

Yavapai County Pleasure Horse Industry



**A report on the private sector equine inventory,
economics, and demographic characteristic's of
Yavapai County as surveyed by Yavapai College
Agribusiness in conjunction with the Yavapai and
Verde Valley Horseman's Associations**

Presented to Yavapai County by John Morgan, Dean, Yavapai College Agribusiness and
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Project Overview and Goals

In a location rich with equestrian prominence and history such as Yavapai County, often time's key areas of economic interests, lifestyles, and preservation are overlooked as residential and commercial expansion continues to compress open spaces, quality of life, and long standing traditions which aide in tourism, health, therapy, and potential economic growth.

In this study conducted by the Yavapai College Agribusiness and Science Technology Center in conjunction with the Yavapai and Verde Valley Horseman's Associations, several goals were formulated as to what information were needed to present to city and town governments, educational institutions, county agencies, businesses, and other interested parties for planning purposes.

Those goals included:

1. Determine the number of equine animals under private ownership present in Yavapai County.
2. Link equine ownership to economic viability of the county.
3. Serve as a documented voice to preserve and promote the interests of the equine industry and its role in Yavapai County.
4. Present to interested parties for use as a planning tool.
5. Determine educational interests of horseman.

The methodology for data collection included hard copies of the survey posted at various businesses around Yavapai County with a mail in option, and an online survey where interested parties were directed through various promotional activities. Horses were physically counted in the communities by volunteers from several organizations. The study was conducted over a six month period from July of 2005 to December of 2005, with final data results calculated by the Yavapai College Institutional Research Department. More than 5,000 hard form surveys were distributed to horse owners, indicating at least that many individual horse owners in the county which represents roughly 2.5% of the population based on 190,000 people. Of those opting to take a survey home, 729 individuals responded.

Of the 729 responders, 213 responded online while the remaining 516 responders opted for the mail in choice. The response rate was 14.5%. An interesting fact is that many potential responders opted out of the study when they got to the financial questions. Although reasons may vary as to why this occurred, phone calls to the writer suggested that individuals were uneasy reporting financial information to various entities. Every effort was made to ensure confidentiality, but as evidenced by the return rate many were still uncomfortable. Regardless, the research was still very productive and numbers provided can be applied to the overall horse count with a reasonable high rate of accuracy.

Individuals were assigned to specific precincts for physical counting of horses to complete the census portion of the study, with zero duplication or "double counting"

occurring which has typically plagued horse industry studies in the past (see: “A partial economic impact of Arizona’s Horse Industry, University of Arizona, 2001). Optimistically, a conservative approach would be to conclude that most of Yavapai County’s horses were counted. However, it is a certainty that some were overlooked for a variety of reasons. Regardless, because such an effort has not been attempted in the past, it is also fair to assume that there is a reasonably high degree of accuracy in the census.

This study does *not look at the impact of the Prescott Frontier Days Rodeo or Yavapai Downs*. Rather, it assesses pleasure horse ownership within the county and the economic impact of such. Yavapai Downs and Prescott Frontier Day’s figures could be added to the final numbers of this study to portray the impact as it pertains to tourism and wagering. Careful attention was paid to not claiming more induced impact than is appropriate, which is a common mistake in equestrian studies (Beattie and Leones). Also, it is uncertain if all purchases come directly from Yavapai County suppliers, thus the ability to put a figure to “leakage” is difficult.

In statistics released by The American Horse Council in July of 2005, the horse industry in the United States contributes \$39 billion in direct economic impact to the US economy and supports 1.4 million jobs on a full-time basis, according to the study. When indirect and induced spending is included, the industry’s economic impact reaches \$102 billion. The study also estimates the horse population in this country has reached 9.2 million.

Finally, because the pleasure horse industry in general no longer tends to be associated with higher income households (American Horse Council 2005), it was clear that owners lived in a variety of areas, although most preferred seeking areas where land was available in larger size such as one acre or more in which to have horses, and a direct correlation can be made between where the bulk of the horse owners reside and the available size of parcels. In this particular study, *Dewey, Williamson Valley* and *Chino Valley* far exceeded the remainder of the county in terms of horse ownership per household.

Acknowledgements

Many individuals were extremely generous in providing time and assistance during the course of this study. Funding for this project was provided by Yavapai Community College and the Yavapai Horseman's Association, with special thanks going to Diane Mazmanian, Sandra Thurman-Jackson, Tom Hughes, Scott Rhyner, and Cory Dysinger from Yavapai College Institutional Research for their considerable efforts in compiling the data, assisting with development of the survey and making it available in both written and online formats.

Jim Buchanan, Yavapai Horseman's Association President for approaching the college about writing and researching the document and for coordinating efforts to complete the census horse counts. Also thanks to Jim for providing needed council and advice throughout the study and urging people to follow through in order to get things accomplished in a timely manner. Special thanks to Jinny Balentine, and Ginny Rench for their participation on the survey committee and for their coordinating efforts of the census numbers, as well as other members of the committee who wish to remain anonymous. Without this small group, none of the efforts would have come to fruition.

A heartfelt thanks to members of the Yavapai and Verde Horseman's groups who helped distribute the surveys, count horses, and provide expertise in question formulation for the survey. These members included:

Mary Gesser	Margaret Kellin
Steve and Ginny Rench	Opal Brown
Fran Whetten	Anna Aper
Jan Endsley	Betty Smith
Janice San Giovanni	Bert Teskey
Perry Haddon	Tery Baynes
Charlotte Salsman	Glenna Niehart
Tom Yoke	Jim Mackin
Audrey Alexander	Jim & Sherry Parrish
Doug Roy	Janet Childress
Matt Stone	Erin Ewing
Joe Williams	JJ. Fletcher
Jim Buchanan	Mike Palmer
Louis Rezzonica	Steve Cox
Chris & Russ Bromley	Eric Dodd

Thanks also to Susie Check, Carlie Salazar, Marnee Zazueta and Carrie Blake of Yavapai College for assisting in data collection and survey distribution as well as transferring information into scannable copies from surveys that were received in formats that needed conversion.

