

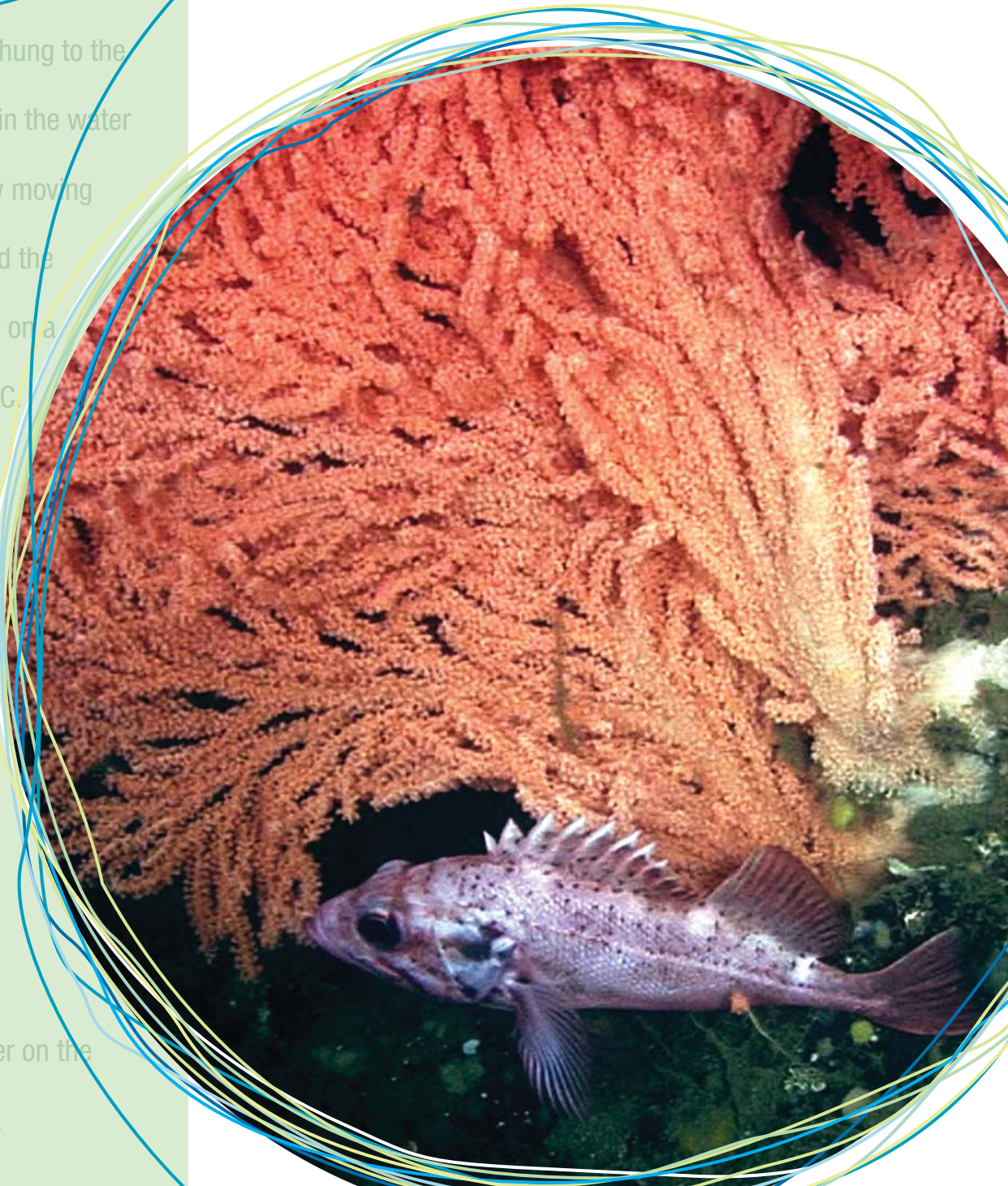


Healthy Oceans. Healthy Communities.

2009 annual report

The tall branching corals hung to the side of the rock wall. Silt in the water was drifting with the slow moving currents, wrapping around the coral like fog in the forest on a summer day in coastal B.C.

As I watch the coral I begin to see so much more. There is the sea star crawling up the coral branch, eating the polyps. The rockfish nestled in between the coral's stalks. The crab climbing higher and higher on the red branches of the coral.



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About Living Oceans Society

Living Oceans Society has been in the forefront of the conservation movement to protect British Columbia's coast since 1998. We believe that people are part of the environment. We are in favour of sustainable economic development, ecosystem based management, and marine planning processes where people from coastal communities can work together to build a conservation vision for the coast.

Our work takes place within five programs that are targeted, strategic and effective.

1 Energy (and Climate Change)

2 Marine Planning

3 Marine Protected Areas

4 Salmon Farming

5 Sustainable Fishing

We build coalitions, empower citizens and influence policy. As a result there is still a moratorium on offshore oil and gas, the fish farm industry has not expanded, and a marine planning process is finally underway on Canada's Pacific Coast.

Letter from the Executive Director

2009 was a groundbreaking year. It was the year that I had the opportunity to explore hidden depths of the ocean on the Pacific Coast of Canada. In a one-person submarine, I dived to 550 meters through clouds of jellyfish, drove amongst forests of deep sea coral, and flew over a field of plumose anemone. I was fortunate enough to witness rockfish nestled in a basket of Primnoa coral and stunning, pink anemones swaying in the current. I wish that everyone could have been so lucky because those amazing sights would change the way people see and use the ocean.

