



Current Report

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Oklahoma Horse Industry Trends

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Throughout the state's history, horses have been closely linked with the livelihood and quality of life of Oklahomans. Those involved with horses have broad ranges of interests and diverse levels of involvement. The current horse industry is represented by individual horse owners, producers (such as breeders and trainers), businesses that support owners and producers, equine event managers and even the tourism industry. Because of this diversity, general descriptions of the Oklahoma horse industry are difficult to provide. Nonetheless, several demographic and economic indicators provide evidence that the industry has a major impact on the state economy and the quality of life of many Oklahomans. This report provides a summary of information on the size and significance of the Oklahoma horse industry.

	<i>Total horses in the U.S. (million)</i>	<i>Total horses in Oklahoma</i>
1986	5.25	225,000
1996	6.9	278,000
2005	9.2	326,000
2017	7.2	251,000

Historic Estimates of Horse Numbers in the U.S. and Oklahoma

Several different groups have made efforts to characterize the size of the horse industry in the U.S. Estimates will vary because of different methodologies used in studies. Also, some studies are intended to account for specific groups of horse owners, so estimates are not intended to be all inclusive. It is often more helpful to follow trends in numbers determined by each group over time, than to compare between studies.

For example, in 1986, the American Horse Council (AHC) estimated there were 5.25 million total equine in the U.S.¹ During the same time period, the American Veterinary Medical Association (AVMA) estimated that there were 6.6 million equine in the U.S. owned by households, which did not include those cared for by ranches, farms or other horse operations.²

The AVMA has since reported their estimates declined to 4 million in 1996,^{3,4} while AHC estimated there were approximately 6.9 million equine in the U.S. in 1996.⁵ The number of horses and other equine on agricultural farms, as defined by the U.S. Department of Agriculture (USDA), was estimated at approximately 3.1 million head in 1997.⁶ Therefore, the survey instrument and population studies affects reported horse numbers. This amount compares with the 2002 USDA census of horses and other equine on farms of approximately 3.7 million

head, and 2001 AVMA estimates of 5.1 million horses owned as pets.^{8,9}

What is certain is that the health of the U.S. economy is reflected in horse numbers. The economic downturn of the late 2000s impacted the U.S. horse economy, and horse ownership dropped as a result. A 2005 study commissioned by AHC Foundation estimates approximately 9.2 million horses in the U.S.⁷, while in 2017, the total equine population was estimated at 7.2 million, a drop of 22 percent.⁸ The 2007 AVMA report on pet ownership estimated there were 7.3 million pet horses in the U.S. at the end of 2006,¹⁴ which dropped to 4.9 million horses in the U.S. in 2014 (a drop of 32.9 percent).¹⁵

The number of horses in Oklahoma has also varied over time, also with links to the health to the U.S. economy. The AHC estimated Oklahoma horse numbers at about 225,000, 278,000 and 326,000 head in 1986, 1996 and 2005, respectively.^{1,10,11} Recent numbers from the AHC indicate the number of horses in Oklahoma have dropped again in 2017 to 251,000. Alternatively, USDA census data of all equine on farms in Oklahoma has varied tremendously with estimates of a high of 150,000 in 2002, down to 36,000 in 2007 followed by a large increase to 159,000 in 2012.^{8,12,13} The growth of the racing industry in Oklahoma may also have helped contribute to the rise in the USDA data in 2012. These data only include horses on farms with reported taxable income, which may exclude many recreational horse owners. The most current, comprehensive source of demographics of the Oklahoma horse industry lists horse numbers in the state at approximately 252,704 head.⁸ This has decreased from the AHC study in 2005, which estimated Oklahoma horse numbers at 326,000

head.¹⁷ Currently, Oklahoma is fifth in total horse numbers behind Texas, California, Florida and Ohio.

Despite fluctuations in numbers, the horse industry is robust in the southwest. AVMA study methodology divides the U.S. into regions. Numbers of horses reported as owned as pets in the West South Central region (Texas, Oklahoma, Louisiana and Arkansas) increased from 615,000 head in 1996 to approximately 700,000 head in 2001.^{4,9} The 2014 AVMA estimates identifies the region to have 875,000 million head, a drop of 300,000 horses from the five previous years.¹⁵ However, this is the highest horse owning region for noncommercial reasons, with the highest mean number of horses per household.

