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Commercial Fishing Company Pleads Guilty; Pays \$500,000 Fine and Restitution For Under-reporting Halibut By-catch

Anchorage, Alaska – Commercial fishing company Unimak Fisheries, LLC, operator of the Fishing Trawler “Unimak” pleaded guilty and was sentenced Friday in U.S. District Court for intentionally under-reporting the amount of “by-catch” halibut brought aboard the Unimak during the 1999 and 2000 groundfish seasons in the Bering Sea and Gulf of Alaska.

U.S. Magistrate Judge Harry Branson sentenced the company according to the terms of the plea agreement to the maximum fine of \$300,000; restitution in the amount of \$200,000; a 14-day suspension of fishing privileges during the January 2005 groundfish season; 18 months of probation; and a requirement that the company hire an expert to examine and correct policies which may have led to the criminal conduct.

“This conduct involves both economic and environmental crime,” said United States Attorney Timothy Burgess, noting that this was the first criminal case of its kind to be prosecuted in Alaska. “We will pursue such cases aggressively in the future in order to deter fraud and protect fisheries resources we all share,” he added.

Unimak Fisheries, LLC, represented in court by managing partner Michael Zubko of Medina, Washington, pleaded guilty to violating the Magnuson-Stevens Fishery Conservation and Management Act in connection with the filing of false daily and weekly reports with the National Marine Fisheries Service (NMFS) concerning the amount of halibut caught by the F/T Unimak while the vessel fished

for rex sole, rock sole and other groundfish in the Bering Sea and Gulf of Alaska in 2000.

During groundfish fishing operations, halibut are incidentally caught in trawl nets, and are considered a “prohibited species” which may not be retained aboard vessels such as the M/V Unimak. This incidental catch of halibut is referred to as the “by-catch.” Observers stationed aboard groundfish vessels measure the amount of groundfish and prohibited species, including halibut, caught and report the information to the NMFS. The Service tracks this information on a daily basis and manages groundfish fisheries based on that information. Groundfish fisheries are immediately closed when a pre-determined quota of groundfish species or prohibited species, such as halibut, are reported caught by the fleet.

“Manipulation of by-catch reporting, by falsifying weekly production reports and causing sample bias in the observer reports, damages the government’s ability to manage fisheries and can lead to serious over-harvesting of fish populations,” said Assistant Special Agent in Charge Mike Adams, of the NMFS’s Office for Enforcement. According to Adams, this “pre-sorting” of halibut from the observer’s samples leads to significant under-reporting and the consequent extension of the groundfish seasons beyond when they would otherwise be ordered closed.

Adams noted there are three main methods by which observer reports of by-catch amounts of halibut can be manipulated by vessel captains and crew members. The first is by physically removing halibut from the vessel’s deck and holding tanks before they reach the factory area of the vessel and the observer sampling station. The second is by mixing the contents of two or more nets full of fish. The third involves removing halibut from the factory conveyor system before they reach the observer’s sampling station.

The company’s entry of guilty pleas comes on the heels of similar pleas of guilty by Paul Ison, captain of the M/V Unimak and first mate Daniel Skauge. In November 2004, U.S. District Court Judge Robert Beistline ordered Ison and Skauge each to spend four months in prison; pay fines of \$25,000 and restitution of \$25,000 to the International Pacific Halibut Commission; forego employment in the fishing industry for one year; and write an article for publication in a fishing journal explaining their criminal behavior. In July 2004, another company operated primarily by Mr. Zubko, Rebecca Irene Fisheries, LLC, which operates a groundfish vessel similar to the F/V Unimak in the Bering Sea and Gulf of Alaska

was found guilty of a civil violation for under-reporting halibut by-catch and ordered to pay a fine of \$240,000 and undergo a 60-day suspension of its groundfish permit during the 2005 season.

The case was investigated by NMFS Special Agents of the Office for Enforcement and prosecuted by the United States Attorney's Office for the District of Alaska and the Environment and Natural Resources Division of the U.S. Department of Justice.

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