In addition to the nationally profiled Finding Coral Expedition, several groundbreaking events made 2009 memorable: The PNCIMA Marine

Planning Process was officially launched; we hosted the first Oceans and Climate Think Tank in B.C.; Compass Canada, one of the nation's largest food service companies, went farmed salmon free; Living Oceans secured a seat on the Groundfish Integrated Advisory Board; over 200 people met in Morristown B.C. (near Smithers) to call on the government to cancel Enbridge's Northern Gateway pipeline and keep the coast free of oil tankers; and Marine Harvest Canada agreed to launch a commercial scale closed containment project.

The determination and devotion of the staff and volunteers at Living Oceans Society made these victories happen. All of us, joined by our partners in the conservation community, rolled up our sleeves and tackled the challenges head on, with passion and conviction. At times we were met by leaders in industry and government who were willing to step ahead of the pack and make commitments to positive change. Together, we broke new ground.

I would like to thank everyone who helped us and made it possible for us to do the work we do. We are supported by foundations and individuals. Each donation, big or small, helps our effort to protect the ocean. There not enough words to express our gratitude.

2009 was a groundbreaking year, but stay tuned because there is more to come.

Sincerely,



Jennifer Lash
Executive Director



Letter from the Chairperson

As an ecological economist, I am acutely aware of the storms that swirled through the financial world in 2009. In light of the hard realities we faced, the Board is particularly gratified by significant headway that Living Oceans Society made along the course plotted by the Directors five years ago.

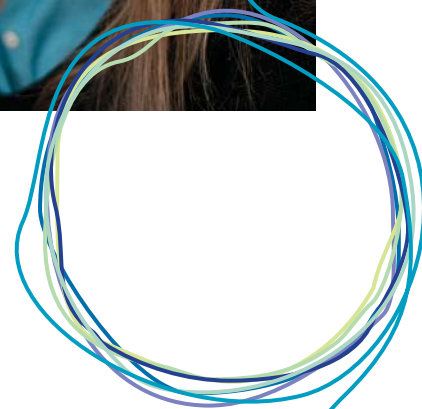
Numbers in spreadsheets are one way to gauge the health of an environmental organization. Numbers of supporters are another. In the climate of fiscal constraint, our work became more valuable than ever as the environment took a back seat to economic considerations in government budgets and the public eye. Still, Living Oceans continued to grow as 1,800 new supporters joined us in 2009. More Canadians became aware of the organization and their nation's marine life through the ambitious Finding Coral Expedition. Jennifer Lash's subsequent speaking tour shared the message of ocean conservation along with colourful video and stories from her undersea adventure.

In the same way that a healthy environment is the foundation of a flourishing economy, the generosity of donors is essential to our continued work for ocean health. I would like to thank the people and foundations that supported Living Oceans Society. There are not enough words to express our gratitude.

Warmest regards,



Astrid Scholz
Chairperson



Finding Coral Expedition

In June 2009 Living Oceans Society led the Finding Coral Expedition as part of our effort to get the Canadian Government to protect B.C.'s deep sea corals from destructive fishing practices such as bottom trawling. Using one person submarines, a team of international scientists made 30 dives to the bottom of the sea in search of deep sea corals on Canada's Pacific coast.

We found coral at all seven of the expedition's dive sites. We observed approximately 14 different kinds of coral, ranging from small solitary stony cup corals to large colonies of 'red tree' coral (*Primnoa pacifica*), some of which measured over one meter high and two metres wide and which often grew in dense coral 'groves' that abounded with fish and invertebrate life. We also observed over 40 species of fish and numerous invertebrates, some of which were found resting on or near corals.

The expedition was the culmination of five years of work to secure protection for these long-lived animals, which provide critical habitat for fish and other marine creatures that live in the deep corners of our ocean. The findings of the expedition will support our advocacy regarding the federal government's protection and management of deep sea corals, which includes the implementation of the national Sensitive Benthic Area policy and the Pacific Region Coral and Sponge Conservation Strategy.

The Finding Coral Speaking Tour of major Canadian cities got underway in the fall of 2009 to spread the news about the importance of the ocean to all Canadians.




LEFT Coral Coldwater, the expedition's Facebook mascot proved to be highly popular, drawing hundreds of friends who support our call for coral protection.

BELOW High definition video cameras on the subs recorded our dives, capturing the splendour of the coral forests as well as the trawl door ruts observed at several dive sites.

BOTTOM Canada's major newspapers and TV news broadcasts covered the Finding Coral Expedition launch on World Oceans Day. The strong visual component of the expedition, combined with the superb work of our volunteer film crew, showed the world the deep sea coral ecosystems of the Canadian Pacific for the first time.





Skeleton shrimp (*Caprella*) living on a *Swiftia* coral. The science team observed many invertebrates, like these skeleton shrimp, using corals for a variety of purposes: as refuge, feeding platforms, places to attach eggs, or as sources of food.

We believe healthy coastal communities are vital to the current and future health of our oceans. Sustainable Fisheries programs are a critical link in preserving the bounty of the ocean for all.



Fishing fleet, Haida Gwaii

Sustainable Fisheries Program

The Sustainable Fisheries Program's work to secure protection for deep sea habitat played a major role in the Finding Coral Expedition. After the cruise, the focus switched from wet labs and specimens to science papers. The expedition's science team is analyzing hundreds of hours of dive video, compiling an extensive species list, and conducting research for upcoming peer-reviewed science papers. The expedition's findings, video and data will be shared with universities, fishermen and others to advance the world's knowledge about deep sea corals. The research should also provide Fisheries and Oceans Canada (DFO) with the information they need to implement a coral conservation strategy.