Executive Summary

Because of the increased loss of access to trails from urbanization, fences, privatization, and other areas, it is alarming to note that 96.4 percent of all equine owners were involved in trail riding and are here because of access. This particular statistic is very important for future planning in that continued loss of access to trails will slowly begin to inhibit the growth of the industry in the county as more people move to other locations nationwide that are more “horse friendly” in terms of access. If we were to extrapolate numbers based on the 5,000 surveys taken but not completed, and apply a number to it from the 729 completers, this would represent roughly 4,820 individuals whose primary activity with horses is trail riding.

Other Interesting Facts and Talking Points:

- ∞ More than 5,000 surveys were distributed to horse owners which represented roughly 2.5% of households in Yavapai County based on census figures of 190,000 people. This closely correlates to a statewide study by the University of Arizona which indicated that 2.9% of the state’s households own horses.
- ∞ Of the surveys individuals opted to take home, 14.5% were returned.
- ∞ 27.9% of responders own at least two equine animals.
- ∞ Average horse owner in Yavapai County owns 2.4 horses.
- ∞ Average person in Yavapai County purchases a horse for between \$2,500 - \$9,999.
- ∞ Average value (worth) of a horse in Yavapai County is \$12,133.
- ∞ Average horse owner in Yavapai County spends \$13,796 in capital improvements.
- ∞ Arizona’s horse industry has exceeded one billion dollars annually.
- ∞ 67.8% are interested in taking classes or clinics.
- ∞ 100% of responders are willing to pay a fee to use arenas.
- ∞ The average person spends between \$10,000 and \$49,999 for capital improvements associated with horse ownership.
- ∞ 46.9% of the respondents have resided in Yavapai County for more than 10 years.
- ∞ 43.3% of horse owners have resided in Yavapai County between 1-9 years.
- ∞ 83.3% of horse owners in Yavapai County live on 10 acres or less.
- ∞ 63.8% bought property for ease of access to horse trails.
- ∞ County wide annual expenses for horses exceed 95 million dollars annually.
- ∞ The most preferred classes by horse owners were those associated with equine health followed by western riding
- ∞ 45.4% of the equine related businesses were retail, with an additional 40.9 percent of the horse related businesses being in training.
- ∞ The overall economic impact from local horse owners to the county after the income multiplier is applied would be in excess of 389 million dollars annually.
- ∞ Taxes equate too roughly 7.1 million dollars annually excluding property taxes paid.

Conservative Annual Costs per Household based on 2.4 horses per household (5,000 households)

**Includes both fixed and variable costs, land prices and property taxes excluded.

	Average
Membership dues	\$114
Event/Entry Fees	\$364
Equine Publications	\$80
Bedding	\$257
Grains/Concentrated Mixes	\$656
Hay/Pellets	\$1,788
Grooming	\$268
Medicine and Vitamin Supplements	\$471
Riding Apparel	\$437
Tack	\$840
Breeding Fees	\$361
Boarding	\$621
Health (Vet)	\$1,247
Jockey Fees	\$175
Training	\$453
Education	\$502
Massage/Chiropractic	\$162
Ferrier	\$1,237
Transportation	\$709
Vehicle Truck (Prorated 5 years, per annum cost)	\$3592
Trailer (Prorated 5 years, per annum cost)	\$1937
Capital (Prorated 30 years, per annum cost)	\$456
Annual Interest	\$299
Cost of horse (Prorated 30 years, per annum cost, 2.4)	\$971
Utilities	\$721

Total Annual owner expenses per horse.....\$7,799
 (Note divisor is 2.4 per household)

Average annual expenses per household with 2.4 horses\$18,718

Total Estimated Expenses County Wide (12,190 horses)..... \$95,069,810

All costs rounded to nearest dollar



Direct Economic Impact of Pleasure Horse Ownership in Yavapai County

The figure used to complete this task is based on the 5,000 surveys that were taken during distribution and the roughly 2.4 percent of Yavapai County households that own horses. This study reflects the direct impact (actual dollars spent) and aggregate impact (total dollars spent resulting from direct economic activity) of the Yavapai County horse industry excluding Yavapai Downs. Wagering from Yavapai Downs was not included in this study but also has direct economic impact as it pertains to Yavapai County.

The aggregate impact of the study was determined by multiplying the direct impact by an income multiplier developed from an input-output model of Yavapai County's economy by Yavapai College. Although the Department of Agriculture recommends a multiplier between 7.125 and 8.0, a conservative multiplier of 4.1 was utilized in order to accommodate potential leakage. This is a standard figure currently used by Yavapai College in reference to economic impact. This means that every \$1.00 direct transaction in the Yavapai County horse industry results in \$4.10 of total economic activity.

The multiplier effect implies that when services are paid for, the recipient of the money i.e. a veterinarian would use that money to make other purchases, and so on. Using the multiplier, the overall impact of total economic activity in the county would result in greater than 389 million dollars. In order to figure the economic impact, the 12,190 horses counted in the survey were multiplied by the \$7,799 average annual ownership cost which is considered a reasonably conservative approach. Resulting figures were then multiplied using the aforementioned multiplier.

