

# RUTGERS

New Jersey Agricultural  
Experiment Station

## The New Jersey Equine Industry, 2007

Its impact on the economy, agriculture, and  
open space



Rutgers Equine Science Center

## Outline of remarks

- **Introduction**
- **Study methodology**
- **Topline findings**
  - **Industry in brief**
  - **Economic impacts**
  - **Land use and agricultural impacts**
- **Future work**

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## Introduction

- **Thanks to our funders**

- New Jersey Department of Agriculture
- New Jersey State Equine Initiative
- New Jersey Sports and Exposition Authority
- Standardbred Breeders and Owners Association of New Jersey
- Thoroughbred Breeders Association of New Jersey
- Several private individuals

# Introduction

- **Thanks to our technical advisors**
  - School of Environmental and Biological Sciences
    - Dr. Sarah Ralston
  - Rutgers Cooperative Extension / NJAES
    - Dr. Carey Williams
    - Dr. Joseph Heckman
    - Donna Foulk
    - Bob Mickel

# Introduction

- **Research team**

- Dr. Paul Gottlieb, Agricultural Economics and NJAES
- Dr. Karyn Malinowski, Equine Science Center
- Brian Schilling, Food Policy Institute
- Kevin Sullivan, NJAES
- Diana Orban Brown, Equine Science Center
- Troy Joshua and staff, National Agricultural Statistics Service (Trenton)

# Introduction

- **Other recent studies**
  - Census of Agriculture 2002
  - Equine impact studies in other states
    - Pennsylvania
    - New York
    - Ontario
  - American Horse Council 2006

