



Recreational Saltwater Fishing Industry Trends and Economic Impact January 2007

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Summary

FINDING

Recreational saltwater angling is an important contributor to the state's economy

Recreational saltwater angling is an important component of RI's tourism offering

DISCUSSION

- Total impact is an estimated \$160 million
- Recreational saltwater angling directly generates approximately \$70 million a year in direct economic activity
- An estimated \$90 million in indirect impact is also generated

- Saltwater angling is the 8th largest tourist attraction in RI
- More than ½ of anglers are from out-of-state
- A large percentage of seasonal residents, potentially as much as ½, participate in saltwater fishing

Definition of acronyms used in this report

- ❑ RIDEM SCORP: RI Department of Environmental Management State Comprehensive Outdoor Recreation Plan
- ❑ USCG: US Coast Guard
- ❑ RISAA: RI Saltwater Anglers Association
- ❑ USFW: US Fish and Wildlife Service
- ❑ NMFS: National Marine Fisheries Service
- ❑ NSGA: National Sporting Goods Association
- ❑ ASA: American Sportsfishing Association
- ❑ NP: Ninigret Partners

Sources Consulted for this Project

Reports & Publications

- ❑ “Economic Importance of Marine Angler Expenditures in RI” – NOAA, 2004
- ❑ NSGA Sports Participation Survey, 2005
- ❑ “Sportsfishing in America” - ASA, 2002
- ❑ “2001 National Survey of Fishing, Hunting, and Wildlife Associated Recreation” – USFW, 2001
- ❑ “2002 National Recreational Boating Survey State Data Report” – USCG, 2003
- ❑ “Public Access to Shoreline Recreational Fishing in Narragansett Bay” – RIDEM, 2005
- ❑ “Economics of Recreational and Commercial Striped Bass Fishing” – Stripers Forever, 2005
- ❑ “RI Travel and Tourism Report” – URI Office of Travel, Tourism and Recreation, 2005
- ❑ “2005 Recreational Boating Abstract” – National Marine Manufacturers Association, 2005
- ❑ “Outdoor Recreation Demand Citizen Survey” – RIDEM, 2003

Other Sources

- ❑ Dun and Bradstreet Industry Reports
- ❑ RI Department of Employment & Training, ES202 wage and employment data
- ❑ RI State Budget Office, Sales & Hotel Tax Collections
- ❑ Claritas Retail Sales database

Primary Research

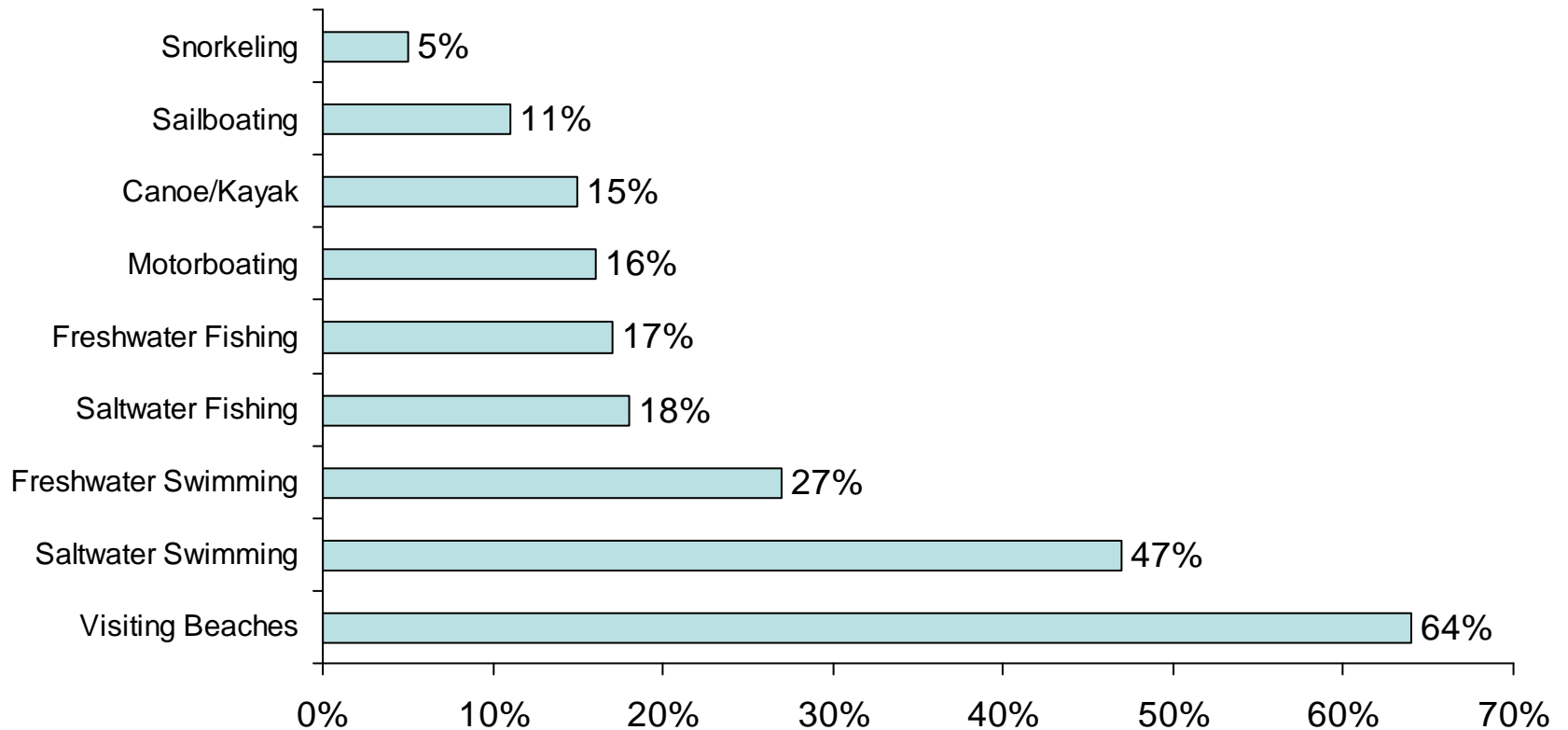
- ❑ 2 Fishing distributor interviews
- ❑ 5 Bait and Tackle shop interviews
- ❑ 2 sporting good store managers
- ❑ 2 Fishing Charter captain interviews
- ❑ 2 Marina operator interviews
- ❑ Web and Mail Survey of Charter Boat Captains (14 responses)
- ❑ Intercept Survey of Anglers (268 interviews)

Note: Due to the proprietary nature of some of the information presented, the specific participants are kept confidential at their request

RI Industry Trends

Saltwater fishing is a significant source of recreation for a large percentage of RI'ers...

