Alaska Division of Community & Business Development

2000 Southeast Alaska Commercial Recreation Survey

Preliminary Draft Report

February 2001

Survey Purpose

The purpose of this survey was to acquire information concerning the level and quality of the commercial recreation uses occurring on the public lands and waters of Southeast (SE) Alaska. Although extensive information is available concerning commercial use in the Tongass through the Special Use Permits administered by the Forest Service (USFS), little or no information exists for the commercial use of state lands and tidelands.

The survey was designed to collect information about SE Alaska that allows businesses, communities, tourism organizations and land management agencies to:

- Identify the type, quantity and quality of commercial uses;
- Identify sites that have a high degree of potential as future tourism destinations;
- Determine the quality of existing services and access points to public lands/waters;
- Determine new services and access points needed on public lands/waters;
- Identify areas of existing or potential conflict by user groups;
- Estimate the impact of the tourism industry on the economy and employment of SE Alaska;
- Determine the environmental and social settings that have positive and negative impacts on business;
- Identify obstacles to the success of tourism businesses in the region; and,
- Identify ways in which federal, state and local governments can better serve the needs of business and augment the recreation experience of their clients.

Survey Area

The study area included all state and federally managed lands within Southeast Alaska that extend northwest to Cape Suckling, and east, west and south to the limits of the state boundary.

Management Implications

Information collected through this survey:

- Enables the Alaska Office of Tourism and other management agencies to propose changes to public processes that pose unnecessary obstacles to tourism businesses;
- Supports current efforts by the US Forest Service and the Alaska Department of Natural Resources (ADNR) to provide consistent planning and management of the tidelands and uplands in Southeast Alaska;
- Enables resource management agencies, such as the USFS, ADNR and Alaska Department of Fish and Game (ADFG), to allocate uses throughout their management areas to minimize conflict among user groups;
- Allows local communities and businesses to estimate and meet the demand for recreation-related goods and services; and,
- Provides relevant information for the update of the Northern Southeast Area Plan, the Chilkat Bald Eagle Preserve Plan and the Haines State Forest Plan by ADNR, and the completion of the Saltwater-Shoreline Based Outfitter Guide Analysis by the USFS.

Survey Design

An interagency planning team (IPT) consisting of representatives of the Alaska Office of Tourism (DCED), the Pacific Northwest Research Station, ADNR, USFS, and ADFG worked together to design the survey questionnaire based upon a similar survey conducted by the ADFG in 1989.

The 1989 survey conducted by the ADFG collected information about the extent, quality and economic value of non-consumptive wildlife activities in Southeast Alaska. Fairly significant changes were made to the 1989 survey by the IPT by expanding the scope of the survey to include all commercial recreation uses occurring in the study area. The 2000 survey also gathers significantly more information on the characteristics of the businesses surveyed. A copy of the questionnaire is attached.

The IPT completed a final draft of the survey during the summer of 2000 and provided copies to numerous organizations, businesses, and municipal, state and federal agencies for review. Private organizations that reviewed the survey included members and/or staff of the Alaska Wilderness and Recreation Tourism Association, Alaska Travel Industry Association, the Alaska Professional Hunters Association, Southeast Alaska Conservation Council, and the Southeast Alaska Tourism Coalition. Many revisions to the questionnaire were made based upon the comments received from these individuals. In addition, the survey was pre-tested by nine businesses in the study area and revised according to the comments provided by the testing businesses.

The questionnaire was prepared and published by the Alaska Office of Tourism. The supplemental maps were prepared by the ADNR. All surveys were mailed during the first week of October 2000. Responses were accepted through the end of December 2000.

Survey Distribution

The survey was distributed to a total of 814 businesses based upon mailing lists provided by the Alaska Division of Occupational Licensing (ADCED-DOL) and permit holder lists provided by the USFS and the ADFG. Mailing lists provided by ADCED-DOL were generated from a sort of all business licenses that had an address with a Southeast Alaska zip code and indicated that the primary or secondary purpose of their business was identified as being within nine activity categories (Table A) most related to tourism.

Survey Response

Of the 814 surveys that were sent, 54 (7%) respondents replied that they were no longer in business or did not provide any services on public lands and waters. Another 24 surveys (3%) were returned due to an incorrect mailing address. Of the remaining 736 surveys sent, 193 (26%) businesses responded to the questionnaire. Forty-three percent of the 193 businesses that responded did not return the map that supplemented the questionnaire. The actual location of trip activities is considered "proprietary" information by businesses, so the reluctance to share specific geographic information came as no surprise.

