

Christina Package-Ward: So, I guess, do you mind if we just start with your background and how you got into the fishing industry?

Rex Hockema: [laughter] When I was in high school, my dad owned the fuel distributorship in Newport and I drove trucks and a lot of our business was fueling boats. As time went on, after I graduated from high school, I went to school to be an aircraft mechanic, and when I got out of that, there was no jobs for aircraft mechanics. My wife's family were a fisherman, so I went fishing with them off the coast here on a couple different boats and near starved to death for three years, and so Wilburn Hall and Bill Jacobs had offered me a job on *Atlantico* when they bought that boat and I'd known Wilburn since I was a little boy from Sunday school and stuff. So, I went to Alaska in 1974 with them and that's how I got started up there.

CPW: Okay.

RH: I worked for Bill the first time for three years, [19]74, [19]75, and [19]76 and then they came back to the coast and I worked on shrimp boats down here. We had our first child in [19]76 and my wife didn't want to be in Alaska with kids. So then in 1980, I went back to Alaska and *Atlantico* again and ran it for a shrimp season up there and that was about the end of the shrimp seasons. Things kind of caved in after that. So, what I really wanted to do was midwater trawling and the rockfish and hake were just getting going here on Joint Ventures. So, I came home and did that and [19]81, [19]82, [19]83, [19]84, and then in [19]85 the Russians didn't come back for the hake deal, so they sent us to Alaska to do yellowfin sole. I went to the Bering Sea that year. Then the next year, they did buy hake, but we also did some winter fisheries in Alaska with them every year after that. Then, in 1988, we built another boat and I went partners with the guys that I had been working for, which was Wilburn Hall's brother. So, I got into that boat.

CPW: Is that Ray?

RH: Ray and Dan Hall. Ray is Wilburn's brother and Dan is a nephew. So, I worked for them on the *Leslie Lee* from 1983 until we built a new boat in [19]88. Then we were partners in that boat until 2006 then we sold everything. Almost all my fishing with that boat was in Alaska when we started out in Kodiak. The last of the Joint Ventures in the Bering Sea and then (shore plants?) and Kodiak, and then by [19]95, I moved into factory trawlers and we worked with mother ships in the Bering Sea on pollock. Then short plant on codfish and a little bit of halibut long lining and some sole, but mainly our whole thing was trawl fisheries for all that period.

CPW: And then delivering to a mother ship?

RH: Yes. We delivered to factory trawlers while I worked for *Excellence*, worked for *Ocean Phoenix* and worked for *Golden Alaska*, all three of those mother ships over the next fifteen years. We came down here and did hake and then we did pollock in Alaska.

CPW: Okay. On the same vessel?

RH: Yes, yes. I started out in [19]95. We worked for western Alaska and Kodiak on a shore

plant and they were *Maruja* and *Maruja* was connected with the *Excellence*. So somehow, I ended up with a market on the *Excellence* in [19]95 through that connection and I worked for them until the American Fisheries Act went in in 2000, and we went to *Ocean Phoenix* for five years and then after that, we went to *Golden Alaska* for a couple of years. So, I was one of the few that worked for all three of the different ships. It was all good. I mean, we had a good time.

CPW: So, you stopped fishing in 2006 and sold?

RH: In 2006, we sold the *Traveler* and then I haven't fished anymore since. I have no desire to go back in the ocean again. I went for thirty-five years and now it's somebody else's turn.

CPW: I guess I don't really know very much about the Joint Venture. The thing with the Russians down here and then the Russians up in Alaska.

RH: When we started out, well, when I started out fishing off the coast on shrimp boats and stuff here in the summertime there was Poles and there was Russians and there was East Germans and lots of different foreign vessels out here. I mean, we're scratching along catching couple tons a day of shrimp and they go by these guys and you just see them hauling these huge bags of fish up. Well, they did it from, I guess, sometime in the sixties they first came here and they could come in. The 200 mile limit wasn't in so they could fish clear in twelve miles and they did it for years and years and years and then in 1978 they were trying to start these Joint Venture things. Barry Fisher and another fellow from (National fisheries?), they started this Joint Venture deal with the Russians. There was two boats the first year that did it just for a couple of months and then the next year it grew and there was about eight or ten boats. It was all Soviets to begin with, and then about ninety, or no, it would have been 1980, then there started to be a few Polish Joint Ventures and a few – there was Koreans and there was Chinese and different ones, but some of them were able to fish at the same time as they were buying fish, but the Russians, they didn't fish anymore. They just bought fish. Then as time went on, well, they limited who could fish and who couldn't. Then it all went away after a while. It was the same in Alaska. It started out, there was Japanese. We did sole and codfish with the Russians when we first went up. They didn't buy any pollock, but the Koreans and the Japanese and some of the others, that was their big deal was pollock. Later the Russians kind of fell out of it and as the American sole fleet built up then they took all that away from the Russians. I think that was the first one that went away was the sole fleet and the pollock went quite a while after the sole, before the Japanese were the last ones that were able to still do Joint Ventures. Then the shore plants took it all, which was a good thing, but it's still now it's turned back into the – Japanese still own it anyway, so...

CPW: Yes, seems like they have quite a hold on the processing [laughter].