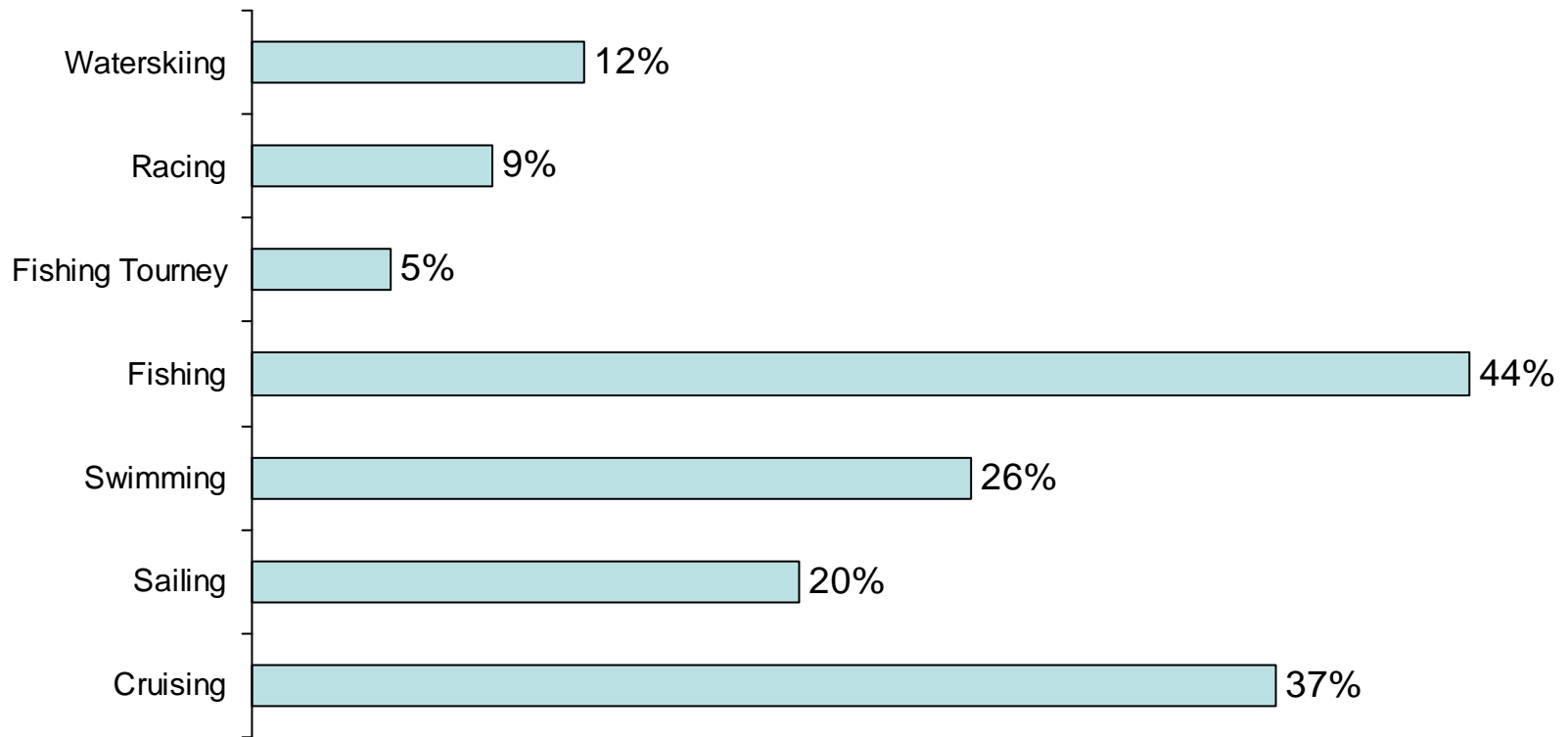
RI Water-Based Recreation Participation



Source: RI DEM SCORP/LeisureVision - 2002

**... And may even be larger since
it is the dominant activity for boaters in RI waters**

