

NEWS RELEASE

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NEW JERSEY HORSE INDUSTRY PRODUCES \$1.1 BILLION ANNUALLY IN ECONOMIC IMPACT, RUTGERS EQUINE SCIENCE CENTER REPORTS

96,000 Acres of Working Horse Farms Help Keep the 'Garden' in the Garden State

NEW BRUNSWICK, N.J. – The New Jersey equine industry – valued at more than \$3.5 billion – generates \$1.1 billion annually in positive impact on the New Jersey economy, according to a new study released by the Rutgers Equine Science Center.

Of the total impact, \$647 million is generated by horse and horse farm owners, including almost \$477 million of direct expenditures on such items as feed, forage, services, supplies, fees, trucks, trailers, other equipment, maintenance and taxes, and an additional \$170 million “ripple effect” that is produced by those expenditures. The \$3.5 billion worth of the industry includes the value of the horses and the land and buildings on and in which they are housed.

Of the 176,000 acres of agricultural land occupied by the 7,200 equine operations in the state, 96,000 acres are directly related to equine activities and are home to 42,500 horses. In comparison, estimates put the total “agricultural working landscape” (actively productive farms) in New Jersey at 790,000 acres, meaning that horses and other equine animals are housed on more than one-fifth of the farmland in the state.

Of the 42,500 equine animals, 12,500 (nearly 30 percent) are in racing-related activities. These include 8,200 Standardbreds and 4,300 Thoroughbreds that are either actively racing or are racing breeding stock and current foals and yearlings. In addition, the economic impact of New Jersey’s racing venues (The Meadowlands, Freehold Raceway, Monmouth Park Racetrack and Atlantic City Race Course), which were surveyed separately, is pegged at an additional \$502 million annually. The value of racetrack land and buildings was not included in the study.

“Far from an industry that some outsiders felt was dying, these numbers verify that the equine industry is very much alive and well,” said Dr. Karyn Malinowski, director of the Equine Science Center. “However, it also suggests two very important points: the racing subset is an economic driver for the equine industry and – since it is no secret racing is facing tough competition from neighboring states that have added gaming operations to their racing venues – any further erosion of racing in New Jersey could have disastrous consequences for the state’s economy and the rest of the equine industry.”

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The study, titled “New Jersey Equine Industry, 2007: Its Impact on the Economy, Agriculture and Open Space,” is based on an extensive survey of the equine industry conducted over the past year by the National Agricultural Statistics Service, a unit of the U.S. Department of Agriculture, combined with economic analysis and reporting by statisticians and economists affiliated with the Department of Agricultural, Food and Resource Economics, part of Rutgers’ School of Biological and Environmental Sciences; and the Food Policy Institute, a unit of Rutgers’ New Jersey Agricultural Experiment Station.

The study was led by the Equine Science Center, also a unit of the New Jersey Agricultural Experiment Station, and funded in part by New Jersey Strategic Initiative grants. Numerous organizations and individuals supported and participated in the study, including the New Jersey Department of Agriculture’s Equine Advisory Board and Sire Stakes Program; the New Jersey Sports and Exposition Authority, the Standardbred Breeders and Owners Association of New Jersey; and the Thoroughbred Breeders’ Association of New Jersey.

The study commenced last year with a survey mailed to nearly 10,000 horse and horse farm owners. Some 3,400 surveys were returned, and more than 2,000 were included in the data analysis. In addition, the National Agricultural Statistics Service employed its time-honored technique of site visits to 103 square-mile parcels distributed throughout the state to verify survey responses and locate equine operations that possibly had not responded to the mailed survey. The site visit information is included in the analysis.

Other topline findings of the study are as follows:

- More than half (59 percent) of the equine operations house five or fewer equine animals. Eleven percent house more than 20.
- A remarkable number of today’s horse farms previously were other types of agricultural operations. For example, 24 percent used to be cattle, dairy, poultry or other livestock facilities; 13 percent were in field crops, fruits or vegetables; and 18 percent were used for other traditional agricultural activities.
- Almost 13,000 New Jersey jobs are generated by the horse industry.
 - 5,670 direct jobs on equine farms and operations
 - 2,080 direct jobs at New Jersey racetracks
 - 5,220 additional employment in related industries

“These topline results are just the beginning for this study,” said Dr. Malinowski. “For starters, we will produce several detailed reports from the survey data, and soon we will have a very good estimate of additional acreage devoted to forage, straw and other products. We also hope to poll New Jersey residents to get a sense of their attitudes and feelings about horses, horse farms and the industry in general.

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“And, for sure, the Equine Science Center will be working with municipalities, counties, the legislature, horse groups and others to educate them about the importance of the equine industry to the New Jersey economy, the preservation of open space and the impact on traditional agriculture. That was our mission in initiating this study, and I believe these preliminary findings are an excellent first step,” she concluded.

In addition to Dr. Malinowski, Rutgers faculty and staff involved in the study include Dr. Paul Gottlieb, the Department of Agriculture, Food and Resource Economics and the New Jersey Agricultural Experiment Station (NJAES); Brian Schilling, Rutgers Food Policy Institute and NJAES; Kevin Sullivan, NJAES; and Diana Orban Brown, Equine Science Center and NJAES.

Technical advisors were Dr. Sarah Ralston, Department of Animal Sciences at the School of Environmental and Biological Sciences; and Dr. Carey Williams, Dr. Joseph Heckman, Donna Foulk, and Bob Mickel, all of Rutgers Cooperative Extension and the NJAES. The National Agricultural Statistics Service team was headed by Troy Joshua, director of the New Jersey Field Office.

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