

# Resilience Tools for Alaska Fisheries Businesses: Focus on Environmental Change

## Focus Group Summary Report

Overview, Summary of Focus Groups, Best Practices/Recommendations

### Introduction

This report summarizes results and highlights key points from focus groups designed to gather information to evaluate a business self-assessment product, and insight into preferred product delivery methods. This project examines a resilience index which is a business self-assessment developed by the Mississippi-Alabama Sea Grant Consortium and tailored for Alaska-based fisheries businesses.

Kachemak Bay National Estuarine Research Reserve (KBNERR) partnered with fishery industry leaders, resource managers, business owners and resilience experts to evaluate the product ([Alaska Fisheries Resilience Index](#)) and identify target audiences that will be the end-users of the product. Fisheries business members who live in the Kachemak Bay area were identified and recruited for group interviews through key informants for different fisheries sectors, including commercial, mariculture, charter businesses. Members of a focus group had some characteristic that they shared, including occupation, past participation in different fisheries, or a combination of these. Even though participants in a focus group are homogeneous in terms of one or two desired characteristics, the groups also included enough diversity in other characteristics to provide an accurate portrayal of the group's collective opinion. The goal was to build in enough variation for contrasting ideas but not so much that participants are inhibited and defer to those they perceive to be more experienced or knowledgeable on an issue.

A focus group human subject research interview method was used to obtain information of a qualitative nature including stories, quotes, and first-hand experience with fisheries resilience. Participants "piggy-backed" on the comments of others and added a richness to the dialogue that could not be achieved through a one-on-one interview. To maintain privacy and confidentiality, we asked everyone in the group to not identify anyone in the group or repeat what was said during the group discussion. Script and questions were developed based on the categories of resilience in the index to identify which primary indicators and metrics should be considered for inclusion in the self-assessment, as well as resources to include in the document. See [Focus Group Interview Instrument](#) for more detail.

Each focus group was recorded with audio equipment and saved for further evaluation after the event. Accompanying each audio recording were notes taken during the focus group. The written notes included communication by the participants and any overarching themes dominating each topic. After each focus group the note taker and the moderator met to discuss their thoughts of the event and edit or add to the notes. For each section of the Fisheries Resilience Index the responses were considered separately, then looked at as a whole to determine overarching themes. For each section best practices and recommendations were noted based on participant comments, and interviewers specifically took note of how the Index can be improved to better meet the needs of their businesses. Participant quotes with specific examples of how strategic business planning has helped them or how their business has had to adapt to environmental change were identified to be included in companion materials for later workshops and trainings with the Index.

Results from these methods were used to guide further action in tailoring the business self-assessment before deployment in trainings, publications and other delivery methods. Focus group findings ensure that the final self-assessment meets local business needs and allows room for consideration of both the biophysical and socioeconomic characteristics of the end users.

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Involving end users in the product development offered insight into perceptions of resilience in Alaska Fisheries. These businesses have already shown an ability to adapt and be resilient to change due to the ever-changing nature of fisheries resources. Few fishermen have static, written plans, but rather are naturally adaptive and informally reevaluate their businesses every season. The fishermen thought they could use the knowledge gained through the self-assessment for business succession planning, resources for advocating for regulation change, and new methods for innovative processor relationships. A self-assessment like this would be most useful for a new fisherman who is looking for resources to make their business more resilient in the following 6 categories contained in the Index:

#### 1. Business and Operations Plans

Most small Alaskan fishing businesses do not have a formal, written **business plan**. However, they do reevaluate their business at least every season and make projections based off previous seasons' profits and losses. Many fishermen and fisheries related businesses will come up with yearly contingency plans based on best- and worst-case scenarios depending on factors like price per pound, pounds delivered, and outgoing expenses. These factors will guide how they spend money to improve their business or if they need to make changes to remain profitable.

When a fisherman does make a formal **business plan** it is usually in order to get a business loan, persuade prospective investors, or to forecast their ability to make large purchases to improve their business.

Most fishermen agreed that they could use better **access to necessary products and services**, but also acknowledged that the remote nature of fishing in Alaska means infrastructure will not always be convenient. Individual fishermen must prepare with extra parts and skill development as much as possible to be ready for contingencies. Some highlighted gaps in necessary services highlighted were; an outboard repair shop in Homer, more gillnet builders in Homer, and more marine welders in Bristol Bay and Kodiak.

Having **current equipment to maximize their profitability** was important to all fishing businesses, however, the businesses had to weigh the advantages before investing in new equipment. First, they review their financial status and projections to see if they can afford to invest in new equipment, then they need to estimate how much the new equipment would increase their profits or decrease their expenses compared to the upfront cost. If a fisherman was just entering the industry or getting ready to leave the industry, often they would not have the most current equipment.

