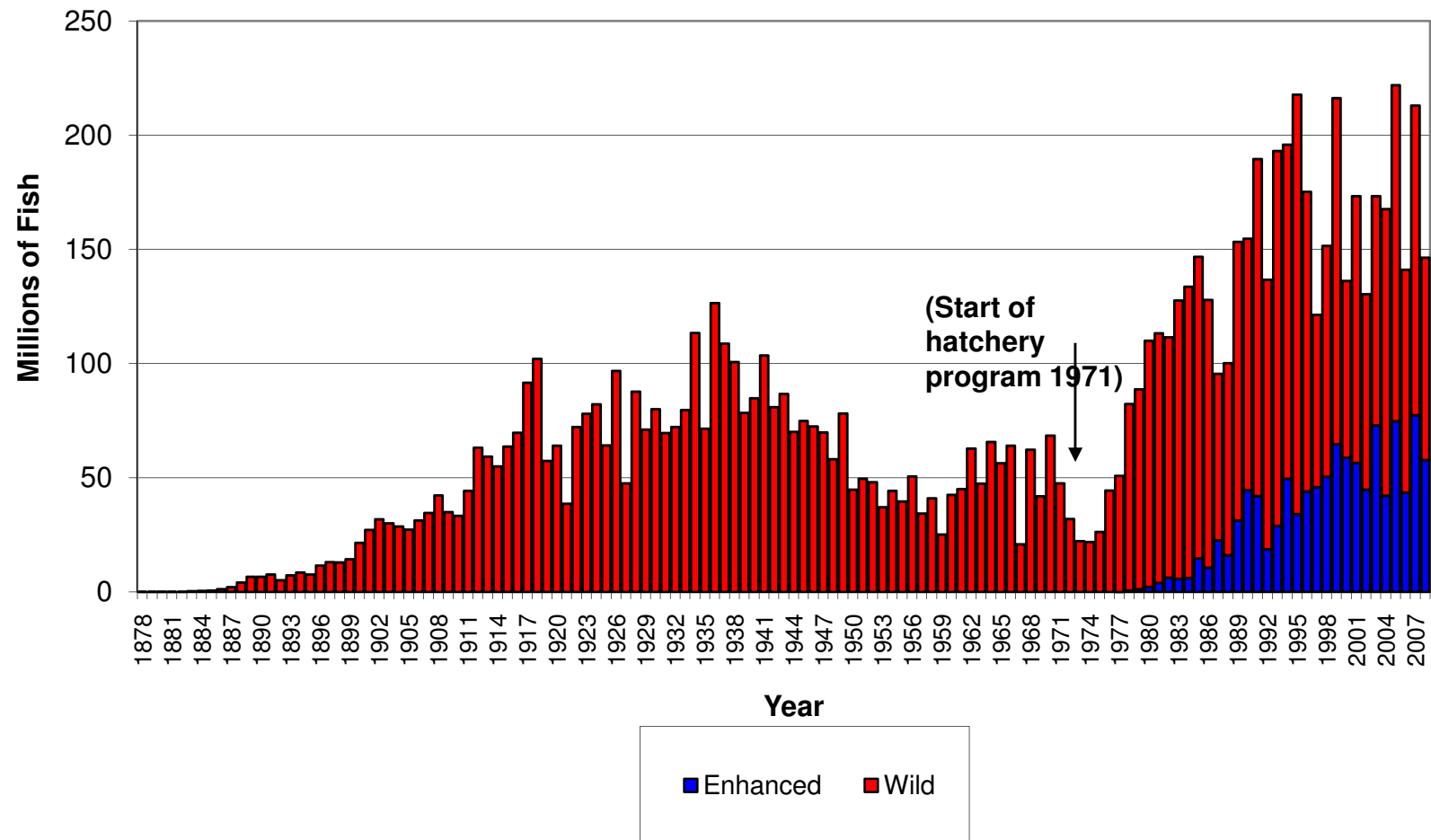


Economic Impact of the Southern Southeast Regional Aquaculture Association

Prepared for:
SSRAA

Prepared by:
McDowell Group, Inc.
September 2008

Commercial Salmon Harvest

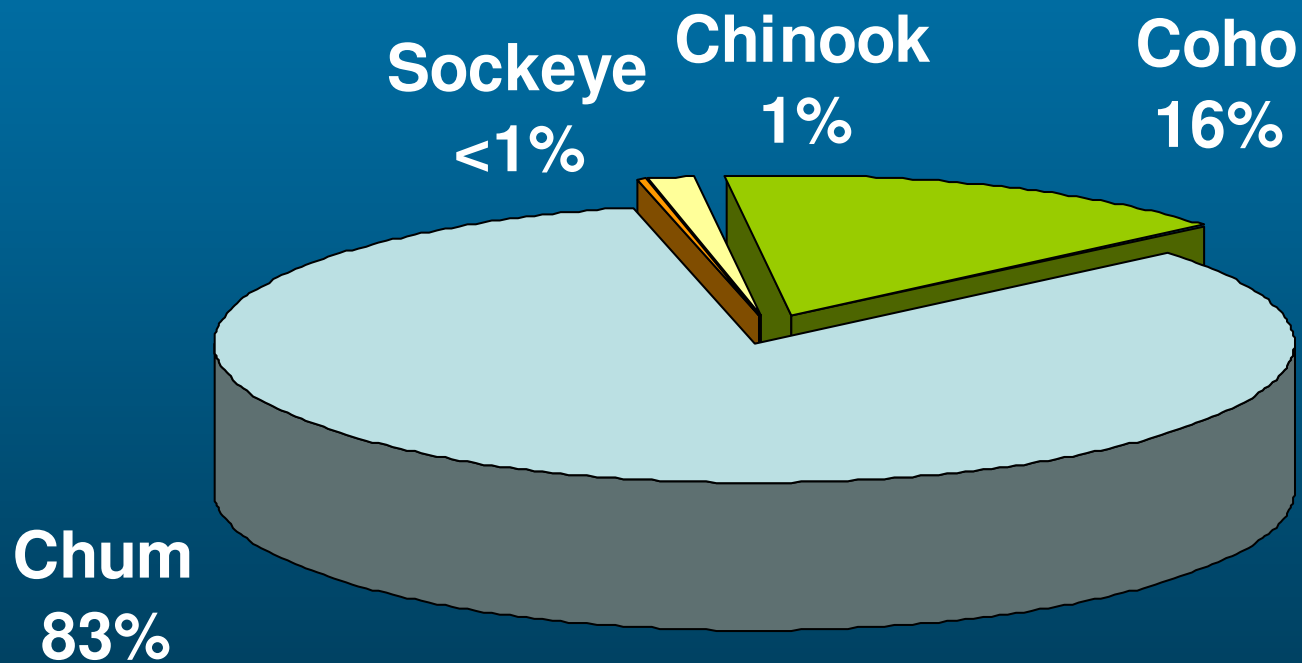


Introduction to SSRAA

- Headquartered in Ketchikan
- Operates 4 hatcheries: Whitman Lake, Neets Bay, Burnett Inlet and Crystal Lake
 - 7 remote release sites
- Funded through Salmon Enhancement Tax revenues and cost recovery harvests
- Chum salmon is largest production effort and return (in terms of volume and value)
 - Chum roe particularly valuable

Average SSRAA Salmon Production by Species, 2001-2007

(Based on Number of Fish)



