



eBook

GUIDE TO SERVING YOUR ALASKA SEAFOOD FISHERMEN

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Keep Your Fishermen Fishing For You

In an industry as competitive as Alaska Seafood Processing, your time should be spent taking care of your fishermen to keep them happy and fishing for you instead of the other guys. Fishermen can go fish for any company – they could even leave your dock after intending to deliver to you and go deliver to another company. Fishermen also have the option to direct market their catch. So, why should they fish for your company? You should know the answer to that question and so should fishermen. Word of mouth is huge in the industry so having fishermen that are advocates for fishing for you can help grow your business, just as having fishermen that are detractors can hurt your business. And, with fewer fishermen on the water these days, you need a reputation that beats the competition's.

So how do you serve your fishermen better than your competition? By first understanding their perspective, then keeping them happy through being transparent, offering incentives and relief from the stress of fishing life, being a resource that can answer questions and stay organized for them, and investing in software that understands your business.

01

02



Understanding Your Fishermen's Perspective

Before you can best serve your fishermen, you need to understand their pain points so you can alleviate them to best serve their needs. Understand that fishermen have the stresses of:

- Institutional barriers that are making it [harder for new players to enter Alaskan fisheries](#), such as individual fishery quotas and the high cost of permits
- High cost of permits preventing them from diversifying their portfolios, with [permits sometimes costing hundreds of thousands of dollars depending on the fishery](#)
- [More specialization](#) which makes them more vulnerable to environmental, economic, and political pressures
- Higher level of variable income as [only one-third of Alaska fishermen have a stable income year-to-year compared to 60% of the U.S. population](#)
- [Competition from imports](#)
- Keeping track of the complex and ever-changing [fishery regulations](#)
- Managing their crew and [crew shares](#)
- Being small business owners that have to be able to [make the right decisions regarding how much money to borrow, how to grow their businesses, when to invest in new technologies, and when to invest in improvements to their vessel\(s\)](#)

With all of your fishermen's stresses above, one of them shouldn't be who to fish for. You should make it easy to choose to fish for you by keeping your fishermen's perspective in mind and treating them as the business owners and partners they are.