Most fishermen do not have a formal **exit plan**, instead trusting that someone from the next generation of fishermen will buy them out when they are ready. Some fishermen will invest time and money in mentoring their crew into eventually taking over their operation and buying them out. Some larger fishing businesses will hire captains or lease their boat while maintaining ownership of the business and securing future income.

#### 2. Disaster Preparedness Plans

Most fishermen do have a **disaster response plan**, but lack some of the components highlighted in the index. Also, they do not consider the measures they have in place as a "disaster response plan" but rather necessary emergency supplies/training that any vessel on the water should have. They are likely to be prepared for immediate needs with emergency communications, evacuation plan, and emergency

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supplies. Less likely to have plans like a communications plan, employee emergency contact information, and a designated on-shore contact.

All fishing businesses we spoke to **review** their emergency plans with every new crew that comes on board and at intermediate times throughout the season. However, many don't physically **practice** the plans, e.g. deploying their raft, using the EPB, and donning survival suits.

Most businesses do not have **agreements with local providers** to provide services or alternate operations after a disaster. Instead, business owners have a mental list of who they need to contact in the event of a disaster.

Most established fishing businesses have **3 months' emergency operating funds**. However, if it is right before the start of the fishing season many fishermen who have recently started or grown their business may not have enough savings for three months emergency operations.

All fishing businesses generally have **business insurance**, as vessel insurance and crew insurance are a requirement for operating. The coverages can be different though. Volcano eruption and tsunami were some of the natural disasters that fishermen were concerned about coverage for. Those fishing businesses that depend on tourism and travel into Alaska were concerned that there is no way to insure for a decrease in customers after a natural disaster.

### 3. Marketing

Most fishing businesses we spoke to do not direct market their own product and therefore do not have a formal **Marketing Plan**. However, many fishermen who did not direct market still said that is important to push their processor to be better in the same ways mentioned in the index. Those that don't direct market also have an informal contingency plan where they have all the relevant processor managers' numbers, in case they can't deliver to theirs.

All fishing business we interviewed agreed that **educating the public** about wild Alaskan seafood is a top priority. This is every fishermen's responsibility in order to maintain a good market in the face of cheap farmed seafood. All advocate wild Alaskan seafood to their family and friends, some have gone further advocated to the general public.

Making sure to **advertise in a variety of ways and provide a variety of products** is generally only applicable to those who direct market, as large processors are generally very diverse in their marketing and products. Those we spoke to who do direct market did say that value added products, such as smoked salmon, often are the biggest sellers. The direct marketers tend to rely heavily on word of mouth and social media for advertising. However, those that sell to a processor still recommend having a good social media presence as it can help you advocate for better treatment from your processor. If your business is known to the public a processor will have an incentive to keep your business.

Also, those fishing businesses that rely on tourism are always exploring **different ways to advertise and offer more products**. Charter fishermen in Homer have started offering combination trips instead of just the traditional halibut only trips. Some are also expanding into the ecotourism business and working to offer a more comprehensive tourist experience.

Most fishermen do not **collaborate with other businesses** to market their product, but some sell to co-op or fishermen owned processors that they are part owners of.

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**Maintaining and improving the quality of their product** was important to all fishing businesses interviewed. Especially in Bristol Bay where processors are moving from canned fish to whole, frozen fillets. Maintaining high quality is important to those who do not direct market as well, processors are beginning to require high quality fish, even if the processor doesn't a fisherman can leverage their quality for a better price or to shop for other markets. By maintaining your product's quality, you can push the entire Alaskan seafood market to be better quality and therefore compete better in the worldwide seafood market.

### 4. Workforce

Overall small fishing businesses do not usually have trouble getting **enough crew for normal operations**. Most use word of mouth and community connections to **recruit new employees**. Some use social media fishing groups to recruit if they can't find enough people through word of mouth.

Most fishing businesses have their crew sign a **contract** every year and provide **crew incentives** for competent crew to stay with the operation. Incentives can include a raise in pay percentage, option to work on the vessel for other fisheries, and opportunities to take on more responsibilities. Some captains will eventually let a good crewmember run their boat or help their crew invest in their own operation.

Some fishermen also help their crew by recommending or paying for **skill building workshops**, for skills such as net mending, refrigerated seawater system maintenance, and hydraulic system maintenance. Most fishing businesses interviewed had their crew do **regular safety training**, one program specifically mentioned was the Alaska Marine Safety Education Association's Drill Conductor Training, as well as AMSEA's other marine safety programs.

