

Charter Fishing: LAKE HURON'S CHANGING INDUSTRY



The southern Lake Huron coast is a fantastic setting for outdoor exploration. Promoting the region's natural assets can help build vibrant communities and support local economies. This series of fact sheets profiles different outdoor activities that could appeal to residents and visitors of Michigan's Thumb. We hope this information will help guide regional planning, business development and marketing throughout the region. **Here we focus on charter fishing – providing information about charter customers, economic impacts and how the industry has changed.**

CHARTER FISHING ON LAKE HURON

Lake Huron is known for its sandy beaches, clear blue waters and historic lighthouses. The region's quiet port towns are accessible and affordable. For visitors from southeast Michigan, the Lake Huron coast provides a close "up north" experience. Charter fishing on Lake Huron can draw visitors to the region by providing an exciting and relaxing opportunity to get out to open waters, enjoy the waterscape and, of course, catch fish. Charter fishing trips entail hiring a charter boat fully equipped with lines, lures, fish-finding technology and an experienced guide. Lake Huron charter excursions usually start before dawn, last four to eight hours, and travel one to 10 miles offshore to find the best fishing.

Who Charters a Fishing Boat?

Michigan Sea Grant surveyed 141 people who went charter fishing on one of the Great Lakes in 2009. These surveys help create snapshot of Michigan's charter customers and their spending habits.

- **Charter Group Size:** 4 people on average.
- **Group Relationships:** 70% family, 54% friends, 19% business associates.
- **Motivation:** for 80% of groups, fishing was the primary reason to visit a port town.
- **Geography:** 87% traveled more than 50 miles; 32% were from out of state.
- **Length of Visit:** 2.1 nights for out-of-town customers (from more than 50 miles away).
- **Accommodations:** 60% stayed in a hotel, lodge, or bed and breakfast; 14% camped; 27% stayed with friends or in a second home.
- **Prior Experience:** Customers had taken an average of 3.6 trips with the same captain.
- **Information Source:** Most chose a boat based on word of mouth or websites.

Average Customer Spending

In Michigan, the average charter fishing trip included four customers who spent a total of \$1,263 during their visit to a port town in 2009.

AVERAGE TRIP-RELATED SPENDING PER CHARTER GROUP	
Charter fees and tips	\$613
Fishing licenses	\$51
Hotels, motels, B&Bs, camping	\$213
Fuel for automobiles/trucks	\$93
Auto/truck expenditures other than fuel	\$14
Groceries and liquor stores	\$76
Restaurants and taverns	\$119
Fishing equipment	\$6
Souvenirs and shopping	\$38
Entertainment	\$23
Other	\$17
TOTAL	\$1,263

Source: O'Keefe and Miller, 2011.

Economic Impact

Charter customers from outside coastal communities generate sales that support local jobs. Using customer spending information, Michigan Sea Grant estimated the economic impact of charter fishing for Michigan's coastal areas.

ECONOMIC IMPACT OF CHARTER FISHING FOR COASTAL AREAS OF MICHIGAN			
Geographic Area	Total Trips	Gross Sales	Employment Hours
Michigan's coast 1990-2009	333,376	\$396 million	9.31 million
Lake Huron coast in 2009	1,470	\$1.56 million	50,000
Thumb Area coast in 2009	454	\$474,000	17,000

Gross sales include indirect and induced spending resulting from local spending by out-of-town customers. Source: O'Keefe and Miller, 2011.

RECREATION PROFILE: Charter Fishing



A CHANGING INDUSTRY

The charter fishing industry grew in the 1970s and 80s following the successful establishment of stocking programs for Pacific salmon (i.e., Chinook, Coho, steelhead) in the Great Lakes. However, recent ecological and economic changes have affected charter businesses. The number of charter trips that leave from Lake Huron ports has dropped by about 50 percent since 2002.

Lake Michigan has always dominated Michigan's charter fishing industry, but Lake Huron's portion of the state's market has shrunk from about 20 to 10 percent in the last 15 years. Two factors likely influenced the drop: the sharp decline of Chinook salmon in Lake Huron, and the economic downturn, which began early in southeast Michigan.

Similar numbers of fish are caught per trip on both lakes Huron and Michigan, and charter catch rates have actually increased over the last 20 years. However, the fish caught are different. While salmon continue to be the focus on Lake Michigan, charter trips on Lake Huron primarily catch walleye or lake trout. Walleye fishing has increased notably in Saginaw Bay, keeping catch rates high, but walleye charter trips have not fully compensated for declining numbers of salmon fishing trips.