Tourism impacts were not covered in this survey, as again, the intent was strictly to assess the impact from those who live here. We recognize that Prescott Frontier Days and Yavapai Downs have major impact from tourism not entirely related to horses. Additionally, employment impacts were not addressed in this study, but typical numbers used in equine studies (see Iowa, Alabama, California) are on a 50:1 ratio meaning every 50 horses results in one FTE job. Using that figure which is relatively conservative in comparison to other studies, FTE's in Yavapai County would equate to 243 jobs in the county. However, Yavapai Downs does bring in seasonal workers at a ratio of 12:1. Based on 2005 racing data from the Arizona Department of Racing, an average of 600 horses was boarded at Yavapai Downs. This would equate to an additional 50 seasonal jobs.

Because of the complexity of including land in capital expenditures, land and the associated taxes have not been factored into the study. Often, it is difficult to separate out land that is mixed use and the price varies so much in Yavapai County that generalizations would have little value to the study. The result of this report is that the horse industry has a significant impact on the county and should not be neglected or overlooked. Horse ownership, businesses, events and other activities should be recognized as a viable part of the agricultural economy of Yavapai County, and as a major contributor to the quality of life residents desire.

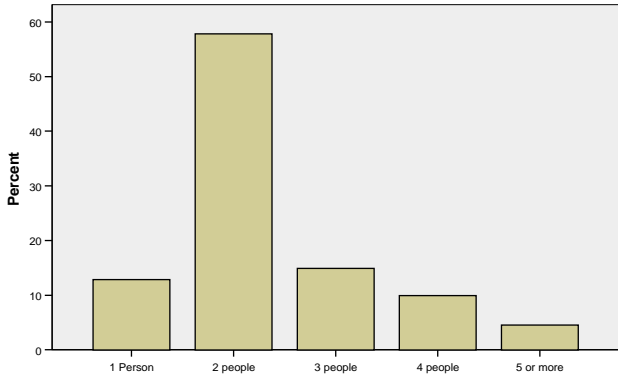
**Equestrian Activities Most Preferred by Yavapai County Horse Owners
(Ranked in order)**

1. Trail Riding - 96.4% preferred this activity, with 64% riding more than 25 days a year
2. Training Clinics
3. Ranch Work
4. Racing
5. Show Western
6. Show English
7. Gymkhana
8. Roping
9. Show halter
10. Other
11. Penning/Sorting
12. Rodeo
13. Reining
14. Hunter/Jumper
15. 4H
16. Orienteering
17. Polo

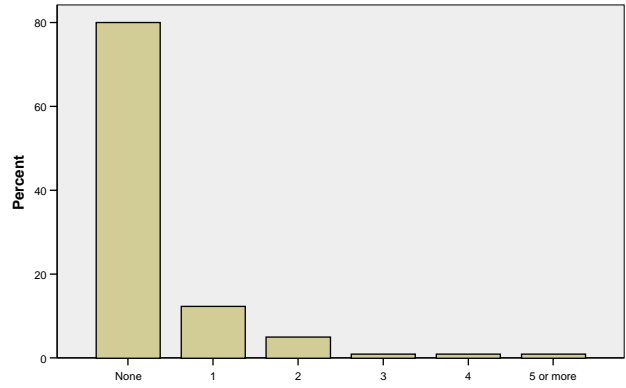


Demographic Charts of Interest

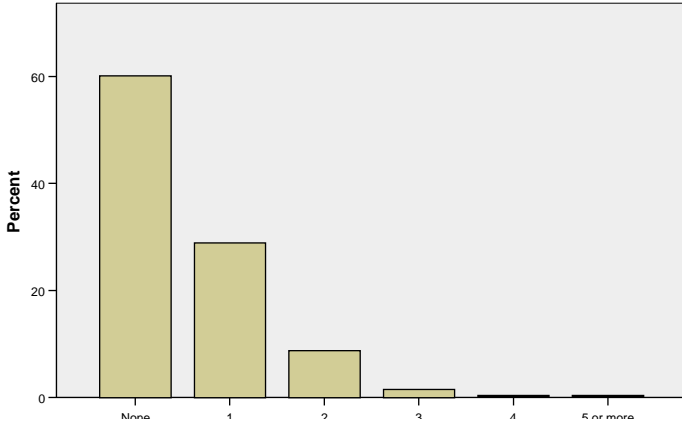
1. Household size:



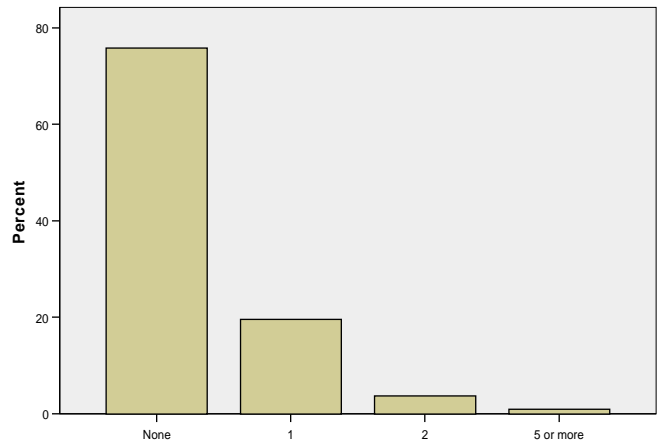
2. Equine participants in your HH: YOUTH: UNDER AGE 9