Tables A and B outline the percentage of surveys sent and returned by business type and community.

Table A
Distribution and Response by Business Type

Activity Code	Business Description	Surveys Sent		Surveys Returned	
		Number	% of total sample	Number	% of total sample
4812	Non-scheduled Air Transportation	31	4%	6	3%
4831	Coastal Transportation	14	2%	3	2%
4871	Sightseeing Transportation, Land	33	4%	6	3%
4872	Sightseeing Transportation, Water	52	7%	15	8%
4873	Sightseeing Transportation, Other	0	0%	0	0%
7139	Other, tourist guides	72	10%	16	8%
7140	Fishing Guides & Charters	424	58%	113	59%
713991	Hunting Guides	34	5%	14	7%
713992	Transporters for Hunting Guides	3	< 1%	0	0%
	Other Category/None Listed	73	10%	20	10%
	TOTAL	736	100%	193	100%

Table B
Distribution and Response by Community

Community	Surveys Sent		Surveys Returned	
	Number	% of Total Sample	Number	% of Total Sample
Juneau	156	21%	34	18%
Sitka	144	20%	34	18%
Ketchikan	108	15%	19	10%
Haines	43	6%	16	8%
Petersburg	40	5%	16	8%
Gustavus	26	4%	14	7%
Non-SE	48	7%	14	7%
Craig	31	4%	8	4%
Wrangell	29	4%	8	4%
Yakutat	22	3%	7	4%
Pelican	11	1%	4	2%
Elfin Cove	7	1%	3	2%
Hoonah	10	1%	3	2%
Skagway	14	2%	3	2%
Port Alexander	6	1%	2	1%
Thorne Bay	6	1%	2	1%
Kake	4	1%	1	1%
Coffman Cove	3	< 1%	1	1%
Klawock	4	1%	1	1%
Metlakatla	5	1%	1	1%
Point Baker	3	< 1%	1	1%
Funter Bay	2	< 1%	1	1%
Angoon	7	1%	0	0%
Hydaburg	5	1%	0	0%
Meyers Chuck	2	< 1%	0	0%
TOTAL	736	100%	193	100%

Survey Questionnaire & Results

The questionnaire was divided into six sections: 1) Business Characteristics, 2) Existing Use and Location, 3) Future Use and Location, 4) Preferred Environmental and Social Setting, 5) Business Constraints, and 6) General Comments.

Section 1: Business Characteristics

The purpose of this section was to collect information about the characteristics of the commercial recreation providers operating in Southeast Alaska. Questions specifically pertaining to the number of years in operation, number and type of clients, employment, revenue and business partnerships were included in this section.

- Length of Operation. The length of operation by the businesses responding was evenly spread among the categories provided as depicted in Table 1-1.

Table 1-1
Years in Business

Years in Business	Percent of Response
0-5 Years	38%
6-10 Years	30%
Over 10 years	32%

- Change in Clients Served. The majority of the respondents indicated that the number of clients they serve have increased since 1995.

Table 1-2
Change in Clients Served by Businesses Since 1995

Change in Clients	Percent Response
Increased	73%
Decreased	8%
Remained Unchanged	19%

- Number of Businesses by Clients Served. More than half of the businesses responding served less than 100 clients in 1999. The following table provides a breakdown of the number of businesses that responded to the survey based on the number of clients they served:

Table 1-3
Number of Businesses by Clients Served in 1999

Clients Served	Number of Businesses
Less than 100	87
101 – 200	28
201 - 1,000	36
1,001 - 10,000	11
10,001 – 100,000	6
Over 100,000	1

- Employment. The average number of persons employed by each business totaled 40 person-months, or about 3.25 full-time equivalents.

- Resident Employees. Although the data collected concerning the percentage of employees that are year-round Alaska residents is still being reviewed, it appears that most of the businesses surveyed employ a high percentage of year round residents. Further detail concerning employment will be included in the final report.
- Revenue. Annual revenue in 1999 was below $100,000 for most businesses.

