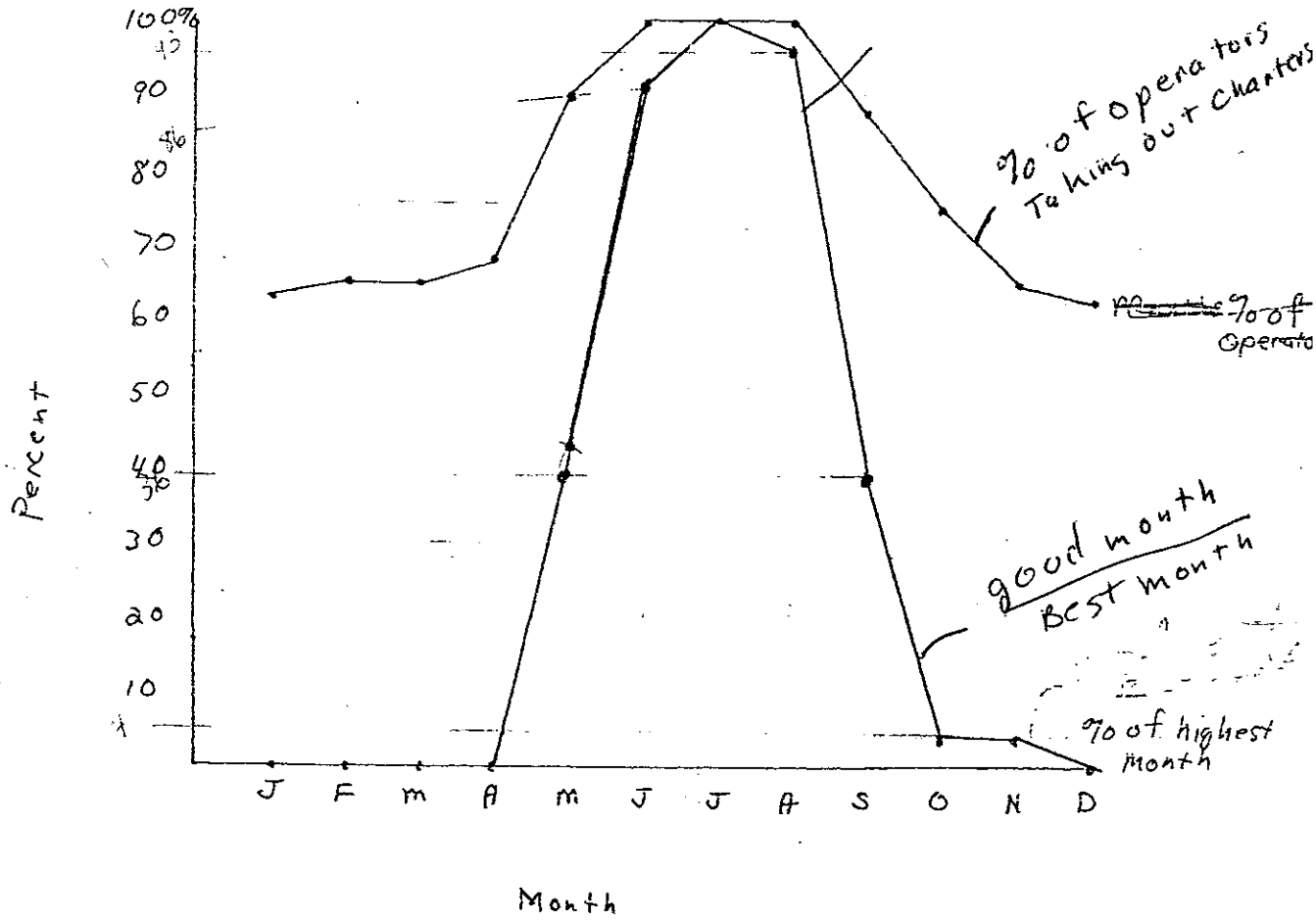


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Figure 3 ~~A~~ one way.