Keeping Your Fishermen Happy

03

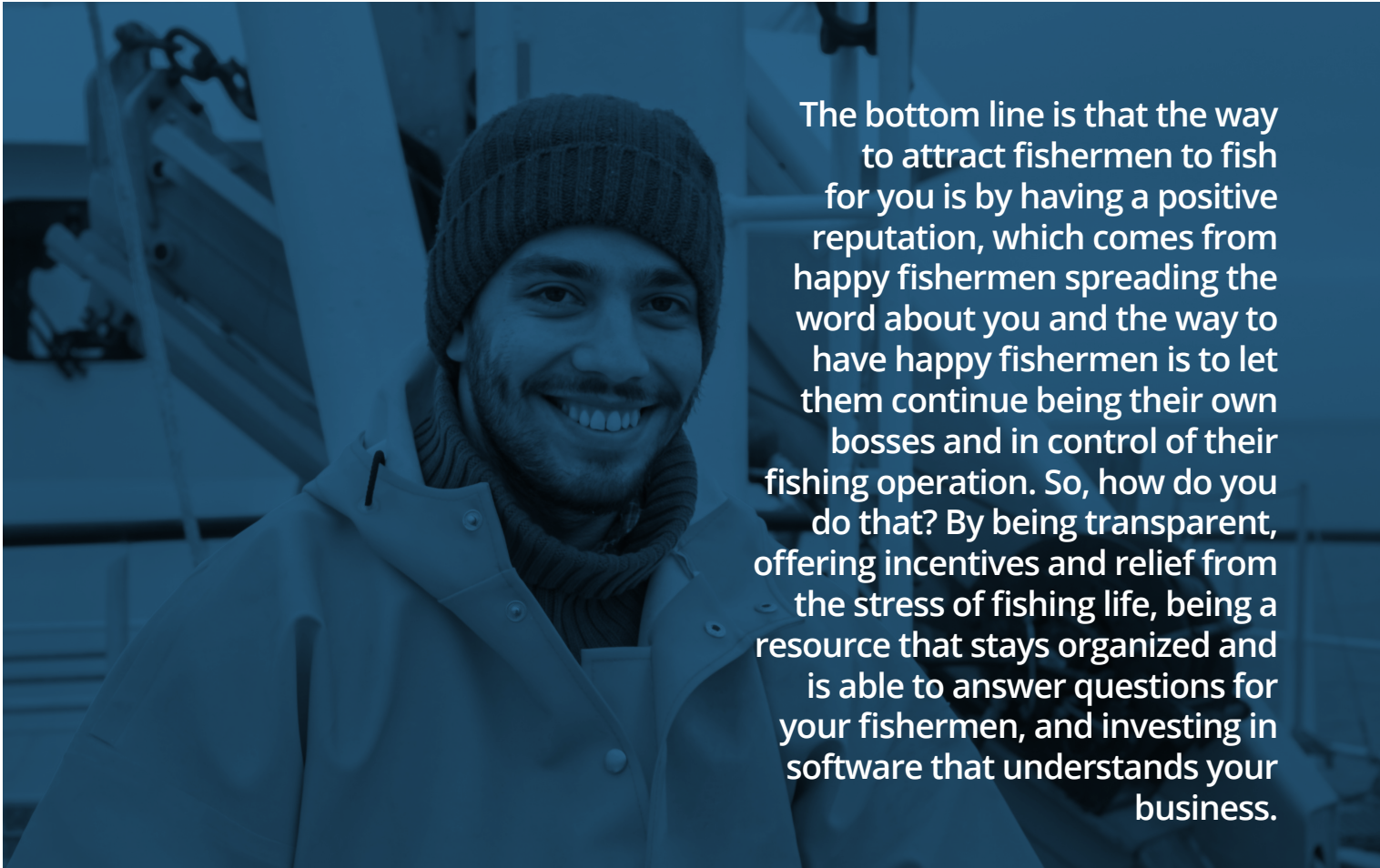
Making it easy to choose to fish for you and keeping your fishermen happy may sound easier said than done, but it comes down to two simple questions and answers that work together:

Q: How do I attract a fisherman to sell to me and not a competitor?

A: Your positive reputation, which is built by word of mouth. Happy fishermen will tell the world about you – and in your industry you don't need them to tell the word, just their neighbor.

Q: What makes a fisherman happy?

A: According to a [study by University of Alaska Fairbanks](#), fishermen are happy with their jobs and would choose it again. And, according to Courtney Carothers, an assistant professor at College of Fisheries and Ocean Sciences, [“many academics have studied this question and it shows really across the globe fishermen value being able to be their own bosses and to be able to be in control of their fishing operation, or their work if they're a crew.”](#)




The bottom line is that the way to attract fishermen to fish for you is by having a positive reputation, which comes from happy fishermen spreading the word about you and the way to have happy fishermen is to let them continue being their own bosses and in control of their fishing operation. So, how do you do that? By being transparent, offering incentives and relief from the stress of fishing life, being a resource that stays organized and is able to answer questions for your fishermen, and investing in software that understands your business.



Be Transparent So Your Fishermen Know What To Expect

Et parisciis aut foccusa

3.1



If you have never worked with a fisherman before, why should they choose you? Because you're transparent about how you do business and what you're looking for – there are no surprises. By being transparent you're allowing your fishermen to not only trust you but to make informed decisions for their businesses, giving them the control they value.

Two places it's really easy to provide transparency are with your onboarding and repricing.



Onboarding

You're attempting to attract the best fishermen and the best fishermen want clarity on what they can expect and how they can succeed when fishing for you. So, do you have a basic onboarding guide that details the essential "need-to-knows" when fishing for you?