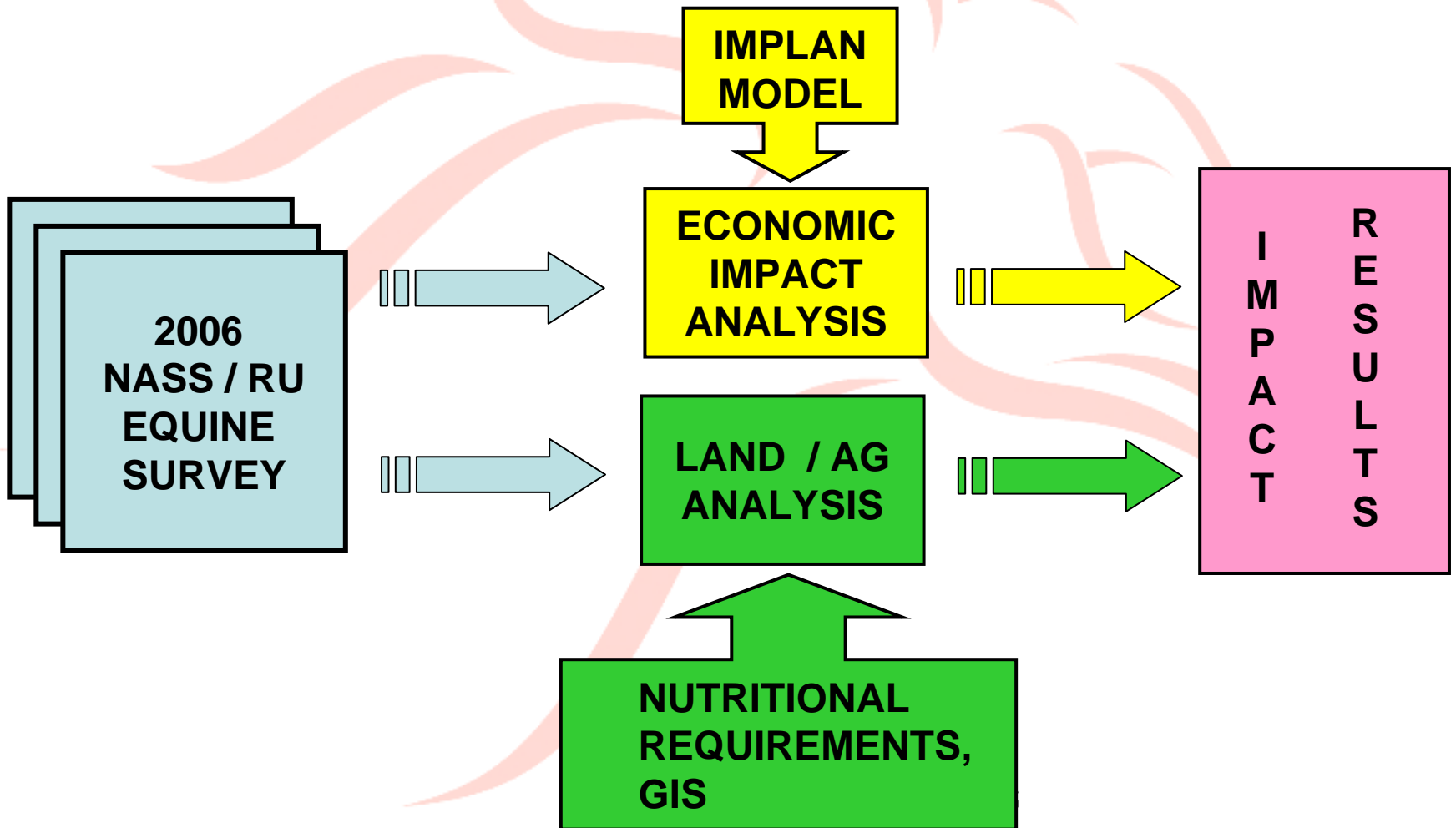
## Introduction

- **Purposes of this study**
  - Economic and land use impact assessment
  - Begin regular benchmarking of the industry
  - Profile all components of the state's equine industry, including pleasure & sport/recreation
  - Go beyond a simple enumeration

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### Methodology



## 2006 NASS / RU Equine Survey

- **Target population**
  - Operations in NJ with any equine
  - Horse owners in NJ who do not keep animals on-site
  - Major NJ racetracks (*supplementary survey by Rutgers team*)
- **Survey sample**
  - 9,949 pieces mailed
  - 3,400 responded
  - random geographic contacts
  - 4 racing venues
  - **2,050 summarized**

## 2006 NASS / RU Equine Survey

- Respondents included:
  - Breeding facilities
  - Competition facilities
  - Boarding facilities
  - Training facilities
  - Facilities offering riding or lessons
  - Horse owners keeping animal(s) at residential property
  - Horse owners boarding animal(s) elsewhere
  - Non-equine farms that have horses

## 2006 NASS / RU Equine Survey

- **Categories of questions asked**
  - **Type of operation**
    - Breeding, boarding, training, etc.
    - Acreage devoted to structures, pasture, hay, etc.
    - Total asset value of operation and livestock
  - **Equine inventory**
    - By major breed categories
    - By primary use
  - **Equine-related income and expenditures**
  - **Demographic data**

## Economic impact analysis

- **IMPLAN: A quantitative model of the New Jersey economy**
- **Utilizes**
  - Direct impact of equine industry expenditures
    - Feed, fencing, insurance, veterinary, etc.
- **Estimates**
  - Additional impacts of equine industry expenditures
    - Consumption spending of industry employees
    - Subsequent rounds of spending by both firms and individuals

## Land use analysis

- **Operation acres**
  - Estimated using survey data
  - Aerial photography cross-check
- **“Support acres”**
  - Nutritional requirements estimate
  - Other sources of forage acres
    - Census of agriculture
    - NJ farmland assessment records
  - Cooperative Extension hay survey
    - How much hay is imported?