RH: Well, the federal government has given us up to the Japanese through their rationalization plans and have been detrimental to individual fisheries and a guy in my position could never get back in again now for what it cost to buy permits. It used to be if you could get a boat and a crew together, you could buy a license, you could go fishing, and that's a thing of the past now. Then you're locked to a processor through the co-op situations, and there's nothing good about that.

CPW: That's just with crabs, right? They don't...

RH: No, no, no, no. The pollock has no processor shares, but you're locked in. There's seven processors that have it locked in. If you want to move from one processor to another you have to go through what's called Open Access and that exposes you to anybody else that's in Open Access. I have a friend this year, he's the first one from Trident Seafoods to try to move to another co-op, and in the past, they've done inter co-op agreements where they let a guy deliver so much of his fish to where he wants to move and the next year, they let him go. Trident isn't doing that anymore. So, they forced him to go into Open Access and then they took one of their big boats that packs a million pounds and put him in Open Access this year and went out and took all the fish away from the smaller boat. My dad and Ray Hall's boat is the boat that got nailed and it cost them \$600,000 in a season where they just took it away from him as punishment for moving out of their co-op. That's why these co-op deals are a bad thing and the processor shares are even worse. The crab guys and the trawl guys on the coast now are just getting ready to go into their rationalization in the next year and the processors own part of their history. So, if you ever want to go anywhere, you're going to lose a huge piece. The rationalization, they gave us three years on pollock and you throw in your – well, maybe there was five, I can't remember, but you threw in your best three years. So, everybody throws in their best years. Well, it doesn't add up to 100 percent of the pie anymore. It's about 130, 140 percent. So, when you get your piece, you're knocked back. I think we lost twenty-seven percent of what our average was. Then CDQ came along and they took another ten percent for them. So now if you got to give up twenty percent to your processor and go and want to shift your – you can't do it. It's not possible. So, they pretty much got you over the barrel and Pacific Seafoods and Trident are huge companies; you can't fight those people at all. At one point, when Trident started out, it was just Chuck Bundrant and one processing boat that he built to begin with and I still think that Chuck Bundrant is a decent guy, but it's the people he surrounds himself with are a terrible greedy group. They call him the Chuck Davidians [laughter].

CPW: I don't know very much about Trident. I've heard a lot about Pacific [laughter].

RH: Well, here's another one for you. The guy that owns Pacific Seafoods just married Chuck Bundrant's daughter who owns Trident Seafoods. So, you got two billion dollar companies that are intertwined pretty tightly now. They're the two biggest processors in the West, I don't know, if in the country. There's something wrong with that picture. Trident owns a lot of their own catcher boats and their own processors and everything. In the Accutane co-op, which is Trident's pollock co-op, they own over eighty percent of the fish that's in that co-op is owned by company boats. So, you've got less than twenty percent are independents that are in there and you're at their whim. The people that sit on the board of directors all draw a paycheck from Trident Seafoods except for one guy. So, we have no say in what goes on. When they enacted all these co-op things, we went to the Justice Department and tried to get this as a bad thing, a conflict of interest, and supposedly we had precedent from Man Haden stuff in the Gulf from years ago where it was vertically integrated and Justice Department threw it all out, said we were just fine. So, Trident completely controls the co-op and it's not a good thing when you have all the power in one pocket. It's not a good thing.

CPW: Yes, I didn't realize that pollock was that way at all.

RH: This is all gifts that the councils have given us, through their infinite wisdom, and that's another deal. You go to the council meetings and if I got something to say, they allocate me two minutes, but when Trident shows up, they got fifteen lawyers and two or three company people and they just start reading the sheet and passing it down the table. They get their whole point across, plus everybody goes to dinner with the Trident guys at the end of the day. It's not just Trident, it's American Seafoods or all those big companies have power. It didn't used to be that way. When they enacted these councils, it was never meant to go that direction. Now it's kind of a snowball thing, just like all of our federal government just keeps getting bigger and bigger.

CPW: What else? I guess I don't know. I just wonder why it ended up going that way. Is it just the council system or...

RH: Well, the Council, I think these rationalization deals make it very easy for the council, or not the council, but for National Marine Fisheries to keep track of what's going on. We've had, everybody goes, it's being overfished or these fishermen are taking way too much. We don't take a pound more than what National Marine Fisheries tells us we can take. On the allocation deal, where they divided up the pies and gave everybody a number, that makes it real easy for them to control every one of those numbers. If you go over on your number, you're in trouble immediately. When you divide it down to where it's only seven different processors, now you've only got a call seven phone numbers. You don't have 150 catcher boats out there they can't keep track of and I think it could have been done just as easily. Every one of those catcher boats still have to go to a processor somewhere, and the processor knows every day what every boat has on board and I think it would have been, there could have been a simpler way to go or a more reasonable way, and that it wouldn't have put people out of business or, at this point, stopped anyone from ever having a future in these businesses. In the past, there was a lot of people, simple people, that could get into fisheries and economics took care of itself, and these buybacks are another deal where we didn't have any buybacks in our stuff in Alaska, but we did have them down here. On the crab buybacks, they allocated one hundred million dollars, and they buy so many boats. They present the bill to the guys that are still in the fishery. So now they've got thirty years to pay this hundred million dollars back and a lot of those boats that were bought out would have failed in the next year or two anyway. If they just leave economics alone, it'll take care of itself. But when you start playing favorites, well, it doesn't necessarily work that way. It's exactly the same deal on the on the coast, on the ground fish buybacks down there. You bail out the guys that are going to fade away and somebody else gets left with the debt and a lot of those guys thought that as soon as we buy these guys out that our allocations are going to go up. There is nothing in there that says anything about getting any more fish because you're going to have less boats. All there is a six percent assessment that you're going to make less money because they're going to take it away from you to pay these guys retirement. That's pretty much what turned out is there was no more fish allocated.