Southern Southeast Alaska Salmon Market

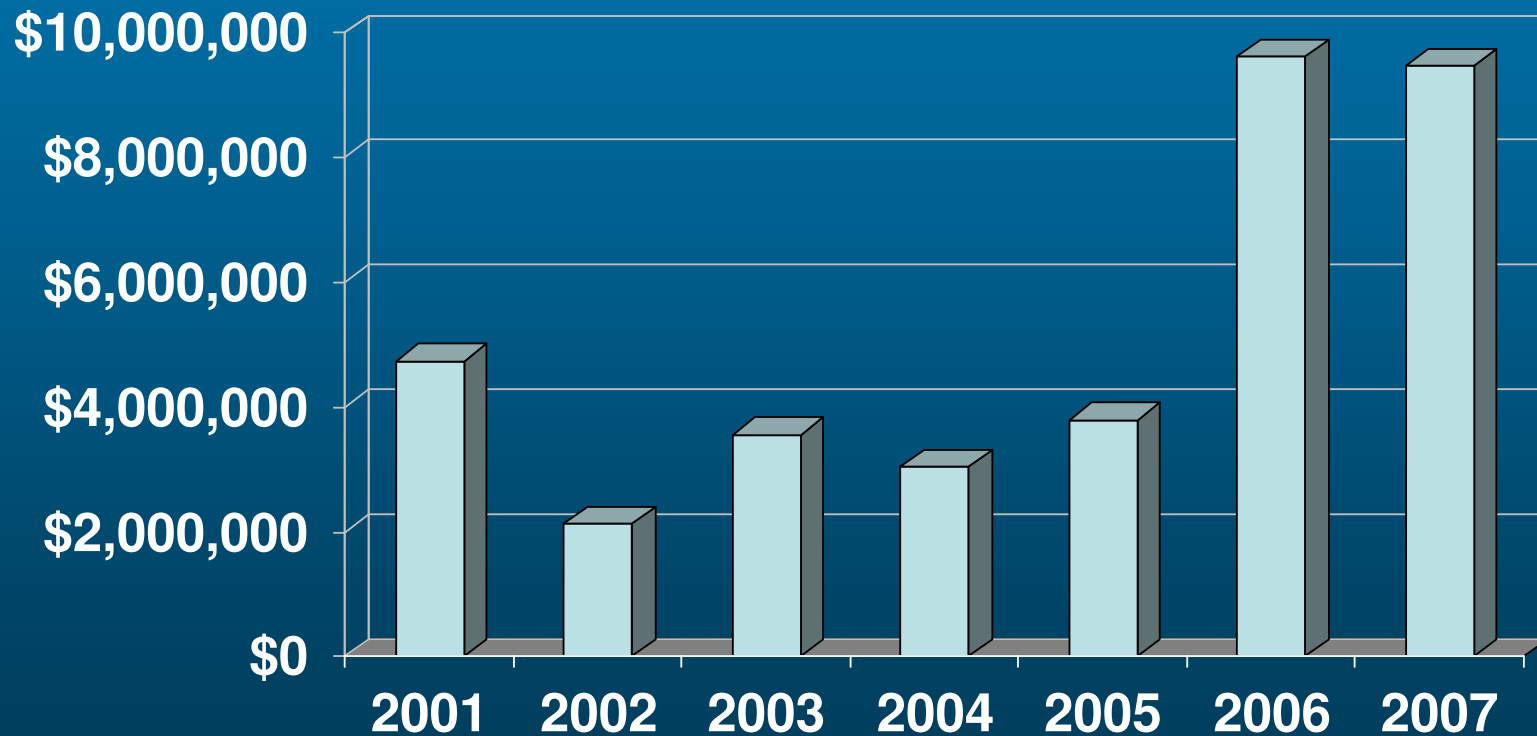
SSRAA production provides opportunities to participate in the region's strongest salmon market growth segment:
chum salmon

	SE Average Ex-Vessel (\$/lb.)	Frozen H&G Wholesale (\$/lb.)	Chum Roe Wholesale (\$/lb.)
2003	\$0.22	\$0.45	\$6.57
2007	\$0.39	\$0.92	\$7.87
2008 (prelim. figures)	\$0.60	\$1.04	\$11.72