The Sustainable Fisheries Campaign also released an assessment of bycatch in the Pacific groundfish bottom trawl fishery, in which several fisheries observer data sets were used to assess the spatial distribution and ecological consequences of bycatch in the fishery. This assessment identified several bycatch 'hotspots' and showed how some practices, such as trawling in deep waters (500+ meters), might have a disproportionate impact to non-commercial species and marine ecosystems.

Living Oceans Society pushed for strong measures in the national Policy to Manage Impacts of Fishing on Sensitive Benthic Areas and took part in developing the Terms of Reference for the Groundfish Integrated Advisory Board.

**Approximately 20%
of the biomass caught by bottom
trawlers in Canada's Pacific waters
from 1996 to 2006 was discarded at sea.**

Our report, *Bycatch in Canada's Pacific Groundfish Bottom Trawl Fishery*, will influence Canada's fisheries policy.

BOTTOM Jennifer Lash donating coral sampled during the Finding Coral Expedition to Moretta Frederick, a Collection Manager with the Royal B.C. Museum.



Marine Planning and Protected Areas

PNCIMA

All of our programs feed into the PNCIMA planning process:

- Protecting habitat from trawling
- Establishing Marine Protected Areas
- Improving shipping regulations
- Developing ecosystem based fisheries management plans
- Stopping the impacts of open net cage salmon farms.

In 2009 the Marine Planning Program focused on shaping the design of the Pacific North Coast Integrated Management Area (PNCIMA) planning process, and drumming up interest amongst people in the region.

After years of effort on the part of Living Oceans and partner conservation organizations, PNCIMA came to life with the first government-hosted stakeholder forum in March. Nearly 400 people participated in a two-day forum in Richmond, B.C. to start the conversation about how stakeholders can be involved.

We also conducted a great deal of outreach in Ottawa including presentation to the International Conservation Caucus with attendance from over 20 MPs and Senators. Our presentation covered fisheries impacts on habitat and the need to prioritize the establishment of MPA networks through processes such as PNCIMA.

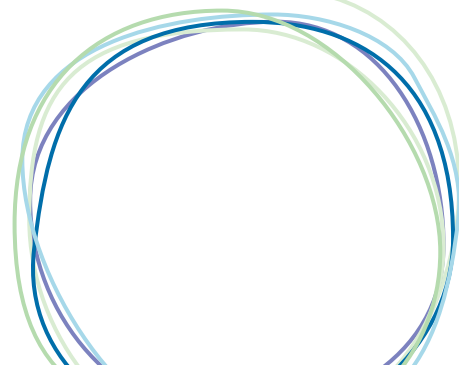
A marine planning process such as PNCIMA could enable us to implement ecosystem based management and a network of marine protected

areas. If successful, this will make the PNCIMA region one of the best managed corners of the world's oceans. Now that is something to be proud of.

Courthouse Endeavours

When an international research project wanted to conduct seismic testing in the Endeavour Hydrothermal Vents MPA, Living Oceans Society and our partners teamed up to get an injunction to block the project's vessel from the area. The Endeavour MPA was designated Canada's first MPA in 2003 and is a species-rich habitat frequented by 29 different whale and dolphin species including at risk species such as blue whales and fin whales. The researchers intended to fire an intense acoustic barrage into the water, which would blast at 180 decibels every two or three minutes.

Three court dates and two weeks later, the tests were allowed to proceed, but only after Fisheries and Oceans Canada improved protection of marine mammals through increased surveillance during the research and lowering of the sound levels for the seismic tests. Thanks to our legal efforts, Canada now has demanded that researchers utilize the highest standards in the world for mitigating seismic testing impacts on whales.



Nothing to see here....

CRIME SCENE DO NOT CROSS



The health of our oceans is in danger.

If the trend continues, there will be nothing left by 2048.*

A conservation plan including a network of marine protected areas will help turn things around before it's too late.

Tell the federal government to **keep its promise** to protect our oceans.

Take action at www.healthyoceans.ca

Source: *Science 2006



David
Suzuki
Foundation



SIERRA
CLUB
BC



LEFT Living Oceans Society and our partners launched a media campaign to raise awareness about the urgent need to develop networks of MPAs in PNCIMA. Less than one percent of British Columbia's coastal waters are fully protected in no-take MPAs.

TOP INSET We set up information tables at community events to increase awareness of ocean issues, MPAs, PNCIMA, and spread the word about the contribution of ocean health to community health. You may have seen us at Campbell River's Canada Day Celebration, Port Hardy's Filomi Days, Alert Bay's SeaFest, or at the Sointula Co-op Centennial Parade, or MusicFest in the Comox Valley.

BOTTOM INSET International Conservation Caucus Chair Keith Martin MP, sporting a PNCIMA Floats my Boat cap, with Living Oceans' John Driscoll, Jen Adams and Kim Wright (l to r). Building relationships with senior bureaucrats and politicians allowed us to inform them about the PNCIMA process and why our way of life depends on a healthy, well-managed ocean.

Energy

Spill Free Coast

In 2009 the threat of oil tankers sailing the shores of the Great Bear Rainforest loomed larger as energy industry giant Enbridge launched a \$100 million sales pitch to sell the benefits of its Northern Gateway pipeline and tanker project to northern British Columbia communities. If the project proceeds over half a million barrels of crude oil a day will flow from Alberta's tar sands to the coast where will it be loaded onto 225 tankers every year that will ply the dangerous North Coast waters.

The Energy Program worked to get the federal government's upcoming environmental assessment of Northern Gateway pipeline to consider the long-standing moratorium on tankers on the North and Central Coast. We also want the government to consider that the pipeline would enable the tar sands to expand by 30 percent; they are already the fastest growing source of greenhouse gases in Canada.