CPW: So, is that just how it works then? Then they lose a certain percentage?

RH: Yes. There's a flat rate that you have to pay back on this thing on every delivery. When your margin is awful thin to begin with, or the way the ground fish have gone well, it makes it even tougher yet. Then fuel prices go up and insurance prices, everything goes up except your

fish price. I mean I worked on – most of the stuff that I caught in my life was cheap fish, but huge volume was the only reason we made any money at it. Our expensive stuff was halibut and we only did that a couple days a year. That was only five or six percent of our yearly gross was stuff that was valuable, but most of the stuff that we caught was anywhere from a nickel to a dime a pound. We caught a lot of it, though.

CPW: So, I guess, I do not know. I mean, you were saying it would be so difficult for fishermen to get in at this point. That is just because the permits are so high and...

RH: Yes. When we bought the traveler and we had it built from the [19]88 and we had about two million dollars involved in the boat, in the gear, electronics, radio, fishing. When we sold it in 2006, that boat would probably cost four million dollars, or four and a half, to build the same boat at that point, almost twenty years later, but the permit sold for ten million dollars. So, you try to figure out how you're going to pay for fourteen million dollars' worth of expense and on our best years we were doing a three million dollar gross. Well now the quota in Alaska is almost half what it was and the price of the fish hasn't increased very much, so you try to figure out how to service a twelve, fourteen million dollar debt on a couple of million dollars a year and your fuel price is doubled and your quota has gone in half and you can't get there from here. When I sold, the guy that bought the boat already owned six boats and shares in two factory trawlers. So, he's operating pretty much in cash. Everything he's got is paid for and he's just trying to get away from paying taxes on things is basically his deal. For somebody that's trying to get started, you can't get there. So, when we started, well, even ten years ago, every time you come to the dock there would be somebody looking for a job. Well, now you can't find somebody that wants to go because even though you make a lot of money working on the deck, there's no future there for a guy that's looking to stay for very long.

CPW: Because they could not move up or...

RH: No, you can't move up and there's just about zero security now when you have to work on a company boat and the crew shares are much less than they were before. And like, Trident, they own fourteen catcher boats or something like that and very one of them has got a big crew on it, but their shares are way down, even from what they were five years ago. If they find people who work.

CPW: Where do you think they get their crew from? Is it just from the community where the boats are or from somewhere else?

RH: Not necessarily. Not necessarily. They have some – in their factories in Alaska, a lot of their people come from Southeast Asia. They import them, but on the boats, I think everybody has to be an American citizen to work on the boats except for their factory trawlers. The factories, they can have a percentage of foreign nationals there, but I think on the catcher boats they have to be American citizens or at least green carded to be on there. But instead of having people that work for a hundred thousand dollars a year now they got people that work for forty, and that just makes a better margin for the company side but it also gives you a less qualified person to work your boat.

CPW: So, when you were up fishing in Alaska, did you spend much time in the communities around there, or were you just delivering?

RH: In Kodiak, when we went in [19]74, we delivered everything for three years into Kodiak and then in [19]80 into Kodiak. Then when I went back up with the *Traveler*, we got there in [19]89 on the *Traveler*. We fished some Joint Venture in the Bering Sea, and then we went to Kodiak and we were there for most of five years. We delivered to shore plants before we went to the offshore and then we were back and forth and then by 2000, we didn't go to Kodiak much anymore. We went – I worked for Trident and Acetan on the shore plant stuff, and then we worked with the *Ocean Phoenix* on the offshore, and we just shifted back and forth, but not much. There's not much in Acetan. I wouldn't call that a community. Well, there's about 300 natives that live there that live well and do nothing. The CDQ corporations and the lease of the Trident property – Trident has 800 employees that work in that cannery there. So, they lease property from the Native corporation where that sits, and nobody works in that community. There's a storekeeper and a couple of schoolteachers, and a librarian and the rest of them pretty much take it easy. We packed salmon out of Chignik a few summers, and those people are all ambitious natives that live there. It's a mix. There's some white people there and some Aleuts and those people are all ambitious that are running around there and it shows. They all have nice boats and they have nice homes and some of them live there year round. Some of them come out in the wintertime.

CPW: There is pretty strong co-op there.

RH: Yes. That was forced on them and their salmon co-op was “Here it is, boys. You got it whether you like it or not.” I'm sure that there was a lot of upset people on that deal, too. There's about a hundred permits, I think, in the co-op and Chignik area and of those probably forty of those guys were really ambitious fishermen and the rest of them worked in the lagoon and they're sure – they made a good living, but they weren't really going after it like those other forty boats were that were working the capes and stuff. But after they made the co-op, well, it pretty much equalized everybody and their co-op was a whole lot different than what ours were.

CPW: So, all the vessels that you were on up in Alaska, the boats, they were all mid-water ships?