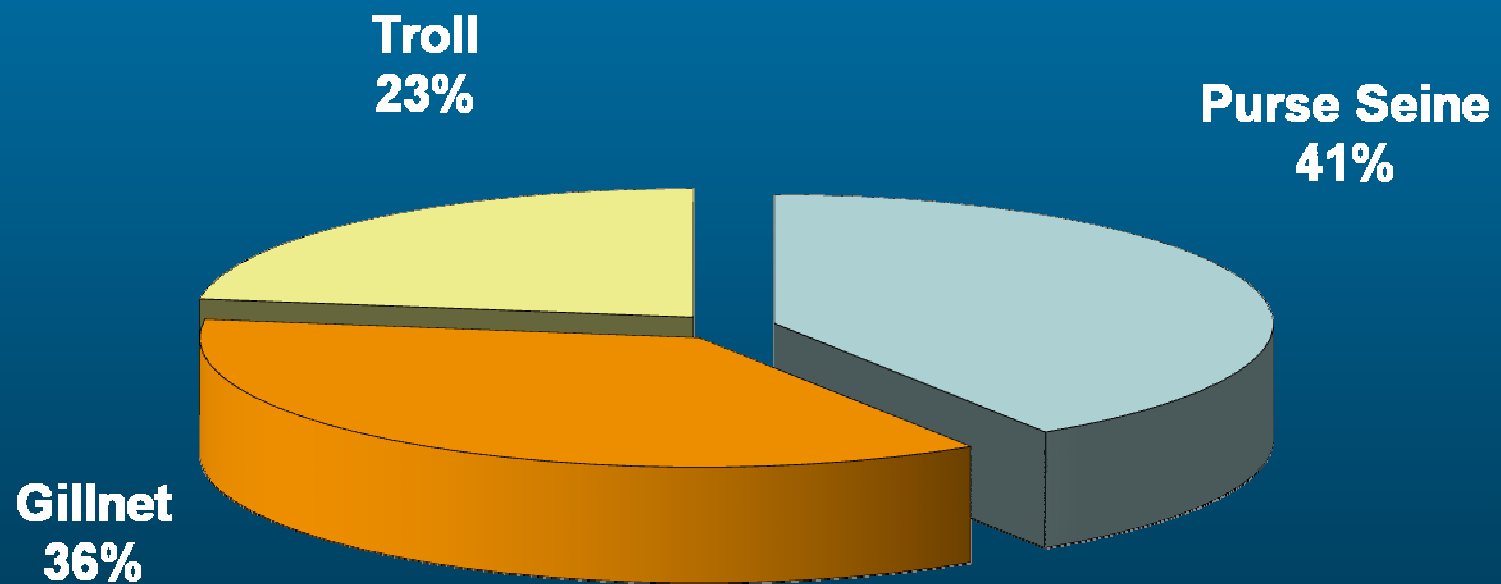
Commercial Harvest

Total Ex-Vessel Value of SSRAA Salmon Harvest, 2001-2007

2007: \$9.5 million



Average % of Commercial Ex-Vessel Value of SSRAA Salmon by Gear Type, 2001-2007

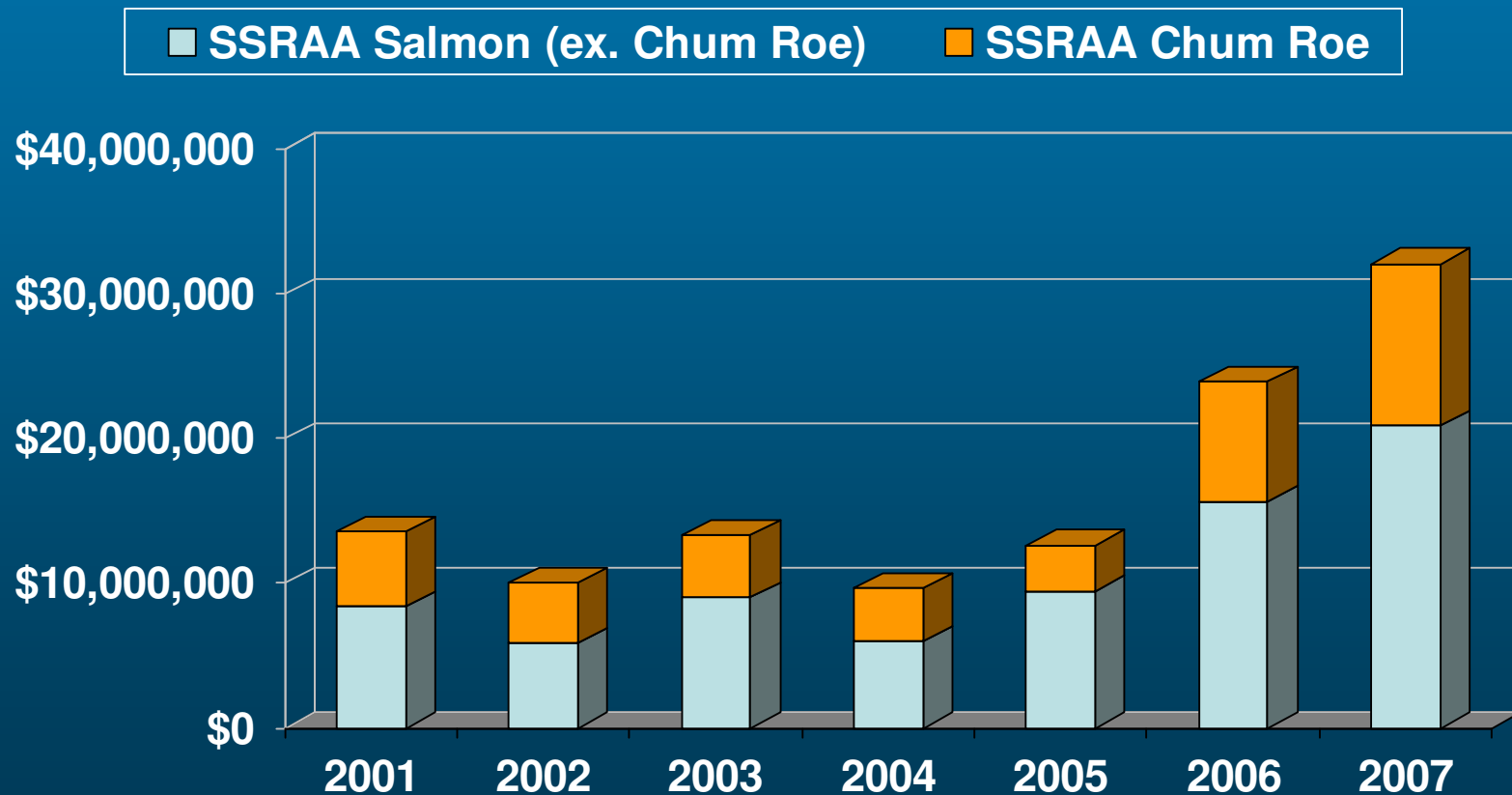


Geographic Distribution of SSRAA Ex-Vessel Value, 2007

Permit Holder Residence	Ex-Vessel Value	% of Total
Wrangell-Petersburg	\$2,646,000	28%
Ketchikan Gateway	\$1,534,000	16%
POW-Outer Ketchikan	\$1,389,000	15%
Sitka	\$205,000	2%
Juneau	\$74,000	1%
Kenai Peninsula	\$48,000	1%
Anchorage	\$44,000	<1%
Other Alaska	\$77,000	1%
Total Alaska	\$6,016,000	64%
Outside Alaska	\$3,454,000	36%

