CHAPTER 3. DEFINING YOUR GOALS

The starting point in planning for a fish plant—like any other business—is defining your goals. To think clearly about whether your fish plant can succeed, you first have to think about what you are trying to do.

People have lots of different reasons for starting village fish plants. Here are some of the goals people often mention:

- **A market for fish.** If there aren’t any fish processors in your area—or if processors only operate some of the time—then a fish plant may provide a market for fishermen from your village.

- **Better prices for fish.** Even if there are fish processors in your area, having your own fish processing plant may make it possible to pay fishermen better prices.

- **Jobs and income.** A fish processing plant may create jobs in your village and bring money into the village.

- **Other processing.** A fish plant may also provide opportunities for commercial processing of reindeer or other meat products. A fish plant can also be used to process locally harvested subsistence food better or more easily.

- **Making money.** If a fish plant makes money, it can be a source of income for a Native corporation, a village council, a CDQ group, or other organizations.

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**Marshall Fish Plant Goals**

Here’s how the feasibility study for the Marshall fish plant described the benefits the plant would provide to the community:

- “*Increased employment: the addition to the local economy of one full-time position and 32 season positions, which will generate approximately $80,000 in personal income annually.*”

- “*Increased income for fishermen: the fishermen will be able to harvest more of their resource, as they will not be restricted by harvest quotas previously applied by processors.*”

- “*Increased capital: the profits can be used as investment capital to finance other ventures or to expand the fish processing endeavor.*”
Unalakleet Fish Plant Goals

Here’s how the 1996 Unalakleet Fish Plant Proposal described the goals for the plant:

“The ability to produce market ready products within our region moves us closer to our goal of regional empowerment and enables us to create marketing related businesses which otherwise would be sacrificed to other communities outside the Norton Sound region . . . . At present, the resource is totally in the control of a commodities-type market whose prices are set by outsiders. [3]

“Increasing the value of the fishing industry through higher prices will undoubtedly increase the value of the Limited Entry Permits, and in turn will hinder the current practice of fishermen selling their Limited Entry Permits instead of using them for fishing operations themselves. . . . Eliminating this anti-economic practice will contribute directly to greater regional fishermen employment while creating fish processing jobs.” [3]

“The plant will retain 270 employees and create another 163 positions in all areas of the economy, which benefits from this proposed plant and the industry it will produce.” [6]

“Due to climactic conditions and control of processing activities by outside interests, certain fisheries have not had buyers. The winter crab fishery is a good example. When the new plant is in place, we anticipate that 100,000 pounds of crab can be harvested commercially by and for the benefit of local fishermen.”

Sometimes different goals for a fish plant may conflict with each other. One potential conflict is between paying more money to fishermen and providing income for people working in the plant or earning profits. All the money you pay fishermen, the wages you pay people working in the plant, and any profits have to come out of the money you earn from selling your products. The more you pay fishermen, the less you can afford to pay plant workers or keep as profits. So having your own fish plant doesn’t necessarily mean that you will be able to pay fishermen a higher price and pay workers a high wage and earn profits. As you plan, you may need to think about which goals are most important to you.

As a first "planning step," you should write down your own goals for starting a fish processing plant in your village. Try to be as specific as possible. This can help you think about whether your goals are realistic. If you apply for a grant or a loan, the organization you apply to will also want to know about your goals.
Planning Step: Goals.
Explain why you want to start a fish plant in your village. What are your goals?

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Are your goals realistic? Do any of your goals conflict with each other?

Financial Objectives

Even if “making money” isn’t your main goal, you still need to think about how much money you need to make to stay in business. Most business operations need to at least “break even”–to cover their operating expenses and make any loan payments that are due. If you can’t pay your bills, you can’t stay in business.

If another organization is willing to help cover losses, your fish plant may not necessarily need to break even. But you still need to think about how much help you may be able to get. If it costs too much, other organizations may change their mind about helping to keep your fish plant going.
Planning Step: Financial Objectives

What are your financial objectives for your fish plant? How much money do you need to make? Do you need to make a profit, just break even, or can you afford to lose money? If you can lose money, who will cover the losses?

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Village processing plants can provide jobs for rural Alaskans: Emmonak residents filleting thawed chum salmon, April 2000.