RH: No. Well, when we went up on *Atlantico* ago to begin with, we did shrimp and crab. We did king crab in those days was about a month or six weeks' season. Then we'd go do shrimp after that. It would start in June on shrimp and shrimp until can king crab either – started out it was August 15th and the end of September. So we would shrimp up until whenever that king crab season started. Then we would go six weeks on king crab, then we go back on the shrimp and shrimp ended in February. At the end of February, shrimp closed, and then we go to Tanner crab for a month or two. You got to remember, in these days we're getting seven or eight cents for shrimp. The best I ever saw for king crab was sixty cents. I saw a lot of them for forty. Tanner crab, if you could sell them, was anywhere thirteen to twenty cents and it was bear dye over there, it wasn't opies. Then in the spring, we'd go pack herring or go to the shipyard or something, but we kept busy year-round in those days.

CPW: Wow. So, you were just up there the whole year basically?

RH: Yes. Usually, we come home for Christmas for a couple weeks and then be right back up again. Then there was something to do all the time. If you wanted to do it, there was something to do. In those days, shrimp was a big deal in Kodiak. There was about a hundred million pounds in quotas between the Kodiak area and the peninsula. Summertime, we'd run to the Chignik area and peninsula side so we wouldn't have to fight ice in the wintertime to catch that and then fish around the island in the wintertime. But there was lots of shrimp, and *Atlantico* held about a hundred and fifty thousand pounds and you just knew that you're going to fill the boat up every time you went out. It was kind of the same way on king crab. There was a lot of king crab in those days, too. We did really well. Then that all changed, and the ground fish came and then codfish and halibut and things showed up in force and I think that that's what killed the crab. I don't know what happened to the shrimp. They claimed there was some kind of a parasite. We had an El Nino year about 1977 or along in there. Then the shrimp just went – just took a big nosedive after that.

CPW: I did not even know there had been been a shrimp fishery.

RH: It was a big thing, big thing in Kodiak, Sandpoint, and then even some in Dutch Harbor. See that bird?

CPW: Yes. That's pretty.

RH: That's called the Scarlet Tanager. There's not very many of those around with the orange head.

CPW: Yes, Red head and body. Yes, I was noticing you had a squirrel over there and it was one of those...

RH: Yes. We've got lots of squirrels and rabbits and deer. I was out there with a leaf blower a while ago and that squirrel was sitting on a rock. I was shooting it and he's sitting there. He wasn't going to give up his spot [laughter].

CPW: Okay. Let us see what else is there? I mean, you have been talking about this all along. I am just curious, what it was like up there during the [19]80s. It sounds like you guys were just up there for the whole year and I did not realize that. I was thinking people came back home and...

RH: No, we lived up there. When we first went, Barb and I lived there for three years, and then she got pregnant with our first kid. She said I'm not staying in Kodiak. It was pretty wild and woolly place in those days. First day when I got the job on *Atlantico*, they just brought the boat from the gulf, and it was in the shipyard in Coos Bay. I rode down there with Bill and Wilburn and the whole stern of the boats cut out, the shaft was all bent and the boat was four years old, but it had been abused pretty bad. So, they were rebuilding it. Boy, what have I got myself into? This was February. We're supposed to be in Alaska by the first of June for a shrimp deal, and we left Newport the 7th of August. King crab was supposed to start on the fifteenth. Wilburn flew

up, Bill and I and Danny O'Malley and Bob May took the boat up and we hit the Kodiak on the day of the fifteenth. Every boat in Kodiak's gone. We're the only one sitting there with king crab. We go to the ferry dock, Wilburn's there, he says. "Bill, you didn't register the boat, right? We're not registered for Kodiak area." So now I got nine dollars in my pocket. I am 1,000 miles from home. This is not good. We got saved by a strike. The guys are out putting gear in the water, but they went on strike for a price and they come back in and Bill went over – I think they flew to Juno to try to get our paperwork straightened out and they got back a few days later, and we've been going to these negotiation price meetings during the strike and Bill plead his case because everybody else had their gear in the water and they got the permit straightened out. I think it took a week or nine days and they said, "Okay, go ahead and build up your gear." So, we took off. We got down south into Kodiak and set our gear and one of Wilburn's other boats called and said they settled the strike. So, we're the first ones on our gear, so it actually it worked out. But I mean, it could have been a big time bad thing. A year later we were getting ready to go, I think the same deal again. Everybody got out and we went out, too, and set our gear and we had one of our auxiliaries went haywire so we couldn't run hydraulics and lights at the same time. We come back in to get that repaired and same deal. They go on a strike. Took us about a week to replace that engine. By the time it was replaced, it was time to go fishing, so we lucked out again. All those things are just luck. But I remember the first night we're in Kodiak, and I'd never been there before and it's August 15th, and we're walking up through the mall. Bill's going to show me around a little bit. They're packing a dead guy out of a tavern, and I go, "What's that all about?" And the guys had been arm wrestling in there and the guy that was dead was the guy that had won the arm wrestling match. The other guy, he left, went got a gun and came back and shot him. In those days that was kind of a normal around there. It was a wild and woolly place. It's calmed way down since then.

CPW: I heard stories about Dutch Harbor, but I have never really heard stories about Kodiak.

RH: That was just flat dangerous. If you were smart, you didn't get off your boat in Dutch Harbor. The guys made a lot of money crab fishing, but the bars made a lot of money off the guys that were stupid.

CPW: Why do you think it was so wild and dangerous?