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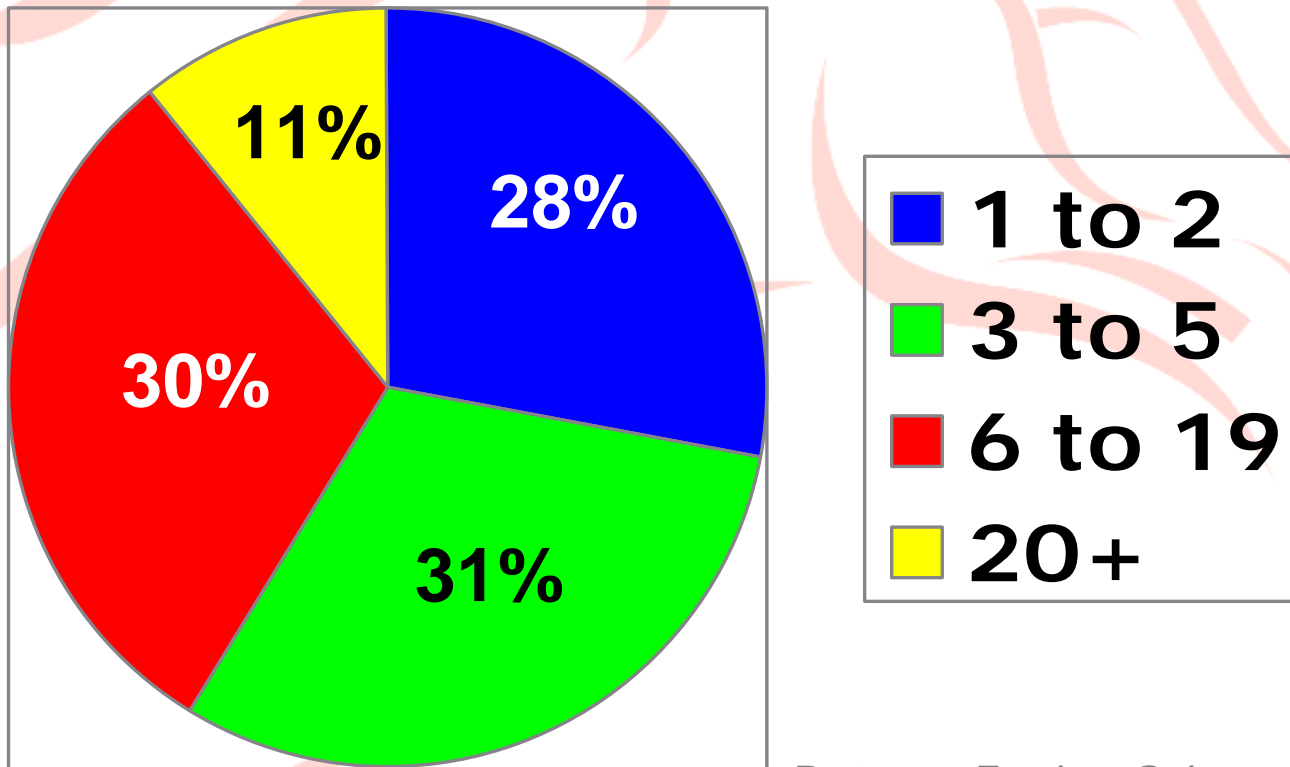
## Topline results

### Industry in brief

- 42,500 equine animals housed in state
  - on 7,200 operations
  - 12,500 equine in racing-related activities
    - 8,200 racing-related Standardbred
    - 4,300 racing-related Thoroughbred
- \$3.5 billion equine-related assets
  - \$582 million in equine animals
  - \$2.9 billion in land and buildings (not including racetracks)

### Topline results Industry in brief

#### Operations by number of head



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### **New Jersey Equine Impacts (*racetracks excluded*)**



# **\$647 million annually**

# **New Jersey Equine Impacts (*racetracks excluded*)**



- **\$476.8 million - direct expenditures**
- **\$170.2 million – additional impacts generated in related industries**

# New Jersey Equine Impacts (*racetracks excluded*)



- **9,150 total jobs generated**
  - **5,670 jobs – direct employment**
  - **3,480 jobs – additional employment generated in related industries**

## Breakdown of economic impacts (*racetracks excluded*)

- **Racing related operations - \$278.2 million total**
  - \$200 million direct
  - \$78.2 million additional
- **Non-racing related operations - \$262.4 million total**
  - \$187.9 million direct
  - \$74.5 million additional
- **Other horse owners - \$117.8 million total**
  - \$88.9 million direct
  - \$28.9 million additional

# New Jersey Horse Racetrack Impacts



**\$502.3 million annually**

# New Jersey Horse Racetrack Impacts



- **\$282.4 million - direct revenues**
- **\$219.9 million – additional impacts generated in related industries**