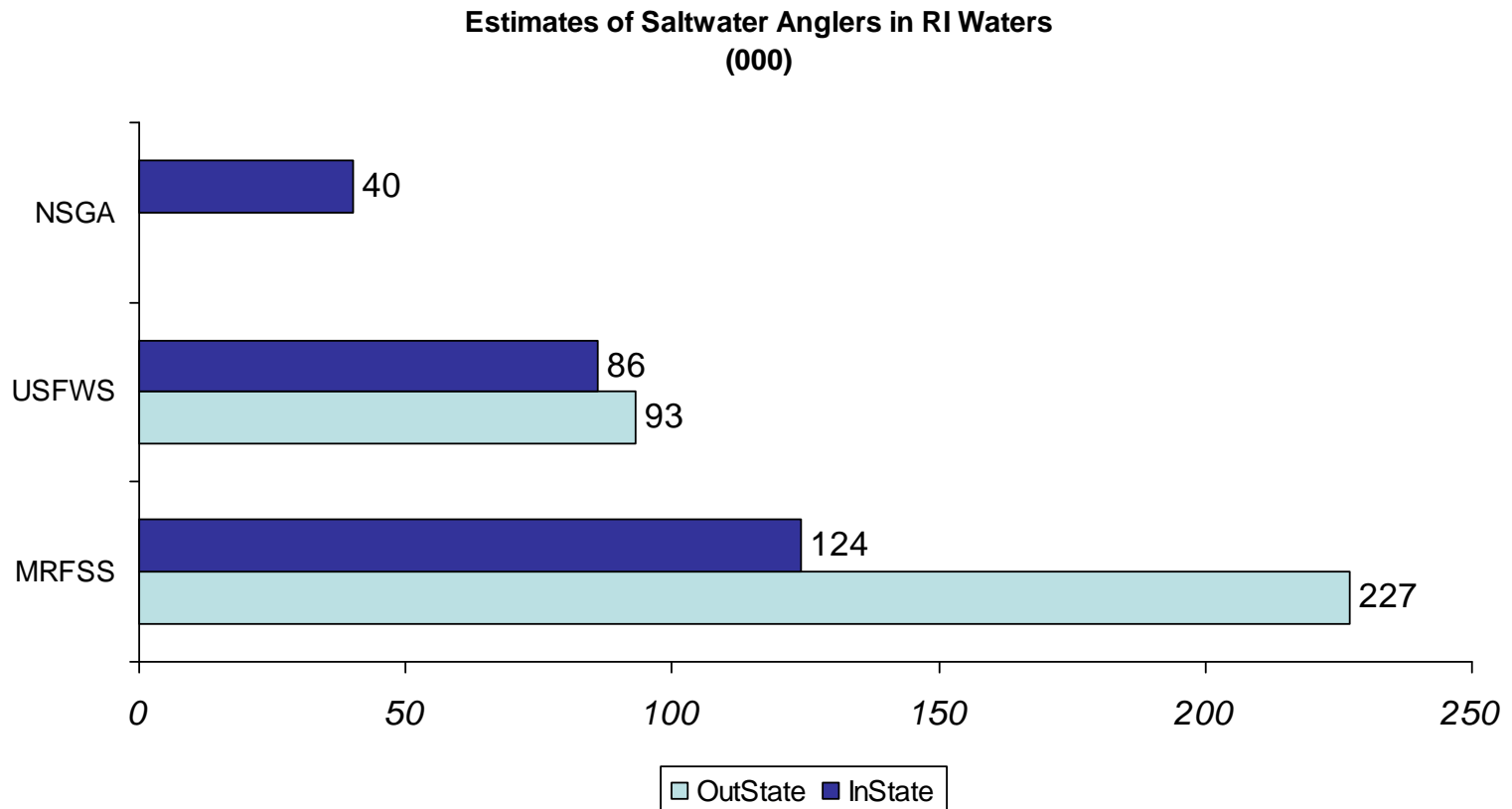
**Activities Occurring
While Boating in RI**



Source: USCG Boating Safety Survey, 2003

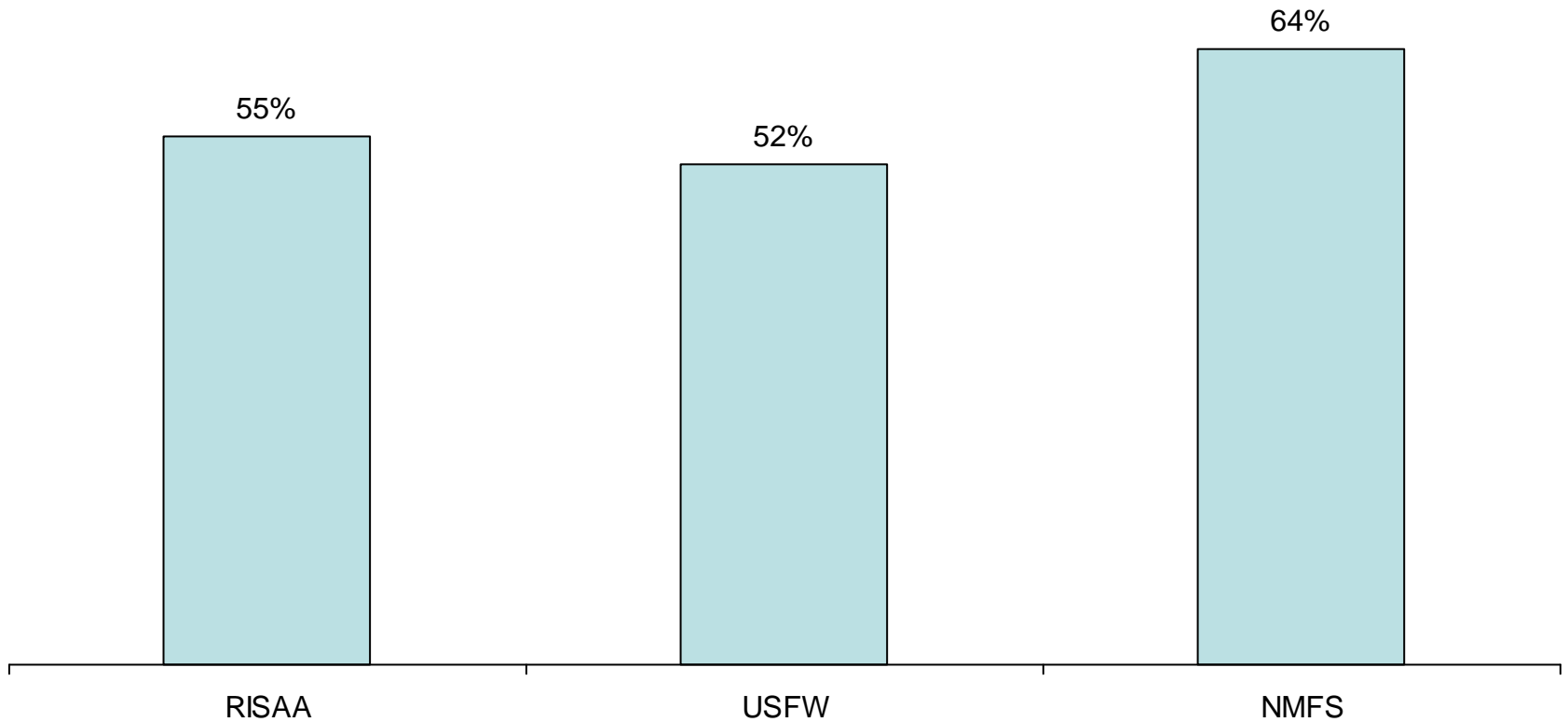
There is some disagreement regarding the number of saltwater anglers in Rhode Island