We arranged for Enbridge's CEO to travel the coast with Living Oceans to listen to the people whose lives would be directly affected by his company's planned proposal. First Nations and fishermen gave the CEO clear and repeated messages that the mega-project's risks to the ocean on which they depend outweighed any possible benefits.



Offshore Oil and Gas

The Government of B.C. has grown quiet on offshore oil and gas exploration and drilling. The 2010 Winter Olympic torch was not lit with offshore fuel as promised by B.C. Premier Gordon Campbell in his 2001 Speech from the Throne. We will accept this as a victory—for the time being.

Climate Change

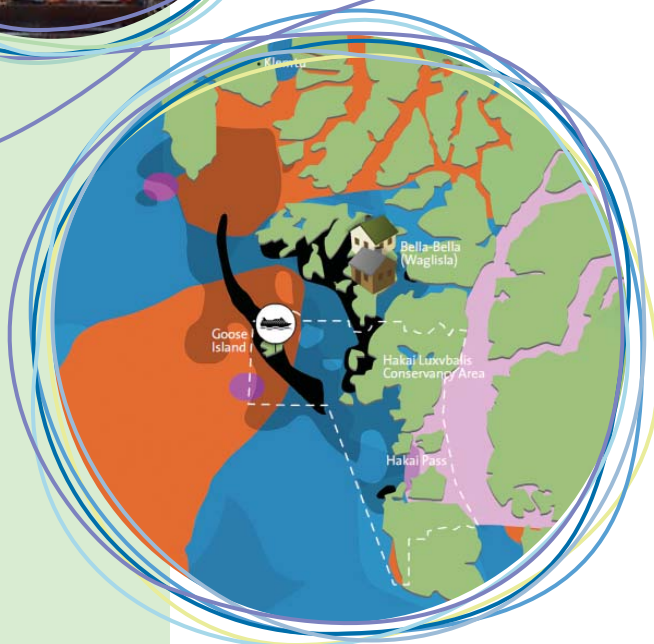
The Living Oceans Society organized the Oceans and Climate Change Think Tank in Vancouver, B.C., where scientists and environmental leaders came together to explore ocean and climate change issues in the Northwest Pacific Ocean. The Think Tank reviewed the major aspects of climate change that have an effect on ocean ecosystems, and explored pathways to solutions. Ocean acidification emerged as one of the most immediate and urgent concerns. The Think Tank's proceedings are posted on our web site. http://www.livingoceans.org/programs/energy/climate_change/thinktank.aspx

Working for a future free from fossil fuels



TOP INSET We were onsite when a fuel truck loaded with diesel was salvaged from Robson Bight Ecological Preserve after it sat on the bottom for 20 months. Vessel traffic is increasing each year in B.C. Spill response capability has not kept pace with the rising risk of oil spills.

BOTTOM INSET To graphically illustrate how oil spills from shipping accidents would affect ecosystems and communities on the North Coast of B.C., Living Oceans Society enhanced its online shipping spill model to show oil spill scenarios from cruise ships and container vessels as well as oil tankers and drilling platforms.