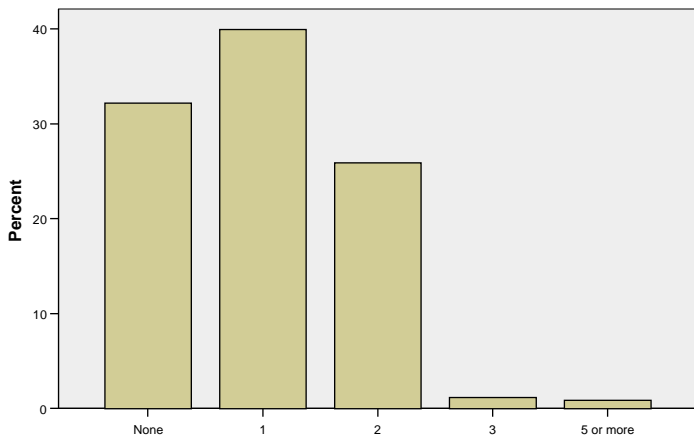
2. Equine participants in your HH: YOUTH: 9-18



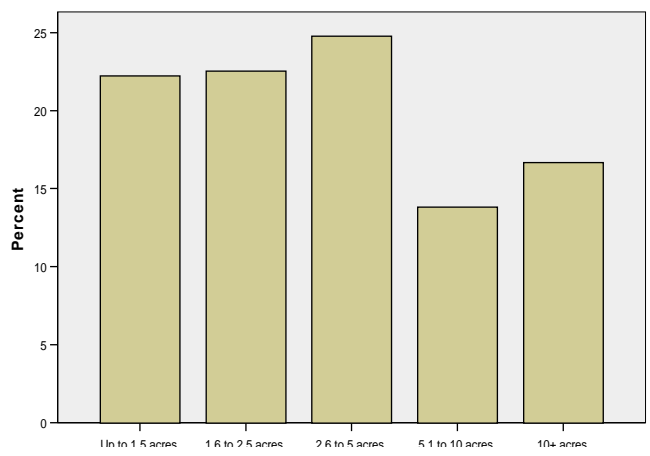
2. Equine participants in your HH: ADULT: 19-24



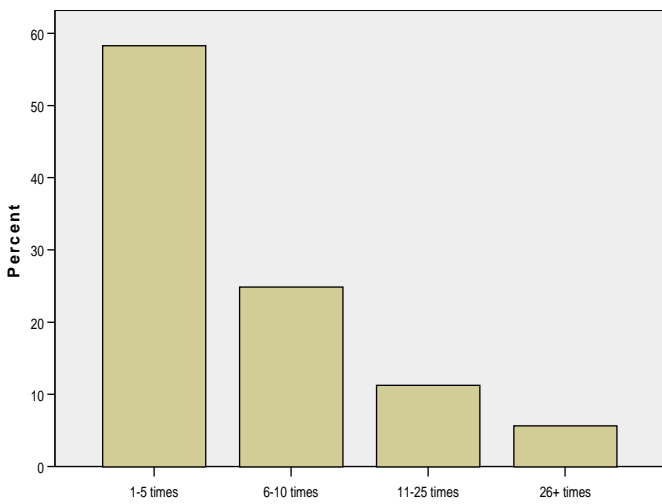
2. Equine participants in your HH: ADULT 25-49



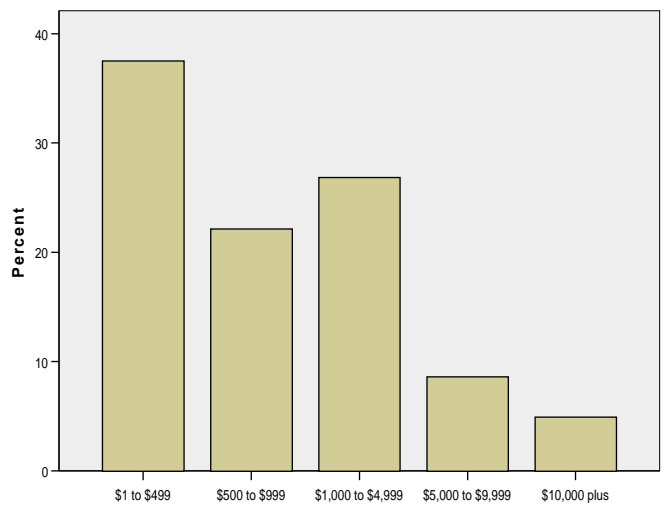
7. Size of property where you live:



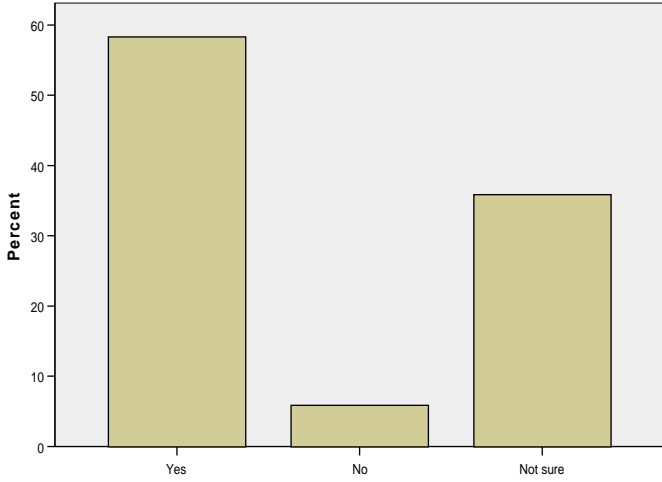
13. On an annual basis, how frequently do you travel to COUNTY equine events?



