

# LI Business

INSIDE COMICS AND GAMES • NEWSDAY CARS

## STILL REELING

SANDY WAS THE LATEST BLOW FOR ALREADY TROUBLED CHARTER BOATS

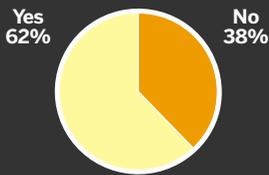
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NEWSDAY PHOTO / STEVE FOST

## BIZPOLL

Should the government block the American-US Airways merger?



## YOUR COMMENTS ON BIZPOLL

“ How can they allow the Northwest / Delta and United / Continental mega mergers, and now say no to this one?? Unreal. — ISLES711

“ If two large companies are viable on their own they should not be allowed to merge. — SHAMBOLIC

“ AA has been in Chapter 11 since Nov. 2011 . . . and this merger will help over 50,000 ordinary people who work for AA by giving us a stake in the new company. — POTVINS4CUPS

“ It's not about you; it's about everyone who buys airplane tickets. And you do understand that a merged airline would not need as many employees, right? — RALEBIRD

“ The feds should be working on balancing the budget, lowering the debt and creating a less hostile environment in which to do business. Aside from that they should get out of the way. — PLAIDPICKLE

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Ed Fitting of Hicksville gets some help from mate Zach Hindin, right, during an afternoon fishing trip in the Great South Bay on Captain Anthony Greco's boat, the Dolphin, based out of Freeport.



# IN ROUGH WATERS

**Charter boat businesses struggling; captains say they've seen little so far of promised post-Sandy aid**

BY NICOLE LEVY  
Special to Newsday

**A**nthony Greco says the costs of captaining a charter fishing boat after super-storm Sandy are driving him crazy — but, then again, so would retirement.

From atop the Dolphin on an August Saturday afternoon, the 72-year-old sounds a klaxon that signals the anglers below to drop their lines into the Great South Bay.

Theirs is a paltry haul: a few rusty sea robins, some spindly-legged crabs and several fluke, only two of which are long enough for congregation members aboard on a weekend outing to take home. The parishioners joke their best catch is the baseball cap that fell overboard, a keepsake from one girl's trip abroad.

Like their customers, most charter fishing boat captains on Long Island have no expectations of netting huge payoffs. Their ebbing industry has long struggled with strict regulations and rising gas and bait prices. Sandy gave it another beating.



PHOTOS BY STEVE PROST

they say — for grant money provided by the U.S. Department of Housing and Urban Development and distributed through New York State Homes and Community Renewal.

According to a state government official, applicants will receive assistance within a two-year disbursement period, on a timeline that accommodates their individual circumstances and the varying scope of their needs.

### Boats vital in LI's economy

For-hire fishing boats carry their own weight in the New York economy. In 2011 they generated \$103 million in sales and contributed \$62 million to the gross state product, according to the National Oceanic and Atmospheric Administration.

On Long Island, long defined by its fishing heritage, charter boats are a “treasure that should be protected for future generations,” said State Sen. Lee Zeldin (R-Shirley), a champion of the recreational fishing industry and an angler himself since childhood.

About 90 percent of the charter fishing boat businesses could have used Sandy assistance to supplement their private insurance, estimated John Mantione, spokesman for the New York Fishing Tackle Trade Association, a trade group for bait and tackle stores. A NOAA assessment of the storm's impact reports destruction to New York for-hire fishing boat facilities as averaging \$400, and damage to supplies like bait as averaging \$30,000.

At the extreme end of losses, the Miss Freeport V, the Freeport Princess and the Freeport offices of Party Boat Central sustained about \$750,000 in damages, according to a fleet captain, Frank Rizzo.

It's much more difficult to calculate the charter income lost as a result of dwindling business the month after Sandy and this fishing season. The blocking of Meadowbrook Parkway to prevent looting in Long Beach cost captain Al Lindroth, whose boat has docked at Point Lookout for the last 20 years, his entire blackfish season, he said. Police also barricaded Robert Moses Causeway in Babylon, restricting access to the charter fishing boats moored at Captree State Park for two

weeks of prime striped bass fishing, said Katherine Henlein, president of the Captree Boatmen's Association.

This summer many captains who cater to local anglers are finding the lives of their loyal customers as disrupted by Sandy as their own.

“The contractors are too busy working to come. The homeowners are too busy fixing their houses,” Wasserman explained. Business is down this year by as much as 50 percent, some fishing boat owners say.

Others are working longer hours to make up for last fall's canceled charters and those never booked. “If you're physically incapable of working 120 hours a week, then you're going to have to hire people to do that work for you, and your profit margin is going to be dissolved. It's hands-on, or go down the tubes,” said James Schneider, 50, who captains the James Joseph II in Long Island Sound off Huntington.

All that time spent on the water has left little time to fill out the loan and grant forms online or at disaster recovery locations or at the state Small Business Development Center. “It's like writing the New Testament all over again,” Rizzo said. His office hired an accountant to do the applications.

Schneider gave up halfway through the application process, discouraged. “By the time we apply for help for this hurricane, we could have another hurricane up behind it,” he said, finding paperwork a greater burden than his financial woes.

