



# THE COMPLETE FISH TICKET REPRICING GUIDE FOR ALASKA SEAFOOD PROCESSORS



# CONTENTS

## 01 Set Expectations With Your Fishermen

- 1. Set Expectations Around What Will Happen When Repricing Does*
- 2. Set Expectations Around When You Reprice*
- 3. Set Expectations Around Communication in the Meantime*
- 4. Set Expectations Around How They Can Get More Money*

## 02 Follow These Repricing Best Practices

- Step 1: Audit Fish Tickets & Make Corrections*
- Step 2: Put Processes in Place to Avoid Recurring Issues & Corrections*
- Step 3: Determine Your Repricing Strategy & Reprice in Bulk*
- Step 4: Pay Your Fishermen*
  - Streamline Your Fisherman Payment Operations

## 03 Solve the Top 3 Challenges of Repricing

- Challenge 1: Time*
- Challenge 2: Accuracy*
- Challenge 3: Forecasting*



## Set Expectations With Your Fishermen

# 01

*Let's face it, your Alaska fishermen have their choice of processors to sell their fish to and you may not always be the processor offering top dollar for their catch, so what can you do to keep them happy and fishing for you? You may be surprised by how much people are willing to sacrifice for better communication, clarity, and consistency. So, even if you aren't offering the highest dollar amount, you can make sure you're offering the highest amount of communication, clarity, and consistency and that can help you SEAL the deal [we had to]. And it all starts with setting expectations around repricing.*

# 1. Set Expectations Around What Will Happen When the Repricing Does

For your fishermen to stay happy fishing for you, they shouldn't be wondering about how they'll get paid and what the amount they'll get paid is based on. So, you need to tell them what they can expect before they're left confused and concerned. You can do this by explaining to your fishermen the following:

## *How do you determine your reprices?*

The amount you pay your Alaska fishermen likely depends on the region, species, type of fishing gear, and global market conditions – so tell your fishermen that! Maybe you also offer bonuses for various chill techniques, delivery methods or are open to other agreements to be made with specific fishermen – you should tell them that, too. Any information you can offer up front to your fishermen will help them put their mind a little more at ease among the pricing uncertainty of waiting for the fish to be sold at wholesale, determining the final market price.

## *How do you pay your fishermen?*

Equally as important as understanding how the amount they're being paid is determined, your fishermen should understand how they'll be paid. Should they expect a check in the mail or do you offer ACH/direct deposit? Should they expect to have to pay

**Process Payments**

Batch ID: Jim Smith 1 (Quick Payment) | Batch Total: 11,025.00 | Check Total: 11,025.00 | ACH Total: 0.00  
 Payment Date: 02/26/2020 | # of Payments: 4 | # of Checks: 4 | # of ACH: 0  
 Checkbook: Fishing | Batch Status: New | Next Check #: 10524 | Check # Range:

Account	Address ID	Payment Type	Payment Number	Payee	Description	Amount	Address 1	Address 2	Address 3
<b>Payment Type: Check</b>									
Akers, Zachary T (AKEZACT)		PRIMARY		Zachary Akers	Settlement	6,525.00	3192 Monroe Dr.		
Akers, Zachary T (AKEZACT)		None		Mike Jones	Crew Advance	1,500.00			
Akers, Zachary T (AKEZACT)		None		Tim Smith	Crew Advance	1,500.00			
Akers, Zachary T (AKEZACT)		None		Mitch Garino	Crew Advance	1,500.00			
						11,025.00			

their crew members themselves after being paid or do you offer split payments? Don't leave your fishermen wondering.

## 2. Set Expectations Around When You Reprice

Once your fishermen understand how you reprice, you need to be clear about when you reprice and therefore when they'll get paid. Provide clarity to your fishermen by explaining:

### *When do you reprice & when do you pay your fishermen?*

Do you make all your price adjustments at the end of the season when the market hits or do you periodically reprice for a gear or chill type bonus in the middle of the season? If you do periodic reprices do you pay your fishermen each time you reprice or all at once? These are questions your fishermen shouldn't be asking because you should be clear with them from the beginning about when they can expect to get paid. For example, when your fishermen make a delivery they should know if they can expect a percentage paid to them upon that delivery and then the rest at the end of the season once the price adjustments are made or if they should expect all payment at the end of the season, after reprices.