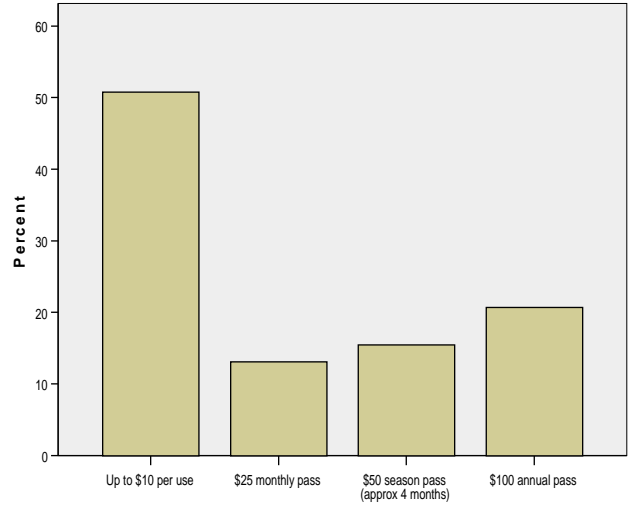
14. What are your approximate annual travel expenses (Equine Related)



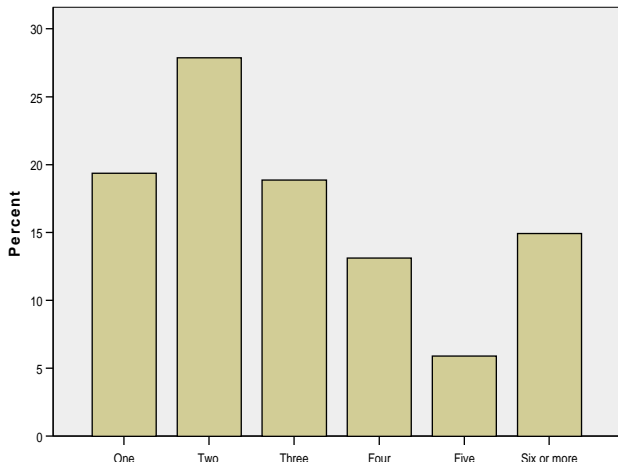
21. Does Yavapai County need more arenas?



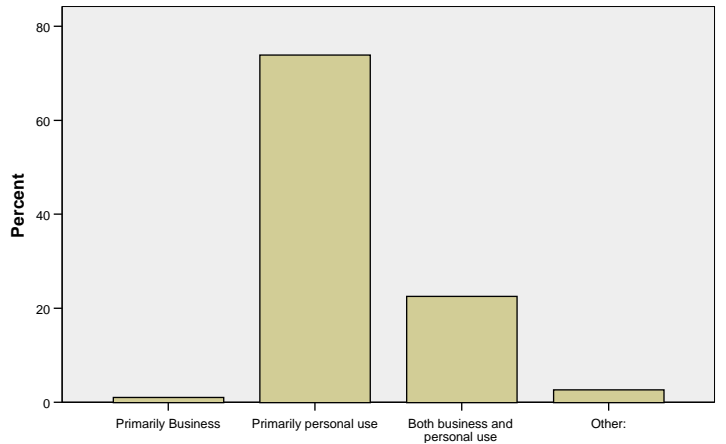
22. How much would you be willing to pay as a user fee to use an arena?



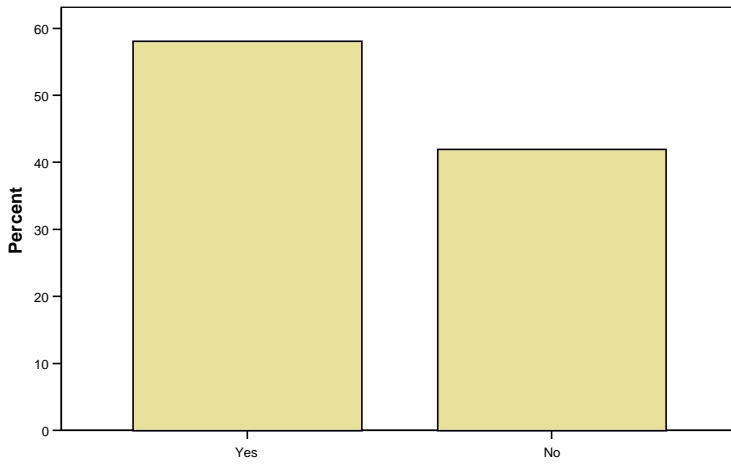
23. How many equine do you own or lease?



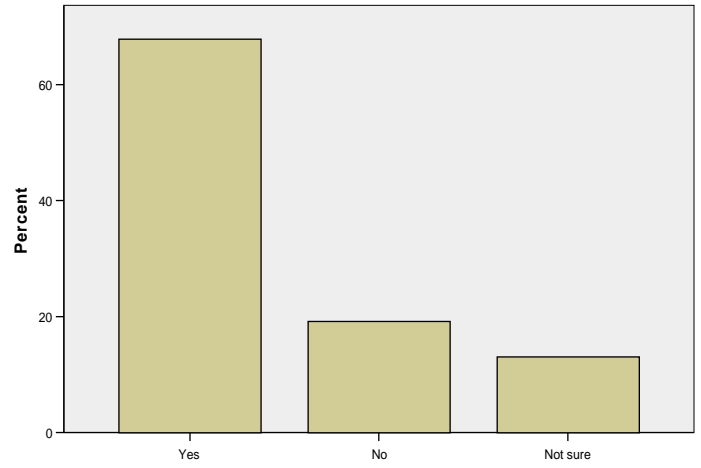
25. Why do you own equine?