Repricing

You already know your fishermen face the stress of variable income, don't make it worse by making them wonder [what to expect when it comes to repricing](#), too. Set expectations around what will happen when the repricing does, around when you reprice, around communication before you reprice, and around how your fishermen can get more money.

Offer Incentives & Relief From The Stress Of Fishing Life

3.2

You know your fishermen value being their own boss, owning their own business, and having control and you know they face a multitude of stresses because of it. By keeping your fishermen's perspective in mind, you can address these needs and pain points by being a strategic business partner and managing some of the stressful items on their behalf.



**1****Offer Fisherman Loans**

By offering your fishermen the option of a loan, you're allowing them to continue doing business as usual while they wait for final payments to come in. As an added bonus, you can allow them to apply Fish Tickets or partial Fish Tickets to their loan balance to pay it off as they'd like, instead of requiring them to make a separate payment – one less thing for them to worry about on their to-do list! If you do offer loans, be sure to keep your fishermen up to date on their loan balance and be clear about interest charges so that your loans help retain your fishermen and improve those relationships.

2**Offer Split Payments**

A happier crew makes for a happier fisherman and a way to make the crew happier is by getting them paid faster. You can do this by offering split payments that you handle instead of paying the “master account” the entire balance, you can split the payments to crew members as needed so that there's no more hassle for your fisherman and there's no added timeline of the skipper having to wait to get paid before he or she can pay his or her crew – everyone gets paid at the same time!

**3****Offer Direct Deposit/ACH**

It's not just the crew that's happier when they get paid faster, it's everyone! Don't make your fishermen wait until they receive your check in the mail and have time to get to the bank to deposit it - pay them directly via ACH/direct deposit. And, if you can, offer the same for split payments!

4**Offer Premiums & Be Clear About Them**

If you offer premiums, don't keep them a secret - they can be great motivators to fish for you! Be clear about the premiums you offer and how to get them. Also, you can potentially offer premiums or bonuses that not everyone else offers, giving you an edge on the competition. For example, consider a "Top Fisherman" bonus to the fisherman that brings the most into you for the season. It's another incentive to keep fishing for you because the fisherman who delivers the most pounds wins and the only way they'll be competitive is if they deliver all pounds to you so that their catch can be tracked. Plus, it also appeals to the fishermen who are competitive by nature and like a little friendly competition with their fellow fishermen.



Be A Resource - Stay Organized & Be Able To Answer Questions

Your fishermen will have questions and you need to be able to answer them quickly and accurately if you want to be considered a valuable business partner that they want to continue fishing for. First, prevent any unnecessary questions with Fishermen & Loan Statements that are super clear and easy to understand.

Seafood Company

Activity from 9/1/2018 - 1/3/2020

Seafood Company
22635 NE Marketplace Dr.
#150
Redmond, WA 98053
Voice: (425) 949-3313 x

Account: Jurgensen, Evan E
2629 Summer St.
Tacoma, WA98413
USA

Fisherman Statement

Account Summary	You Owe Us	We Owe You
Tickets - Landed		62,240.71
Invoices	3,601.30	
Tender Resales	5,185.50	
Payments		(53,453.91)
Ending Balance		0.00