## 3. Set Expectations Around Communication in the Meantime

Regardless of when you pay your fishermen, they shouldn't be wondering why they haven't heard from you or when they can expect to get communication from you next – they should know. You should be clear with your fishermen about:

### *How do you communicate with your fishermen & when?*

Communicating with your fishermen can mean notifying them of their current balance, providing fishermen statements, communicating about items they may need and purchasing them on their behalf, etc. For any type of communication, your fishermen need to know how they can get a hold of you, when you'll be available, and when they can expect to hear from you. For example, if you'll be providing them fisherman statements they need to know how regularly they can expect to receive them, in what format, and how they can reach you if they have questions about it. Or, if you offer fisherman loans so your fishermen can be charged for purchases you make on their behalf during the season before they've been paid, your fishermen should be aware of their loan balance and that's on you to communicate it with them.

## 4. Set Expectations Around How They Can Get More Money

An essential piece of communicating with your fishermen is letting them know how they can earn the most for the catch they bring you. You can do that by answering:

### *What bonuses and premiums do you offer your fishermen?*

Imagine you got paid for a job after it was completed only to find out you could have been paid more if you had done the job with different tools or using a different method. You'd probably be pretty frustrated and if not, you're a better person than we are because we definitely would be! Well, that's what you're doing to your fishermen when you don't let them know before they fish the premiums and bonuses you offer for certain catch types, gear, delivery, etc. For instance, the first landings of the season traditionally fetch the highest prices – so should your fishermen expect to get paid more if he or she provides one of the first landings? Or, maybe you pay more for iced or RSW fish, or for hook instead of net, or for chilled/bled or floated fish. If so, your fishermen should know that before they fish so they know the expectations they need to meet to earn the most – it's a great way to encourage them to keep fishing for you. And, if you're like us and like a little healthy competition, maybe you rank your fishermen based on delivered weight and pay out more to your top ranked fishermen, not only is that important to tell your fishermen up front, it's a great motivator for them to keep delivering to you all season so that all their delivered weight can be tracked with you, increasing the likelihood that they'll rank number one.

## Communication, Clarity, & Consistency Around Repricing Are Key to Keeping Your Fishermen Fishing For You

To offer your fishermen the most communication and clarity, you need to set expectations around what will happen when you reprice, when they can expect to get paid, how and when you'll communicate with them, and how they can actually make more money when fishing for you. Then, once you've set these expectations, you need to follow through on them in order to provide consistency. By being clear and transparent with your fishermen they're more likely to keep coming back (with more Alaska seafood!).



Follow These  
Repricing  
Best Practices

02

*Repricing at the end of an Alaska fishing season can be daunting. But, by following our four steps of best practices, this process can get easier and more efficient year over year.*

## Step 1: Audit Fish Tickets & Make Corrections

As the fishing season ends, it's time to figure out final prices so you can pay your fishermen and report for ADF&G purposes. But hold on! Before you start making price adjustments, you need to audit your fish ticket data and make any corrections so that when you do reprice, you know you're repricing the right tickets. For instance, maybe there was an error made on a fish ticket that caused an applicable premium not to be applied so if you were to reprice all tickets with that premium, that fish ticket wouldn't get the reprice – AKA: that's an error that needs to be corrected before you reprice. While auditing your data is tedious (we're not going to lie), the time it can save you by catching the error before you reprice is well worth the effort. If you have the bandwidth, maybe consider auditing your fish ticket data on a regular schedule throughout the season so the effort at the end of the season isn't as big.