Table 1-4
Average Gross Annual Revenue for 1999

Revenue	Percent of Businesses
Less than $100,000	86%
$100,001 - $250,000	0
$250,001 - $1,000,000	8%
$1,000,001 - $10,000,000	5%
$10,000,000 or more	1%

- Type of Clientele. The average number of clients that were cruise ship passengers for all businesses totaled 41%. The following table breaks the number of average cruise ship passengers down by business size (number of clients served):

Table 1-5
Percent of Clients which are Cruise Ship Passengers
By Business Size (Clients Served in 1999)

Fewer than 200 Clients/Year	22%
201-10,000 Clients/Year	61%
More than 10,001 Clients/Year	91%

- Business Partnerships. 12% of the respondents indicated that they have formal business agreements or partnerships with cruise ship operators, and 34% had business agreements or partnerships with other recreation service providers.
- Trip Length. An average of all responses indicated that 64% of the guided trips provided are day trips and 32% are overnight trips.

Section 2: Existing Uses and Location

This section collected information concerning the trips offered including itineraries, destinations, uses, trip frequency, and group size. Most of the data collected in this section is tied to information the respondent recorded on a separate map. A detailed analysis of the itineraries, destinations and map-related data is currently in progress and not complete at this time.

However, a review of the transportation modes used by Commercial Recreation Providers and the uses they most frequently engage in is complete and depicted in the following tables:

Table 2-1
Transportation Modes Used
(Multiple answers were possible)

Transportation Mode	Number of Responses
Motorized Watercraft	105
Non-motorized Watercraft	25
Vehicle	19
Aircraft	11
Other	2

Table 2-2
Principle Activities Engaged in by Businesses
(Multiple answers were possible)

Activities	Response
Saltwater Fishing	63%
Nature Viewing/Sightseeing	49%
Wildlife Viewing	44%
Photography	35%
Motorized Boating	25%
Freshwater Fishing	21%
Bird Viewing	21%
Non-Motorized Boating	15%
Hunting	14%
Hiking, Mountain Climbing	14%
Cultural/Historical Sites	10%
Camping	6%
Backpacking	3%
Northern Lights Viewing	3%
Downhill Skiing, Snowboarding	1%
X-Country Skiing, Snowshoeing	1%
Bicycling, Mountain Biking	1%
Snowmobiling	0%

Section 3: Future Use and Location

This section collected information about areas being investigated as tourism destinations in the future. Similar to Section 2, most of the data collected in Section 3 is tied to information the respondent recorded on a separate map. A detailed analysis of the itineraries, destinations and map-related data is currently in progress and not complete at this time.

Section 4: Preferred Environmental and Social Setting

Information collected in this section examines the degree of impact that various settings have on commercial recreation providers and their clients. Respondents were asked to rate each setting according to a scale of 1 – 5, with 1 = Positive Impact, 3 = Neutral, and 5 = Negative Impact. The following tables outline the average impact rating by all respondents and the average impact rating by respondents of specific communities and business types:

Table 4-1
Average Rate of Impact of Environmental & Social Settings by all Respondents
1 = Positive Impact, 3 = Neutral, 5 = Negative Impact

Environmental & Social Setting	Response	Environmental & Social Setting	Response
Jet Skis	4.3	Cabins/Campgrounds	3.2
Recreationists, Over 50	4.3	Wildlife Viewing Facility	3.1
Clear Cut Logging	4.0	Shipping Traffic (Barges, Tugs)	3.0
In Water Log Storage	3.8	Public Trail/Boardwalk	2.9
Road	3.7	Other Boats	2.9
Helicopters	3.7	Public Dock/Mooring Buoy	2.8
Aquatic Farms	3.7	Commercial Fishing	2.7
Recreationists, 11-50	3.7	Recreationists: 1-10	2.7
Private Dwellings/Floathouses	3.6	Undeveloped natural areas	1.2
Fixed Wing Aircraft	3.3		

Table 4-2
Average Rate of Impact of Environmental & Social Settings to Businesses by Community
1 = Positive Impact, 3 = Neutral, 5 = Negative Impact