Primary Vessel: AMATULI

Tickets - Landed

Ticket	Landed	Pounds	Gross	Premiums	Taxes	Net
E19 253793 v2	07/22/19	4,100	3,360.39	166.56	107.92	3,419.03
E19 498205 v2	07/23/19	2,355	649.10	76.95	22.21	703.84
E19 253097 v2	07/27/19	15,482	12,773.38	633.22	410.25	12,996.35
E19 498089 v2	07/29/19	7,113	6,002.95	290.15	192.57	6,100.53
E19 136053 v2	07/30/19	4,054	2,552.00	157.60	82.90	2,626.70
E19 187093	08/06/19	16,917	6,522.24	586.71	217.53	6,891.42
E19 187441	08/06/19	10,674	4,253.67	375.48	141.66	4,487.49
E19 183845	08/10/19	8,371	3,766.09	307.71	124.66	3,949.14
E19 186165	08/11/19	6,509	2,549.65	235.75	85.23	2,700.17
E19 184425	08/12/19	10,897	3,550.15	374.35	120.10	3,804.40
E19 188253	08/14/19	11,294	3,824.00	393.62	129.06	4,088.56
E19 472801	08/14/19	20,919	5,828.52	685.73	199.33	6,314.92
E19 167605	08/15/19	13,709	3,836.53	452.87	131.24	4,158.16
13 Total Tickets - Landed		132,394	59,468.67	4,736.70	1,964.66	62,240.71

Invoices

Date	Trans ID	Doc No	PO	Vendor Name	Item Description	Amount
05/31/19	INV1784	77610		Petro 49 Inc.	Fuel	281.40
06/17/19	INV2030	205585		Ballard Hardware & Supply	Misc	334.18
07/21/19	INV2695	5537		Safeway	Grocery	66.51
07/26/19	INV2820	110261		Petro 49 Inc.	Misc	1,419.03
07/29/19	INV2883	112115		Petro 49 Inc.	Misc	111.11
07/30/19	INV2898	85474		Island Hydraulics Inc.	Parts	237.72
08/06/19	INV3076	436210		Kodiak Marine Supply	Misc	598.60
08/08/19	INV3125	119428		Petro 49 Inc.	Misc	504.44
08/28/19	INV3457	7929		Safeway	Grocery	48.31
Total Invoices						3,601.30

Tender Resales

Date	Trans ID	Doc No	Tender	Item	Qty UOM	Price	Gross	Tax	Total
07/06/19	TEN1056	16-102	T/V Mist Harbor	B-COD: Cod Bait	510.00 Lbs	1.10	561.00	8.53	569.53
			T/V Mist Harbor	F-DIESEL: Diesel	200.00 Gal	3.10	620.00	28.30	648.30
			T/V Mist Harbor	B-HERRING: Herring Bait	950.00 Lbs	1.15	1,092.50	49.86	1,142.36
			T/V Mist Harbor	B-SALMON: Salmon Bait	1,940.00 Lbs	1.20	2,328.00	106.24	2,434.24
			T/V Mist Harbor	Supplies	1.00 Each	374.00	374.00	17.07	391.07
Total Tender Resales									5,185.50

Payments

Date	Check #	Payee	Item Description	Amount
07/31/19	10361	PATRICK KOSBRUK	Settlement	18,211.00
08/31/19	10438	Evan Jurgensen	Settlement	35,242.91
Total Payments				53,453.91