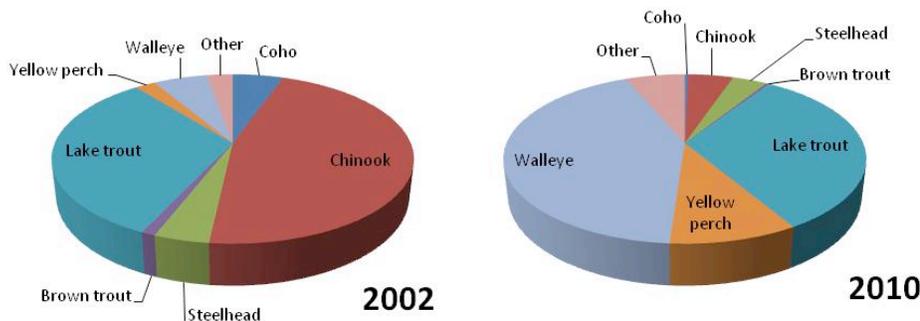
CHARTER FISHING: LAKES MICHIGAN & HURON		
	1990 -2002	2007-2010
Lake Huron Averages		
Trips Per Year	2,879	1,450
Fish Caught Per Trip	6.1	9.4
% Pacific Salmon in Catch	45%	12%
Lake Michigan Averages		
Trips Per Year	11,778	10,996
Fish Caught Per Trip	7.2	8.8
% Pacific Salmon in Catch	65%	84%

Catch numbers do not include yellow perch but do include walleye. Pacific salmon includes Chinook, Coho and steelhead. Source: MDNR Charter Reports.

What Kind of Fish?

Many of Lake Huron's charter captains focused on Chinook salmon when they were abundant in the 1990s and early 2000s. Chinook salmon is still a favorite species of charter captains and anglers because they are fun to catch and good to eat. Also, since deep-water fishing requires a specialized fishing boat, individuals are less likely to have regular access (i.e., hiring a charter is one of the only ways some anglers can catch deep-water species). However, most of southern Lake Huron's charter captains now fish for a wider range of species. In 2010, 56 percent of charter trips targeted salmon and trout species in deep waters and caught an average of seven fish per trip. Forty-one percent of trips targeted walleye using different fishing techniques closer to shore, and caught an average of 12 fish per trip in 2010.

FISH CAUGHT AS PERCENTAGE OF TOTAL CHARTER CATCH ON LAKE HURON



Source: MDNR Charter Reports.

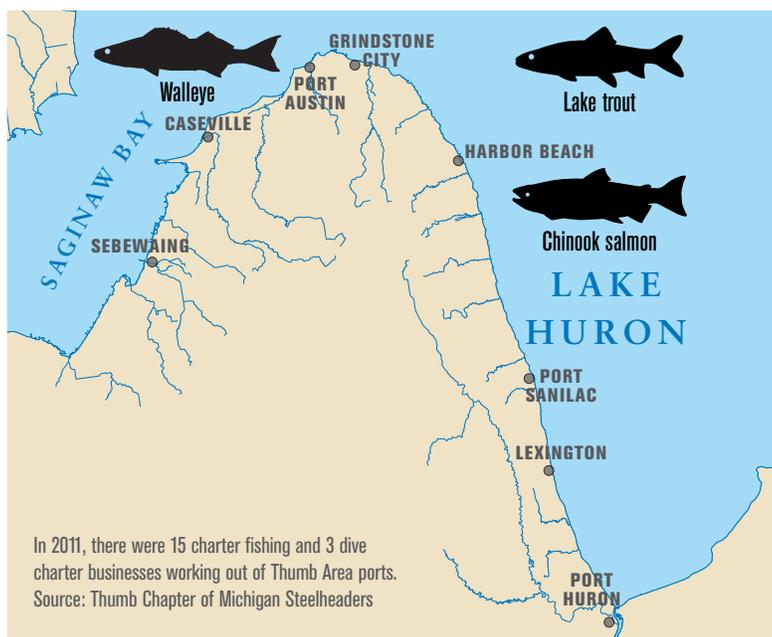
Impacts for Coastal Areas

Chinook salmon populations have declined most noticeably in the southern and central parts of Lake Huron, hurting charter businesses in this region. However, Saginaw Bay has seen an increase in charter business as walleye fishing has improved. In the Thumb Area, Grindstone City and Port Austin continue to be the most active ports, with access to Saginaw Bay and the open waters of Lake Huron.