- ❑ For purposes of this study the average of these studies will be used
- ❑ 182,000 saltwater anglers



Saltwater recreational fishing generates significant out-of-state activity

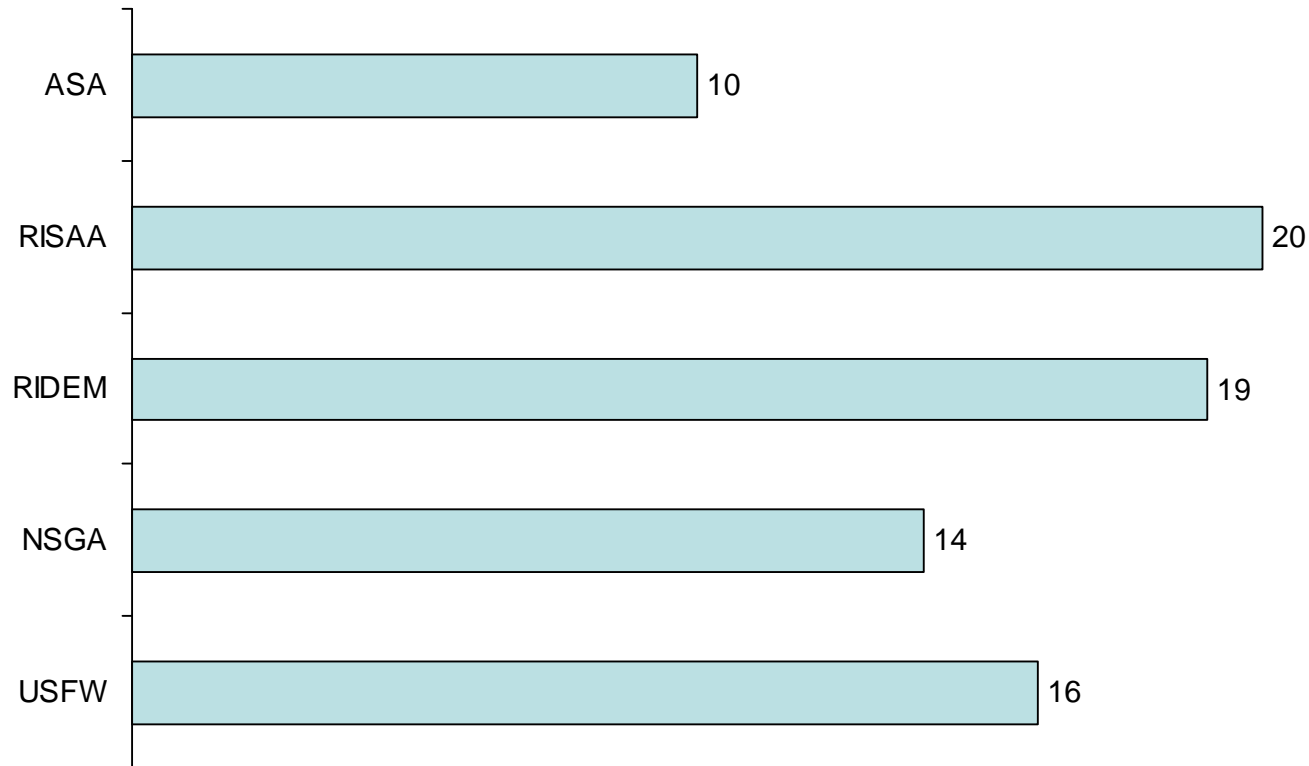
% of Saltwater Anglers from Out-of-State



On average, anglers fish in RI waters a minimum of 10 times per year with a high probability that the number of trips is closer to 16

- For purposes of this study the simple average (16) of all these studies are used herein