The screenshot displays the NorthScope software interface for Fisherman Accounting: Fish Tickets. The window title is "Groundfish - E19 413525: Hoffman, Larry - HOFLAR". The interface is divided into several sections:

- Form Fields:** Includes fields for Ticket # (E19 413525), Landed (09/06/2019), Delivered (09/06/2019), Delivery # (6564743), Status (New), Permit Holder (Hoffman, Larry), Gear (07 - Non-Pelagic/Bottom Trawl), Fishing Vessel (NORDIC STAR), Paid Account (Hoffman, Larry), Tender, Price List (Ground: 07.47 Gear), Site Processed (Kodiak Plant), Chill Type, Dock Delivery (Yes), Manual Premiums, Mgmt. Program (OA), Crew Size (4), Fishing Began (09/04/2019), Days Fished (2), and Amount (13,196.41).
- Table:** A table with columns: Item, Description, Weight, Price, Units, Ext. Amount, Premiums, Gross Amount, Tax - Fisherman, Net Amount, Tax - Company, and Purchase Account. The table lists several items including Pacific Cod, Arrowtooth Flounder, Rock Sole, Rex Sole, Longnose Skate, and Big Skate.

Item	Description	Weight	Price	Units	Ext. Amount	Premiums	Gross Amount	Tax - Fisherman	Net Amount	Tax - Company	Purchase Account
110-03-60-03-2/+	Pacific Cod Bled 2/+	14,693.00	0.4400	0	6,552.92	0.00	6,552.92	97.95	6,454.97	28.49	5100-200-16 - Raw Purchases: Pacific Cod
121-01-60-01-16/+	Arrowtooth Flounder 16/+	3,996.00	0.6500	0	2,597.40	0.00	2,597.40	29.53	2,567.87	2.00	5100-200-12 - Raw Purchases: Rockfish & Skate
123-01-60-01-8 12/UP	Rock Sole B 12/UP	12,838.00	0.1900	0	2,439.22	0.00	2,439.22	41.11	2,398.11	15.25	5100-200-12 - Raw Purchases: Rockfish & Skate
125-01-60-01-A U/400	Rex Sole A U/400	118.00	0.0500	0	5.90	0.00	5.90	0.32	5.58	0.26	5100-200-12 - Raw Purchases: Rockfish & Skate
125-01-60-01-B 400/800	Rex Sole B 400/800	206.00	0.5300	0	109.18	0.00	109.18	1.61	107.57	0.45	5100-200-12 - Raw Purchases: Rockfish & Skate
701-01-60-01-00	Longnose Skate	2,728.00	0.4500	0	1,227.60	0.00	1,227.60	20.85	1,206.75	7.84	5100-200-12 - Raw Purchases: Rockfish & Skate
702-01-60-01-00	Big Skate	1,030.00	0.4500	0	463.50	0.00	463.50	7.94	455.56	3.03	5100-200-12 - Raw Purchases: Rockfish & Skate
		35,809.00		0	13,395.72	0.00	13,395.72	199.31	13,196.41	57.32	

## Step 2: Put Processes in Place to Avoid Recurring Issues & Corrections

Once your audit is complete and you've corrected the errors you found, you should inspect what needed correcting and put any necessary processes in place to avoid needing those same corrections next season. Using our example from before, maybe there

was a premium that was missed for some fish tickets because the person entering the fish ticket data wasn't aware the premium was applicable, or maybe didn't even know it was offered. To prevent that same thing from happening next season, maybe you need to implement more training in the off season or create a premiums cheat sheet documenting what premiums are applicable and when. Or, maybe you accepted inconsistent Grade codes (i.e. inconsistent spacing and hyphen usage) throughout the season just to get you through because changing procedures mid-season can be too much. Well, now that the season's over, you have to find all versions of each Grade, correct them for accuracy, report on them, maybe even reprice premiums for them, etc. To avoid this happening again next year, you should create a requirement that Grades be entered with the correct code and maybe even take it so far as to prevent incorrect codes from being entered into your system at all.