Include Transactions: Posted

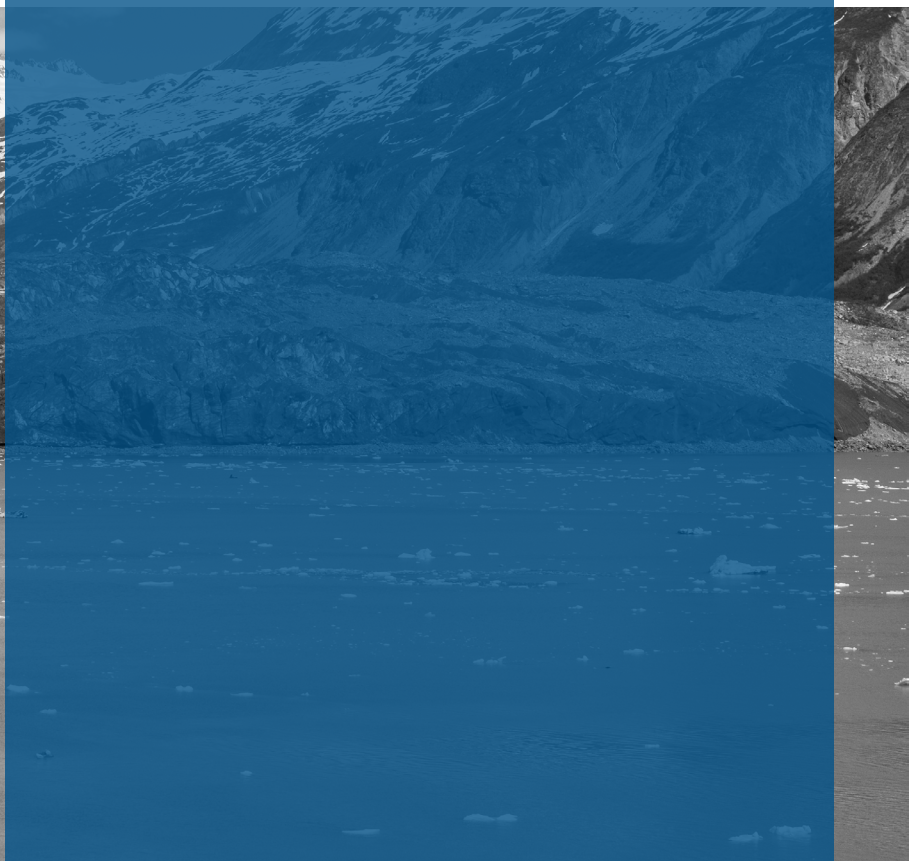
NorthScope: Fisherman Statement - v20180614, Printed: 1/3/2020 12:36:39 PM

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Example NorthScope Fisherman Statement

Then, when questions do arise, you need to make sure you've kept your record-keeping and processes organized to find the information you need in a timely manner to best answer their questions. Some things to track and keep organized are:

- **Real time fisherman balances**
- **All fishermen transactions:**
 - » **Sales**
 - » **Fish Tickets**
 - » **Balance Transfers Between Fisherman Accounts**
 - » **Purchase Orders**
 - » **AP Purchase Charges to Fishermen**
 - » **Sales Made by Tenders to Fishermen**
 - » **Payments from Fishermen**
- **Fish Ticket Taxes**
- **Fish Ticket Observer Fees**
- **Premiums**
- **Individual Loans to Fishermen**
- **Interest on Fisherman Loans**



3.4

Invest In Software That Understands Your Business

As an Alaska Seafood Processor, your job is more than just buying, processing, and selling fish, you must prioritize keeping your fishermen happy and your seafood processing software should prioritize that, too. You don't just need an AP system; you need a Fisherman Management system. You don't just need a Fish Ticket system; you need a Fish

Ticket system that's integrated with eLandings and pre-loaded with ADF&G data. You don't just need to manage fisherman balances; you need to manage their loan balances and provide accurate, easy-to-read fisherman statements. You don't just need to manage bait sales to fishermen; you need to manage charging them for things you purchase and transfers between fishermen. You don't just need to pay fishermen; you need to be able to split payments to cover crew wages and partnerships. All of those things are hard to keep track of with disparate systems and especially hard to keep track of with Excel spreadsheets and paper tracking. Plus, these forms of tracking present a lot of room for error. You don't just need an ERP system; you need Alaska Seafood Processing ERP Software that understands your industry. You need accounting software, Fish Ticket software, inventory software, sales software, seafood traceability software and more all rolled in one.



Instead of manually managing your general ledger, inventory and more separate from your fisherman accounting functions, such as Fish Tickets and settling with fishermen, these functions should integrate to affect inventory, the general ledger and more accordingly to remove room for errors. Some specific fisherman accounting functions your system should include and integrate (which NorthScope offers!) to make your life and your fishermen's lives easier are:



Fish Tickets

You use eLandings for your Fish Tickets, so should your system. Your system should be able to import Fish Tickets from eLandings and allow you to edit and post them. Then, when the time comes it's important that your system allow you to efficiently reprice Fish Tickets and/or Premiums in bulk and, if necessary, void and correct historical Fish Tickets. It's an added bonus if your system allows you to easily apply a Chum/Red Split % to Fish Tickets, too.



