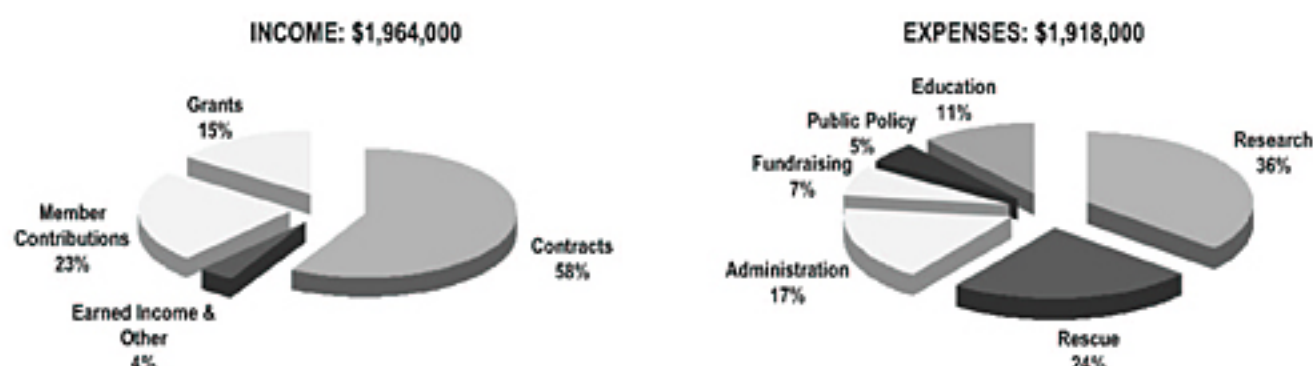


Dear Friends,

Despite continuing uncertainty about the state of the economy, the Provincetown Center for Coastal Studies had a very good year. Allow me to take a few minutes of your time to give you a sense of where we are. The financial information that follows is taken from the Center's fiscal audit for 2004 prepared by the accounting firm of James F. Bogle of Yarmouth Port, MA.

We ended the year in the black with revenues of \$1,964,000 and expenses of \$1,918,000. Overall contributions were up, and included three successful member appeals. Our grand experiment in direct mail was not as successful. Nevertheless, we acquired 450 new members. If you are one of those new members, we welcome you again and hope you will be with us for years to come.

Grants and contracts were also on the increase from 2003, and we are most grateful to those new and old friends who continue to support our work.



One healthy indicator that you can glean from the pie charts above is the comparison of program services to administrative and fundraising costs. Last year, program services related to our mission were 76% of expenditures, an increase over 2003, while general administration and fundraising expenditures were only 17% and 7% respectively.

We plan to run as tight a ship this year as last. For more on our programs, read on.

Our most visible and widely known program ended the year on a very high note with the dramatic rescue of right whale #3314, also known as *Yellowfin*, after the U.S. Coast Guard cutter that provided invaluable assistance in the effort. The event took place off the coast of South Carolina on New Year's Eve. The program continues to grow both nationally and internationally in stature.

On the subject of whale rescue, the Center launched its new rapid response boat, *R/V Ibis*. We are grateful to the Air National Guard and Coast Guard for donating the hull, Nauset Marine for assisting with the reconstruction and Mercury Marine for the donation of two new 250 HP engines.

I am very pleased to announce that we hired two new senior scientists in 2004. Dr. Nathalie Jaquet, a world authority on sperm whales, was recruited from Texas A&M University in Galveston. Nathalie is now directing our right whale aerial survey program. The other is Dr. Graham Giese, one of the founders of the Center and a nationally renowned marine geologist. We have dragged him out of retirement to start up a new program on coastal processes that will examine such things as the effects of sea level rise on the ocean beaches of the Cape Cod National Seashore.

The humpback program continued its important work in documenting entanglement scarring and pregnancy testing, and completed its second year of intensive fieldwork for the MoNAH project, which is a major initiative to estimate the current size, structure and vital rates of humpback whales in the western North Atlantic.

Just this month, the Center begins a new era in the field of at-sea education. Spawned in 2004 and just launched on May 12 in Boston Harbor, the program is a joint venture with the Ocean Classroom Foundation that we are calling MassSail (see *Coastwatch*, Vol. 29, Issue 1). We will be conducting a variety of programs for youth and adults alike aboard the *Spirit of Massachusetts*, a 125-foot schooner, designed after the fishing schooners of Massachusetts at the turn of the 19th century. Joanne Jarzobski, who already runs our successful whale watching program, is taking the lead for us on MassSail. I especially want to thank outgoing directors Carol Green and Mark Silva for their enthusiastic encouragement of this program and Bob Ross from Cape Cod Community College – also a member of our board – for his expert support and advice.

In the field of public policy, the Center published a major report at year-end entitled "Toward an Ocean Vision for the Nantucket Shelf Region." The study, which is available in PDF format on our website, has received widespread attention at the state and federal level for its articulation of the need for and mechanism for ocean zoning. Rich Delaney, a member of our board who recently retired to the Cape but has found retirement to be a full time job, worked tirelessly to make the report the outstanding document it is.

In short, our mission continues unabated, and even expanded. You are always welcome to call or e-mail me with any questions or concerns, and please make it a habit to visit our website, www.coastalstudies.org, in between issues of *Coastwatch*. Finally, in case you haven't noticed, at year's end the board voted to change our name back to its original, Provincetown Center for Coastal Studies, in commemoration of the unique environment that spawned it and which serves as a homeport for research and educational initiatives that are now reaching around the globe.

Have a peaceful and relaxing summer.

Sincerely,

Peter R. Borrelli
Executive Director