*Pro Tip: Using a system that can automatically apply premiums to fish tickets that meet the criteria you set is a great way to reduce auditing needs and have the peace of mind that your data is accurate!*

### Step 3: Determine Your Repricing Strategy & Reprice in Bulk

Determine what you'll offer for premiums and bonuses that you'll need to reprice tickets based on, in addition to making price adjustments for the fish itself. For example, maybe at the end of the season you decide to pay \$1.35 for sockeye with a \$.08 bonus for bled sockeye in RSW only, \$.15 for sockeye chilled in ice or RSW, and \$0.05 premium for floated fish for drifters and a \$.15 bonus for chilling for set netters, like Icicle Seafoods determined for their 2019 season. Or, maybe you're like Peter Pan Seafoods for their 2019 season and decide to pay set netters \$0.25 for chum, \$0.15 for ice and an additional \$0.05 for premium chill and no bonuses for bleeding. Whatever you decide, make sure you adjust for these premiums and bonuses accurately on all applicable fish tickets.

A good strategy to help make sure all your applicable fish tickets get repriced accurately is to reprice all tickets for a single specie at a time. Instead of repricing fish tickets individually, if you reprice all tickets for a single specie at a time, you'll know

no tickets were missed for that specie, so long as you audited and corrected your data accordingly. You should have a record keeping system that allows you to filter for all fish tickets that meet the criteria of the specie you're repricing for in order to make this process as efficient and accurate as possible.

*Pro Tip: Whether you're repricing all tickets at the end of the season or doing a \$0.10 bonus in the middle of the season, repricing by specie is the most accurate way to guarantee you didn't miss any applicable tickets.*

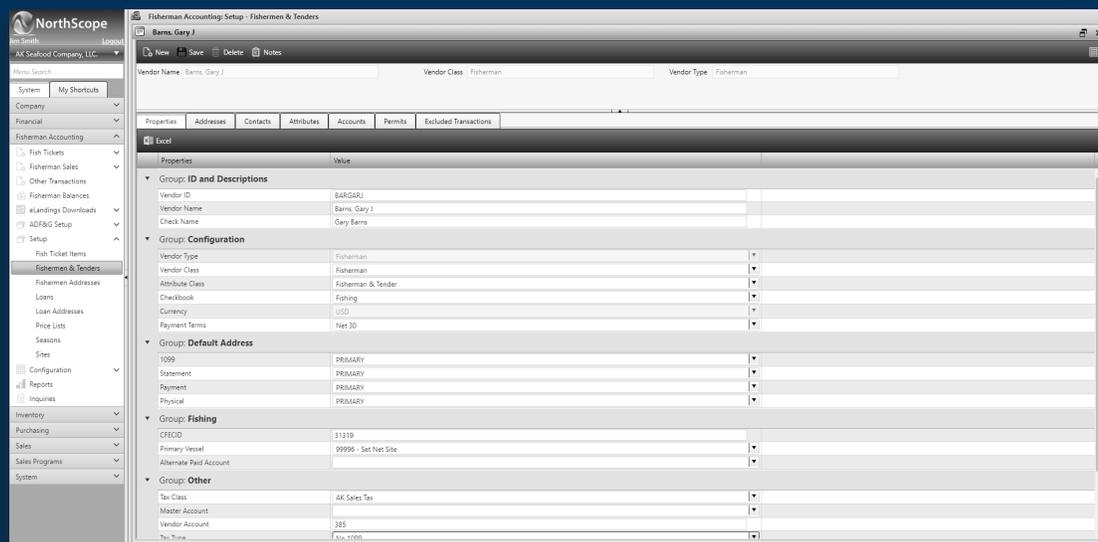
## Step 4: Pay Your Fishermen

Once your repricing is complete, it's time to pay your fishermen what you owe them. Before the season began, you should have determined how you would pay your fishermen – i.e. via check, ACH/direct deposit, etc. Now that it's time to pay them, make sure you do it in a timely manner, with a statement of the balance they're being paid that illustrates what they're being paid for, and via the method you previously agreed upon.

