

# Fish Tales Newsletter

West Virginia's Aquaculture Newsletter is produced to help inform, educate, and update those interested in producing quality aquatic products, in a sustainable manner, for the recreational and food fish markets.

## Greer Trout Donated to Trout for Cheat Inc.

By Rodney Kiser

Fall stocking was in full swing again this year along the Cheat River. Decreased funding and lower than average water levels were not enough to deter the dedicated stockers known as Trout for Cheat Inc. Beginning in October, when water levels finally began to rise, the Cheat was once again being stocked with large trout. The stockings were to continue about every two weeks into December.

One highlight of the stocking season was the 1,700 pounds of rainbow and brown trout, averaging over 2 pounds, which were donated by **Greer Industries** and stocked into the Cheat on November 8. The fish were transported to the Cheat by **Chris Veltri of Indian Lake Fisheries**. **The Challenge Academy** assisted with the stocking as they do every time the Cheat is stocked. The Challenge Academy is an integral part of the stocking program; the stocking could not be achieved without their help.

Greer Industries grows trout at a production facility they have constructed adjacent to their Germany Valley Limestone Plant in Seneca Rocks. The four-step, concrete raceway facility utilizes a 450+ gpm spring on Greer property. **Joe Dean** oversees trout production, and the facility is operated and maintained by **Linda Judy** with the assistance of other employees at the Germany Valley site. Greer Industries has become a key player in the aquaculture community in West Virginia. In addition to the trout stocked into the Cheat, Greer donates large trout for stocking the South Branch of the Potomac in Franklin for the annual Trout Rodeo, part of **Spring Fest**. Greer has also sold trout to individuals in West Virginia and Virginia for use in the recreation and food fish markets.

Greer has also been a steadfast supporter of WVU Extension Service's aquaculture endeavors. The value of Greer's assistance given to this writer is immeasurable. Greer Industries is a great example of how business and industry can play a major role in the success of aquaculture in West Virginia.

If you would like more information about stocking the Cheat or how you can donate to the stocking effort, contact Art George at 329-1780. If you would like more information about the Greer Facility, contact Rodney Kiser at 293-2631 x4447 or e-mail at [rkiser@wvu.edu](mailto:rkiser@wvu.edu).

## Farmer Profile: Jake Musick



Jake Musick admires his crop of trout.

Jake is the new owner and manager of Trout Lodge and Angler's Resort (304-487-3303). He and his son **Andy** are the owners of two trout farms in Virginia. Jake also owns Riverbound X-Stream Flyfishing. The goal of Riverbound X-Stream is the utilization, improvement, and renewal of cold water resources. The company has a nice Web site: [www.riverboundxtrmff.com/home.htm](http://www.riverboundxtrmff.com/home.htm)

The production at Trout Lodge is increasing due to the efforts that Jake is putting into the management of the hatchery and the growout tanks. He is committed to the sustainability of trout culture by increasing waste management controls. After historic low flows in 2007, liquid oxygen will be used to avoid losses and increase production for 2008.

Marketing and processing of some of the trout will be done by **Luis Marmol** who is still a partner in the operation. Jake has a cooperative attitude towards others in the industry and looks forward to working with other businesses. Welcome, Jake!

## GOT CENSUS?

**Why is the 2007 Census of Agriculture important?** (not just because Aquaculture is included in the questions)

The Census provides the only source of uniform, comprehensive agricultural data for every county in the nation. Through the Census, producers can show the nation the value and importance of agriculture, and they can help influence decisions that will shape the future of American agriculture for years to come. By responding to the Census, producers are helping themselves, their communities and all of U.S. agriculture.

### W.Va. Salmon and Trout

As of January 2008, **WV Aqua**, the largest private producer of fish (Arctic char) in the state, sold a 70% stake in the operation to **Blue Ridge Aquaculture Inc.** of Martinsville, Va. The production farm in Man, W.Va. will now be called **WV Salmon and Trout** since Arctic char will be phased out of production and salmon and trout will be phased into production.

Blue Ridge has been using indoor recirculating facilities to produce various species since 1993. They are the largest indoor producer of tilapia and ship nearly 75,000 pounds each week to live markets throughout the eastern seaboard and Canada.