Horses in Oklahoma are used for diverse purposes. Of those privately owned, about 44 percent are primarily identified with recreational activities, 17 percent with showing and 17 percent with racing. Most horse breeds characteristic to the U.S. can be found in Oklahoma. As a percentage of the total numbers of horses, predominant breeds in Oklahoma are the Quarter Horse, various stock color breeds and the Thoroughbred. The American AHC estimate about 104,000 head of Quarter Horses were in Oklahoma in 2017, representing 41 percent of the total Oklahoma horse population, a drop from the previous 60 percent of the OK horse population in 2005.^{17,19} Thoroughbreds represent about 17 percent, up from 7 percent in 2005, and other horses, including registered and unregistered horses account for the remaining 42 percent.¹⁷ As of 2017, the AQHA estimates 162,000 Quarter Horses in Oklahoma, a decrease of 9,000 horses from 2013.²⁰ Oklahoma was listed second behind Texas in the U.S. in total Quarter Horses numbers.

The size and diversity of the state's horse population is evidenced by the number of active state-level associations representing ownership of numerous breeds of ponies, pleasure-type horses, stock-type horses, donkeys, mules and draft horses. Although many breeds represent a smaller percentage of the total horse numbers, many can provide examples of nationally recognized, Oklahoma-based production and use enterprises.

Characterizing Oklahoma Horse Industry Interests

The horse industry involves an interrelationship of private horse owners, commercial production, use and support enterprises serving horse owners and spectator-oriented events and activities. People own horses for a variety of hobby and business interests. Oklahomans list pleasure and enjoyment, competition, youth development and a variety of business uses as reasons for owning horses.²¹ Types of horse operations in Oklahoma include breeding farms, suburban residences, boarding stables, training and breeding facilities and small to large acreage farms and ranches.

Horse Owners

The AVMA estimated that 2.3 percent of the households in the west and south regions of the U.S. owned horses for non-commercial uses in 2011.¹⁵ The AVMA further estimated

that on a national level, about 48 percent of the horse-owning households owned one horse, about 33 percent owned two to three horses and 18 percent owned four or more horses.

The 2017 AHC report estimates 20,000 households own horses, with a total of 483,765 households that participate or serve as spectators for horse activities. The AHC estimates of horse owners and horse numbers suggest an average of 12 horses per household, again reflecting the equine commercial enterprises in Oklahoma.

County-level surveys have provided similar estimates on the average number of horses owned; however, there are actually two large groups of horse owners in Oklahoma.²¹ Those owners involved with horses for a hobby average about three to four head. Those who indicate horse ownership as part of a horse business average about 15 head per owner. These averages represent large ranges in numbers of horses owned for both hobby and business purposes. The Oklahoma horse industry provides 39,000 jobs working both directly and indirectly with horses, through tourism and business and private ownership.

As with horse numbers, the amount of investment horse owners have in horse operations varies between those involved for business and hobby reasons. Approximately 70 percent of recreational horse owners are involved with some sort of show or competition.¹⁶ A 1992 study comparing horse activities in two different counties in Oklahoma suggested average investment of facilities, capital equipment and special tools and supplies in horse businesses to be about \$80,000 per owner.²¹ Those owners involved for hobby interests indicated investments at about \$20,000 per owner. These averages do not include land as horse investment, and averages represent wide ranges. As a case in point, more recent surveys of racehorse owners suggest average levels of investment in horses, land and facilities of around \$220,000 per owner.²²

Estimates of annual costs of owning horses characterize the economic activity of horse ownership. Ownership and operating costs of owning one horse for hobby was estimated at \$2,400 annually in 2008. This assumes the horse was kept at home with no other expenditures beyond basic care. This estimate does not include labor, travel and use expenses and would be influenced by differences in the number of horses owned and amount of horse use.

Commercial Enterprises

Commercial horse enterprises include breeding farms, training farms, boarding stables, camp and trail-ride businesses, horse sales and a host of affiliated enterprises.

The horse production industry is large, diverse and sectioned. As such, there is a large range in owner costs and investments. The annual cost of maintaining a broodmare in commercial production was estimated at about \$3,500 in 1989.²⁴ This estimate included operating and fixed costs, such as sale fees of offspring, feed, health care, labor, equipment repairs and interest and depreciation on capital assets. This cost did not include breeding fees. The same study estimated that between \$5,000 and \$6,000 was necessary to cover the cost of yearling production in 1989.



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Many nationally recognized training centers for show and racehorses are based in Oklahoma. State-based affiliated industries, such as trailer manufacturing businesses, tack and clothing manufacturing businesses and agricultural enterprises (e.g., feed manufacturing) represent significant levels of investments and economic activity directly related to horse production and ownership.