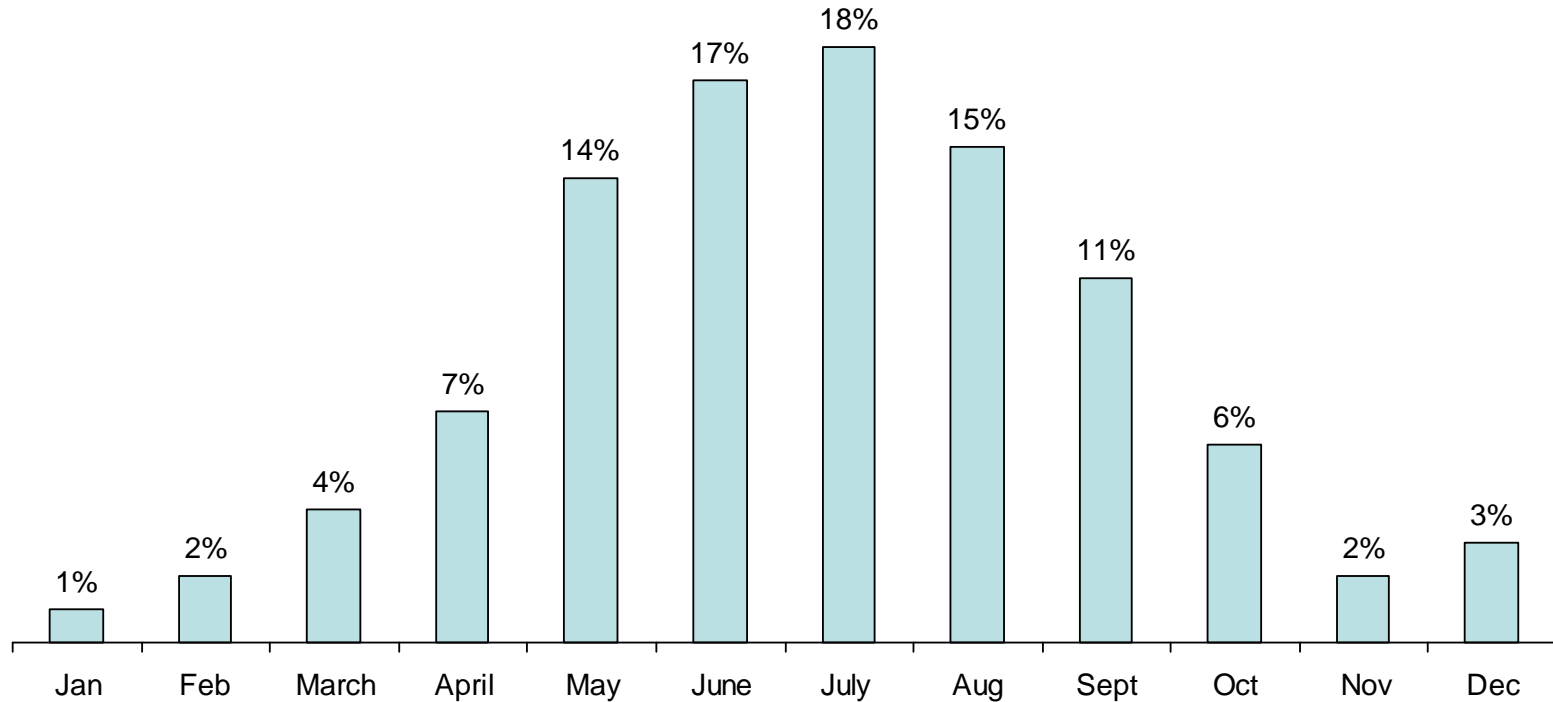
Estimated Mean Numbers of Days Fishing in RI



... with a high likelihood that most of the activity corresponds to the summer season rather than prime fishing season

- A number of RI's specialty tackle shops are closed during January and February

Retail Bait and Tackle Sales



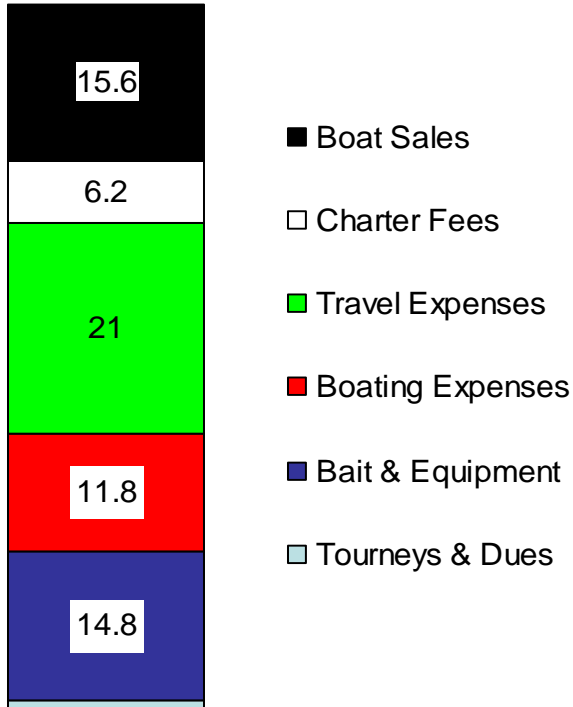
Source: Based on a sample of specialty bait and tackle shops and extrapolations from general sporting goods stores

