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Fee-Fishing An Introduction

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Fishing is the number one recreational pastime in the United States. The U.S. Department of the Interior estimated that 35.6 million anglers spent \$24 billion in 1991. The increasing demand on already over-utilized public fishing waters provides an opportunity for the development and expansion of commercial fishing facilities. "Fee-fishing," the practice in which anglers pay for the right to fish or for any fish that are caught, can bridge the supply shortfall for quality fishing opportunities, especially near urban areas. Fee-fishing can provide profits for the owner, social and recreational benefits for the community, and a market for locally produced fish.

Many privately owned ponds are seldom fished and often underharvested. These can be turned into alternative sources of revenue for the pond owners. In addition, many sites exist for new ponds that can be specifically designed, constructed and managed for fee fishing.

Fee-fishing is appealing to a variety of individuals, including ex-

perienced anglers who seek particular species, anglers who like to fish but are limited by time or resources, families with small children, the physically challenged and the elderly. Fee-fishing can be attractive to tourists or individuals that fish only occasionally, since most states do not require anglers to have a license to fish in fee-fishing ponds.



Figure 1. Fishing rights on larger ponds with quality fishing can be leased on a long-term basis.

Types of fee-fishing operations

There are three basic types of fee-fishing operations: (1) long-term leases; (2) day leases or "ticket" lakes and (3) "fish-out" ponds, "pound" lakes or "pay-by-the-pound" lakes. Long-term leasing involves the leasing of exclusive fishing rights on a long-term basis similar to hunting leases to an individual or group (Figure 1). Fishing success relies on natural production of the leased water body. Day leasing involves collecting a daily use fee from anglers, allowing access to a given water body. Both natural production and occasionally stocked fish support the angler's harvest. Fish-out ponds are stocked with high densities of catchable-size fish. The angler is then charged for each fish caught or limited as to the number that can be taken. More information can be found in SRAC Publication Numbers 480 (*Fee-fishing Ponds: Management of Food Fish and Water Quality*), 481 (*Development and Management of Fishing Leases*) and 482 (*Fee-Fishing: Location, Site Development and Other Considerations*).

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Long-term leasing

Long-term leasing usually involves quality fishing for large-mouth bass or panfish, such as bluegill, redear sunfish and crappie. Location and aesthetics are often the most important selling points. Many people fish to relax and escape the hustle and bustle of daily life. They want a quality fishing experience and are willing to pay for it. Unlike hunting leases, which generally require a large tract of land to support adequate game, fishing leases can be small. With proper management, each acre of water can support 300 to 400 pounds of harvestable-size sportfish, providing many hours of productive fishing.

Major steps involved in leasing the fishing rights to a pond include: (1) locating suitable lessee, (2) establishing terms of the lease and (3) executing the written lease.

Interested parties can be located through word of mouth, newspapers or magazine advertisements. The amount of effort and money expended in locating possible lessees should depend on the quality of the fishing and the location and visual attractiveness of the site. These factors will determine the value of the lease. A trophy bass fishery, located at an attractive site and close to a large metropolitan area, will bring top dollar.

The lease should spell out exactly the rights and responsibilities of each party including:

- 1) who will have access/fishing rights to the pond;
- 2) how long the lease will be in effect;
- 3) the price;
- 4) under what conditions the lease can be broken;
- 5) any fishing limits or regulations that are to be followed;
- 6) other privileges such as camping or swimming;

- 7) what management practices will be followed such as aquatic weed control, water level drawdown and stocking;
- 8) who will pay for each management option;
- 9) how much liability insurance will be required and who will pay for it; and
- 10) what privileges will be retained by the owner.

A written lease should be prepared with the advice of an attorney, certified public accountant, fisheries biologist and/or other professionals.

Major costs to the pond owner are locating a lessee and drawing up the lease. Any work requested by the lessee should be paid by the lessee. Annual returns can vary from less than \$100 to almost \$100,000. Lease prices vary primarily due to the size of the water body and quality of fishing, but also because of site location and configuration, and demand.

A long-term lease can be advantageous to the landowner. The owner only deals with a few individuals on an occasional basis, minimizing labor. In addition, the landowner will have someone on the property, which should decrease problems with trespass-

ing, theft, vandalism and fire. This option is particularly appealing for absentee landowners. One limitation to long-term leasing is that not all ponds are large enough, or have suitable fisheries, locations or aesthetics.

Day leasing

An aesthetically pleasing pond or one that offers good fishing tends to attract local anglers. Many anglers ask for the right to fish, while others trespass. Such an "attractive nuisance," often considered a liability, can be turned into a source of income. Instead of allowing free fishing, the owner can charge a nominal daily fee for fishing rights, hence the term "day leasing." Ponds of at least 1 acre, but often 5 to 10 acres, are most commonly day leased (Figure 2).