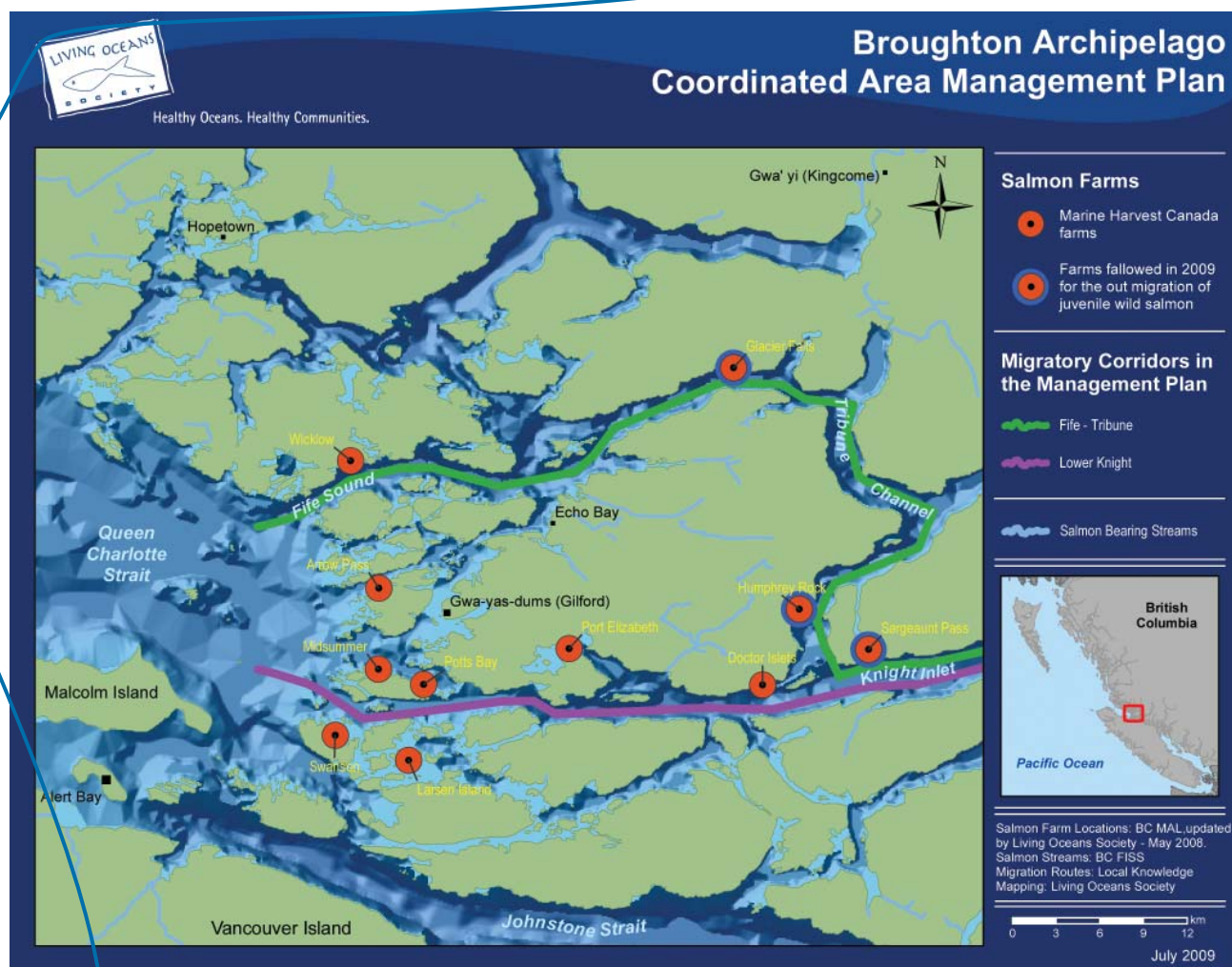


Salmon Farming Program



Living Oceans Society acts as the coordinator for the Coastal Alliance for Aquaculture Reform (CAAR), a coalition of environmental groups and First Nations formed in 2000 to protect human and ocean health from the harmful impacts of fish farms.

The Coastal Alliance for Aquaculture Reform (CAAR) continued its fight to protect wild salmon and push the B.C. salmon farming industry to adopt closed containment to ensure the long term health of our oceans. When the Province of B.C. relinquished control and regulation of salmon farms to the federal government in late 2009, CAAR saw the opportunity to make significant progress on sustainable aquaculture. We met frequently with DFO bureaucrats in Ottawa to encourage them to step up, acknowledge the weight of scientific evidence on the impacts of open net-cage salmon farms, draft strict new regulations for aquaculture and work with us towards the development and implementation of long-lasting solutions.



All but one farm on Tribune/Fife migratory corridor were empty of farmed salmon during the wild salmon out-migration in 2009.