Estimated Economic Impact

Anglers spend approximately \$70 million a year in Rhode Island

Saltwater Angler Expenditures

\$69.4 million



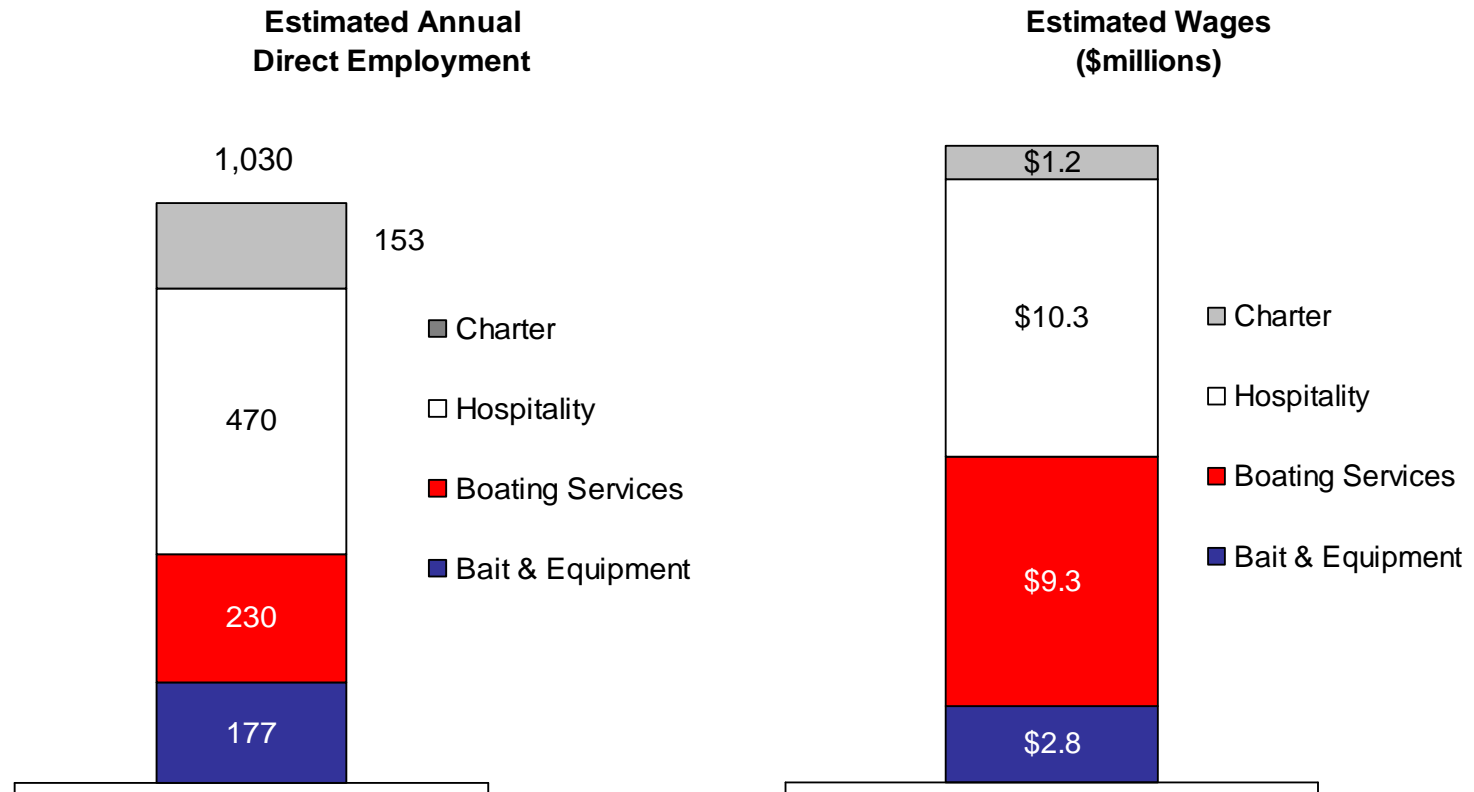
Discussion

- Estimates are sales data at “retail” for RI-based spending only
- Boat sales estimates are based on boats classified as targeted to fishing only and not other boats such as sailboats and cruisers

This estimate falls within the range of other economic studies of saltwater fishing over the last several years

| STUDY | No. of ANGLERS | RI DIRECT EXPENDITURES | INFLATION ADJ. TOTAL |
|---|--|--|---|
| <i>US Fish and Wildlife Service (2001)</i> | <ul style="list-style-type: none"> ▪ In-state: 67K ▪ Out-of-state: 82K | <ul style="list-style-type: none"> ▪ Fishing related gear: \$15.9 M ▪ Travel related: \$19.1 M ▪ Boating costs: \$22.0 M ▪ Total: \$57.0 M | <ul style="list-style-type: none"> ▪ \$62.1 M |
| <i>National Marine Fisheries Service (2004)</i> | <ul style="list-style-type: none"> ▪ In-state: 124K ▪ Out-of-state: 227K | <ul style="list-style-type: none"> ▪ Fishing related gear: \$33.8 M ▪ Travel related: \$33.3 M ▪ Boating costs: \$7.7 M ▪ Total: \$74.8 M | <ul style="list-style-type: none"> ▪ \$89.01 M |
| <i>ASA (2003)</i> | <ul style="list-style-type: none"> ▪ No estimate | <ul style="list-style-type: none"> ▪ Fishing related gear: ▪ Travel related: ▪ Total: \$85 M | <ul style="list-style-type: none"> ▪ \$89.2 M |

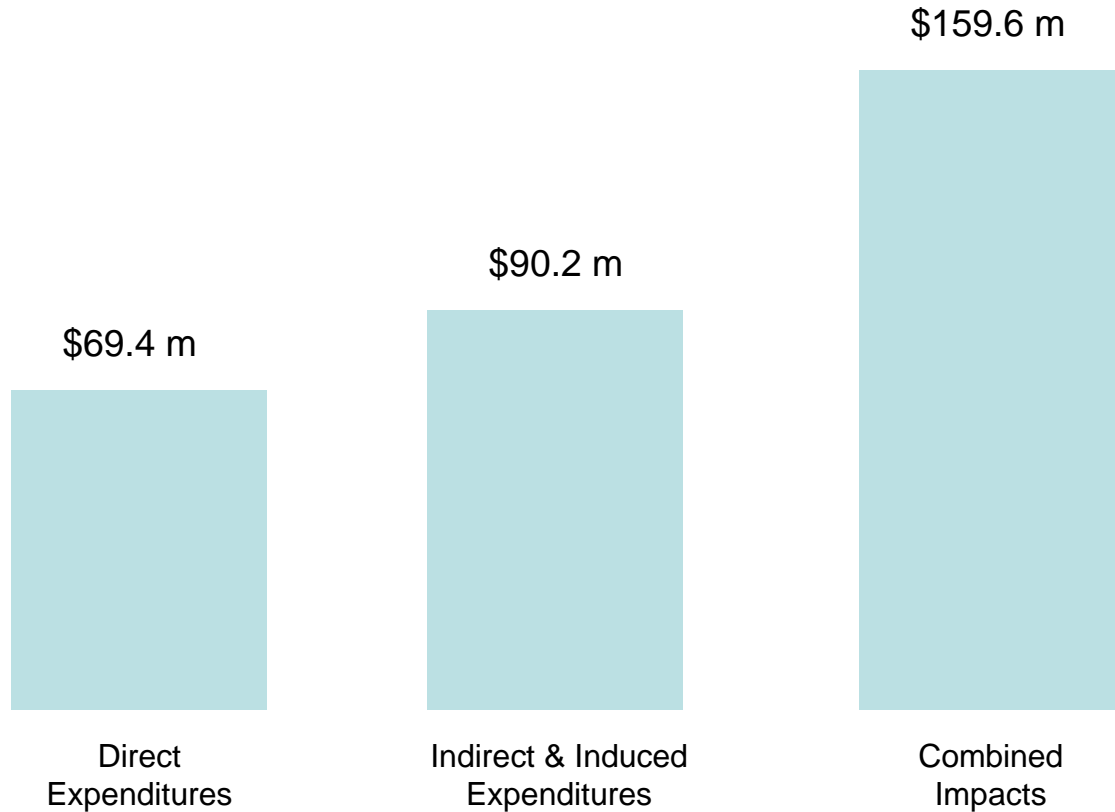
Saltwater fishing generates at least 1,000 direct jobs and approximately \$24 million in annual wages