No fishing business had specific **plans to work with non-employees after a disaster**, instead relying on unofficial family and community connections to help reestablish their business.

### 5. Disaster Response Resources

While all fishing businesses we interviewed were generally very safety conscious and prepared for emergencies on the water, very few were prepared to specifically respond to disasters. The only **disaster drills** and **post-disaster clean up** mentioned was the SERVS Vessel of Opportunity Oil Spill Response Training. Although some mariculture businesses highlighted that the oil spill response happened too slowly, and the response program was not prepared for spills of lightweight fuel. They recommended having your own booms to deploy around your operation instead of relying on the response program.

Most rely on their communities to provide **up to date emergency information**, through tsunami warnings and Coast Guard VHF broadcasts. Most businesses also relied on their communities for **post disaster recovery**, expecting the community to come together all businesses to participate in recovery and clean up.

All fishermen interviewed were aware of federal **fishery disaster assistance**, but few were aware of the actual mechanisms to apply for it through NOAA's Fishery Disaster Assistance Program.

### 6. Resource Access and Knowledge

Some fishermen employ **sustainable operating practices** as much as they can, most will continue to do so as long as it remains cost effective. Because of the remoteness of most fisheries businesses, much sustainable technology is not as convenient as it would be if they were land based. All fishing businesses

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interviewed were aware of some sustainable practices and aware of the environmental need for such practices.

Almost all fishermen we interviewed were active in **fishery policy advocacy** and members of their local **advocacy associations**. Many iterated that advocating for your fishery is how you maintain and grow your business opportunities. Agreeing that small businesses need to work together to advocate for regulation change. Although, we did use advocacy associations to recruit focus group participants so our participants may have been more likely to be active in fisheries advocacy than the average fisherman.

All fishermen interviewed were informed of recent **fisheries science**, mostly focusing on Alaska Department of Fish and Game season projections and the International Pacific Halibut Commission's stock assessments. Everyone also expressed a desire to know more about fisheries and marine science in their area. Fishing businesses would like to have community learning sessions on current fisheries and climate science, and explanations of how the science that informs fisheries management works.

### Best Practices/Recommendations

Listed below are best practices, lessons learned, and recommendations provided by businesses during the focus group process to reduce risk in fisheries business planning.

#### 1. Business and Operations Plans

- Budget based on what you have rather than what you can project
- Conservative investments are important, make sure you can withstand your loan for a few bad years and don't grow too big too fast
- Keep good financial records
- Diversify into other professions/skills as well as other fisheries, get certifications/degrees to diversify your personal economy
- plan for different scenarios: Have 6 different scenario plans: price (low medium high years) and pounds caught (low medium high years)
- Keep informed on new technology and save for upgrades

#### 2. Disaster Preparedness Plans

- Gear maintenance is key- consistently service/maintain or allocate a percentage of your income every year
- Call Insurance company and know exactly what you are covered for (example: recent earthquake/tsunami warning)
- Understand what your vessel/operation is capable of
- Be aware of personal physical and mental health
- Get basic cold-water emergency training for you and your crew

#### 3. Marketing

- Educate your customers about product quality and conservation of resources

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- Invest in value added products (Example: a participant noticed smoked salmon has a higher demand than frozen fillets)
- Invest in the quality of your product (bleed, use Refrigerated Sea Water etc.)
- Maintain a list of processors and tenders with fleet manager's numbers, and make an effort to meet them face to face
- Work with other fishermen/co-ops to help with the challenges (example: community microprocessors in Bristol Bay, Silver Bay fishermen owned cannery)
- Know of all possible markets in your area,
- Maintain your own product quality and push your processor's quality to get better prices eventually-advocate for new products

### 4. Workforce

- Important to educate your workforce and compensate them with appropriate benefits. If you have a consistent, well trained crew you reduce your risk in hazardous situations.
- have a one person designated as the crew instructor to help with continuous, consistent education
- Maintain physical/mental health of your crew on off days to prevent burnout
- Know the workforce laws and requirements that apply to your business

### 5. Disaster Response Resources

- Be in contact with village public safety officers if applicable
- Be aware of or develop existing chains of communication
- Be aware that disasters can affect your business indirectly: not being able to get crew or clients because of reduced Alaskan travel or trouble selling your product due to marketing and processing needs

### 6. Resource Access and Knowledge

- Have a relationship with your local area management biologist. The state management biologists are fairly accessible, but it varies by region.
- Know what the current science is and what the local biologists are thinking is important, it can give you a heads up on how to prepare for the season (timing of runs etc.)
- Understand how the regulations work and advocate for change when needed