Various Fisherman Transactions

You probably do a lot more business with your fishermen than simply purchasing fish. Therefore, your system should be able to record, track and manage those transactions while accurately integrating them with your other business practices. These fisherman transactions include making adjustments to fisherman, tender or loan balances, transferring balances between fishermen, tenders & loans, receiving and applying payments from fishermen, tenders & loans, recording sales to fishermen, recording transactions between tenders & fishermen, processing payments & direct deposit (ACH) to fishermen, and charging fisherman directly from AP invoices.



Split Payments

With a system that manages split payments for you, you and your fishermen's lives are made easier. It's faster and more streamlined than manual management - and it's easier on accounting! The way NorthScope does it is all in one - when you go to enter a fisherman payment, you can split the payment by adding additional crew members to pay out and edit the dollar amounts to print all checks at once, all of which will affect the master fisherman's balance.



Additional Fisherman Accounting Functions

Additionally, your system should allow you to maintain Fish Ticket price lists, maintain price lists for selling to fishermen, configure & maintaining Fish Ticket taxes & premiums, configure & maintaining sales tax rules for sales to fishermen, distribute fisherman statements, mass update Fish Tickets, fisherman sales, tender resales, adjustments, balance transfers, cash receipts & Fish Ticket items, generate safe pay file, view fisherman balances, and provide reports & inquiries.

Meet NorthScope...

Meet NorthScope. Food ERP software built specifically for the needs of Alaska Seafood Processors that offers all the above and allows you to:



Serve your fishermen more efficiently by accessing real time fisherman balances, quickly responding to fishermen questions, conveniently accessing all fishermen transactions, pay fishermen with checks or ACH Direct deposit in addition to offering split checks to cover crew wages, and providing Fisherman Statements that are easy to understand.



Avoid miscalculations with automated Fish Ticket taxes & premiums thanks to easily configurable Fish Ticket taxes and observer fees as well as automated accrual of company paid taxes and automated or manually assigned premiums.



Correct & re-price Fish Tickets without stress by offering convenient repricing of Tickets in bulk, at any time, based on your criteria as well as the ability to correct historical Tickets to create new versions, which will auto-recalculate taxes and premiums, if needed.



Easily manage fisherman loans by tracking individual loans to fishermen and charging interest on those loans with the ability to print and distribute loan statements as well as apply payments and/or Fish Ticket balances to fisherman loans.



Easily manage your business with transactions for the fishing industry including Fish Tickets, fisherman sales, fisherman balance transfers, fisherman purchase orders, fisherman charges from ap purchases, and payment receipts from fishermen.



Manage your tenders more effectively by allowing you to readily manage tender fuel purchases, record sales made by tenders to fishermen, download eLandings by tender batch, and analyze deliveries by tender and/or tender batch.



Increase productivity among plant staff due to all transactions integrating within a single system, unique transactions for the fishing industry that reduce manual data entry and tracking, and the ability to quickly analyze Fish Tickets using 75+ data fields.



04

Beat Your Competition

With fewer fishermen on the water, you need a reputation that beats the competition's. And while you need a good reputation, it should come from serving your fishermen. First, understanding your fishermen's perspective and pain points is key. Then, you can keep them happy by being transparent, offering incentives and relief from the stresses and uncertainty of fishing life, being a resource that stays organized on their behalf and is able to answer any questions they may have, and investing in software that understands your business to help you achieve this. [Book a NorthScope demo](#) to learn more about how we can help you keep your fishermen fishing for you!



NLPInfo@TheNLP.com



www.MyFoodSoftware.com



425 908 0965