Note 1: Wage and employment estimates are based on an allocation methodology based on estimated contribution of saltwater fishing to the overall activity

Note 2: Charter wages are difficult to estimate due to their economic structure as privately-held businesses

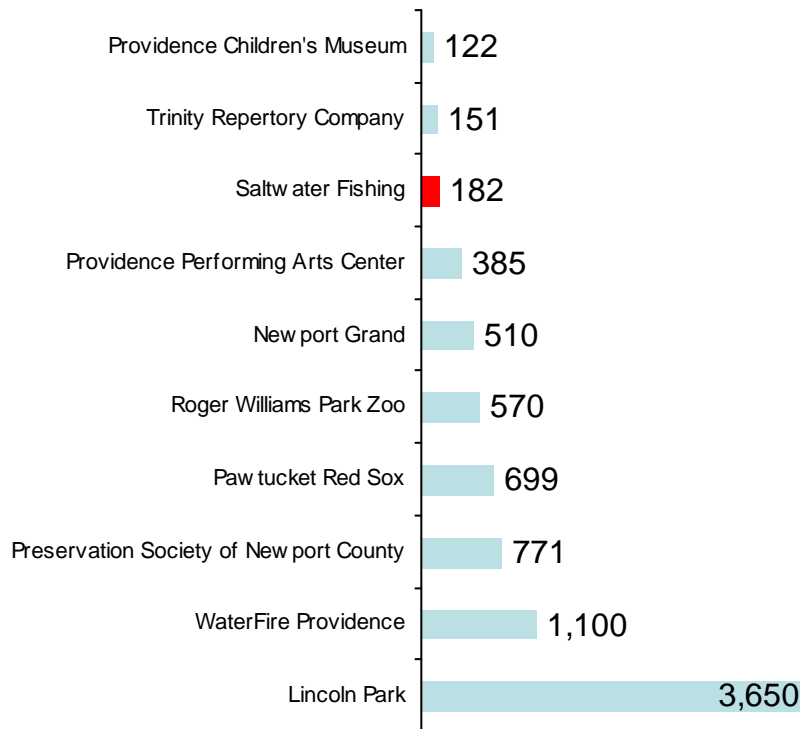
Total economic impact is nearly \$160 million



Note: Prior work done on the tourism economy by URI has demonstrated a multiplier of 1.3
This multiplier is used for purposes of this study

Recreational saltwater fishing as a tourist attraction ranks in the top ten activities in Rhode Island

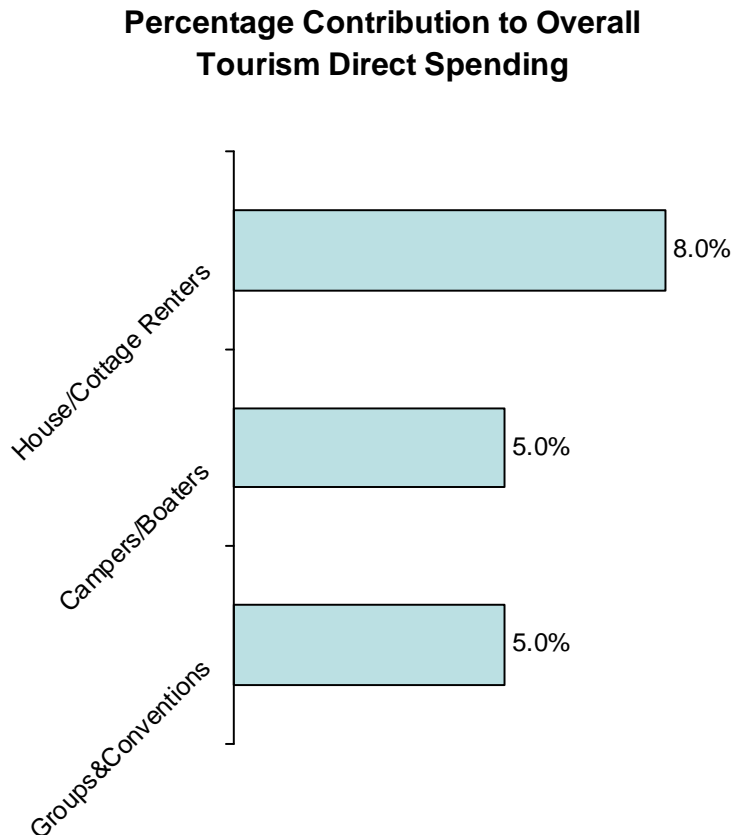
Tourist and Cultural Attraction Attendance
2005
(000)



DISCUSSION

- ❑ Recreational fishing clearly ranks in the top ten of tourism and cultural activities in Rhode Island
 - ❑ Conservatively it places 8th
 - ❑ Based on MFRSS it ranks 8th
 - ❑ Using trips as an equivalent measure to attendance at an estimated 1.4 million trips, it ranks second only to Lincoln Park

...And is likely an important spending driver for a key segment of the state's tourism economy



- ❑ Campers/Boaters and House and Cottage Renters represent 13% of total estimated visitor spending and approximately \$300 million of the state's tourism economy
- ❑ Based on our survey findings, it is estimated that a significant portion (more than 50%) participate in saltwater angling while in Rhode Island