RH: You got a bunch of guys – I mean, when we first got there, they were building boats as fast as they could build them to put into the crab fishery. I'm 24 years old. I never been there before and we had guys that would that – they needed somebody to run a boat and they didn't care who it was. If you'd been in Alaska, you could get a boat to run. And I had several offers and I turned them down because I knew that I wasn't qualified. A lot of guys died, and the guys that were running the boats were incompetent to do what they were doing, and they killed a lot of people. Just absolute incompetence. Shouldn't have ever been put in the position they were in. But when the balls rolling and people are making money, they're willing to take a big risk.

CPW: Yes. Do you think, it seems like a lot of people from here went up to Alaska or there's a fair group of you guys that went up.

RH: More and more and more as time went on. It started out, it was Wilburn and Cliff Hall and

(Kenny Nack?) and (Ted Banner Senior?) and there was a limited few, maybe seven or eight in the early [19]60s. As time went on these guys – Wilburn was building more boats. He was making a lot of money and put things in a construction fund and the key guys off his deck moved on to more boats. At one point he had ten or eleven, and every one of those boats has got to have four or five guys on deck. Then Painters were doing the same thing. They had some (Cremer Lowenberg brothers?), they built boats and pretty soon there's forty of them down here instead of just three or four, and every one of them has got four or five guys on deck and then some of those guys went back into shrimp fisheries and ground fish down here and other things. There's still – there must still be twenty-five boats, I suppose, that go to Alaska every year from here.

CPW: Are those ones usually involved in stuff down here also?

RH: Yes. A lot of the guys that do hake here also do ground fish in Alaska. Either pollock or cod or whatever, it might be. Some of them go to Bering Sea and quite a few of them go to Kodiak.

CPW: Do you think that is still happening where Oregon fishermen are moving up to Alaska?

RH: I don't think there's too many of them that are going there anymore. The ones – that's the same deal now. You got so many permits and you just can't get beyond that. When the permits are sold now, it's big companies that are buying the permits. It isn't individuals anymore. So, UniSea and Trident and B&N fisheries is a subsidiary of Trident. I think he's a son or son-in-law or something of Bundrant, and then he owns a bunch of boats and it's all to stay under the grandfather cap on how big you can be.

CPW: Okay. What are they called? The B&N?

RH: The B&N.

CPW: The B and N.

RH: The B and N. Those are trawlers.

CPW: It is interesting how all these things are connected and you would never know unless you –

RH: Yes, well, there's only supposed to be – I think you're only supposed to be able to have seventeen percent of the pollock allocation in Alaska. So if you move things around you can put a different name on it, but it's still going to the same place. Trident owns well over 30 percent.

CPW: And is there, I guess is there anything you'd like to say about that time fishing in Alaska? I think you kind of covered everything I had on my list here.

RH: In the [19]70s and [19]80s, we were having so much fun I would do it for free. By the time the councils got so involved in it in the late [19]90s and early in 2000, I just wanted out. I mean, I could see we were in a corner and there was no way that we were going to dig our way out of

this corner, and they just had you wedged in. There was no future for us anymore. They were going to either starve us to death or we had to get out. So, we got out.

CPW: I guess that's kind of about everything.

RH: When we first started out, you could buy a license to fish, shrimp or crab or whatever it was. If one thing was slow, you could go do something else and. I look at that, we started out down here doing shrimp and doing Dungeness crab and some ground fish, and then we moved to Kodiak, and we did shrimp, and we did crab there. As everything slowed down, then we just kept moving further and further west and by the time I'd finished in 2006, probably for four or five years before that, we were fishing 600 miles northwest of Dutch Harbor, right out on the Russian line. I mean, the Soviets are just over there a couple of miles; you can see them on the other side. They just – the way the regulations have gone, they forced you to go where there was still fish there, but we were fishing juvenile stock now instead of a fourteen or sixteen inch fish. Now we're fishing an eight inch fish. I always thought that was next year's or the year after and it was all supposedly to save salmon and things, but if you look at all their charter data where they do all their test [inaudible] and stuff and you see where their volume of fish was, it's down now where they've closed you out of those areas. You can't fish where the volume was anymore, they force you to go where it's smaller fish and slower fishing and so with mid water net, the longer you tow, the better chance there is of catching something that you don't want. It just seems like foolish logic to me.

CPW: So, then the reason that you basically moved further and further west was just because of the change in where you were allowed to...

RH: The change in allocations. In Kodiak, when we first went there in [19]99, there wasn't a very big pollock fleet. There was probably less than a dozen of us, I suppose. As time went on, everybody that could tow a net got a mid-water net because everything else was slowing down. So, when we went to work at Western Alaska, there was five of us that worked on that market. Now there's thirteen boats that worked there and we would work for a month or better on each pollock opening. Now they work for twenty-four to forty-eight hours. I had to generate income and so as things slowed down, I had to look where I could go somewhere else to do better. That was when we went out west on these Joint Venture -- well, the factory trawler deals, motherships, because that was where we could make more money. When we started out in 1974, we wouldn't even thought about going where we went in 2006. In the wintertime, way north of the Pribilofs, we just wouldn't have gone there. We had much better boats at the end, but still it's extremely dangerous to be doing what we were doing in the winter.

CPW: Yes, it seems like as far as the coast guard and all that.