Most of these ponds are located close to a public road. Appropriate signs allow easy recognition by individuals travelling in the area. Angler harvest relies primarily on the natural production of the pond, including largemouth bass, bluegill, redear sunfish and crappie. However, channel catfish may be supplementally stocked to attract more anglers by increasing harvest.



Figure 2. Natural fish production provides most of the angler harvest at day leases.

There are many methods to monitor angler access. First, pond location should be close to the manager's residence to ensure that all anglers pay. The simplest way to collect fees is to have anglers place them into a specially constructed deposit box as they enter the property. This reduces the time expended in collecting fees and works well with small numbers of trustworthy local anglers. Another way to regulate access is to lock the entrance to the pond and require anglers to check in before gaining access. This may be inconvenient if it disrupts work or family life. Posting limited hours and even seasons of the year when the pond is open to fishing will relieve some of this inconvenience. A final method of keeping track of those who have paid is to allow open access to the pond. The manager then visits the pond on an occasional basis to collect the entrance fee. A dated receipt, ticket or permit is then given to those who pay. Later, the manager visits the pond and makes sure that each angler has a current ticket, collecting entrance fees from those that don't possess a current ticket. These operations are often referred to as "ticket lakes."

Operating costs for day-lease ponds are intermediate to those of long-term leases and fish-out ponds. Major costs are collecting the daily use fee and removing garbage. An aesthetically appealing pond helps attract anglers. Advertising can be as simple as by word of mouth. However, this method will generally restrict use to local anglers, and will likely result in only a modest income. Larger numbers of anglers can be drawn to such a pond by posting attractive signs along the roadside and by advertising in local newspapers.

Cost of fish is usually minimal if the natural production and harvest of fish is in balance. Supplemental stocking can increase catch rates and angler interest in returning, with cost varying with the quantity and cost of stocked fish. Returns from stocking can far out-

weigh costs. Additional costs, associated with proper pond management, include aquatic weed control, mowing of pond banks, fertilization, liming and supplemental feeding.

Daily fees generally range from \$2 to \$7 per day for adults for bass/panfish ponds, but can go as high as \$100 per day for ponds with quality bass fishing. There is frequently a limit on the number of fish that can be kept. Children are often admitted free or at half price. Senior citizens are sometimes given discounted fees.

One advantage of day leasing over long-term leasing is the lack of a long-term commitment, allowing the owner to be more flexible in the use of the pond. The day lease relies on natural fish production and requires minimal input of time and money; a distinct advantage over a fish-out operation. A day lease operator could also simply charge for access with no management. A disadvantage of day leasing is that it requires more of the pond owner's time than is required in long-term leasing. Time must be spent collecting litter and fees.

Fish-out ponds

Fish-out ponds, also known as "pound lakes" or "pay-by-the-pond ponds" involve the highest level of management, the highest costs, and potentially the highest returns. Fish-out ponds are marketing as opposed to production operations. Fish-out ponds are especially appealing to families with children (Figure 3) and novice anglers, because of the increased probability of catching fish. They can be excellent places to learn to fish and also to purchase guaranteed fresh fish.

Catchable-size fish are stocked at densities well above natural production limits. Currently, the most commonly used species in southeastern fish-out ponds are channel catfish and rainbow trout. Other species are difficult to consistently obtain in abundance or to haul, hold or stock. A minimal entrance fee is usually charged. An additional charge is then paid for any fish that are caught, based on their number, weight or length. Another method is to charge a fee for entry with a catch limit on numbers or weight of fish.

Fish-out operations should have a minimum of two ponds, allowing anglers to select where they fish. Having more than one pond



Figure 3. Children like to fish at fish-out ponds because of the high likelihood of catching fish.

allows fishing to continue should problems occur in a pond. Ponds of a variety of shapes and sizes will give anglers the feeling of a natural setting. Half-acre ponds will accommodate a fairly large number of anglers who will be able to “reach” most of the fish, but not so large that the ponds can’t be easily seined.

One problem with catfish is that all of them are not caught before fishing success drops off.

Typically, catch rates may be as high as 8 to 10 fish per angler hour for the first two weeks after stocking, dropping to 1 to 2 fish per angler hour after the first few weeks. These “hook-shy” fish can be seined from the ponds, placed into live tanks and sold live or sold as processed fish to individuals who don’t fish or to those who don’t catch enough fish to meet their needs.

Late spring through early fall (April through November) is the primary sales period for catfish. Sales as high as 4,000 pounds per week have been recorded during the spring at individual fish-out operations. Both anglers and fish slow down in the summer. Sales usually increase in the fall as temperatures cool. Fish-out operations are generally open on weekends. Some are open seven days a week. Daylight hours are most common; however, many remain open after dark, especially on weekends.

