

SHRIMPERS

From page 1

economic times is not singular, nor unique: His boat is equipped with a Caterpillar 3412 engine, fairly standard on shrimp boats. It will burn 20 to 25 gallons of fuel an hour. Gore carries oversized outriggers (the long arms that extend to port and starboard, from which nets are lowered or raised), and his nets are as big as they can get — 55 feet — so the engine works harder, burning more fuel. And it can require 40 or 50 gallons of oil, as well, he notes.

But onlookers who don't know that might figure the industry is healthy, especially on a morning when the boats have come in to offload the catch.

Since now only about 1,000 shrimp boats ply the Gulf of Mexico, down from 7,000 to 9,000 in the heyday or the shrimp-day of fishing, captains can almost always fill their holds with a catch, says Dennis Henderson, who co-owns Trico and a lot of other things.

Henderson's father was a welder who worked on boats. Henderson, himself, now 55, dropped out of school in the 10th grade to go to work. He's tried every side of shrimping, from fishing as a deck hand to owning his own welding shop, to becoming the king of the local industry and the last man standing, more or less.

Trico is now the name-of-the-game on San Carlos Island, where a fleet of several hundred shrimp boats has been reduced to about 60, all of which offload at Trico, since other companies have gone out of business.

Henderson's related enterprises include Gulf Shrimp, the fresh fish market and restaurant next door to Trico where the public can pick up seafood literally right off the boat; various docks and warehouses here and in Freeport, Texas; 20 boats, which he leases to captains (he had 16 out or just back this week); and even a trucking outfit with refrigerated trailers to haul the shrimp to some buyers and distributors.

The problems, plural

So where are the problems in all that enterprise and why do people often carry the impression that the shrimping industry in Lee County is in deep trouble? Henderson, who is rich by the standards of most shrimpers, is not only buying and selling shrimp as fast as he can get them, apparently, but he's giving a lot of people work, either directly or indirectly, and that means money up and down the line, for many.

"The economic impact, the positive impact of shrimp is huge on the people who work here, on the boats, in the packing houses, the seafood restaurants, the welding shop and net repair shop and the trucking companies and distribution centers — and our shrimp, the pink, is rated as number one in the world," says Joanne Semmer, who grew up on San Carlos Island.

Semmer, the mother-in-law of Henry Gore, now works with the non-profit Ostego Bay Foundation to protect the fishery and its environment, and to train boat captains to avoid oil spills, or other problems (any boat pumping fuel over the water — and they all do — must be captained by someone trained and certified to stop or contain spills).

Semmer points out that an economic report published a decade ago by economists at the University of Florida estimated a \$100 million per year benefit from the San Carlos fleet to Lee County, alone — a figure now mitigated in part, she believes, by the reduction of the fleet.

But all of that's just the production, as distinguished from everything else that is



JIM MCLAUGHLIN FLORIDA WEEKLY

Captain Henry Gore watches bags of shrimp heading off his boat.



JIM MCLAUGHLIN FLORIDA WEEKLY

High Lfe crewman Tony Green checks the boat's nets.

problematic, in Henderson's view.

"We've got production, we're in the millions of pounds per year, we're the king of production around here, that's not the problem," he insists.

"But starting about six weeks ago, our prices dropped by about a \$1.50 a pound and there was no money — all the buyers have run out of money, and they can't borrow money."

Sure enough, everything in the larger world seems tied into the docks on San Carlos Island. Banking, to name one. Fuel costs, to name another, says Henderson, who is also president of a lobbying organization called Wild American Shrimp (www.wildamericanshrimp.com), which wrestles with the issues and promotes wild-caught shrimp from U.S. waters.

And (to name a third problem), the disparate and unequal rules of international trade that allow the "dumping" of farm-raised foreign imports into the U.S. markets, he says.

Shrimp from some Asian or South

American locations, for example, are not liable to the strict health and quality codes of U.S. shrimp, and not inspected in the U.S., but sold here nevertheless at massive outlets, such as Wal-Mart or Costco or Sam's or major grocery chains.

"They don't care, because they want to sell cheap, so they aren't interested in tariffs on those imports, or inspections by us, because that would cost more," argues Henderson.

Right now, the biggest of all those problems for shrimpers such as Henry Gore is fuel. And Henderson is trying to help with that, he says, by sending a 30,000-gallon fuel tanker through customs in Brownsville, Texas, then through customs in Mexico, all of which took a lot of back-and-forth with the Department of Homeland Security, Henderson says.

"We went down around the Yucatan a couple or three places and bought it. What was strange was, back when we first started getting it, fuel was just a little

over \$2 a gallon. They got six refineries in Mexico, only takes them two years to build one and they're building four more because they don't have enough refinery capacity or they could sell it all over.

"So they send it to the U.S. to have it refined and send it back down there, and they're still selling it for \$2.50 less down there."

And it takes Henderson's fuel tanker \$3,000 plus crew pay to make the trip, as well as fees paid to customs officials in Mexico and Texas.

But for Henderson, the biggest problem isn't fuel, but money, in and of itself.

"I'm too little to get into it like the really big buyers, but they had a place they could borrow money at 3.5 percent," explains Henderson. "And now they can't, and I'm hoping our buyers don't run out of money — mainly we sell to guys like Cox Seafood, Tampa Maid, Bama Seafood and some others, and they probably have \$100 million worth of buying power."

But not if they can't get money from the banks, notes Henderson, who goes on to explain how financing works.

"Big markets like Costco or Sam's or Publix or Sysco, the first thing they want is 90 days credit," he says. "And they send you a big contract to sign and then hold you up on your money for 120 days."

"There's no way I could justify that with our production. There's no way — or at least no way I would choose — to get into that thing of borrowing on the product. When you process a lot of this stuff, sometimes it's two or six or eight months before you can sell it."

And those are months when everyone else has to get paid without waiting for their money, starting right at the boat.

So, when an east-coast buyer called late last week begging for help, Henderson couldn't offer it; he could only hope that what was happening to that man's supply — all dressed up and no place to go — doesn't happen to his, he admitted.

"He wanted a home for a couple hundred thousand pounds of white shrimp he had, but (I told him), right now our boats are fixin' to come back here, and we're going to be asshole deep in brown shrimp, and I'm just hoping our buyers can get money."

Because then they can pay Henderson, who was paying out money, lots of money, this week, as the boats come in.

The shrimp highway

Trico was buying the catch, which meant a lot of money would change hands — and keep changing hands and amounts, from the buyer to the boat captains and crews; from the distributor to the buyer; from the outlets or markets (restaurants, grocery stores, fish houses) to the distributors and buyers; and finally from the shrimp-loving public to the markets.

On that economic highway, every pound of shrimp becomes more valuable the farther it travels from the docks on San Carlos Island.

Unfortunately for the shrimpers, they say, those prices have not changed significantly in years, while everything else (fuel, fuel, fuel) has skyrocketed.

For example, a boat captain might take in an average \$1.50 a pound for anywhere between 10,000 and, say, 30,000 or 40,000 pounds of shrimp from a buyer like Henderson, at Trico, shrimpers say — and that depends on the time of year and nature of the shrimp they catch.

Trico might then sell those shrimp to a distributor for prices ranging from \$1 a pound for very small shrimp, to about \$4 or \$5 a pound for large ones. At Henderson's fresh market near the docks, however, they might go from roughly \$6 a pound with the heads on up to \$10 or \$12

CONTINUE ON A9 ►