RH: Well, they're not coming. If you got somebody hurt or if you've got a problem and it's caused by weather, they're not coming to begin with. You're on your own. If there isn't somebody else around you to help you, you are really in deep trouble. Most of your problems in the wintertime are from ice, and that's – I can handle hundred mile an hour weather in the summertime. I just jug through it. In the wintertime, when you're making ice, you're out of control. Your people can only – you can only physically take so much ice off in 24 hours and

people...

CPW: I suppose just trying to knock it off the boat?

RH: Yeah, you're out there with baseball bats and hammers trying to knock it off and it builds faster. The more wind there is and the colder it gets, the quicker you build it. Your people just get tired after a while and the boat gets top heavy and then it rolls over. So pretty simple concept.

CPW: Do you think then that your experience with all this was typical and is typical of how people...

RH: Pretty, much. Pretty much.

CPW: So, you basically, you stopped fishing down here because the opportunity was different.

RH: Well, the, the rockfish and all the things down here and the quotas had become so small that it didn't make sense to even do it anymore for us for what it cost to operate the boat. We still came and we did the offshore hake with our mothership groups. You get anywhere from two weeks to a month out of that in the spring and then we turn around and go back. Most of that coincided with you'd be done with you're a-season. Pollock and cod in Alaska and you'd come home, do maybe a month of shipyard and then do the hake and then turn right back around and go to Alaska for the rest of the year again. That made sense to do it, but even now, in those seasons the quotas are smaller. There's more boats on it, and now they're getting ready to rationalize all this hake deal, and a lot of these guys think that they're going to be in great shape, but they're going to find out when it rationalizes out, their number is going to be way smaller than what they think it is. Then you're still locked into the processor and the processor owns part of your history. So, while you're negotiating for price – becomes extremely limited there, too. Used to be if we didn't like the price and the guy across the street had paid nickel more we'd go over there. But that's taking out of the equation now.

CPW: Seems like one does not have very much power.

RH: You don't have any. No, you're extremely limited. The processors for years and years, down here, the processor didn't own any boats. Well, now try Trident and Pacific Seafoods have both started to accumulate boats, and so even if you are fishing for them and they get mad at you, they can take their ten or twenty percent away and put it on their own boat. There's all kinds of retaliation things that can happen. I don't understand why the government thinks that this is a good thing for fishermen to take any kind of negotiating power away from them and give it all to the processor.

CPW: When did these companies get so big?

RH: Chuck Bundrant started out in 1972. He built – he had small boats and he ran processors, but he built a boat called the *Billiken*, about 125-foot boat. He still owns it, but it was the first American catcher processor for crab and it was just a gold mine. Everybody thought, that's just

stupid. It wasn't stupid, and it really worked well and he made a lot of money and every time he made some more money, he put it in something else and now he's just enormous. I think he's lived a fairly, for the income that he's got, he's lived a fairly frugal life. Just looking at the big picture, he likes to see this company built, but then he's bred a bunch of idiots that work for him as far as I'm concerned. The greed factor is just unbelievable. There's no friendship between that company and anybody that works for them. It's all about power.

CPW: Does not seem very smart.

RH: It works. I mean if you can convince the government to run things down your road and you just stand there and pick up the pieces as they go by, you got a good thing going.

CPW: I guess I do not know, I am interested about – is that your wife? I am interested about what Kodiak was like at that time, too. That kind of stuff is fascinating to me because I have just been there recently. I don't know what it was like at this time, but...

RH: There was no paved streets except right down in the mall, itself, and where you go down – you know where Western Alaska going down on the processors. Well, the street stopped there and then there was a dead spot from there across or in front of Ocean Beauty or it was king crab in those days. You had to come down a different road to get over there. There was a whole bunch of barges where ISA and clear down to the seawall by the boat basin was a whole bunch of floating barges. Part of the year they were there and part of them, they took them somewhere else to process crab. But you had, I mean, the town was full of vagrants. [laughter] You had people that came in on the ferry looking for jobs in the canneries, and you had all these nutheads that were working on deck on crab boats and shrimp boats that weren't – nobody was from there. There was probably in those days, maybe 2,500 people that actually lived in Kodiak, now there's 10,000 or something. It was just a whole different life. Lots of drugs and alcohol and every bad opportunity that you could imagine was there for those that were foolish enough to do it. I know of guys now that made a huge amount of money in the cocaine trade that owned big factory longliners and stuff now that those boats were directly paid for with trashy money, as far as I was concerned.

CPW: I guess being gone basically the whole year, is that difficult to be gone from home for so long?

RH: Well, it was after we had kids, and then that was why – we had our first baby in March of [19]76 and I fished until November that year. I was home when the baby was born, and then I went back that summer. I worked till November and then I came home and then I got a boat down here to run shrimp fishing. Then that didn't work out so hot. It was a small boat and not a very good market. So, the next year a friend of mine bought two new shrimp boats and so I went to work for him and I worked there for a year and a half, but I still wanted to do this mid water trawl deal. So summer of [19]80 Bill convinced me to come back to Alaska and shrimp fish the *Atlantico*. Well, actually, I fished it down here in the spring for a while, and then we took it up there. Then we sent through a big strike on that deal that summer. New England Fish Company had gone out of business and we sat there for about five weeks and then ended up taking less than what we were offered to begin with [laughter]. I came home that fall and I had a friend that