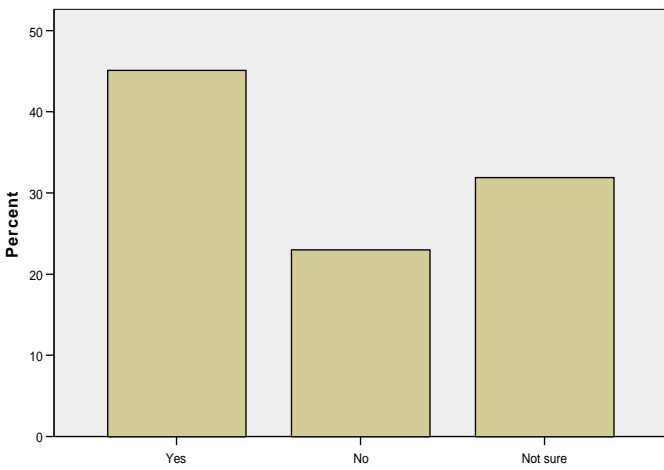
26. Do you plan to acquire or sell more equine within the next 5 years?



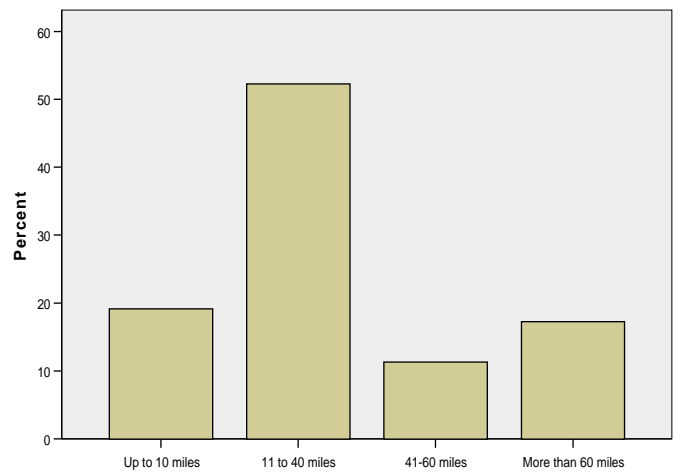
27. Are you interested in taking equestrian classes or clinics?



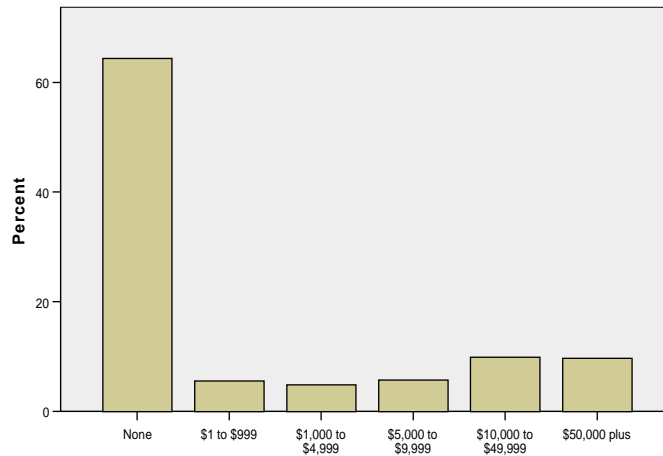
33. Are you interested in taking equine classes online?



34. What is the farthest you would be willing to drive (one-way) to take an equine class



35. Please indicate your annual gross income from equine enterprises



Demographic Analysis

Clear evidence suggests that most horse owners in Yavapai County do not own horses for economic gain but for pleasure. This is also supported by consistent data that indicates the primary use for horses is for pleasure, and in particular, trail riding. Those that are using horses for economic gains are split between the \$10,000 - \$49,999 category and the \$50,000 plus category in terms of income which bodes well for individuals opting to make a living or a productive “sideline” through the use of equine animals.

Individuals are interested in taking classes pertaining to horses but in shortened formats. This does not necessarily agree with Yavapai College’s current format of semester based classes. However, those classes have excellent enrollments and the equestrian program is the largest emphasis area that the agriculture program offers. Responders also indicated that most would prefer classes that were no more than 40 miles away (one way), indicating the need for Yavapai College to offer classes at a variety of locations throughout the county. At present, classes are primarily offered at the Chino Valley Campus, with a select few also offered in the Verde Valley.

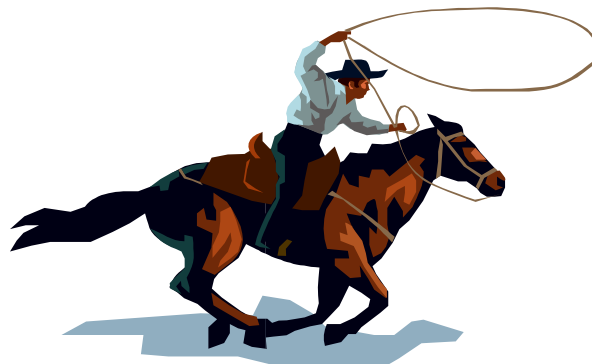
Responders were somewhat split on whether they would take classes online, however, most have never seen the newer formats for online delivery indicating the need for increased marketing and word-of-mouth for such courses. Online classes in areas of high interest such as equine health are currently in the developmental process by Yavapai College with the first rollout courses scheduled for the fall of 2006. One course, Equine Anatomy and Physiology, has been taught as a “hybrid” which is a combination of both online and face-to-face instruction.

One of the most significant facts to come out of the demographic data is that most households with horse owners have two people residing in the household. This could be a strong indication that the greatest majority of horse owners in Yavapai County are retirees or individuals not having children or whose children have left the home. The 25-49 year old bracket for horse ownership was quite high as were the 50-59 and 60 plus brackets. Although some respondents did have households with children who were directly involved in horse activities, greater than 70% did not. A correlation could be made to the number of retirees located in the areas where the highest clusters of horses were which included Williamson Valley and Chino Valley.