**David Russell**, operations manager for the company, presented an overview of the company's activities and plans for the future at the WV Aquaculture Forum in Charleston on January 19. Blue Ridge Aquaculture joined resources with Virginia Tech dealing with shrimp culture and with MariCal Inc. to start Virginia Cobia Farms LLC.

## Agriculture Commissioner speaks at 2008 W. Va. Aquaculture Forum

**Gus Douglass**, the Commissioner of Agriculture in West Virginia, spoke at the opening of the Aquaculture Forum held on January 19 in Charleston. Gus invited farmers to use the upgraded laboratories to verify protein and fat levels in feed. He also said in a few short weeks the agricultural lab will be prepared to use the polymerase chain reaction (PCR) technique for rapid DNA replication, which is helping farms become certified as specific pathogen free (SPF) and for identifying the presence of a pathogen.



Fonda Holehouse explains aquaculture legal issues.

An overview of the complex legal issues dealing with aquaculture and water rights was presented in a clear and understandable way by **WVU's Fonda Holehouse**. She ended her talk with a plan of action that was well received by the crowd of about 70 participants.

Two afternoon sessions were in separate rooms. One session dealt with pond management, aquaponics, and the benefits of eating fish. **Dr. Bob Durborow from Kentucky State University** gave an informative talk in the other session about common fish diseases and their treatment. Following his presentation, a panel of regulatory experts answered questions ranging from state taxes to import and water permits. (See tax article on Page 3.)

For those who were unable to attend, many of the presentations and posters will be posted soon on the aquaculture Web site [www.wvu.edu/~agexten/aquaculture/forums.htm](http://www.wvu.edu/~agexten/aquaculture/forums.htm).

## Country Roads

By Rodney Kiser

The format for the West Virginia Aquaculture Forum offered a new opportunity for 2008. Attendees were able to participate in a field trip to WV Aqua, the largest private producer in the state, the day before the forum.

More than 25 aquaculture enthusiasts took advantage and visited the production facility and processing plant. Jonathan Browning, general manager of the farm, served as tour guide and explained the workings and history of the company. Jonathan also discussed future plans with Blue Ridge Aquaculture of Martinsville, Va., and their newly acquired control of the company. David Russell, operations manager for Marical, a biotech company working with Blue Ridge, talked about the change from Arctic char production to steelhead and salmon.

Visiting WV Aqua (now called WV Salmon and Trout) afforded participants the opportunity to see a recirculating system, which many were unfamiliar with. Arctic char production was also something many had never seen before. In addition, the trip gave folks the chance to converse and share ideas, and in some cases, meet new people.

The concept of a field trip is one we hope to continue in the future, based on the positive feedback and comments we received.

If you were unable to attend this year, maybe the chance to increase your aquaculture knowledge, as well as associate with others in your profession, will encourage you to take part next year.

## West Virginia Represented at Aqua America Meeting

By Daniel Miller

More than 15 West Virginia researchers were listed as authors of 15-plus presentations at the 2008 Aquaculture America this past February in Florida. The Freshwater Institute had eight high-quality presentations dealing mostly with recirculation technology and management. Two campuses of WVU contributed to another six presentations or posters at the four-day event, which was filled with information and new products.

At the trade exhibition, Aquatic Eco-systems, the world's largest supplier of aquatic tools, displayed a model of a patented plastic U-shaped tank developed by a WVU researcher. The company is interested in licensing an exclusive agreement with WVU to sell the tank. Abstracts for all of the presentations at the meetings can be found at the following link:

[www.was.org/Meetings/SessionsByDay.asp?Meetingcode=AA2008](http://www.was.org/Meetings/SessionsByDay.asp?Meetingcode=AA2008)



## Aquaculture and West Virginia Consumers Sales Tax

By Martha Keeney

As the aquaculture industry continues to grow, questions continue to arise regarding the West Virginia Consumer Sales Tax.

The West Virginia Consumer Sales Tax regulations define “aquaculture” as “the raising of fish or the growing of plants in water for commercial purposes.”

The term “livestock” is defined to include farm animals raised for profit; fish is specifically excluded **unless** they are raised for profit and such profit is not realized through the sale of fish as a pet.