*Pro Tip: Offering ACH/direct deposit payment for your fishermen can be a great motivator to fish for you instead of a competitor that doesn't offer it because it means your fishermen can get paid sooner and avoid having to wait for a check and getting to a bank to deposit it since they're out at sea. Also, offering split payments can also be a great motivator to fish for you because it can alleviate some of your fishermen's stress around paying their crew by offering to do it for them!*

## Streamline Your Fisherman Payment Operations

As an Alaska Seafood Processor, you want to be the best option to fish for so your fishermen keep coming back and understanding what they deal with can help you achieve that. So, before you decide on your practice for paying your fishermen, consider their perspective.



### Consider Your Fishermen's Perspective

Your fishermen's responsibilities go far beyond simply catching seafood and delivering it to you, as do their stresses. Regardless of when they'll get paid, your fishermen have to fork out the money for taxes, fees, permits, maintenance, etc., which is especially taxing (pun intended) when you consider the fact that your fishermen can never be certain how much money they'll make in any given season until the money is in their hand – or bank account. In addition to the patience and uncertainty they must have, your fishermen have crews to manage and crew shares they have to pay out from what they make on their catch. Essentially, your fishermen are managing their own businesses so whatever you can do to take things off their plate can set you apart from the competition by better serving your fishermen. One way you can do this is by streamlining your payment operations for fishermen.

### Streamline Paying Your Fishermen

Considering the above, we've rounded up your good, better, and best options for streamlining your fishermen's payments.

## Good

Your simplest option for paying your fishermen is to cut one big, fat check to the captain/paid fisherman and let him/her be responsible for paying out the crew shares manually. While this option is simple, it's not exactly the most helpful for your fishermen since they still carry the brunt of the responsibility. However, they're still getting paid so that makes this a good option, especially if you implement our pro tip below of offering ACH/direct deposit for your fishermen to get their money sooner.

*Pro Tip: Regardless of the method you use, offer ACH/direct deposit. Your fishermen already have to wait until the end of the season to receive their final payments, so let them get their money sooner without having to wait for their check to come in the mail by skipping the check altogether and opting for ACH/direct deposit payments.*

## Better

A better option for your fishermen is for you to write multiple checks to cover the crew shares and pay the fisherman, all of which affect the captain's/paid fisherman's balance. Then, you would mail the payments for each crew member on the fisherman's behalf. You can also offer the option to pay the fisherman less than he/she is owed and use the rest as a line of credit so the fisherman and his/her crew don't run up a balance when they go back out on the water.

While this option takes a lot of responsibility off of your fishermen, making them happier, it means you have a lot more record keeping to do. For example, you'll need to manage the paid fisherman's balance, you'll need the information for crew member's payments, you'll need to know the amounts to split, etc. Plus, there's the added complication of crew members potentially switching boats so if you don't keep a clean record of who you paid and when, you won't know whose balance should be affected by paying out the crew member since they have fished under multiple fishermen.

## Best

Because the better option adds a lot of responsibility to your plate, the best option is to let NorthScope do the heavy lifting for you. NorthScope can help you:

- Track individual fisherman balances with ease
- Print and distribute Fisherman Statements that are easy to understand
- Conveniently access all fishermen transactions
- Pay fishermen with checks or ACH/Direct deposit
- Split payments to cover crew wages
- Track individual loans to fishermen
- Charge interest on fisherman loans
- Print and distribute loan statements
- Apply payments to fisherman loans
- Apply Fish Ticket balances to fisherman loans
- Record purchases from fishermen with Fish Tickets
- Record sales to fishermen
- Transfer balances between fisherman accounts
- Issue Purchase Orders to fishermen
- Charge fishermen directly for AP purchases
- Record payments from fishermen
- Record sales made by tenders to fishermen
- And more!

Whether you choose our suggested good, better, or best option – or something else entirely – for streamlining your fisherman payments, remember that the best practice is to treat your fishermen like the business owners they are.