Acreage acquisition and use by most owners was 5 acres or less which also indicates that only certain municipalities within the county would have sites with that kind of acreage availability and horse owner appeal. Additionally, various city zoning ordinances prohibit horse ownership in some areas of the county. Both Chino Valley and Williamson Valley have opted to curb high density housing to some extent, although Chino Valley has made recent high density concessions to developers in order to become compliant with the Arizona Department of Environmental Quality standards for aquifer protection. Lacking capital, town officials have leveraged developers to help complete badly needed sewage infrastructure.

58% of the respondents felt that Yavapai County needed more arenas for use and the majority was willing to pay up to \$10.00 per use of the facility. This does not mean that \$10.00 would be the price of the arena for a specific event. Rather, it means that individuals would pay a small fee for arena use for practice in such areas as barrel racing, dressage, English, driving, cutting and conformation. Fees help defray costs of arena operations such as utilities, grounds maintenance, and arena soil preparation.

Responders also travel to equestrian events and activities within the county more often than out of county venues. This is significant in that leakage from horse owners participating in events elsewhere is suspected to be minimal. Finally, nearly 60 percent of the responders indicated that they would either purchase or sell a horse within the next five years which indicates strong economic activity on the sales end.



Horse Census Figures for Yavapai County

PRECINCT/AREA	# EQUINE	District total	Percent of District	Percent of County
<i>DISTRICT 1</i>				
Agua Fria 1	1350		18.29%	11.07%
Agua Fria 2	16		0.22%	0.13%
Antelope	37		0.50%	0.30%
Ash Fork	203		2.75%	1.67%
Badger	0		0.00%	0.00%
Big Chino	635		8.60%	5.21%
Camp Wood 1	680		9.21%	5.58%
Camp Wood 2	250		3.39%	2.05%
Cherry Creek 1	530		7.18%	4.35%
Cherry Creek 2	298		4.04%	2.44%
Chino Valley 1	253		3.43%	2.08%
Chino Valley 2	332		4.50%	2.72%
Cougar	67		0.91%	0.55%
Country Park	0		0.00%	0.00%
Deep Well	39		0.53%	0.32%
Drake	385		5.22%	3.16%
Glassford	0		0.00%	0.00%
Holiday/Wells Fargo	0		0.00%	0.00%
Humboldt	25		0.34%	0.21%
Mile High	32		0.43%	0.26%
Miller Valley East	0		0.00%	0.00%
Miller Valley West	6		0.08%	0.05%
Montana	0		0.00%	0.00%
Northside	0		0.00%	0.00%
Perkinsville	235		3.18%	1.93%
Pine Lakes	97		1.31%	0.80%
Prescott Heights	0		0.00%	0.00%
Prescott NW	9		0.12%	0.07%
Sandretto	13		0.18%	0.11%
Seligman 1	0		0.00%	0.00%
Seligman 2	211		2.86%	1.73%
Shadow Valley	60		0.81%	0.49%
Skull Valley	169		2.29%	1.39%
Taylor Hicks	0		0.00%	0.00%
West Chino	525		7.11%	4.31%
Whipple	0		0.00%	0.00%
Williamson Valley	899		12.18%	7.37%
WillowYavapai Hills	25		0.34%	0.21%
<i>District 1 Sum</i>	7381	7381		60.55%

DISTRICT 2				
PRECINCT/AREA				
Baghdad	65		2.43%	0.53%
Canyon	312		11.69%	2.56%
Castle	0		0.00%	0.00%
Castle Hot Springs 1	20		0.75%	0.16%
Castle Hot Springs 2	52		1.95%	0.43%
Congress	245		9.18%	2.01%
Copper Basin	1		0.04%	0.01%
Cordes Lakes	387		14.49%	3.17%
Coyote Srings	350		13.11%	2.87%
Crown King	3		0.11%	0.02%
Glassford	0		0.00%	0.00%
Groom Creek	157		5.88%	1.29%
Hidden Valley	0		0.00%	0.00%
Hillside	102		3.82%	0.84%
Kirkland	158		5.92%	1.30%
Lake Valley	0		0.00%	0.00%
Lynx Creek	28		1.05%	0.23%
Mayer	108		4.04%	0.89%
Mountain Club	5		0.19%	0.04%
Mountain View	0		0.00%	0.00%
Pine Knoll	0		0.00%	0.00%
Ponderosa	4		0.15%	0.03%
Prescott Cntry Clb 1	6		0.22%	0.05%
Prescott Cntry Clb 2	7		0.26%	0.06%
Prescott South	0		0.00%	0.00%
Prescott Southwest	28		1.05%	0.23%
Prescott Vly 1/Navajo	0		0.00%	0.00%
Prescott Valley 2	6		0.22%	0.05%
Prescott West	0		0.00%	0.00%
Rincon	300		11.24%	2.46%
Roundup	0		0.00%	0.00%
Senator	0		0.00%	0.00%
Superstition	0		0.00%	0.00%
Thumb Butte/Dearing Park	5		0.19%	0.04%
Walnut Grove	219		8.20%	1.80%
White Spar	0		0.00%	0.00%
Yarnell	102		3.82%	0.84%
District 2 Sum	2670	2670		21.90%

