

**WRITTEN TESTIMONY BY  
BEN SPECIALE, PRESIDENT,  
YAMAHA MARINE GROUP,  
YAMAHA MOTOR CORPORATION, USA**

**HEARING ON  
MAGNUSON-STEVENSON FISHERY CONSERVATION AND MANAGEMENT ACT**

**BEFORE THE  
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION  
SUBCOMMITTEE ON OCEANS, ATMOSPHERE, FISHERIES, AND COAST GUARD  
U.S. SENATE**

**AUGUST 23,  
2017**

**Introduction**

Good afternoon, Chairman Sullivan and Members of the Subcommittee. I appreciate the opportunity to speak with you today about the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act). My name is Ben Speciale, and I am the President of Yamaha Marine Group, a business unit of Yamaha Motor Corporation USA. The marine group is accountable for the management of five marine manufacturing facilities in the United States, and we have more than 1,000 employees. Our company sells, markets, and services Yamaha outboard motors and related parts and accessories through a distribution network of 120 independent boat builders. Those boats, as well as individual motors, are retailed through 2,000 dealers in the United States; 19 dealers are here in Alaska. These individual small businesses in our distribution network employ anywhere from a handful of employees to hundreds, and they have a sizeable footprint in all 50 states.

Conservation is a key part of our mission as a company. We support and are very active with the leadership of the Center for Sportfishing Policy. We are members and supporters of the American Sportfishing Association, the Coastal Conservation Association, the Recreational Fishing Alliance, the Theodore Roosevelt Conservation Partnership and the Kenai River Sportfishing Association here in Alaska. Earlier this year, Yamaha was honored by the International Game Fish Association for our efforts in the area of conservation. Mr. Chairman, I also know you are aware that Yamaha supports and has asked its customers to advocate for the bill that you and Senator Corey Booker introduced, the Save our Seas Act. Getting plastic debris out of our oceans is very important part of protecting our ocean resources. At Yamaha, we know that our business and the businesses of all boat builders and dealers, rely on a healthy and abundant resource. To summarize, we want a lot of fish in the sea, and we want to ensure healthy fish stocks are protected for generations to come.

I believe I can bring a unique perspective to the fisheries management conversation because Yamaha Marine's products are used by commercial, charter, and recreational fishermen. With this in mind, we are focused on fair and equitable fisheries management policies that bring about the greatest benefit to the nation.

Today, I would like to focus on the economic impact of recreational salt water fishing and thereby underscore the need for amending the Magnuson-Stevens Act to allow for increased management flexibility for recreational fisheries.

### **The Impact from a Statistical view**

Recreational saltwater fishing contributes greatly to the economy. According to data provided by the National Marine Fisheries Service, the nation's nine million saltwater recreational anglers took more than 60 million fishing trips in 2015, spending \$28.7 billion. \$24 billion of that was spent on durable goods, such as what we and our boat builder customers produce. Total sales impact was \$63 billion, which supported 439,000 jobs, and contributed \$36 billion to the U.S. gross domestic product. Using NMFS numbers, total contribution to the economy by recreational fishing is about equal to the impact of commercial fishing.

### **Economic Impact from a Manufacturer's View**

While impressive, these numbers don't begin to tell the whole story of the marine economy. There are two points that everyone gathered here may not know. The impact of saltwater fishing isn't just coastal, and it likely touches all fifty states. Let me give you a few examples.

Yamaha owns and operates a foundry in Indianapolis, Indiana, which produces more than 60 thousand stainless steel propellers each year that are used on Yamaha and other outboard motors. More than a third of those props are used in saltwater boat applications despite the fact that they are manufactured in a landlocked state.

We employ 130 hardworking Americans in Indianapolis. The employees there are skilled and proud of what they do. Many of the jobs involve precise, careful finish work. The propellers they make are of high quality and are in great demand. On average, our production employees make more than other manufacturing employees in the area. They have the very same benefits package and health care options that are available to all Yamaha employees. In short, these are good jobs in a good industry.

However, the economic impact of our propeller plant doesn't end in Indianapolis. Let's take a look at the raw materials that go into those Yamaha propellers. The waxes used in the investment casting process are shipped to Indianapolis from factories in Muskegon, Michigan or Cleveland, Ohio. Stainless steel is shipped to Indianapolis as ingots from Oil City, Pennsylvania and from Muskegon, Michigan. The various minerals used in the alloys are mined in a number of places, including Climax, Colorado, a state not known for saltwater fishing. Nickel used in the alloy likely comes from the Eagle Mine on Michigan's Upper Peninsula. Furthermore, once the propellers have left our Indianapolis plant, they go on to support small businesses in all fifty states through our boat-builder and dealer networks.