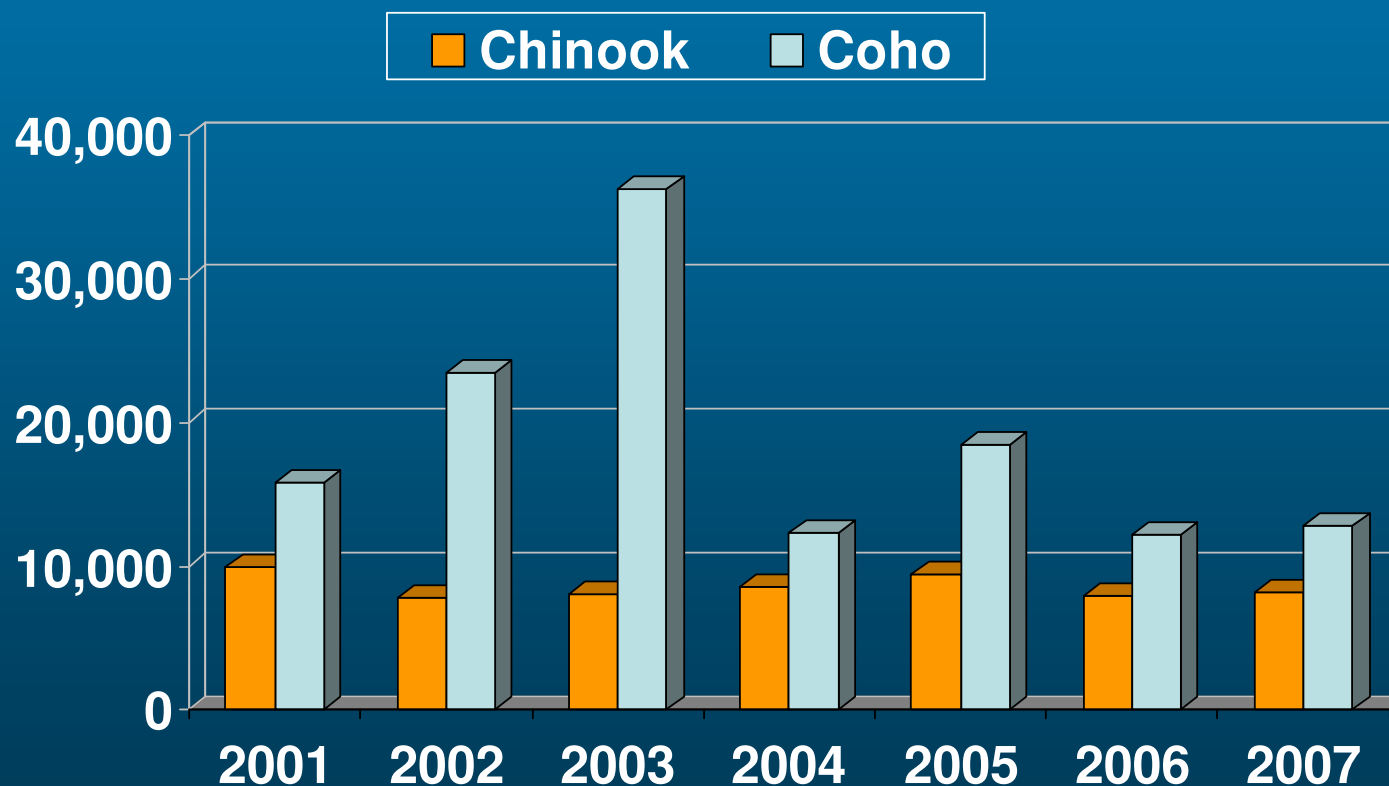
First Wholesale Value of SSRAA Salmon with Chum Roe Shown Separately, 2001-2007

2007: \$32.1 million (total)



Total Number of SSRAA Salmon Harvested in Sport Fisheries, 2001-2007

2007: chinook 8,200 coho 12,800



Economic Impacts of SSRAA

SSRAA Economic Impacts, 2007

Ex-Vessel Value of SSRAA Salmon	
Ex-vessel value of SSRAA salmon	\$9.5 million
... harvested by Alaska residents	\$6.0 million
... harvested by So. Southeast Alaska residents	\$5.5 million
... harvested by Ketchikan residents	\$1.5 million
SSRAA salmon as % of So. Southeast total harvest <i>value</i>	31%

SSRAA Economic Impacts, 2007 *(cont.)*

Wholesale Value of SSRAA Salmon	
First wholesale value of SSRAA salmon	\$32.1 million
...processed in Ketchikan	\$18.1 million
...processed in Ketchikan as % of total	56%

SSRAA Economic Impacts, 2007 *(cont.)*

SSRAA Employment, Payroll and Spending	
SSRAA annual average employment	38
SSRAA total annual payroll	\$1.7 million
SSRAA total annual spending	\$8.1 million
... in So. Southeast Alaska	\$3.8 million
... in Ketchikan	\$3.2 million

SSRAA Impact Summary, 2007 *(cont.)*

Direct and Indirect Impacts Generated by...	Annual Equiv. Jobs	Associated Payroll	Total Econ. Value
Commercial harvest of SSRAA salmon by SE Alaska fishermen	110	\$3.6 million	\$7.8 million
Seafood processing of all SSRAA salmon (excluding ex-vessel value)	215	\$4.9 million	\$30.4 million
Non-resident sport harvest of SSRAA salmon	45	\$1.0 million	\$3.2 million
SSRAA operations	50	\$1.9 million	\$5.0 million
All SSRAA activity	420	\$11.5 million	\$46.4 million
All SSRAA activity in Ketchikan	220	\$6.0 million	\$25.9 million

Revenue from Salmon Enhancement and Fisheries Business Taxes

- 2007 revenue generated from Salmon Enhancement Tax (3%): \$284,000
- 2007 revenue generated from Fisheries Business Tax (3%): \$284,000
 - 50% goes to port of landing communities
- Total tax revenue generated from SSRAA salmon in 2007: \$568,000

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