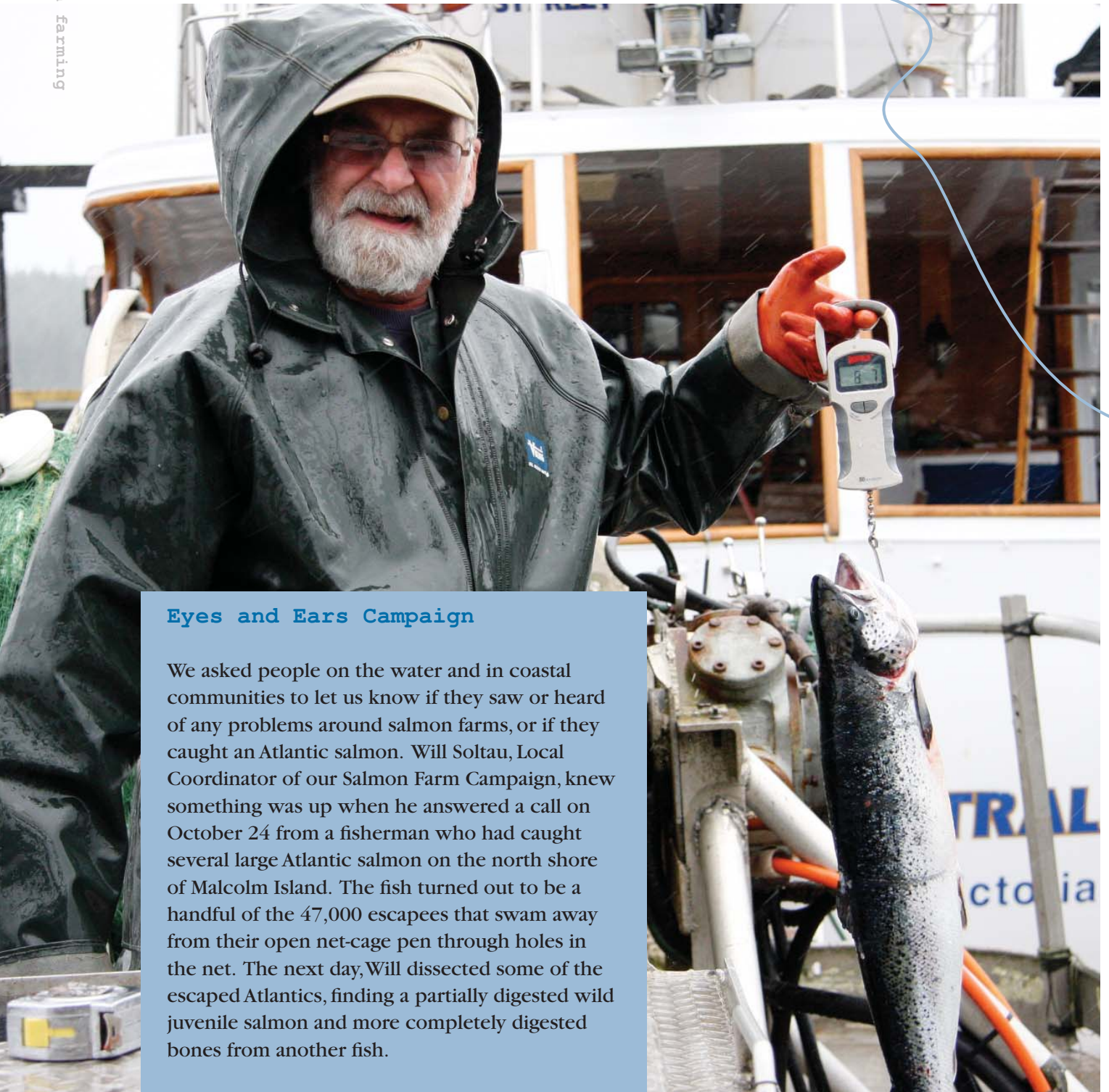
Safe Passage

As part of our ongoing work with the industry to find sustainable solutions, CAAR continued its collaborative scientific research with Marine Harvest Canada, owner of over half of B.C.'s salmon farms. CAAR and Marine Harvest developed a joint interim measure to create safer alternating migration corridors by following (emptying) farms so that wild juvenile salmon in the Broughton Archipelago could make their way to the open ocean without swimming through sea lice infested waters. A joint CAAR/Marine Harvest science team monitored the results and preliminary findings indicate a significant decline in lice levels on pink and chum salmon smolts migrating through the region.

Closed Containment

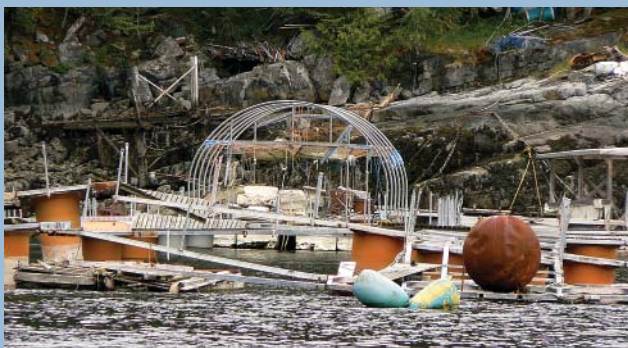
Our year of hard work finished off with Marine Harvest Canada committing to building a commercial-scale closed containment pilot project in association with CAAR. The new joint project will commence in 2010. While there remains a great deal of work to do to make this a reality, it was nice to end the year on a high note.

Nonetheless, the salmon farm industry is keen to expand; CAAR was involved in efforts to halt the approval of two new farms proposed for Wild Salmon Narrows in Georgia Strait.



Eyes and Ears Campaign

We asked people on the water and in coastal communities to let us know if they saw or heard of any problems around salmon farms, or if they caught an Atlantic salmon. Will Soltau, Local Coordinator of our Salmon Farm Campaign, knew something was up when he answered a call on October 24 from a fisherman who had caught several large Atlantic salmon on the north shore of Malcolm Island. The fish turned out to be a handful of the 47,000 escapees that swam away from their open net-cage pen through holes in the net. The next day, Will dissected some of the escaped Atlantics, finding a partially digested wild juvenile salmon and more completely digested bones from another fish.



ABOVE Will Soltau holds up an escaped Atlantic salmon. Its stomach held partially digested wild juvenile salmon.

LEFT The Eyes and Ears campaign has resulted in the forced clean-up of abandoned net-cages and other salmon farm debris.



The Better Salmon campaign ran ads in California newspapers and radio on President Obama's inauguration day to get maximum exposure. Online *New York Times* ads drove thousands to our web site and generated new U.S. supporters.

Markets

CAAR's Markets campaign aims to encourage distributors, restaurants and retailers to source and promote sustainable seafood products while ceasing the sale of 'red listed' or unsustainable seafood.

Living Oceans Society secured a seat on the NGO Advisory Council for the Food Marketing Institute's Sustainable Seafood Working Group, a body that advises major supermarket chains on purchasing policies. Through the council we began providing guidance to major retailers on traceability, sustainable purchasing, training materials for buyers and staff, and information on open net-cage aquaculture impacts.

When the U.S. National Organics Standards Board was considering the organic certification of net-cage farmed salmon, CAAR organized

action alerts and presented submissions together with allies in the USA that resulted in the Board adopting strong feed and net pen standards. Our work ensured that B.C. open net-cage farms are ineligible for organic certification under current practices.

In 2009 our Wild Salmon Supporters program signed up 74 new chefs and restaurants that made the commitment not to serve farmed salmon from open net-cages until the industry improves production methods. The Wild Salmon Supporters is CAAR's network of top chefs and trendsetting retailers from across North America who are using their influence and buying power to help ensure a future for wild salmon.



Overwaitea Food Group, which operates 117 stores across 80 communities in western Canada, is one of North America's first grocery retailers to commit to a comprehensive sustainable seafood program.

Sea Choice

SeaChoice, Canada's national seafood program, is run by Living Oceans Society in partnership with other leading environmental groups to bring public and marketplace attention to the negative environmental impacts of open net-cage salmon farming.