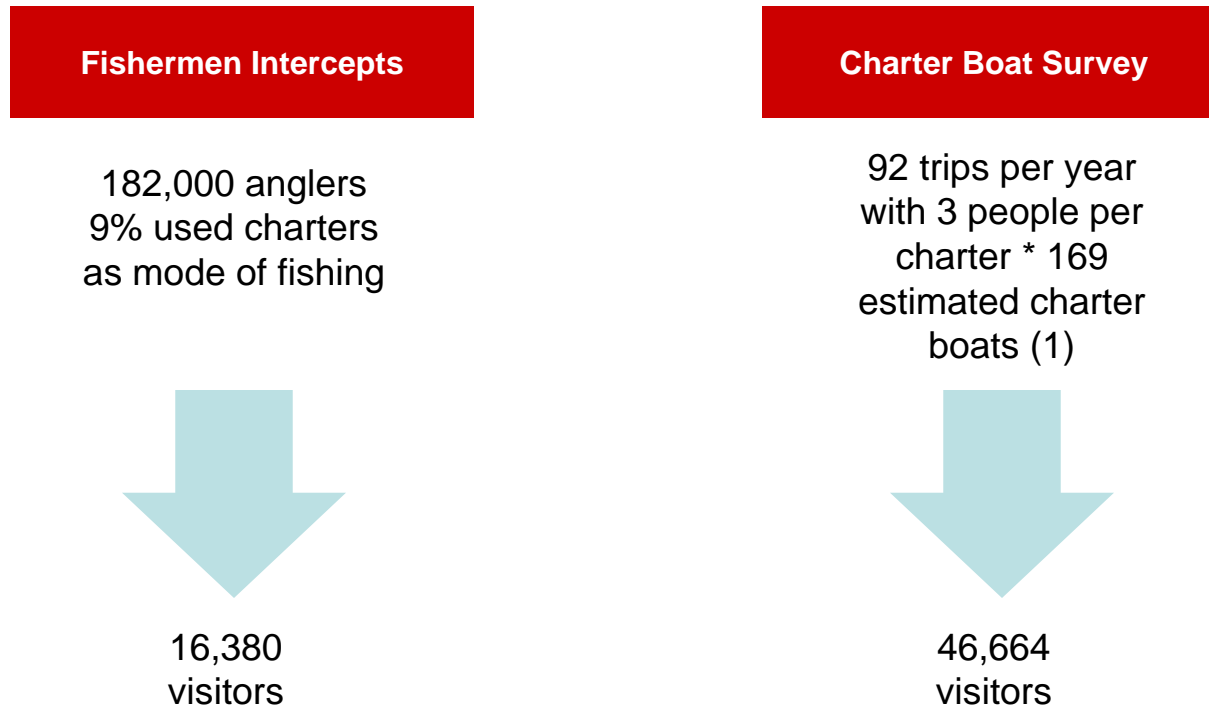


Therefore, as much as \$34 million or 10% of tourism-related spending in this market segment could be attributable to saltwater fishing

Note: Business spending is backed out

Fishing charters, largely located in South County, are accessed by a large percentage of these visitors

- ❑ Specific estimates are difficult to determine since different methods yield significantly different results
- ❑ NMFS calculated 47,365 fishing days by charter in RI



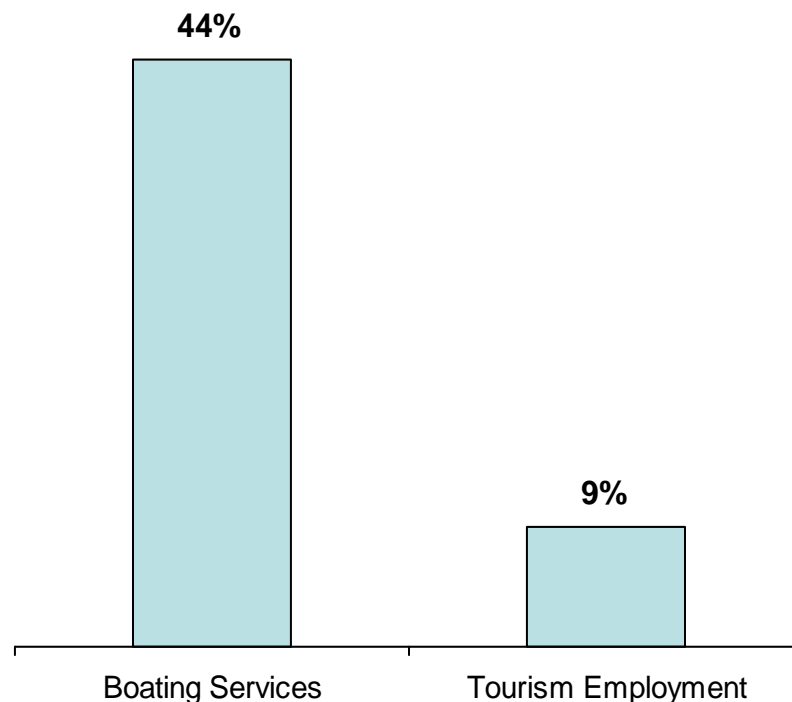
Note: not all charters are active so this number is likely overstated
(1) Based on weighted average of survey results

Recreational fishing is also a major contributor to the shoreline economy in South County

DISCUSSION

- Recreational saltwater fishing is a mainstay of outdoor activity along RI's South Shore
 - Based on intercept surveys NP estimates that at least $\frac{1}{2}$ and possibly as much as $\frac{2}{3}$ of fishing activity takes place along this shoreline
 - DEM study of Bay fishing supports that the most actively fished sites are located in the southern portion of the state
 - Top 3 cited towns representing 50% of cited locations were in the lower Bay
- Much as sailing contributes to the atmosphere in Newport, recreational angling provides the "atmosphere" for several south shore areas such as Snug Harbor, East Matunuck, Charlestown, and Block Island

Estimated Percent of Shoreline Economic Activity Generated by Anglers



Source: RI tax collections; NAICS and ES 202 data; Based on NP analysis of spending; fishermen surveys, and fishermen counts