owned two small boats down here that were mid water fishing and I got a job with him doing rockfish. I did that for over a year and then they got a brand new ninety-foot boat, some guys from Texas. I just fell into that deal and that was rigged up for midwater fishing. the guy says "If you can find me a market for that boat, you can have that boat to run." So, I rounded up a Joint Venture market with Bulgarians and then a Korean one for Alaska. I ran the boat all summer down here for hake and then about the time I was ready to go to Alaska one of the owners decided he was going to run the boat himself. So that fell apart. As it turned out, it was probably a good thing because then I got involved with Ray and Dan Hall. Ray was retiring at the end of [19]82, so in the spring of [19]83, Dan and I started taking turns running the *Leslie Lee*. And it was two weeks on, two weeks off. They were doing hake and rockfish down here and that worked really good until the Russians didn't come back anymore and then they had to go to Alaska. And then even that, it was still a good thing. We had good boats and good equipment, good markets, and it all worked fine. When we built the *Traveler*, we really had no intention to going to Alaska. We were doing good with the hake and the rockfish here, but we thought we had probably another five years or so before the Joint Ventures would go away. Well, they were going way faster than what we thought. We'd gone to Alaska in January of [19]89 to do cod and yellowfin sole, and then we were going to come home and do hake. We went up, did the cod and the yellowfin. I took the boat out and then Dan, he was going to run it the last half of the season and bring it home. At that time, the season had shortened up so much that we were done the middle of March on our winter stuff. So, Dan's headed for home, coming across the Gulf and the Exxon Valdez crashed. In our infinite stupidity, we kept going home and got the boat back to the coast and I started doing rockfish out here and I talked to Jacobson in Alaska and he says, "You really ought to be here." He says, "They're hiring everything they can that floats to do this clean up thing." So, I start making phone calls and if it didn't stay in Alaska or Seattle on the stern, you weren't getting the job there. And so, I wasted time. I sat here for a month, and if I had just loaded up and gone, I would have got in. As it was, everybody in Kodiak was on oil spill duty somewhere and nobody was fishing, and they couldn't get salmon packers or anything else. And so finally I got a market packing salmon with ISA out of Chignik. And so, we got to Kodiak, got all the packing gear, all the tendering gear on the boat, went to Chignik. Five days later, oil showed up down there. And so, we turned around, went back to Kodiak, and then put our codfish gear on. We fished codfish until November of that year. There was only five of us fishing codfish in the whole area and the oil never got on that side of the island. That actually worked out pretty good for us. The next year, the next couple of years after that, we did pack salmon out of Chignik in the summertime for three months each summer. Most of our stuff in those days was cod and pollock, and we worked straight through from January until late into the fall. The salmon deal and the crab deal started to collapse around Kodiak in the early [19]90s. The guys started doing pot fishing cod and that was what killed our program was when you got 150 other guys out there pot fishing instead of trawlers. Now all of a sudden, instead of fishing codfish all year, you just got a few select months and then it's over and now it's just weeks.

CPW: Do you think with the whole *Excellence*, all these things, do you think a lot of boats from down here were up there and...

RH: A lot of guys that – well, I think of Bill and Bob Jacobson as being guys from here, but it says Kodiak on the stern of their boats and they own five or six boats together. Wilburn owned

boats that were there. The Lowenberg brothers owned boats. There was a lot of guys from here that – I don't know if you're acquainted with Louis and Terry Lowenberg or not. They grew up at Lincoln City and then they went to Alaska right out of high school with a guy named (Gary Hunter?) who owns a boat from Toledo. Anyway, they started out with absolutely nothing and have built a huge empire for themselves in real estate and then the boats and everything. They owned commercial property in Kodiak, big warehouses and stuff like that, and Exxon came in and leased their boats for the summer and leased every warehouse that they had. I think Terry was probably doing 40- \$50,000 a day in lease payments from Exxon and the boats. If we would've turned and went to Kodiak instead of coming home across the Gulf, we'd have paid for the boat the first summer on the Exxon contract. I don't think they accomplished anything, but they put out a hell of an effort for a while. I had a friend that had, a 90-foot boat, and his thing was cleaning boats that were coming back in. And so they put [inaudible] around it, and then they steam cleaned the deck and stuff and he'd accumulate the junk. Well, they put him on the south end of Kodiak – he was in Kodiak, in town, to begin with and then they put him on the south end of the island. They had a dump site down there somewhere, and he never touched another boat for sixty days, but he made 7- or \$8000 a day, every day, sitting there [laughter]. But there was quite a bit of that went on, but then there was a lot of big effort, too. Wilburn, the (*Aly?*) and *Argosy*, his two big trawlers, I think they had twenty-man crews on those boats. And every day they were on and off, on and off, taking them, skiffing them to the beach, and then just nasty work. There was another friend, (Mike King?). He's from Alabama, had a boat called *The Rebel*. It's actually sitting down here now hauling guts. That was a crab buyback boat. Anyway, he was living in Kodiak by that time and. He put a (sea land van?) on deck because he didn't have enough living space and he built living space inside that van for 25 people or something, and then they put another van on deck that was additional galley space and for storage. Well, by the time they got done with their charter, that second van was completely full of canned goods, and he's trying to give it back at the end of the charter. He's got 40,000 tons of candy goods. No, they didn't want anything back; that's yours. They had no way of disposing of any of that. It was supposed to be consumed, but they gave them way more than what they needed all the time. But there was a lot of stories like that where they threw a lot of money at it, but I don't think they accomplished very much. And this thing in the gulf is unbelievable. I mean, the tip of the iceberg is coming ashore down there so far. If they get a couple of big hurricanes, they'll have oil buildings in downtown New Orleans. I spent – when we built the boat, we built it in Battery, Alabama, which is just below Mobile and I wasn't there for any hurricane season, but I lived in the house out on the Dauphin Island, which is the exposure at the mouth of Mobile Bay. I mean, it just gets torn up by – you can see all these houses are built up off the ground ten feet, so supposedly the water can run under them, but a lot of them there was the just pilings and the foundations of houses were gone [laughter]. And now when they have these big ones, Katrina and those couple three, four, five years ago, it kept the island clear and [inaudible] in places from the storm surge. All that country is just low and then huge inland fisheries with oysters and the crab and everything in the shallow water. And I don't see how any of that can survive. Even a lot of their shrimp comes in out of the gulf into that shallow area to spawn.