# 03

## Solve the Top 3 Repricing Challenges

*When it comes to finalizing fish tickets post-season and accounting for bonuses and adjustments, these post-season price adjustments can be daunting. In order to report your purchasing and processing activities by the time it's due on April 1st, you have to dedicate the time to deciphering the post-season adjustments and making them, which can be significantly tedious due to the need to be extremely accurate with potentially unreliable data, all while managing expectations based on original forecasts. In order to help you with this overwhelming juggling act, we've detailed these three challenges of Alaska Seafood Fish Ticket repricing and provided some suggestions to make these challenges a little less challenging and a lot more manageable.*

## Challenge 1: Time

### *So much to do, so little time.*

When it's time to figure out the price adjustments that need to be made and the bonuses that need to be added and then follow through with them, you may just realize how tedious and time-consuming this process can be. For example, you must filter out each unique set of fish tickets requiring specie reprices, chill type bonuses, etc. and then apply the adjustments. Then, once those price changes are made, you need to make sure they've accurately affected your fishermen's balances and then pay out your fishermen and potentially their crew.

### *Solution: Get more time in your day.*

If you're manually tracking or juggling multiple systems to track your fish tickets, fishermen balances, payments and more then this process can become significantly longer than it needs to be. The solution? Stop the manual tracking! Between chill types, gear codes, specie IDs, stat areas and more, there are a lot of data points you need to keep track of on your fish tickets in order to make the correct adjustments when post-season repricing begins. That also means a lot of data to sift through in order to find the right fish tickets to reprice to then manually adjust fishermen balances and pay out. Instead, by using a system that specifically supports Alaska Seafood processors, you can alleviate a lot of manual work (and therefore save time) as the system can track, sort, filter, apply, pay, and integrate at the click of a button.

## Challenge 2: Accuracy

### *So much data, so little reliability.*

In addition to the time it takes to manually sift through data in order to find the correct fish tickets to adjust post-season, there's the added uncertainty of is the data you're relying on to determine which fish tickets to reprice actually accurate? Was the correct gear code entered at the dock? What about the specie ID? Did the fisherman really use ice to chill his catch? The accuracy of this data is essential to making the right adjustments, so you need to be able to rely on it because once the money is gone from paying out an adjustment, you can't get it back.

***Solution: Get data you can trust.***

Unfortunately, you can't guarantee the data is accurate if someone entered the wrong code for a specie or the wrong gear type. However, you can use a system that will check your data to make sure it's relevant and within standards. Additionally, you can use a system that will track the net change from a reprice before it's done to verify its accuracy as you can check to see that the amount difference is what you expected to see.

**Challenge 3: Forecasting*****So many expectations, so little transparency.***

Before you even get to making adjustments and repricing your fish tickets, you have cost expectations influenced by run forecasts and harvest projections while your fishermen also have expectations on how much they'll likely get paid based on these same metrics. However, forecasts and projections aren't always accurate, just like your chum/red split projection may differ from your actuals, and that means you have to manage expectations as best you can. By managing expectations you can do your best to avoid angry fishermen at the end of the season who didn't get paid what they were expecting to get paid or, in the worst case, broke even or now owe you! So how do you manage your expectations and your fishermen's? Through the transparency offered by tracking your real time data.

***Solution: Get to tracking.***

It's easier to manage expectations when the expectations are rooted in reality. In order to establish those roots, you need a system that can track real time balances so you can see how close or how far you currently are from original projections and you can keep your fishermen informed as to what they can expect based on these real time numbers. With a system that tracks real time balances, including total fish received, fishermen balances, transaction history, and more, you can make better informed decisions and set clearer expectations for yourself and your fishermen.

## Make the challenges less challenging.

With the challenges of time, accuracy and forecasting, fish ticket repricing can be a drag. But, with a system like NorthScope that was built specifically for Alaska Seafood processors, you can make these challenges a little less challenging with solution that allows you to get more time in your day, get data you can trust and get to tracking.

Book a free  
NorthScope  
demo.





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