Shade, a picnic area, food and beverages, bait, tackle, rental equipment, ice and a fish cleaning service can be incorporated into the business. The best means of advertising are word of mouth and roadside signs. Prizes can be given to anglers who catch extremely large fish or tagged fish.

Costs for such an enterprise are highly variable. Major expenses will be for fish and for labor. Help must be on site during all hours of operation to rent equip-

ment, sell concessions, weigh fish and collect fees, keep the facilities litter free, and minimize poaching. Other costs include construction of office, concession and toilet facilities, fencing or natural barriers to keep trespassers out; fish feed; and monitoring and maintaining proper water quality.

Returns from a fish-out operation are limited primarily by the number of pounds of fish, concessions and services that can be sold.

Entry fees of \$1 or more per person are common. Fish prices vary from \$1 to over \$2 per pound live weight for catfish and over \$3 per pound for rainbow trout. Many operators indicate that they make more money from selling drinks, food, bait and tackle than from the fish sold.

A distinct advantage of fish-out operations is the possibility of using small ponds. Ponds can be located within city limits and at major highway intersections. Also, fishing success does not rely on natural production, but upon artificially maintained populations. The major disadvantage is that fish-out operators must make a tremendous commitment to public relations, marketing and

promoting, and must be sensitive to public needs and behavior. Such operations need to be near population centers and highly visible. A lot of time is required on the part of the manager, who must deal with “people problems” (Figure 4).

Considering fee-fishing as a business

Fee-fishing allows pond owners to supply fishing opportunities to anglers while simultaneously using under-utilized resources as a source of income. Fee-fishing is both a form of entertainment and a source of fresh fish for the user.

Market

Fee-fishing operations are good markets for fish producers. Production acreage in many states is small and geographically dispersed. Producers can sell their fish live to local fee-fishing operations. Thus, there is no need to build a processing facility, and many state health regulations can be avoided by selling live fish. Producers can often get a higher price per pound from fee-fishing operators than from processors.



Figure 4. Day lease and fish-out pond operators must be willing to deal with people.

Licenses and permits

As with most aquaculture facilities, permits must be obtained for surface and ground water (wells) rights, surface water storage (pond and ditch construction), construction of buildings and to meet any additional county or municipal regulations. In addition, permits may be required to sell live fish, bait and concessions, and for construction of buildings. Employees involved in selling food and cleaning fish should obtain state health certificates.

Many states have special permits for the operation of fee-fishing facilities such as ticket lakes or fish-out ponds. These allow anglers to fish at the facility without having to purchase state fishing licenses.

Liability

Customers are subject to injury, therefore liability insurance is highly recommended. Liability insurance is available from most specialty insurance agents. Costs vary, but are usually based on gross annual revenues. In addition, product liability insurance covers you if someone gets sick on the fish that they take home and cook. In the case of a long-term

lease, the cost of liability insurance is less and is usually paid by the lessee (Figure 5).

All reasonable steps should be taken to avoid negligence. Alcohol should be prohibited. Aeration equipment should be placed so that it can operate effectively, yet provide little inconvenience and potential danger. First aid and life saving equipment should be readily available. Swimming should not be allowed. Safe access for handicapped anglers should be provided.

People management

Successful day leases and fish-out operations require as much people management as they do fish management. They require a commitment to public relations, marketing and promotion, and sensitivity to public desires and behavior. The attention span of many anglers is short. Many people fee fish because they are almost certain to catch fish. If they do not catch fish within 5 or 10 minutes, they begin to complain. Some operations charge low prices for their fish, provide little service and have few expenses. Customers bring their own equipment and take care of themselves. Many successful

operations often charge more per pound, but provide everything including tackle rental, employees to explain rules, instruction for new anglers, conversation while they fish, and employees to remove fish from their hooks and to clean and pack their catch on ice.

Operators must be able to get along with people, because that's half the business. If you don't like people, you have a losing battle on your hands, no matter how well you manage your fish. You must be polite and courteous, even under the most difficult situations. The biggest problem that some anglers will have is knowing when to stop catching fish, catching more than they have money to pay for, and discovering this upon trying to leave your facility.

Conclusion

Fee-fishing facilities are rapidly increasing in number, but vary substantially in their success due to differences in location, facilities, services and management. Medium to large ponds with controlled access are best suited for long-term leasing, while small to medium ponds can be day-leased or used as fish-out ponds. If individuals do not want to take the time to deal with people, yet want to use their ponds as a source of revenue, then they would be best advised to lease on a long-term basis.

Sources of information

For additional information on fee fishing and pond management, contact your local county Extension agent, state fisheries specialist, local USDA Soil Conservation Service office or the nearest office of your state Fish and Game Commission. Phone numbers for these agencies are listed in the government section of your phone book.



Figure 5. Liability insurance must be provided at all fee-fishing operations in the event that someone is injured.

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