# New Jersey Horse Racetrack Impacts

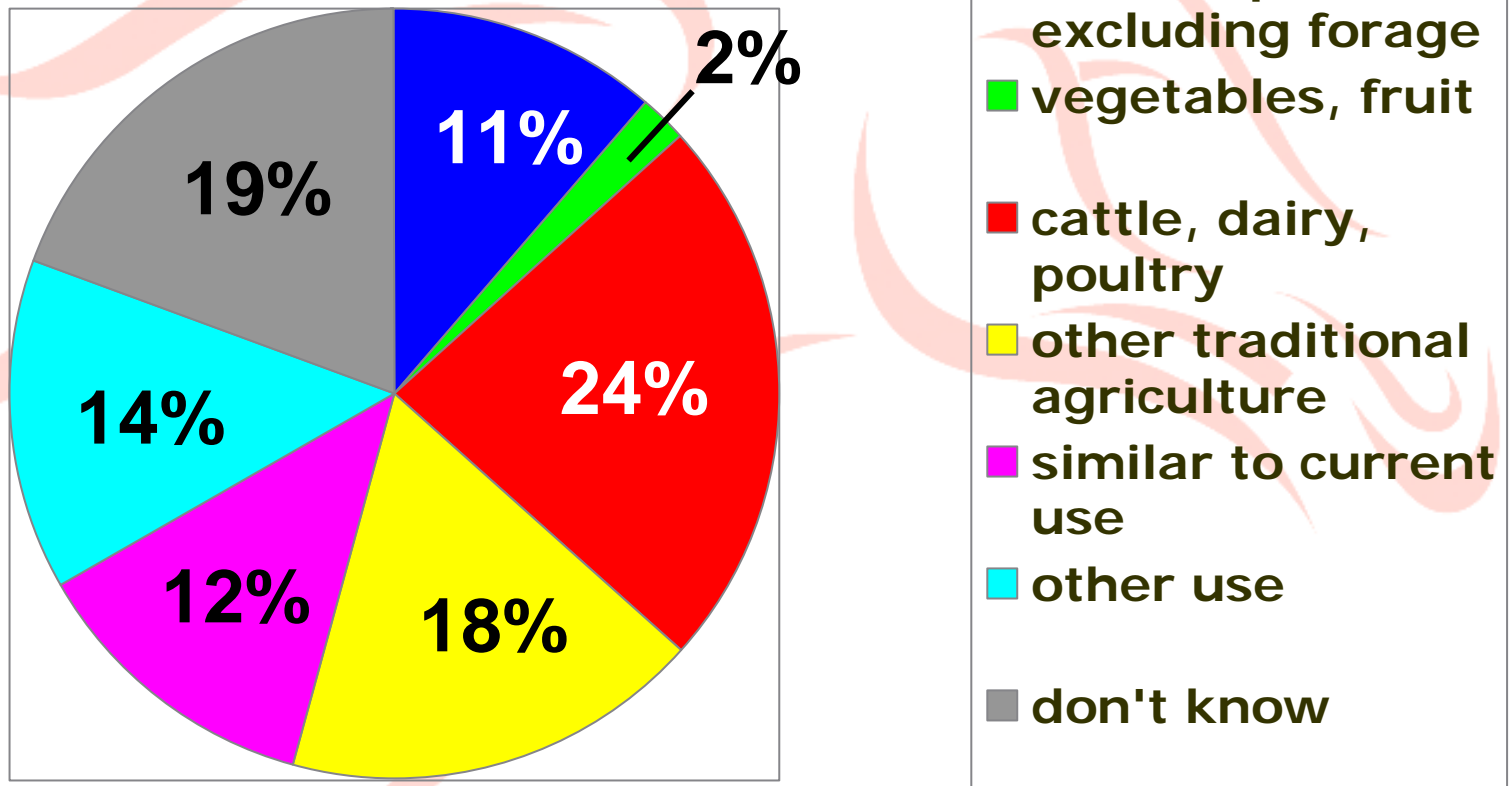


- **3,820 total jobs generated**
  - **2,080 jobs – direct employment**
  - **1,740 jobs – additional employment generated in related industries**