We see the extensive impact of saltwater recreational fishing at our Skeeter boat company factory in Kilgore, Texas. While Texas certainly has a lot of coastline, Kilgore is pretty far from it. The city is better known for its contribution to the oil industry in the 1930s, with oil derricks still standing as historic markers. With 281 employees, Skeeter is now the second largest private employer in Kilgore, ranking just behind General Dynamics and just ahead of Halliburton. The brand is known as a manufacturer of high-performance fishing boats, many of which are used in the

Gulf of Mexico by a wide variety of customers, including many recreational anglers who use them to fish for red snapper and other salt water species. Most of the resins used in those boats come from a company in Marshall, Texas. Some of the gelcoats are from Kansas City, Missouri. Fuel tanks and livewells come from factories in Bristol, Indiana and Sparta, Tennessee. Aluminum for use in some panels, from Lake Zurich, Illinois. Electronic components are from Conway, Arkansas. Decals and emblems are manufactured in Wichita, Kansas. All boats, not just Skeeter's, use a lot of wiring these days. Many of the wiring harnesses for boats come from Michigan. The truth is that many of the raw materials and semi-finished products used for salt water recreational fishing boat production come from factories, mines and suppliers in the interior of our great nation.

That salt water recreational fishing economy is much more far reaching than we think, and that's why it is so important that we amend the Magnuson-Stevens Act to take into account the needs of the recreational fishing economy. Recreational fishing and commercial fishing are two fundamentally different activities needing distinctly different management tools.

### **Supporting the Salt Water Recreational Fishing Economy**

How do we make sure we maintain the salt water fishing economy that is so important to every state in our nation? The current law has never properly addressed the importance of recreational fishing. The original MSA law was enacted to govern the commercial fishing sector, and the bill has done so with great success over the decades. However, the current one-size-fits-all approach has led to problems for the recreational angler including shortened or even cancelled seasons, reduced bag limits, and unnecessary restrictions. Recreational anglers are very concerned about the process for granting Exempted Fishing Permits, the actual impacts EFPs have on anglers who remain excluded, and the potential impacts EFPs will have on species conservation--as explained in the attachment to this testimony. Management strategies are in desperate need of an update and more emphasis needs to be put on recreational fishing.

We believe that some critical improvements are included in S. 1520, the Modernizing Recreational Fisheries Management Act of 2017, which is currently pending before this committee. If enacted, the provisions of that bill will provide some of the statutory tools needed to better manage recreational anglers.

Specifically, the Modern Fish Act will allow federal fisheries managers to use alternative management approaches for recreational fishing, similar to state-based models that better align with the nature of recreational fishing and available data. Among other innovations, it will improve recreational fisheries data by considering modern third-party data collection systems, such as from smartphones. These legislative changes take nothing away from other sectors while leveling the playing field for the recreational angler.

### **Conclusion**

At Yamaha, we see the breadth and depth of the salt water recreational fishing economy. We see it in our own facilities and in those of the 120 boat builders and 2,000 dealers we work with every day. Here is an important fact: 70 percent of those who boat, fish. You cannot separate boating from fishing. In many ways, an outboard motor is just a tool for fishing, not unlike the tackle used by our customers. Every element and every bit of material that goes into the boat and everyone who adds value to it is part of the salt water recreational economy. The impacts go beyond

manufacturers, suppliers, and retailers; they affect hotels, gas stations, restaurants, travel services, and coastal communities that benefit from recreational saltwater fishing trips every single day of the year.

We, all of us here, are responsible for protecting the livelihood of the many who depend on recreational fishing. Our laws are written for the good of the nation, not the good of a single industry. I hope I have shown that the sport of recreational fishing supports a large number of jobs in a wide variety of industries in states all across our nation: artisans who put the shine in our propellers, technicians who design tooling, miners who bring us our raw materials, painters, laminators, salespeople, marketers, accountants, everyone. Each one of these jobs represents an American family that depends on the sport of recreational fishing for their financial security, and dozens more American families that are able to bond across generations through time together on the water with a fishing rod in their hands.

At Yamaha, we support the Modern Fish Act, and we support the organizations that have worked so hard to get the recreation community this far today. There are others here on this panel today that can do a much better job of defining the specific statutory changes that will be necessary to support the economy that I hope I have helped to illuminate. I look forward to their testimony.

Thank you again for the opportunity to discuss the Magnuson-Stevens Act. I am available to answer questions you may have.

###