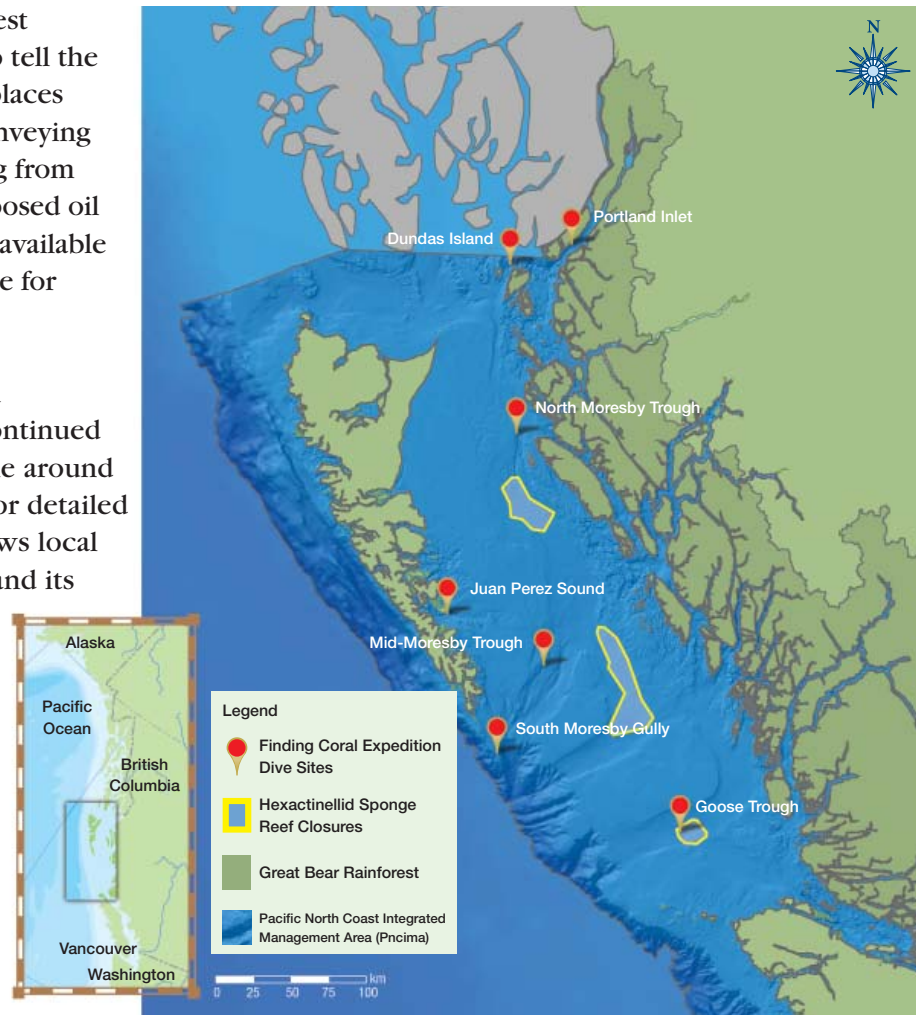
SeaChoice convinced one of Canada's largest food service companies, Compass, to go farmed salmon free. Over 22,000 campuses, hospitals, workplaces, restaurants and remote camps pulled farmed salmon from their menus. That's about 22,680 kilos of farmed salmon annually. Other suppliers have seen the benefits of the new market trend and are working with SeaChoice on sustainable seafood programs.

In 2009 SeaChoice teamed up with four major Canadian grocery retail chains and seafood suppliers to make it easier for their customers to buy seafood that promotes healthy oceans. Forward thinking companies Overwaitea Food Group, Seacore Seafood, Albion Fisheries, and The Big Carrot, Toronto's preeminent natural food store, are working to source seafood that meets SeaChoice's green "Best Choice" list, which can be found at www.seachoice.org.

Mapping

Maps are some of our strongest campaign tools. They help to tell the stories of our work and the places we're working to protect, conveying information on issues ranging from the spread of sea lice to proposed oil tanker routes. Our maps are available free of charge on our web site for anyone to use.

In 2009 our Local Ecological Knowledge (LEK) project continued to collect stories from people around northern Vancouver Island for detailed charts. The LEK project allows local knowledge about the coast and its creatures to be integrated into planning processes in the region. We are developing ways to share the finished maps with the interviewees who can use them in marine planning meetings to support their claims.



Finding Coral Expedition Dive Sites

BCMCA

The British Columbia Marine Conservation Analysis (BCMCA) identifies areas that are important ecologically and therefore could be candidate MPAs. The project is compiling and analyzing the best biological and oceanographic data available. Living Oceans Society has been actively engaged in the BCMCA since its inception, bringing together representatives from the federal and provincial governments, marine resource use groups, scientists, other ENGOs, and First Nations

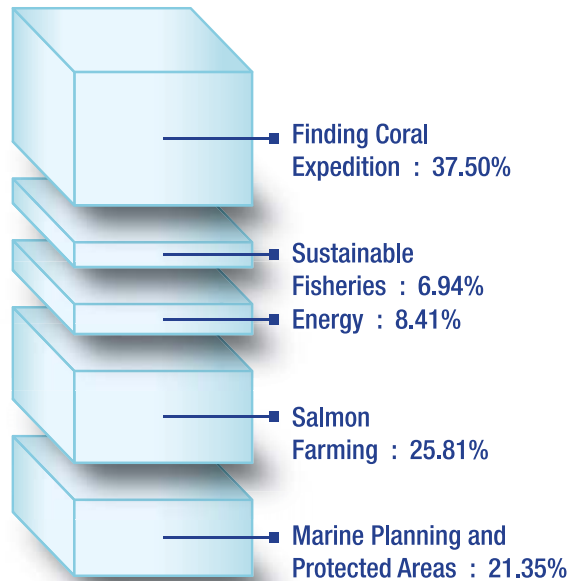
in this collaborative project that will help to inform coast-wide integrated marine planning and management issues. In 2009 our GIS team worked as part of the BCMCA project team to develop an atlas of known ecological values and human uses. The GIS team also worked with BCMCA to design spatial analyses of species, habitats, oceanographic factors, and resource uses along the B.C. coast.