Title ~~A~~ Average Distance Travelled from Port By a Gulf Operator's Cumulative Percents

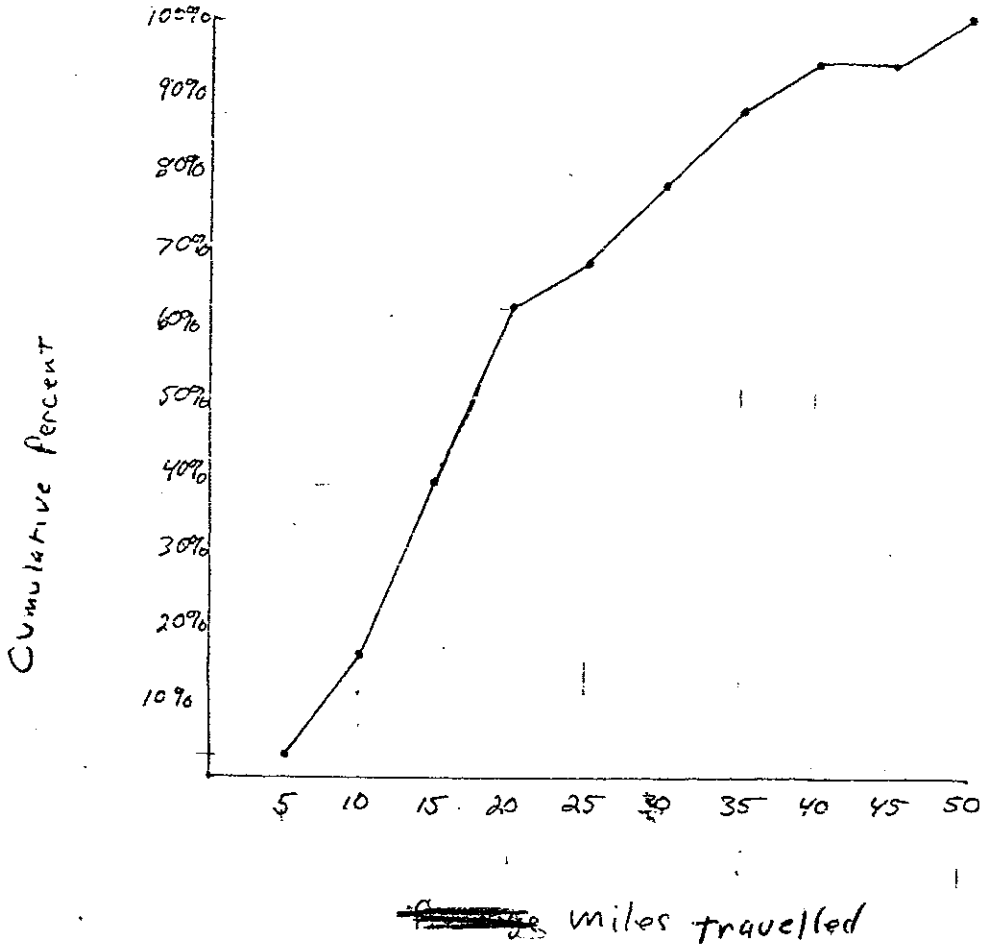

Figure 4

Average One Way Distance Travelled from Port by a Bay Operator: Cumulative Percent

