

GOOD CROP,

LOTS OF OBSTACLES FOR GULF COAST SHRIMPERS



Peter Nguyen, left, discusses the 2006 Gulf shrimp harvest with shrimp fisherman Trung Nguyen on Biloxi's Back Bay. Peter Nguyen recently began a second career with the MSU Extension Service, following 15 years as a commercial fisherman.

By Bob Ratliff

Milh Lu sat on the deck of his boat in Biloxi's Back Bay amid a pile of mostly spoiled shrimp. Both Lu and his catch were victims of one of the many problems facing Gulf Coast shrimp fishermen this year.

"Not enough ice," Lu said. "I did not have enough ice to keep part of the catch fresh enough to sell."

Lu operates an "ice boat," a ship that can spend several days harvesting shrimp while keeping its catch fresh in ice-filled compartments below the deck. The shrimp are sold to processing plants.

The few shrimp Lu manages to salvage will go to feed his family. The rest—several hundred pounds—are a complete loss.

A shortage of ice is just one of the problems Lu and other Gulf Coast shrimp fishermen, who are predominantly Vietnamese, are facing.

"Katrina destroyed a lot of the infrastructure that supports the shrimp industry, including ice plants and processing plants," said Dave Burrage, Extension professor of marine resources with the Mississippi Coastal Research and Extension Center in Biloxi. "The docks and other facilities used by the shrimp boats in Biloxi and other ports along the Mississippi Gulf also were heavily damaged by the hurricane."

Some shrimp boats were damaged or destroyed by the storm, and others have left the Mississippi coast for ports not severely damaged by Katrina.

"There were about 300 Mississippi-based boats at the opening of the shrimp season this year, down from more than 600 in 2005," Burrage said. "Some are still under repair or won't be repaired, and others have relocated to other areas like Bayou La Batre in Alabama."

Not all the problems faced by the Gulf Coast shrimp industry are directly related to last year's devastating hurricane season. The price of the diesel fuel needed to power shrimp boats has climbed in tandem with other energy prices. The boats can use up to 30 gallons of diesel an hour when dragging the heavy nets used in harvesting shrimp. This summer, that equals a cost of almost \$100 an hour just for fuel.

Strong competition from imported shrimp and the resulting depressed prices are also causing lean times for Gulf Coast fishermen.

"Only about 8 percent of the shrimp sold in the U.S. comes from the Gulf Coast," Burrage said. "The rest is imported, mostly from China, Thailand, India and other areas of Asia."

A problem not faced by the fishermen this season is availability of shrimp. Conditions have been favorable this year in the bayous and inland waterways along the coast, where young shrimp mature. There's also a good supply of adult shrimp in the Gulf because of the disruption of last year's harvest.

"The shrimp out there are big and plentiful, but fishermen are facing an uphill battle to harvest them because of high operat-

ing costs and the lost infrastructure," Burrage said. "Debris washed into the Gulf by Katrina is also still causing problems."

The slim profit margins resulting from low prices and high operating costs have forced many long-time fishermen out of the shrimp business. One of those who found he could no longer make a profit in the shrimp business following Katrina is Peter Nguyen.

"Katrina put a lot of folks out of business," he said. "Most of the boats had damage, and many had big mortgages on them that can't be paid because of the cost of repairs, low prices for shrimp and the high cost of operating a boat."

A 15-year veteran shrimper who speaks both English and Vietnamese, Nguyen recently began a second career as a fisheries technologist at the Coastal Research and Extension Center. He works with Burrage and other MSU Extension and research personnel to provide shrimp fishermen with information on new types of equipment and regulations affecting the shrimp industry. Nguyen's knowledge of the Gulf Coast's Vietnamese community and language also helps get fishermen's input relayed back to agencies, organizations and researchers.

Educating shrimpers about new types of equipment is another part of the work done by Burrage and Nguyen. Among the new products on the market are replacements for the traditional wooden "doors" used to spread shrimp nets as they are pulled behind boats. The doors used by shrimp fishermen are large wooden panels made from 2-inch-thick lumber attached to each side of the front of the nets. New models constructed from cambered steel create less drag and can result in significant fuel savings.

"The new models can cut fuel consumption from about 30 gallons an hour during harvesting to about 19," Burrage said.

New types of nets constructed with high-tech webbing that does not have knots also reduce drag and improve fuel efficiency.

"Sticker shock," however, is a problem when it comes to getting fishermen to switch to the new equipment.

"It takes only about six months for nets with the new designs to pay for themselves, but it's hard to convince fishermen to buy them when the old types cost less," Burrage said.

The new, more efficient equipment is an example of a trend toward efficiency in the shrimp industry already under way before last year's hurricane. That trend, Burrage said, could let just one-third the number of boats harvest the same amount of shrimp as the entire fleet operating in the Gulf before Katrina.

"We've known for years that there were too many shrimp boats working the entire Gulf, from Florida to Texas," Burrage said. "Federal and state agencies that regulate commercial fishing have been considering buy-out programs and other incentives to help reduce the number of boats whose operators were just barely making a living. While Katrina certainly caused and is continuing to cause hardships for Mississippi's shrimp fishermen, the long-term effects could include a better living for those who remain in the business."

Two types of shrimp boats, Burrage added, will likely dominate the Gulf shrimp fleet in years to come—large, freezer-equipped vessels that can spend weeks far out in the Gulf and small ships that make overnight runs close to shore.

"The large boats will survive because their operating costs per pound of shrimp harvested are much lower than smaller vessels," he said. "The small boats have an advantage because they can bring in their catch live and sell it to the public at the docks for a premium price."

The vessels Burrage expects to see squeezed out of the business are the ice boats, such as the one operated by Millh Lu.

SHRIMP BY THE NUMBERS:

Boats on opening day of shrimp season in Mississippi waters

2005: 633
2006: 306

Pounds of shrimp landed in Biloxi during first two weeks of the season

2005: 741,000
2006: 1,049,000

Price per gallon of diesel fuel

June 2005: \$1.75
June 2006: \$2.50

Dockside price per pound of shrimp paid by processors for 41 to 50 shrimp per pound count (most production is in this size class)

2005: \$1.45
2006: \$0.95



Photos by Bob Ratliff

"The ice boats can spend several days in the Gulf, but they are competing with the larger, more efficient refrigerator ships for sales to processors," he said. "Their operating costs are just too high to be competitive."

For many of the shrimp fishermen forced out of the business, the transition to new jobs may be difficult, but they can find support.

"Federal and state assistance with job training is available, and there are other government and private programs to help coastal residents displaced by the hurricane," Burrage said. "Workshops specifically for commercial fishermen are scheduled for this fall, after the shrimp season, and Peter and I will be helping with those."