

# Louisiana's Horse Industry

## An Economic Summary

The horse industry is a dynamic and vibrant sector of the Louisiana economy. The role of horses has changed over the past half century from a work animal to a recreational animal (often viewed as a companion). As a result, the horse population has grown in urban centers for people whose interests include trail riding, showing and horse racing. Racing is the most visible sector of the equine industry, but the economic impact of individuals participating in trail riding and showing cannot be ignored.



### Horse Population

The horse industry is an important economic industry for Louisiana. Approximately 207,350 horses are owned by an estimated 52,368 people. This number is higher than numbers from other sources such as the Census of Agriculture and the American Horse Council. The 2002 Census of Agriculture estimates the horse population in Louisiana at 47,788, and a 2005 study by the American Horse Council estimates the horse population at 164,000. The AgCenter's numbers are based on breed association records, which provide information on the number of registered horses in Louisiana, and Coggins tests, which provide information on the number of horses tested for equine infectious anemia (commonly known as swamp fever). Coggins testing is administered by the Veterinary Health Division of the Louisiana Department of Agriculture and Forestry. State law requires all horses in Louisiana to be tested for Coggins once a year, which allows for the estimate of the number of grade horses (horses that are not registered with a breed association) in Louisiana.

### Economic Impact

In 2007, the three sectors of the Louisiana horse industry (show/competition, racing and recreation) accounted for \$512.9 million in farm gate value (net worth of the animals when they left the farm) and an additional \$56.4 million in value-added enterprises. This figure places the equine industry third behind forestry and poultry in Louisiana farm gate value.

The racing industry contributes approximately \$277 million through breeding, racing and training. Although the total handle, or amount of money bet on in-state horse racing, is not included in value-added activities, the value

for the fiscal year ending June 2007 was an additional \$357 million.

Louisiana's four horse racing tracks offer nearly 500 days of thoroughbred and quarter horse racing each year. In 2007, the four tracks also generated approximately \$1 billion in expenditures and employed 3,000 people. This sector of the industry accounts for roughly 10 percent of the horses in the state.

The show/competitions and recreation sectors account for the majority of horses in Louisiana. Approximately 30 percent of horses in the state are show horses while the remaining 60 percent of horses are used primarily for recreational purposes. The economic impact of these industry subsectors is harder to estimate due in part to the fragmented nature of show and recreation activities. Horse activities in Louisiana involve a wide spectrum of activities from registered breed shows to 4-H youth shows to cutting horses competitions to rodeos. The economic impact of the show/competitions and recreational sectors for 2007 was \$107.9 and \$127.9 million, respectively.

### Miscellaneous Facts

The Louisiana horse industry employs approximately 7,500 people as breeders, stable hands or trainers. The majority of horse owners are motivated by reasons other than profit. Expenditures for individuals attending shows or participating in recreational activities, such as trail rides, are estimated to be \$250 a day. The average horse costs approximately \$4,000 a year to maintain. This figure includes expenditures for feed, tack and veterinary-related expenses.

Louisiana currently has five facilities capable of hosting major horse shows – that is, any show drawing 1,000 horses over several days.

An additional 40 to 50 facilities can host a one-day show – that is, any show drawing 100 to 200 horses for one day. The state also has around 150 outdoor areas that can be used for small events. The LSU AgCenter and the American Horse Council estimate the horse industry has an impact on the state's economy of nearly \$2.5 billion per year through direct and indirect expenditures.

## Sources

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