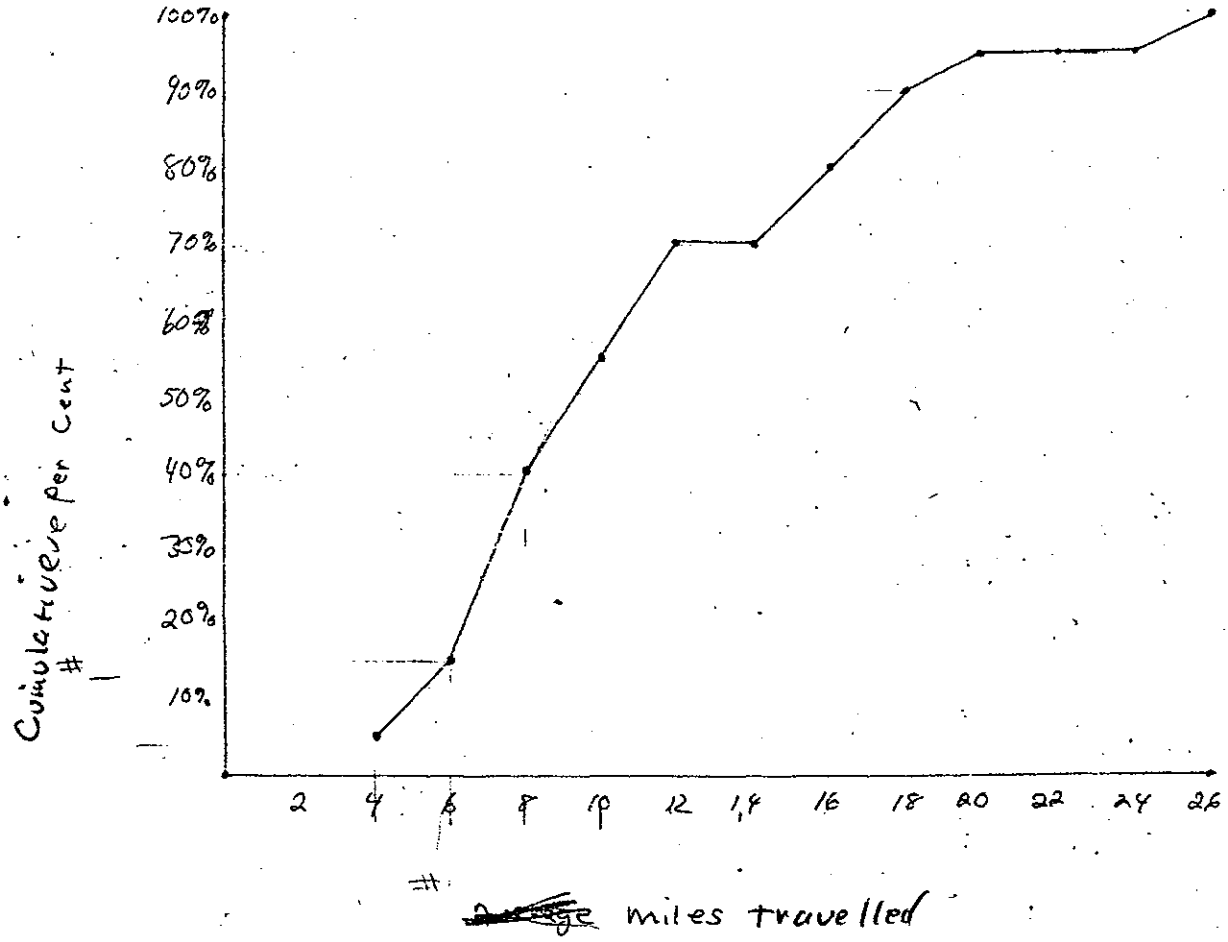

Figure 5

Profit per Business based on the number of Charter Trips

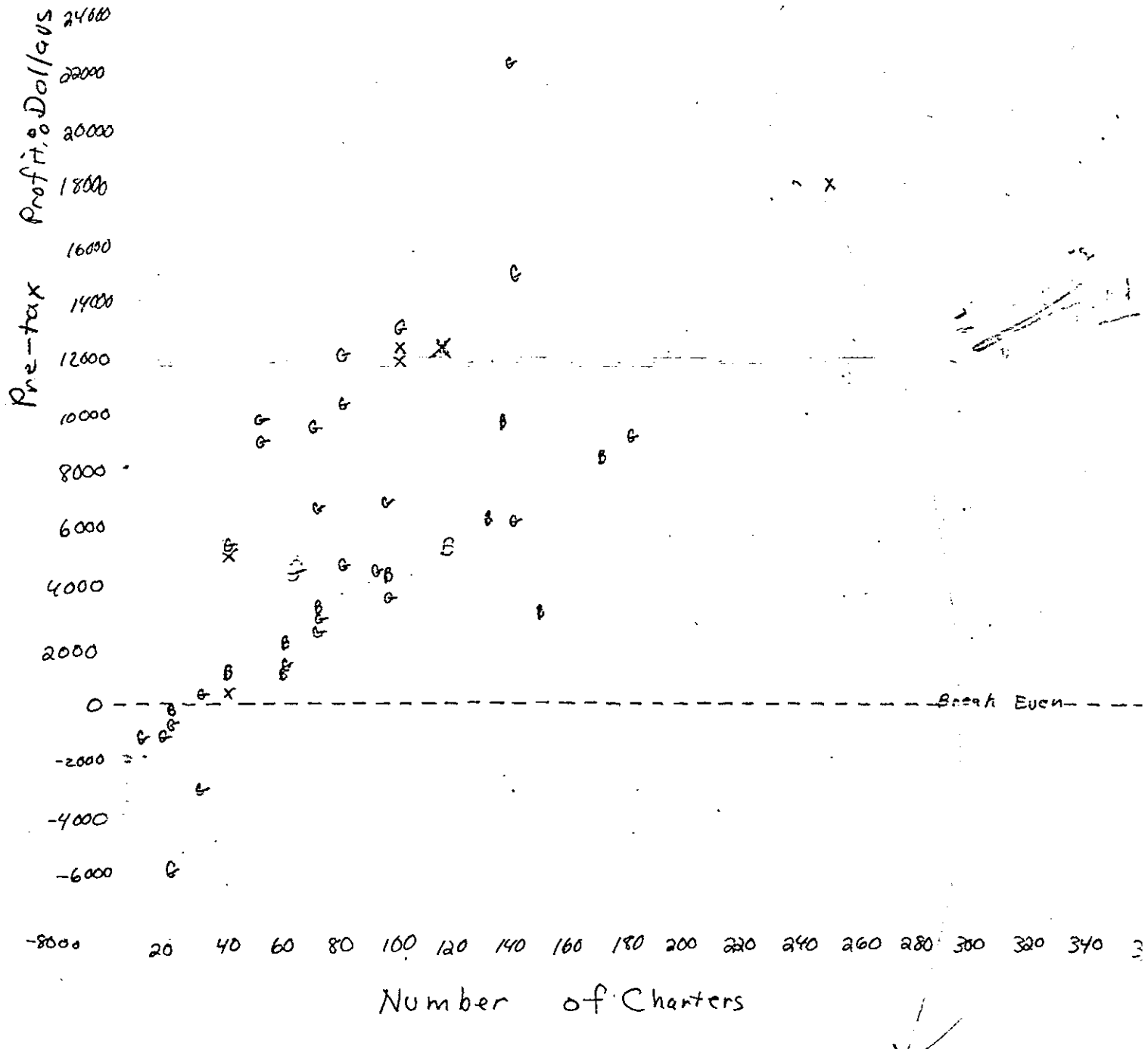

Table 1

Years in Business by Region

Region	Years 1-10*	11-20	21-30	31-40	41-50**	Average Years in Business
Freeport	10	0	0	0	2	11.9
Port O'Connor	4	0	1	0	0	7.9
Rockport	2	3	1	0	0	12.5
Port Aransas	6	0	5	0	0	15.5
South Padre	6	1	0	0	0	6.3
Totals	28	4	7	0	2	
Average						11.5

*Since the operators were interviewed in 1976 concerning their 1975 season, they had to be in business a minimum of one year.

**The maximum number of years in business was 50.

Table 2

Average Distance Travelled By Gulf Operators by Region: Miles

Region	No. of Charter Boat Operators	Mean One-Way Mileage Travelled to Sea
Port Isabel	5	14.44
Port Aransas	11	16.66
Rockport	1	30.00
Port O'Connor	2	15.00
Freeport	12	33.00
Total	31*	
Weighted Average		22.95

*Based upon 31 businesses that do Gulf fishing, either Gulf only or Bay/Gulf combination.

Table 3
Pretax Profitability Per Boat (n=46): Dollars