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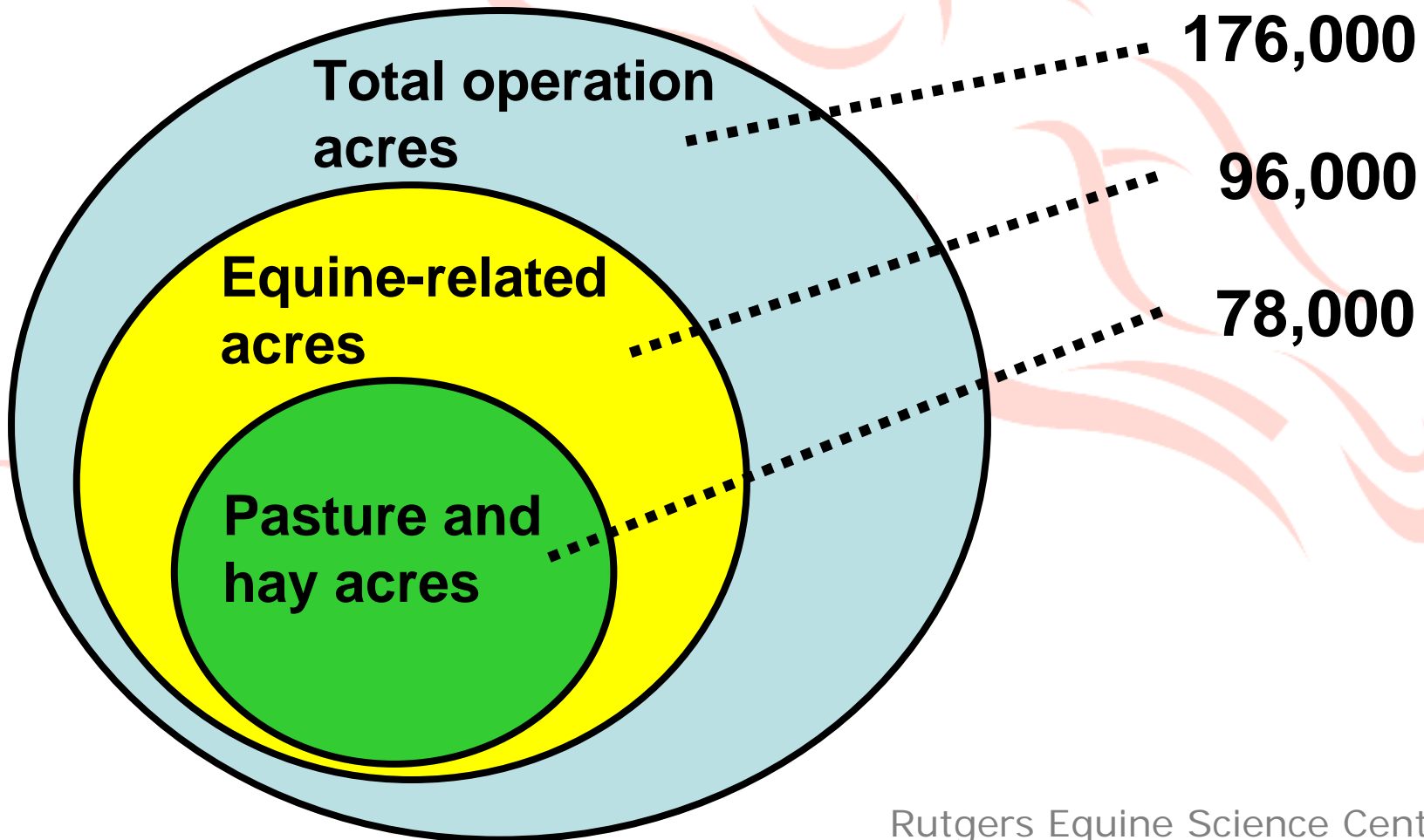
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### Acres by prior use of equine operation\*



\*Current primary use must be equine. Figure includes acres on entire operation.

## Equine-related land use\*



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\* As reported by "equine operations"

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## Future work

- **Detailed analysis of survey data**
- **Estimation of hay and grain acres in NJ supporting equine, with revenues**
- **Equine supplier interviews**
- **Survey of NJ residents' attitudes toward horses**
- **Video and presentation materials**
- **Educational campaign statewide**

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