Environmental & Social Setting	Least Negative Impact By Community	Most Negative Impact By Community
Jet Skis	Yakutat (3.6)	Elfin Cove, Hoonah (5)
Recreationists: Over 50	Skagway (2.7)	Gustavus, Pelican (5)
In Water Log Storage	Wrangell (2.5)	Gustavus (4.7)
Aquatic Farms	Haines (2.7)	Elfin Cove, Gustavus, Pelican (4.3)
Helicopters	Skagway (2.7)	Hoonah (5)
Recreationists: 11-50	Skagway (2.3)	Gustavus, Pelican (4.7)
Road(s)	Skagway (1.7)	Hoonah, Elfin Cove (5)
Private Dwellings/Floathouses	Skagway (2.3)	Hoonah (5)
Fixed Wing Aircraft	Ketchikan (2.1)	Hoonah, Craig (4)
Cabins/Campgrounds	Ketchikan (2.5)	Elfin Cove (5)
Wildlife Viewing Facility	Ketchikan (1.9)	Elfin Cove, Pelican (5)
Shipping Traffic (Barges, Tugs)	Elfin Cove, Skagway (1.7)	Hoonah (3.7)
Other Boats	Hoonah (2)	Yakutat (3.4)
Public Trail/Boardwalk	Ketchikan (2.1)	Elfin Cove (4.3)
Public Dock/Mooring Buoy	Ketchikan (1.9)	Elfin Cove, Pelican (5)
Commercial Fishing	Pelican (1)	Craig (3.4)
Recreationists: 1-10	Hoonah (1.7)	Petersburg, Gustavus (3.1)
Clear Cut Logging	Skagway, Ketchikan, Wrangell, Elfin Cove (3)	Gustavus (4.9)
Undeveloped Natural Areas	Elfin Cove, Gustavus, Hoonah, Pelican, Craig, Wrangell (1)	Skagway (2.3)

Table 4-3
Average Rate of Impact of Environmental & Social Settings to Businesses by Business Type
1 = Positive Impact, 3 = Neutral, 5 = Negative Impact

Environmental & Social Setting	Least Impact By Business Type (Average Score)	Most Impact By Business Type (Average Score)
Jet Skis	Non-scheduled Air Transportation (1.5)	Coastal Transp., Scenic Water Transp. (4.7)
Recreationists: Over 50	Non-scheduled Air Transportation (2.0)	Hunting Guides (4.7)
Clear Cut Logging	Non-scheduled Air Transportation (1.0)	Coastal Transportation (4.5)
In Water Log Storage	Non-scheduled Air Transportation (1.5)	Scenic Water Transportation (3.9)
Aquatic Farms	Non-scheduled Air Transportation (1.5)	Coastal Transportation (4.3)
Helicopters	Non-scheduled Air Transportation (1.5)	Scenic Water Transportation (4.2)
Recreationists: 11-50	Non-scheduled Air Transportation (2.0)	Hunting Guides (4.6)
Roads	Non-scheduled Air Transportation (1.0)	Hunting Guides (4.4)
Dwellings/Floathouses	Non-scheduled Air Transportation (1.5)	Scenic Water Transp., Hunting Guides (3.8)
Fixed Wing Aircraft	Non-scheduled Air Transportation (1.5)	Coastal Transportation (4.0)
Cabins/Campgrounds	Non-scheduled Air Transportation (2.0)	Hunting Guides (4.1)
Wildlife Viewing Facility	Non-scheduled Air Transportation (1.5)	Hunting Guides (4.4)
Shipping Traffic	Non-scheduled Air Transportation (1.0)	Coastal Transportation (3.3)
Other Boats	Non-scheduled Air Transportation (1.5)	Hunting Guides (3.5)
Public Trail/Boardwalk	Non-scheduled Air Transportation (1.5)	Hunting Guides (3.6)
Dock/Mooring Buoy	Non-scheduled Air Transportation (2.0)	Hunting Guides (3.5)
Commercial Fishing	Non-scheduled Air Transportation (1.0)	Fishing Guides, Hunting Guides (2.9)
Recreationists: 1-10	Non-scheduled Air Transportation (2.0)	Hunting Guides (4.1)
Undeveloped Natural Areas	Coastal Transp., Scenic Water Transp. (1.0)	Non-scheduled Air Transportation (2.0)

Section 5: Business Constraints

This section of the survey gathered information about the degree of impact that potential obstacles have on commercial recreation providers. Respondents were asked to rate each obstacle according to a scale of 1 – 5, with 1 = No Impact and 5 = Severe Impact.