ITEM	A Total	B Total Number of Respondents	C Number of Respondents Total number of Boats	D Total Total number of Boats	E % of Exp. to Total Expense
INCOME	621,169	13,503.67	46/46	13,503.67	1.74
EXPENSES:					
Fixed Expenses					
Insurance	25,387	875.41	30/46	551.89	7.1
Advertising	5,791	206.82	29/46	125.89	1.6
Dock Fees	24,740	634.36	39/46	537.83	6.9
Office Rent	2,800	560.00	5/46	60.87	.8
Taxes*	1,515	252.50	6/46	32.93	.4
Depreciation	44,364	2,464.67	18/46	964.43	12.5
Total Fixed Expenses		4,993.76		2,273.84	29.3
Variable Expenses					
Commissions Paid	1,527	305.40	5/46	33.20	.4
Repairs	55,077	1,619.91	34/46	1,197.33	15.5
Fuel	78,370	1,703.70	46/46	1,703.70	22.0
Wages	66,958	2,911.22	23/46	1,455.61	18.8
Bait	20,476	819.05	25/46	445.13	5.6
Tackle	16,328	512.13	32/46	356.26	4.6
Ice	4,795	228.33	21/46	104.24	1.3
Other	7,835	1,305.83	6/46	170.33	2.2
Total Variable Expenses		9,405.57		5,465.80	70.6
Total Expenses		14,399.33		7,739.64	
Net Profit Before Interest and Taxes		(895.66)		5,764.03	