CHARTER FISHING OPPORTUNITIES ON LAKE HURON

Charter Port Towns in Thumb Area and Popular Fish



How Communities Can Support Charter Fishing

- **Accessible marinas:** Marinas located near downtown or commercial areas can promote charter fishing and other local businesses. Customers might buy sunscreen, snacks or batteries before their trip and go out to dinner afterwards.
- **Fish cleaning stations:** Most charter operations clean and filet the fish for customers. Some ports have outdoor sinks and counters where anglers can safely hang, wash and cut their fish and dispose of the fish waste. This protects water quality and allows captains to display the day's catch.
- **Partnerships:** Restaurants, hotels, bait shops and other tour operations can promote and expand each other's services. For example, restaurants could partner with captains to cook fresh-caught fish for out-of-town customers.
- **Additional charter opportunities:** Some captains are expanding their market by offering evening, sightseeing or dive charters. The Michigan Charter Boat Association lists charter companies and licensed captains that are available for hire for a variety of services.

www.michigancharterboats.com

Guided Fishing Opportunities

Chartering a large boat for salmon fishing is not the only type of guided fishing opportunity in the Thumb. Smaller charter boats that target walleye and perch are popular in Saginaw Bay and are generally less expensive. Professional fishing guides can also provide equipment and instruction for fly fishing in rivers or shallow coastal waters, ice fishing in the winter or kayak fishing.

Although the rivers in the Thumb are fairly small, salmon, smelt, suckers and emerald shiners run up the rivers in early spring and late fall, creating great river or pier fishing. During a run, fish can be caught with nets, spears or lines in large numbers. Many anglers also wade into Lake Huron for some excellent small mouth bass or carp fishing in the spring. One Thumb Area company leads 6-hour fly fishing excursions along the shore of Saginaw Bay for \$275 and ice fishing trips for \$95. An experienced guide can ensure that an out-of-town angler finds the best fishing spots at the right time with the right techniques.



(Left) Fish cleaning station. (Right) Fishing guides can help people discover new opportunities in the Thumb.



INDUSTRY OUTLOOK

A 2011 survey of 31 charter captains on southern Lake Huron revealed that 64 percent felt they “have hope, but the fishery needs some help!” Half of the captains thought they would see a decrease in business in 2011.

The Downside

- The charter industry in Michigan has gotten smaller. There were 550 active captains in 2009 – a 40% drop from 1985.
- Lake Huron’s share of Michigan’s charter fishing market has shrunk.
- The percentage of Chinook salmon in Lake Huron’s overall charter catch has declined from 46% in 2002 to 5% in 2010.
- Fewer charter customers come from southeast Michigan.

The Upside

- People come to coastal communities in order to charter fish, and they often spend a few nights in the port town, benefiting a range of local businesses.
- Overall catch-per-trip has increased on Lake Huron, primarily due to the resurgence of walleye in Saginaw Bay. Lake trout continue to be a major component of the catch.
- In addition to targeting a wider range of fish species, many captains are offering new types of trips, including sightseeing excursions, evening outings and dive charters.

REFERENCES AND ADDITIONAL RESOURCES

Mahoney, E., M. Brunke and C. Pistis (1986). 1985 Michigan Charter Fishing Study. Michigan State University.

MDNR Charter Boat Survey Program. 1990-2010.

O’Keefe, D. and S. Miller (2011). 2009 Michigan Charter Fishing Study. Michigan Sea Grant.

Pistis, C. and F. Lichtkoppler. (2003). Michigan’s Great lakes Charter Fishing Industry in 2002. Ohio Sea Grant.

Polling conducted at three Lake Huron Fishery Workshops in April 2011. Results will be posted at: www.miseagrant.umich.edu/fisheries/fishery-workshop.html

The screenshot shows a web-based calculator for charter fishing businesses. It has a header with the Sea Grant Michigan logo and navigation links. The main content area is titled 'Charter Business Calculator' and includes a 'Please enter your numbers in the Yellow Cells' instruction. The calculator has several input fields: 'Total number of half-day trips per year' (set to 72), 'Total number of full-day trips per year' (set to 16), 'Half day trip fee' (\$380.00), and 'Full day trip fee' (\$490.00). Below these, it displays calculated results: 'Total Annual Revenue: \$30,648.70', 'Total Annual Economic Cost: \$20,468.26', and 'Annual net return before taxes: \$10,180.44'. A 'Reset to Default Values' button is at the bottom.

Two online tools were developed to aid charter captains and others with an interest in the economic impacts of charter fishing. These are available along with more detailed reports at: www.miseagrant.umich.edu/fisheries/economics/charter

The Southern Lake Huron Assessment is evaluating potential opportunities for the coastal region of Michigan’s Thumb.

This factsheet is a result of work sponsored by Michigan Sea Grant College Program, M/PD-44 and R/CCD-17, under: NA10OAR4170071 from National Sea Grant, NOAA, U.S. Department of Commerce, with funds from the State of Michigan.



Contact

Dan O’Keefe, Ph.D
 Southwest Michigan Extension Educator
 Michigan Sea Grant
okeefed@msu.edu