PRECINCT/AREA			
<i>DISTRICT 3</i>			
Beaver Creek	75	3.51%	0.62%
Big Park	38	1.78%	0.31%
Bridgeport	197	9.21%	1.62%
Camp Verde 1	116	5.42%	0.95%
Camp Verde 2	209	9.77%	1.71%
Clarkdale	53	2.48%	0.43%
Clemenceau	5	0.23%	0.04%
Coffee Pot	38	1.78%	0.31%
Cornville	266	12.44%	2.18%
Cottonwood 1	49	2.29%	0.40%
Cottonwood 2	137	6.40%	1.12%
Fir	8	0.37%	0.07%
Jacks Canyon	131	6.12%	1.07%
Jerome	30	1.40%	0.25%
Middle Verde	124	5.80%	1.02%
Mingus	0	0.00%	0.00%
Montezuma	38	1.78%	0.31%
Pronghorn view	194	9.07%	1.59%
Quail Springs	20	0.94%	0.16%
Red Rock 1	17	0.79%	0.14%
Red Rock 2	85	3.97%	0.70%
Red Rock East	2	0.09%	0.02%
Red Rock West	60	2.81%	0.49%
Sugar Loaf	180	8.42%	1.48%
Verde Lakes	35	1.64%	0.29%
Verde Village	3	0.14%	0.02%
Western	5	0.23%	0.04%
Wild Horse	24	1.12%	0.20%
<i>District 3 Sum</i>	2139	2139	17.55%
Total equine in Yavapai County		12190	
As of 1-1-2006			

NATIONAL ECONOMIC IMPACT OF THE U.S. HORSE INDUSTRY

(Statistics supplied with permission for use by the American Horse Council from study released in July of 2005)

The horse industry is a very large and important part of our national, state and local economies. It is diverse, involving agriculture, business, sport, gaming, entertainment and recreation.

The economic study done by Deloitte Consulting LLP for the American Horse Council Foundation in 2005 validates what the industry has known for some time, that the horse industry is a highly-diverse, national, serious and economically significant industry that deserves the attention of the general public, the media and federal, state and local officials.

Highlights of the study include:

- There are 9.2 million horses in the United States.
- 4.6 million Americans are involved in the industry as horse owners, service providers, employees and volunteers. Tens of millions more participate as spectators.
- 2 million people own horses.
- The horse industry has a direct economic effect on the U.S. of \$39 billion annually.
- The industry has a \$102 billion impact on the U.S. economy when the multiplier effect of spending by industry suppliers and employees is taken into account. Including off-site spending of spectators would result in an even higher figure.
- The industry directly provides 460,000 full-time equivalent (FTE) jobs.
- Spending by suppliers and employees generates additional jobs for a total employment impact of 1.4 million FTE jobs.
- The horse industry pays \$1.9 billion in taxes to all levels of government.
- Approximately 34% of horse owners have a household income of less than \$50,000 and 28% have an annual income of over \$100,000. 46% of horse owners have an income of \$25,000 to \$75,000.
- Over 70% of horse owners live in communities of 50,000 or less.

- There are horses in every state. Forty-five states have at least 20,000 horses each.

Numbers of Horses

The study concludes that there are 9.2 million horses in the U.S., including horses used for racing, showing, competition, sport, breeding, recreation and work. This includes horses used both commercially and for pleasure.

Specifically, the number of horses by activity is:

Racing	844,531	
Showing	2,718,954	
Recreation		3,906,923
Other	1,752,439	
Total	9,222,847	

“Other” activities include farm and ranch work, rodeo, carriage horses, polo, police work, informal competitions, etc.

Participation

4.6 million people are involved in the horse industry in some way, either as owners, employees, service providers or volunteers. This includes 2 million horse owners, of which 238,000 are involved in breeding, 481,000 in competing, 1.1 million involved in other activities, 119,000 service providers and 702,000 employees, full- and part-time and 2 million family members and volunteers. That means that 1 out of every 63 Americans is involved with horses.

The Size and Impact of the Industry

Gross Domestic Product

The study documents the economic impact of the industry in terms of jobs and contribution to the Gross Domestic Product (GDP).

The study’s results show that the industry directly produces goods and services of \$38.8 billion and has a total impact of \$101.5 billion on U.S. GDP.

It is strong in each activity with racing, showing and recreation each contributing between \$10.5 and \$12 billion to the total value of goods and services produced by the industry.

Specifically, the GDP effect for each (in billions of dollars) is:

	Direct	Total
Racing	\$10.6	\$26.1
Showing	10.8	28.7
Recreation	11.8	31.9
Other	5.5	14.6
Total	\$38.8	\$101.58

Employment

The industry employs 701,946 people directly. Some are part-time employees and some are seasonal so this equates to 453,612 full-time equivalent jobs.

The industry supports a total of over 1.4 million FTE jobs across the U.S. as follows:

	Direct	Total
Racing	146,625	383,826
Showing	99,051	380,416
Recreation	128,324	435,082
Other	79,612	212,010
Total	453,612	1,411,333

Taxes

The industry pays a total of \$1.9 billion in taxes to federal, state and local governments as follows (in millions of dollars):

Federal	\$588
State	\$1,017
Local	\$275

The Diversity of the Industry

The results of the study show that the horse business is a highly diverse industry that supports a wide variety of activities in all regions of the country. It combines the primarily rural activities of breeding, training, maintaining and riding horses with the more urban activities of operating racetracks, off-track betting parlors, horse shows and public sales.

Income Levels

The study dispels the misperception that the horse industry is an activity only for wealthy individuals. In fact, the horse industry is a diverse activity with stakeholders including recreational and show horse riders, and moderate-income track, show and stable employees and volunteers.

Approximately 34% of horse owners have a household income of less than \$50,000 and 28% have an annual income of over \$100,000. 46% of horse owners have an income of \$25,000 to \$75,000.

Community Size

Over 70% of horse owners live in communities of 50,000 or less.

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