*Other than income taxes

Table 4

Comparative Financial Date by Type of Charter Fishing

Item	Bay Only	Gulf Only	Bay/Gulf Combination
n=	10	28	8
INCOME	$8,454.60	$14,251.46	$17,198.13
EXPENSES			
Fixed Expenses			
Insurance	130.20	742.21	210.00
Advertising	41.50	148.21	153.31
Dock Fees	270.40	574.21	661.25
Office Rent	5.00	98.21	0.00
Taxes	102.50	14.82	6.25
Depreciation	662.00	1,212.29	375.00
Total Fixed Expenses	$1,211.60	$ 2,789.95	$ 1,405.81
Variable Expenses			
Commissions (Paid)	89.70	0.00	78.75
Repairs	602.30	1,439.43	868.75
Fuel	1,089.10	2,055.32	1,613.13
Wages	71.00	2,366.00	0.00
Bait	109.50	515.39	606.25
Tackle	116.80	384.64	506.25
Ice	23.90	113.39	173.88
Other	3.50	278.57	0.00
Total Variable Expenses	$2,105.80	$ 7,152.74	$ 3,847.01

Table 4 (Cont.)

Item	Bay Only	Gulf Only	Bay/Gulf Combination
TOTAL EXPENSES	$3,317.40	$ 9,942.69	$ 5,252.82
NET PROFT BEFORE INTEREST AND TAXES	$5,137.20	$ 4,308.77	$11,945.31
BOAT VALUE	$9,555.00	$25,554.00	$11,112.00
TRIPS	115.70	68.00	134.12
PRE-TAX PROFIT[1] MARGIN PER TRIP	$ 54.87	$ 104.39	$ 99.55
TRIPS REQUIRED TO[2] BREAK EVEN PER YEAR	22	28	14
CASH FLOW PER YEAR[3]	$5,799.20	$ 5,521.06	$12,320.31

(1) $\frac{\text{Income - Total Variable Expenses}}{\text{Trips}}$

(2) $\frac{\text{Fixes Expenses}}{\text{Pre-tax profit margin per trip}}$

(3) Net profit before Interest and Taxes
Plus Depreciation

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NAME _____

ADDRESS _____

INTERVIEW # _____

	Vessel Name	Length	Gross Tonnage	Fuel Used	Draft	Usual Size Crew & Capt.	Passenger Capacity	Min. # Passengers for Trip	Current Operating Max. Cruising Rng.	Present Market Value (-Tackle
1.										
2.										
3.										
4.										
5.										

Interview #_____

Interviewer_____

Texas A&M University
Department of Recreation and Parks
Charter and Party Boat Fishing Research Project
1976

+ 1. How many years have you been in the charter/party boat business?

_____years.

+ 2. What did you do before you became a charter/party boat operator?

Previous occupation_____

0 3. What was the main reason that led you to become a charter/party boat operator?

_____ money
_____ enjoy fishing
_____ start as hobby
_____ previous commercial
_____boating
_____navy
_____other
_____preferred life style

+ 4. How long have you operated out of _____?
(home port)

_____years.

+ 5. In the past have you ever operated out of other ports? ___yes ___ no

Location	Period of Operation	Reason for Leaving

+ 5b. How many charter/party boats have you owned/operated?

#_____

+ 6. Is the charter/party boat business your only occupation? ____yes ____no

other occupation _____

% of working time charter/party _____

% of income charter/party _____

0 7. Do you operate out any ports other than _____ during the year?
(home port)

Location	Boats	Months

+ 8. Do (all) your boats take out customers year round? ____yes ____no

Boat #	Months Not Operated (Probe for reason why?)

What do you do during the months you don't operate?

+ 9. Is your business a:

Single proprietorship	Partnership	Corporation
Do you handle all the business matters? (Probe)	# of partners	% owned _____
_____	_____	

0 10. What type of financing did you use to get your business started?

_____ business loan
_____ personal loan
_____ sale of stock
_____ personal savings
_____ other

+ 11. What percent of your vessel(s) operating time is charter and what percent party?

Boat #	Charter	Party	Other
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

+ 12. Approximately how many fishing trips did you take out during 1975?

Boat #	# of Trips

+ 13. Do you operate on a fixed daily schedule?

Boat #	Times	# Trips/Day

+ 14. What are your base rates?