Horse Racing Industry

The racing industry in Oklahoma is robust, with a substantial direct economic impact of \$482 million to the state's economy when combined across racetracks, breeders, trainers and owners and the various equine associations.⁸ This number is a substantial increase from the 2005 AHC estimate of a direct impact of \$148 million from racing, and the \$223 million estimated impact in 2012. Estimates on the 1993 Oklahoma race industry suggest about 3,700 Oklahomans owned 42,000 horses used for racing or racehorse production.²² In 2016, this number was estimated at 59,000 horses¹⁸, a large increase of more than 14,100 racing division horses in 2012.¹⁶ In 2005, these owners averaged about \$250,000 in land, building, facility, equipment and horse investments. The same study suggested about 1,850 Oklahoma-based racehorse trainers had an average investment of \$183,000 in land, facilities, machinery, tack and horses in their horse training enterprises. Calendar year 2007 was the 24th year of pari-mutuel racing in Oklahoma with four sanctioned pari-mutuel racetracks conducting 198,849 official races including 196,218 simulcast races.²⁵

Spectator and Horse Use Events

Numerous communities, state, regional, national and world-level horse events are held annually across Oklahoma. Events such as horse shows, horse races, rodeos

and trail rides contribute significantly to the economies of many Oklahoma communities. In 2012, 612 equine events were held in Oklahoma, from national/international events, to open shows, clinics and fun events.¹⁶ The economic impact of equine activities is so significant that many communities have large investments in horse-use facilities. The estimated economic impact of 15 of the national and world level horse shows held in Oklahoma City alone is more than \$100 million annually.²⁶

Even smaller, area-wide events such as community rodeos and local horse shows provide significant economic input to many areas in Oklahoma. All told, the recreational use of the horse results in a 1.2 billion dollar direct impact on the state economy. When other factors are included, this number expands to 3.1 billion dollars in the Oklahoma economy, with the recreational horse industry contributing to 28,620 jobs.¹⁶

Other Oklahoma Industry Highlights

Horses are used in Oklahoma for far more than racing, competition and recreation. There are 26 equine-assisted therapy operations and 17 equine rescue facilities in Oklahoma, which add 5.1 million in revenue. Oklahoma is also the home of six equine-related organizations, including the National Reining Horse Association, Pinto Horse Association, Palomino Horse Breeders of America and Barrel Futurities of America, which employes 119 people. Finally, there are six colleges and universities in Oklahoma that have equine-related degree programs.

Estimates of Economic Impact

When all aspects of the Oklahoma horse industry are combined, there is a clear economic impact. According to a 2012 Oklahoma Equine Alliance study, the gross domestic product produced from the Oklahoma horse industry accounts for a combined direct, indirect and induced effect of \$3.6 billion and 35,000 full-time equivalent jobs.¹⁶ These numbers increased slightly in 2017, with an estimate of 3.9 billion impact on the economy and 39,000 jobs of both direct and induced effects (AHC 2018). The contributions of showing, rodeo and recreation activities each account for about 85 percent of this estimate, with racing the remaining 15 percent.

Trends in the Horse Industry

One of the main reasons for interest in the horse industry is that it is a tool to improve the quality of human life. The horse is a model animal for people to use in leisure activities and use as a youth educational tool. Households with families are most likely to own horses.¹⁵

Numerous state-level breed and sport associations have large membership lists and are continually attracting new members. The number and level of activities of associations catering to specific sports, such as reining, has increased. Breed associations have documented an increased interest among novice and amateur competitors, and are expanding their emphasis to promote non-arena activities such as pleasure riding and trail riding.

Changes in incentive programs, which have increased purse supplements and breeders awards, and state laws legalizing

simulcasting and off-track betting have influenced racehorse production, use and race track activities.

Oklahoma has a reputation for being a national center for horse activities. It is a leading state in stock horse production, and has numerous commercial horse enterprises including sale facilities, trailer manufacturers and feed milling businesses. Oklahoma is the site for numerous show competitions, which draws exhibitors and spectators from around the world. It is unique for a state to have this level of activity in all sectors of the horse industry.

The Oklahoma horse industry's economic impact is substantial. Horse owners, city and state level public officials and private businesses routinely request information on the state's or a particular locality's horse industry. Continued efforts are needed to gather information that would assist the economic growth and development of one of the largest industries in the state.

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