CPW: Seems like a mess.

RH: Well, it'll be an unbelievable mess. Exxon Valdez was 11 million barrels or something, and

this thing's got to be getting close to 200 million by now or something on that order.

CPW: Who knows when it is going to be done? That is the thing. I don't know. I wonder if the fishermen down there will have the same opportunities then to help out with things or if it is different.

RH: Have you ever been to the Gulf Coast?

CPW: I have been to New Orleans, but I have not...

RH: I've traveled the whole thing and every place, every little ditch, has got hundreds of shrimp boats. It isn't like – I just don't see how they can take care of all those people. There's no way that all those boats can be out there pulling oil booms around. They're going to be a huge amount of folks that are going to lose their livelihoods and their way of life. When that thing happened in Prince William Sound, we packed hearing out there with *Atlantico* for several years and they haven't had a hearing season since. It happened in the spring of the year. When we did hearing there it was April, mid-April and that happened like two weeks before their spawn time, just filled the whole place full of oil and just wiped that fishery out. That was a big deal.

CPW: I did not realize they have not had a hearing season since that time.

RH: Exxon, they kept saying, "We're going to take care of you. We're going to take care of you." Well, for twenty years I filled out papers. Every few months, I get something from some other outfit that was now overseeing this deal and you'd have to fill out all these papers. Well, finally, I go, "This is just bullshit," and I gave up. As it turned out, we never got a penny out of any of that. I guess somebody did, but I got tired of filling the paperwork out after a while, but twenty years after the fact. I mean, there was a lot of those guys that were just wiped out immediately, those same boats from Prince William Sound that – you're just done forever.

CPW: Yes, I mean didn't they just settle it not that long ago?

RH: Yes, just in the last year or so. In [19]94 their first suit was down in Alaska and they did the punitive damages and whatnot at \$5 billion. Well, then some other federal judge says, "Well, that's way too much," and he cut it in half, and then they kept it going and going and going. By the time it got to the end, I think they were down to \$500 million, and of course by then at least half of the people were dead or quit filling the paperwork out [laughter]. And most likely the lawyers get 90 percent of it. It wasn't like it was going to break me one way or the other, but it did ruin a lot of people.

CPW: Did that impact you, you guys being able to go around Chignik then or it was okay?

RH: The first year it shut us off. They just had traces of oil down there, so they shut down the whole salmon fishery down there. That was the only time that impacted us. After that, we fished on the east side of Kodiak Island for codfish that whole summer, and we never did see any oil on that side of the island. Most everything that came around went down the Shelikof side. There was a lot of people like Wilburn's big boats, they were in Larson Bay and on the west side

at Kodiak. There was a big effort on the clean up on that side of the island, and you're 500 miles from where it was released. So that's – you see this thing in the gulf and the tide action and the currents and the temperature and then throw in some hurricanes, it's going to be everywhere. They'll be lucky if they don't have it on the East Coast.

CPW: It is just crazy.

RH: Something went way, way wrong there. And there's – I can't remember. I read somewhere the other day there's like 4,000 oil wells in the Gulf of Mexico. This is the first huge spill that they've ever had. I can't imagine being able to work a mile underwater and see what you're doing or know what you're doing. They were showing graphs the other night. Now they're doing these intercept wells where they drill down twelve or fifteen-thousand feet and they're hunting for a seven inch pipe down there in the rock. There's got to be some magic involved there.

CPW: I know I heard they had set up a telephone line for people who could call in and give ideas about solutions.

RH: Yes, yes.

CPW: If you don't have a plan then I don't know. It is crazy.

RH: Yes. You would think that somebody as big as Exxon or as big as BP would know exactly how to take care of a problem, but they seem to be fumbling around in the dark, too.

CPW: I had a friend that was saying they thought it was maybe the same thing as the levees where it's like you only build it to withstand a certain amount of something and it would just be way too expensive if you built it to...

RH: Well, if you look at BP and Exxon's profit picture for the year, it would be a drop in the bucket to make sure that they had something that didn't break. But that's another deal. That's kind of like Trident's house of cards. You got somebody down here that's trying to save five dollars so that he can get somebody else's job up here making his picture look good. By the time he gets to the top, the guy the top didn't have a clue what was going on at the bottom.

CPW: I think that is about all I have got for you, unless there is anything else you want to say.

RH: No, I'm about said.

CPW: All talked out?

RH: I just get frustrated thinking about it [laughter].

CPW: Well, thank you. That was really interesting.

[end of transcript]