Boat #	Basis (per person, per trip, per boat, etc.) (Probe for seasonal)

O 15. What services are included in the base rate?

Boat #	Bait	Instruction	Fish Cleaning	Fish Cold Storage	Other (Specify)

+ 16. What services are an additional charge?

Boat #	Tackle	Bait	Instruction	Fish Cleaning	Fish Cold Storage	Other

0 16a. Do you have any type of refund policy? type_____

0 16b. How many days did you not operate due to poor weather conditions?_____

0 16c. How do you decide about the weather?
(a) By listening to the area weather forecasts on TV or radio,
(b) by listening to marine weather forecasts,
(c) by keeping updated to marine weather forecasts via slup to shore radio,
(d) by utilizing your own experience with weather and making your own forecasts.

+ 17. Approximately how many fishermen did you take out during 1975?

Boat #	# of Fishermen	%	Best months in terms of # of customers

+ 18. Which of the following does your vessel(s) have:

Boat #	Radar	Fathometer	Fish Finder	Ship to Shore Radio	Air Conditioner	Other	Total Investment

0 18b. For the boat you used most often, rank the navigational and fish finding equipment in order of importance in determining the specific location you fish.

+ 19. Approximately how much does it cost per trip for:

Boat#	Fuel and Oil	Crew	Bait	Other

+ 20. Do you carry risk and liability insurance on your vessels?

Boat #	Risk Amount	Liability Amount	Total Premium

O 21. On the average, how far from port (bay, gulf) do you fish with your vessel(s)?

Boat #	Bay Distance	Gulf Distance

+ 22. What federal, state or local licenses do you have?

_____ State Guide License
_____ U.S. Coast Guard
_____ Fed. Communications
_____ Commercial Fishing
_____ Other: Specify

+ 23. Do you belong to any charter and party boat associations? ____yes ____no

Name_____State_____Local_____

What are its membership requirements?

_____

_____

What services does it provide?

_____Advertising and promotion

_____Fishing information

_____Radio contact

_____Bookings

_____Code of standards

_____Other

+ 24. Are there any motels, hotels, sporting goods shops or other businesses in your area which refer their customers to you? (Probe if includes other operators.)

_____yes _____no

Do you pay them a commission?

_____yes _____no

Approximately how much did you pay in commissions?_____

+ 25. Do you refer any of your customers to motels, hotels or other local businesses? (Probe if includes other operators.)

_____yes _____no

Do they pay you a commission?

_____yes _____no

Approximately how much did you collect in commissions? _____

O 26. Do you belong to the local Chamber of Commerce? _____yes _____no

What support do they give you? _____mention in brochure

_____referrals

_____other

_____none

+ 27. What forms of advertising do you use?

_____Radio

_____TV

_____Newspaper

_____Magazines

_____Promotional Publicity

_____Cards, Gifts, etc.

_____Other

_____None

+ 28. Approximately how much do you spend on advertising and promotion per year?

_____Amount

+ 29. How much of the advertising money is spent out-of-state?

_____Amount

O 30. What do you feel is the most successful method of attracting customers?

_____word of mouth _____gifts

_____advertising _____other

_____satisfied customer

+31. Do you keep any type of records on past customers? _____yes _____no

(Probe) Type of records_____

_____

+32. What are the primary species you fish for each month or group of months?

Boat(s) _____ J F M A M J J A S O N D

Boat(s) _____ J F M A M J J A S O N D

Boat(s) _____ J F M A M J J A S O N D

+ 33. Approximately what are your yearly expenditures for:

Dockage fees	_____
Office rent	_____
Taxes (land)	_____
Loan repayment (boat)	_____
Loan repayment (land)	_____
Repairs not performed by your employees	_____
Depreciation	_____
Other	_____

+ 34. How much was spent for the following items and what percent was spent locally (within county):

	Amount	% spent locally
fuel and oil	_____	_____
wages (non-salaried)	_____	_____
bait	_____	_____
tackle	_____	_____
ice	_____	_____
other	_____	_____

+ 35. How many customers would you consider make up an average trip?

Boat	Average Customers/Trip
1	_____
2	_____
3	_____
4	_____
5	_____
6	_____
7	_____

+ 36. How much do you have invested in tackle? _____

+ 37. What percent of your customers rent tackle? _____

+ 38. What is the market value of your land, docks, and offices (if owned)?

_____

O 39. What comments do you have on the charter/party fishing business in general? Include historical experiences and future expectations.