A specific exemption from the sales tax exists for the sale of livestock in their original state by the producer who is not engaged in making retail sales of tangible personal property. For example, if a producer of fish or members of the producer's immediate family are in the business of selling only the fish they raise, the sale of the live fish is exempt from the tax as long as the fish are not sold as a pet. However, if a producer of fish also makes sales of other tangible personal property, such as fishing poles, nets, etc., either at the site where the fish are sold or at another location, the entire sale, including the fish, becomes taxable.

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The definition of “farm products” does not include food that has been processed. Consequently, in order for the sale of fish to be exempt from the sales tax, the fish must be alive. If the fish were not alive when sold, certain other activities would have occurred to prevent spoilage. Such activities would be the equivalent to processing and the fish would not be in their original state.

This exemption of tax is a per se exemption. This means that the exemption may be claimed without presenting or obtaining exemption certificates. It is the responsibility of the producer to keep adequate records regarding the sale of the fish.

Two other exemptions may be claimed by a purchaser of live fish provided the purchaser presents the seller of the fish with a properly executed exemption certificate, SSTGB Form F0003, which is available on our Web site. The first exemption is for the purchase of fish for resale. For example, if a person who operates a restaurant purchases fish that will ultimately be sold to customers as food, this would constitute a purchase for resale.

The second exemption applies to the sale of aquatic animals that ultimately will be used for the purpose of the production of value-added products. The term “value-added product” means, but is not limited to, aquatic animals purchased and converted to a dried, canned, cooked, or frozen product derived from processing a raw agricultural product. For example, if a person sells fish to a cannery that will ultimately process the fish for sale, this would fall under the category of a value-added product. In this case, the purchaser would provide the seller with a Direct Pay Permit number as proof of exemption.

An exemption from the consumer sales and service tax and use tax exists for the purchase of certain goods or services directly used for the production of an agricultural product. This includes fish farmers. For example, the purchase of fingerlings, fish food, fish farming equipment and apparatus, fish harvesting equipment, and similar purchases of tangible personal property or of any taxable services are deemed to be exempt. The Certificate of Exemption, SSTGB Form 0003, is to be used when claiming the exemption.

The information discussed above is contained in Chapter 11, Article 15, of the West Virginia Code, which can be found on the West Virginia Legislative Web site at [www.legis.state.wv.us](http://www.legis.state.wv.us). For additional information regarding the West Virginia Consumer Sales and Use Tax, visit our Web site at [www.state.wv.us/taxdiv](http://www.state.wv.us/taxdiv). You may also e-mail any questions you may have to [wvtaxaid@tax.state.wv.us](mailto:wvtaxaid@tax.state.wv.us).

## NRCTC Ends Aquaculture Program by Spring 2009

The two-year aquaculture associate degree that has been given by Bluefield State College since 1997, will graduate its last students this year. The program was offered by the New River Community Technical College (NRCTC) as a way to jump-start commercial aquaculture in the area. The development of the Lillybrook Trout Farm was another part of this vocational program. The farm, renamed Mountaineer Trout Farm, is producing more than 5,000 pounds of trout per week.

Many of the students who graduated from the program had completed a practicum or work session at a nearby commercial trout farm. A fish farm in Peterstown and an aquarium shop in Princeton have graduates from this program. **G.K.**

**Udayakumar**, who has taught the aquaculture students since 2005, will continue to teach business and biology courses at NRCTC.

## WVAA News

The West Virginia Aquaculture Association elected **Jonathan Browning** as President, **Paul Richards** as Vice President, **Ken Semmens** as Treasurer, and **Rob Nichols** as Secretary. Board members are **Jody Ours**, **Mike Nardella**, **Paul Richards**, **John Cottle**, and **Jonathan Browning**. Immediate past president is **Fred Hays**. The association has a new Web site (<http://wvaquaculture.com/>) with information about its activities. The group recently appointed **Rodney Kiser** as a liaison with the West Virginia Farm Bureau.

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Fred Hays 304-548-7117, A W.Va. Farmer

We encourage contributions to Fishtales newsletter by W.Va. residents. If you are interested in contributing, or would like to be put on the mailing list, please contact Dan Miller at [dmille31@wvu.edu](mailto:dmille31@wvu.edu) or call 304-293-4832, ext. 4465. The deadline for the next issue of Fish Tales is May 1, 2008.

This publication is available in a printable format on the Web at:  
[www.wvu.edu/~agexten/aquaculture/newsletter.htm](http://www.wvu.edu/~agexten/aquaculture/newsletter.htm)

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