2009 Statement of Revenue & Expenses

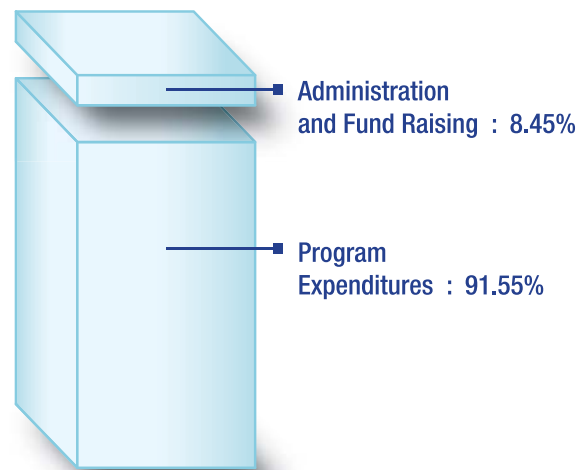
	2009
Revenue	
Donations from Foundations	\$3,082,595
Donations, Fund Raising and Other	\$78,099
Total	\$3,160,694
Expenditures	
Marine Planning and Protected Areas	\$584,240
Salmon Aquaculture	\$573,836
Energy	\$231,602
Sustainable Fisheries	\$191,668
Finding Coral Expedition	\$892,409
Contributions to Organizations	\$376,000
Administration	\$205,934
Fund Raising	\$29,419
Amortization	\$16,135
Total	\$3,101,243
Excess of Revenue (Deficiency) Over Expenditures	\$59,451



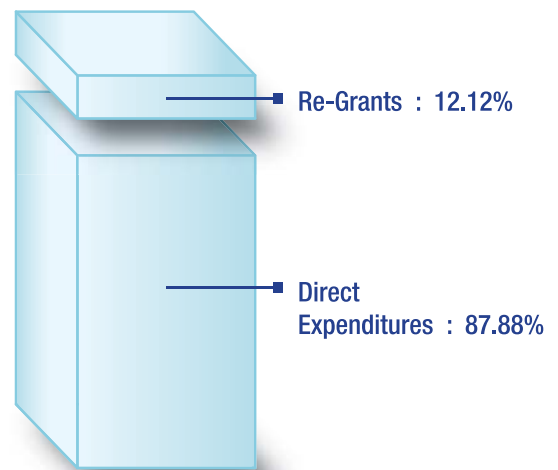
2009 Program Expenditures



Overhead as a Percentage of Direct Expenditures



Direct Expenditures vs Re-Grants





BACK ROW LEFT TO RIGHT Astrid Scholz, Jennifer Lash, Dorthea Hangaard, Jody Holmes, Shauna MacKinnon, John Driscoll, Karin Bodtker, Catherine Stewart, Carrie Robb, Lara Renehan, Mary Lindsay, Oonagh O'Connor, Stephanie Eakle.

FRONT ROW LEFT TO RIGHT Will Soltau, Dorie Pesicka, Katie Terhune, Kim Wright, Karen Wristen, Lori Anderson, Geoff Gilliard.

Staff

Executive Office

- Jennifer Lash, *Executive Director*
- Mary Lindsay, *Managing Director*
- Lori Anderson, *Office Administrator*
- Stephanie Eakle, *Grants Administrator*
- James Gates, *Campaign Communications Coordinator*
- Geoff Gilliard, *Communications Manager*
- Dorie Pesicka, *Donor Relations Coordinator and Executive Assistant*

Marine Analysis

- Karin Bodtker, *Marine Analyst*
- Mathew Evans, *Geographic Information Systems (GIS) Technician*
- Carrie Robb, *Geographic Information Systems (GIS) Specialist*

Campaign Staff

- John Driscoll, *Sustainable Fisheries Campaign Manager*
- Dorthea Hangaard, *Special Projects Manager*
- Tiffany Hilman, *Markets Campaigner*
- Shauna MacKinnon, *Markets Campaigner*
- Oonagh O'Connor, *Energy Campaign Manager*
- Tavi Parusel, *Videographer*
- Lara Renehan, *Local Marine Planner*
- Vern Sampson, *Local Knowledge Project Coordinator*
- Will Soltau, *Salmon Farm Campaign Local Coordinator*
- Catherine Stewart, *Salmon Farming Campaign Manager*
- Katie Terhune, *Energy & Climate Change Campaigner*

Board of Directors

- Dr. Astrid Scholz, *Chairperson*
- Karen Wristen, LL.B., *Treasurer*
- Dr. Tundi Agardy
- Dr. Jody Holmes

Donors / Supporters

Living Oceans Society would like to thank all the people, groups and organizations that have contributed money and in-kind resources in support of our work.

Foundations

- Bullitt Foundation
- Canada Summer Jobs
- Conservation and Research Foundation
- The David and Lucille Packard Foundation
- Gordon and Betty Moore Foundation
- Jackman Foundation
- Mountain Equipment Co-Op
- The Oak Foundation
- The Ocean Foundation
- Tides Canada Foundation
- Vancouver Foundation
- Willow Grove Foundation

Business Donors & In-Kind Supporters

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- Black Bear Resort
- Bold Point Farmstay
- Catherine Griffiths, Victoria
- Coast Mountain Expeditions
- Coca Cola Bottling Company
- Destiny River Adventures
- East of Java
- Emma Point
- Ethical Bean
- Grandma's Guest House
- Harmony Gardens Gallery
- Island Expeditions
- Kevin Strain, Brittany Swanson, Art Swanson
- Langara Fishing Lodge
- Malcolm Island Coffee
- Malcolm Island Lions Club
- McGee Law Offices
- Mount Cain
- Mountain Equipment Co-op
- North Island Kayak
- Pacific Eagle Aviation
- River Sportsman
- Robin's Pet Supplies
- RONA Inc.
- Shane Field
- Sointula Co-op
- Sointula Credit Union
- Sointula Wild Seafoods and Smokehouse
- Sund's Lodge
- Tenas Chuch Property Management
- The Bike Shed
- Tide Rip Tours
- Wendy Davis

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