### Wrestling with regulations

On the other hand, the charter fishing industry has never embraced the kind of financial transparency government aid requires: “What [owners] say they make and what they make are two different things,” said Steven Witthuhn, captain of the Top Hook in Montauk.

“A lot of the business will tell you, in terms of their sales and income, the margins aren't great,” said Antoinette Clemenson, marine fisheries specialist for the research funding agency New York Sea Grant.

Greco may have called the long-term operating costs of the Dolphin Fishing Fleet nauseating, but he declined to divulge them all. The expenses of the recent Saturday trip, according to him, his crew members and customers, included \$120 for two crew mates, \$120 for 30 gallons of diesel, \$130 for 40 pounds of bait, and about \$160

**We have a better chance of seeing God than seeing that money!**

— Mike Wasserman, a Freeport boat skipper who says his fleet has had difficulty getting federal Sandy aid funds

for boat insurance.

Greco kept less than half of the roughly \$1,000 the church group paid for their charter — a calculation that ignores long-term costs for charter boats such as hull and cabin upkeep, hooks, sinkers, rods, reels, dock fees, a marine fishing license, and an annual Coast Guard inspection.

Of all the handicaps captains face, it's New York's strict fishing regulations they denounce most vehemently.

Although New York captains share fisheries with New Jersey and Connecticut, state laws permit them to keep fewer fish. Fishermen who dock on New Jersey and Connecticut's shores can take home daily five fluke longer than 17.5 inches, but fishermen docking in New York can bag only four, which must be longer than 19 inches. Jim Hutchinson of the Recreational Fishing Alliance attributes this disparity to the overzealousness of fluke fishing by New Yorkers in the early 2000s; federal collection of the number of in-state catches has been spotty since then.

This year, just before the fluke fishing season began on May 1, the regional marine fisheries commission approved a

half-inch drop in the size limit for summer flounder. While Hutchinson praised the commission's attempt at accommodating storm-battered fisherman as a “blessing,” Witthuhn denounced it as a “comedy act.”

Captains definitely aren't laughing at diesel prices, which Schneider said have doubled from \$2 a gallon to \$4 in the past eight years. He spends as much as \$2,300 a week on fuel for the James Joseph II. “And that's traveling at half the speed that we used to,” he said.

Gas prices aren't the only rising costs. With bait supplies low after Sandy destroyed stockpiles at local stores, the cost has increased considerably. Local commercial fishermen also have reported a shortage of bunker and spearing, minnow-sized fish that recreational anglers use to hook bigger prey.

Although Greco said he hears his wife's voice in his head, “Sell the boat — it's over,” other captains expressed confidence in the future, no matter the stormy weather it might bring. Theirs is an aging industry that has already shrunk in numbers.

In Northport, for example, where there were four charter boats there are now two.

But the fishing business still employs college students as crew members, and occasionally it attracts men like Stuart Patterson of Northport Charters, a senior ad executive who left his job after injuring his back and now captains the Dreamcatcher.

Anglers on board are putting a positive spin on things, too.

“If we all crack open a beer, maybe we'll catch something,” said a congregation member fishing on the Dolphin, a Sierra Nevada in his hand.

“Yeah,” his brother replied, “a buzz.”

The storm destroyed supplies and curbed customers' spending and caused a total of \$58 million in damages to New York's recreational fishing industry.

### Painful aid process

Charter captains are eligible for Small Business Association loans and as much as \$50,000 each of the \$20 million Gov. Andrew M. Cuomo allocated from federal grant money this May for the recovery of New York's fishing industry.

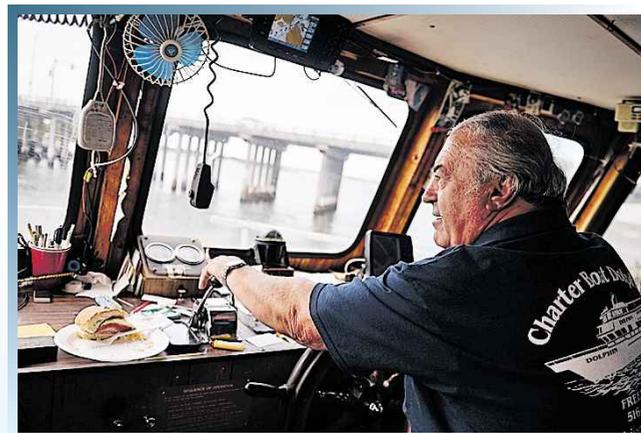
Fishing fleet owners applying for their share say the process is painfully bureaucratic and the funds are slow to arrive. While state officials say they are moving as quickly as possible, many charter captains are piloting this season without government aid, driven more by a dogged affinity for their avocation than a sense of practicality.

“We have a better chance of seeing God than seeing that money,” said captain Mike Wasserman, whose boat docks in Freeport, a South Shore community hammered by Sandy.

Many fishing fleet owners have applied — with no result,

**ON THE COVER**

Plenty of rods and reels are in evidence during a fishing trip in the Great South Bay earlier this summer.



Captain Anthony Greco picks a new fishing spot for his passengers during an afternoon trip on Great South Bay.