- Impact of Potential Obstacles. Table 5-1 describes the average response of the surveyed businesses concerning the impact that external factors have on their success:

Table 5-1
Average Impact of Potential Obstacles to Business
1 = No Impact, 5 = Severe Impact

Potential Obstacles to Business	Degree of Impact
Federal Application Process	2.8
Competition of Choice Location	2.8
Federal Reporting Process	2.7
Liability Concerns/Insurance	2.6
Federal Permit Delayed or Denied	2.6
Federal Permit Fees	2.5
Lack of Clients	2.4
State Reporting Process	2.3
State Application Process	2.2
State Permit Fees	2.1
Bank Financing	2.1
State Permit Delayed or Denied	2.0
Local Permit Fees	1.9
Local Application Process	1.8
Local Permit Delayed or Denied	1.8

- Impact of Potential Obstacles by Business Type. The following two tables provide a breakdown of the average impacts of potential obstacles to business by business type and location.

Table 5-2
Average Impacts of Potential Obstacles to Business by Business Type
1 = No Impact, 3 = Neutral, 5 = Severe Impact

Activity Code	Business Description	Federal Permitting Procedures	State Permitting Procedures	Local Permitting Procedures	Competition for Choice Locations	Lack of Clients	Liability Concerns	Bank Financing
4812	Non-scheduled Air Transportation	3.6	3.1	2.3	2.0	2.3	3.7	2.0
4831	Coastal Transportation	1.7	1.0	1.0	2.3	2.0	2.7	1.7
4871	Sightseeing Transportation, Land	2.5	2.5	2.3	3.3	2.6	3.2	1.4
4872	Sightseeing Transportation, Water	2.7	1.9	1.7	2.7	2.5	3.0	1.6
7139	Other, tourist Guides	3.1	2.3	2.6	2.8	2.8	2.8	2.2
7140	Fishing Guides & Charters	2.6	2.3	1.8	2.8	2.7	2.7	2.3
713991	Hunting Guides	2.8	1.7	1.6	3.3	1.7	1.7	1.5

Table 5-3
Average Impacts of Potential Obstacles to Business by Community
1 = No Impact, 5 = Severe Impact

Community	Federal Permitting Procedures	State Permitting Procedures	Local Permitting Procedures	Competition for Choice Locations	Lack of Clients	Liability Concerns	Bank Financing
Yakutat	3.6	2.7	2.6	3.0	2.6	2.4	2.9
Juneau	2.4	2.0	1.8	2.7	1.9	2.5	1.8
Elfin Cove	2.4	2.1	1.0	3.0	3.7	4.3	2.0
Gustavus	3.0	2.1	1.2	3.4	2.0	2.4	2.0
Haines	3.0	2.3	2.5	2.8	3.4	3.0	2.6
Hoonah	1.8	1.5	1.0	2.3	3.0	1.7	2.0
Pelican	4.0	3.1	2.9	3.0	4.0	3.7	3.7
Petersburg	2.9	2.0	1.4	2.2	2.2	2.5	1.8
Sitka	2.4	2.1	1.8	3.0	2.3	2.6	2.0
Skagway	2.7	2.7	2.6	3.3	1.0	3.7	2.3
Ketchikan	2.5	2.4	2.3	2.3	2.0	2.3	2.5
Craig	1.8	2.8	1.2	2.7	2.4	3.3	2.6
Wrangell	3.6	2.0	1.8	2.8	3.3	2.8	2.0

Section 6: General Comments

This section of the survey provided an opportunity for respondents to identify ways that federal, state, and local land and wildlife management agencies could better serve the needs of businesses and help provide a better recreation experience for clients. The following table provides a description of the comments most frequently made:

Table 6-1
Summary and Frequency of General Comments

Frequency	Comment Description
8	Glacier Bay permits are not distributed fairly to local businesses and small businesses.
8	There are too many rules in general.
8	Sport fish allocations are unfair.
6	Coordination between the state and federal government is needed.
6	Clear cutting should be prohibited.
6	The Forest Service permitting process is too complex.
5	The federal government is inflexible and difficult to work with.
5	Reduce the paperwork.
5	Control and/or limit the charter fishing businesses.
4	There is too much land in wilderness that is off limits.
3	Undeveloped natural areas are good for business.
3	Permit fees and expenses are too great for small businesses.

Further Study

Ideally, a survey of this type would include all recreation users of a study area. The Alaska Department of Community and Economic Development (ADCED) is in the process of determining the feasibility of conducting a statewide resident survey that will allow comparable data to be collected and segregated by region. Visitor opinions are currently being surveyed through the Alaska Visitor Statistics Program (AVSP) and are expected to be complete by December 2001.