



FOR IMMEDIATE RELEASE

Oct. 16, 2012

CONTACT:

Jeffrey Cannizzo, New York Thoroughbred Breeders, Inc., 518-587-0777
Jeff Williams, New York Farm Bureau, 518-431-5618
Jamie Van Bramer, Yoswein NY (on behalf of SOA of NY), 212-233-5700
Andy Belfiore, New York Thoroughbred Horsemen's Association, 516-488-2337
Betty Holt, Harness Horse Breeders of New York State, 518-785-5858

NEW YORK'S EQUINE INDUSTRY: VITAL TO STATE'S ECONOMY

ALBANY - A thriving equine industry is vital to the health of the New York State economy, according to the results of a study released today. The New York State Equine Industry Economic Impact Study determined that the equine industry has a \$4.2 billion effect on the state's economy and generates 33,000 full-time jobs. Equine commerce also results in \$187 million in state and local taxes for New York. The thousands of horse farms, training centers and riding stables doing business across the state preserve 1.3 million acres of open space. There are 157,500 horses in New York.

"When you look at the numbers, it's eye-opening," said Rick Violette Jr., president of the New York Thoroughbred Horsemen's Association. "The Study shows, in black and white, that every horse in New York is a potent job creator. The horse should be our state animal. But it comes as no surprise that the equine industry creates tens of thousands of jobs. There is so much that goes into the raising and training of a horse. It is a very labor-intensive business."

New York's racing industry engenders a particularly strong work force. The Study demonstrates that there are 80 jobs for every 100 racehorses in New York. In addition, each individual racehorse has an economic impact of \$92,100 on the state's bottom line. The racehorse population is 23,100.

The equine industry contributes to the local economies of every one of New York's 62 counties. In addition to the 2,300 breeding, training and racing facilities across the state devoted to Standardbreds and Thoroughbreds, there are 23,000 family-owned farms and stables, as well as commercial enterprises that include show horse operations, boarding and riding stables, and breeding farms for recreational and show horses. Every member of the equine industry in turn supports state and local businesses.

State Senator John Bonacic, Chairman of the Senate Committee on Racing, Gaming and Wagering said, "New York State is moving in the right direction with respect to the horse racing industry. The industry though, is greater than what you see on the track. It includes jobs in rural communities like Shawangunk in Ulster County - at Blue Chip Farms, and it includes direct tourism in destination communities like Saratoga."

Senator Bonacic added, "The Town of Saugerties was so busy in part because of the Horses in the Sun show, that an entire high end hotel, restaurant, and conference facility was built. That was private sector investment of just under \$15 million alone, for that one project. The equine industry is growing in New York. I look forward to partnering with our farms and racetracks to grow the industry even more."

Horses are one of the leading agricultural commodities in the state.

"The equine industry is tremendously important to agriculture in New York State," said Dean Norton, president of the New York Farm Bureau. "Horse farms create jobs, support the agricultural infrastructure and drive economic development in many regions of the state. Equine farms, of all types, are critical to the success of the agricultural community and the state."

Revenue from New York's equine industry has grown significantly in the last six years. According to a study released in 2005, the state's racing and recreational horse industries had an economic impact of \$2.4 billion. Despite a national and global economy crisis in the interim, equine commerce has enjoyed a 75% increase, underlining the success of the state's investment in the industry through the VLT initiative.

New York State Assembly Racing & Wagering Committee Chair J. Gary Pretlow said, "The equine industry is a critically important sector in our New York State economy, with tens of thousands of jobs across virtually every region of the state. These range from horse breeders, trainers and backstretch workers to jobs in affiliated industries like hay farmers and veterinarians, and all of them represent a strong and growing economic development success story. Our goal must be to ensure that our agriculture and racing industries can continue to grow and thrive in New York State."

Total handle at the state's harness tracks has been on the rise, with reported increases of as much as 10% in 2012. Handle at Yonkers Raceway grew 20% between 2006 and 2010. The closing of New York City OTB at the end of 2010 took its toll, but Yonkers handle was still 10% higher last year than in 2007, and wagering is on pace to return to its 2010 peak this year. Over the last decade, the number of Standardbred broodmares in the state has grown 25%, and stud fees for New York's Standardbred stallions has risen 140%. The quality of the racing has paralleled economic gains, with New York-bred harness horses competing at the highest level across the country, and New York sires among the leaders in the nation.

Joe Faraldo, president of the Standardbred Owners Association and advocate for harness horsemen across New York State, said, "Thanks to the thoughtful and effective VLT initiative put in place by New York State legislators, New York's harness racing industry is stronger than ever and has regained its rightful role as the nation's leader in high-quality harness racing. This harness renaissance has meant new jobs across the state for horse trainers, veterinarians, farmers, feed suppliers, breeders, grooms, blacksmiths and countless others throughout our local economies, and our priority now must be to ensure that our racing and agriculture industries are protected and promoted as part of any future gaming expansion in New York."

Purses at Aqueduct, Belmont Park and Saratoga have only been funded by VLT revenue since January of 2012, but the investment is already paying dividends. Between 2004 and 2011, the state lost more than 4,000 Thoroughbred industry jobs. One hundred of New York's 400 Thoroughbred farms closed, and the New York Thoroughbred foal crop dropped 34%. More than half of the Thoroughbred breeding stallions were shipped out of state. But 2012 has witnessed the rebirth of the local Thoroughbred industry. Five-hundred new broodmares were relocated to New York this year. Through May 2012, there was a 39.4% increase in the number of foals reported. Farms are reopening and renovating, and breeders from the Bluegrass State of Kentucky have begun sending stallions to New York.

Handle has increased at each of the New York Racing Association meets this year. At Aqueduct, total handle was up 22.6% from the previous year. Belmont's handle increased 13.4% on-track, with total handle up 9.1%. Saratoga's daily average all-sources handle rose 9%, and the total handle grew 11.8%.

"From the moment Thoroughbred breeders in New York felt confident that a revenue stream from the Aqueduct VLTs was on the way to bolster purses and incentive awards, our industry has gone from 'bust' to 'boom,'" said

New York Thoroughbred Breeders Executive Director Jeffrey Cannizzo. "New York-breds are in demand in the marketplace, farms are reopening across the state and new stallions are coming in. This renaissance is creating hundreds of jobs and injecting needed revenue into communities across our state of New York. I am proud that our industry is able to have such a positive impact on the lives of so many New Yorkers."

Links:

NY State Equine Industry Economic Impact Study: <http://www.nytbreeders.org/pdf/EquineStudy.pdf>

NYHR & AIA Video: <http://youtu.be/IPwSMhtVRSc?hd=1>

WILSON, ELSER, MOSKOWITZ, EDELMAN & DICKER LLP

ALBANY

LEGAL MEMORANDUM

To: Honorable Members of the Joint Fiscal Committees

From: Christopher Del Giudice
Nicholas Antenucci, Esq.

Date: February 12, 2013

Subject: Testimony for the Joint Legislative Public Hearing on 2013-2014 Executive Budget Proposal: Topic "Economic Development"

On behalf of our client, The New York Thoroughbred Breeders, Inc., I am enclosing the recently released New York State Equine Industry Economic Impact study commissioned by the New York Horse Racing & Agriculture Industry Alliance. Please consider this as testimony for the Joint Legislative Budget Hearing on Economic Development.

Thank you.