Bluegrass Advantage in the Equine Industry

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Animal science is a growing field in the United States that provides quality, high-wage jobs. There are many various aspects of this industry including farm animals as well as aquatic and wildlife, and diverse research areas such as growth and development, physiology and genetics. Within the field of animal sciences the equine industry represents a significant segment. In the United States horses are primarily used for pleasure, i.e. racing, showing, rodeo and recreational riding, but there work horses are still used in some ranches and feedlots. Because disease can heavily affect breeding stock and the wellness of the general horse population, research and development in animal medicine, especially vaccines, is a very important part of the industry. The equine industry has been severely weakened by the economic downturn, and the national credit crunch has caused banks to greatly restrict equine lending. That being said, it is known that the equine industry is cyclical and is expected to rebound with the general economy.

The horse industry is both infused with the culture and the economy of Lexington, Kentucky. Lexington is located in Fayette County which is home to 211 thoroughbred farms, and is known as the heart of the horse industry in the United States. In addition to farms Lexington is home to the Keeneland Racetrack, the Kentucky Horse Park, and hosts international competitions such as the World Equestrian Games and the Rolex Three Day Event. To support this robust industry the University of Kentucky has become a leader in animal science research. The University of Kentucky developed an Equine Initiative that brings together all equine-
related resources throughout the College of Agriculture to make equine research a priority. UK is also home to the Gluck Equine Research Center, which focuses on the health and well-being of horses through advanced veterinary services. Because the horse industry is such an integral piece of Lexington horse breeding and racing is not just an industry, but truly part of the local culture. Overall for the state of Kentucky it is estimated that the horse industry generates 80,000 - 100,000 in direct and indirect jobs, and impacts our economy by an estimated 8 billion dollars (Lexington Website).

**Infrastructure Built for the Horse Industry**

The dominance of the Bluegrass Region in thoroughbred breeding and sales is well known worldwide, and is considered by some as is the strongest cluster of horse related businesses in the world (Garkovich 2009). The network of infrastructure including mare management, barn builders, horse tack and supplies, hay and feed supplies, veterinarians, bloodstock agents, transportation services, and more has been built over the decades to support the thoroughbred and standard bred industries. A key component of this cluster is the 211 thoroughbred farms in the region. Some of these farms have been producing championship horses since the 1940’s, and have become so well known that there are several tours visitors can take through the various farms.

One of the main attractions in Lexington is the Keeneland Thoroughbred racetrack and auction company. Established in the 1930’s Keeneland hosts one of the premier horse auctions in the world, in addition to being a destination racetrack. Each April and October, Thoroughbred racing continues to be showcased at the highest level, drawing the world’s best horses and horsemen. A National Historic Landmark, Keeneland’s facility and grounds are breathtaking in both their timelessness and beauty. And, through the years, Keeneland has contributed more than $20 million to the community and to the industry in the form of charitable contributions. However, important changes have occurred over the years. Keeneland is a leader in the Thoroughbred industry in both technology and safety. The home of four sales annually, Keeneland is now the world’s largest Thoroughbred auction company, with annual gross sales of about $400 million (Keeneland).

Another major attraction is the Kentucky Horse Park. The park’s world-class show facilities welcome more than 15,000 competition horses at shows each year including the Rolex Three Day Event. This past year the park was proud to host the 2010 Alltech FEI World Equestrian Games, an international event that until last year had never been held outside of Europe. The games were a huge success boasting an had an economic impact of $201.5 million, according to a financial study commissioned by the state and bringing in 419,000 visitors in addition the millions of worldwide television viewers (Patton 2011). The park also serves as a headquarters and offices of many national equine associations and organizations are located in the National Horse Center on these same grounds that now generate an
estimated $260,000,000 in economic impact and many jobs. The park is continually attracting new and prestigious events to Lexington. For example, this year Lexington will host the National Horse Show, an event that is considered one of the oldest and most prestigious hunter-jumper horse shows in the country. The National Horse Show has been held in New York dating back to the 1880’s, but will be held at the Kentucky Horse Park and is expected to attract thousands of visitors.

University of Kentucky’s Equine Research

The Lexington horse industry is supported in a large part by The University of Kentucky, and their continued efforts to advance equine research. In the spring of 2005, UK’s College of Agriculture set out to better serve Kentucky’s multi-breed horse industry by building on the University’s strong tradition of excellence in equine research, instruction and service and to enhance the Commonwealth’s well-deserved status as the "Horse Capital of the World." Five years after the implementation of the Equine Initiative, many strides have been made and UK has forged numerous partnerships with key constituents and organizations. There is now a thriving equine undergraduate degree program, increased research in many areas of equine science and greater equine outreach. The Equine Initiative is an umbrella term encompassing all equine activities within UK’s College of Agriculture. It is a multi-disciplinary and cross-department collaboration among equine faculty, staff and students including agricultural economics, animal and food sciences, agricultural engineering, veterinary sciences, the Livestock Disease Diagnostic Center, and more.

An integral part of the Equine Initiative is the University of Kentucky’s Maxwell H. Gluck Equine Research Center. The Gluck Center is the only scientific institute in the United States with nearly all faculty conducting full-time research in equine health and diseases. The mission of the Gluck Center is scientific discovery, education and dissemination of knowledge for the benefit of the health and well-being of horses. The Gluck Center faculty conducts equine research in six targeted areas: genetics and genomics, infectious diseases and immunology, musculoskeletal science, parasitology, pharmacology/toxicology and reproductive health. Major research accomplishments of researchers at the Gluck Center have had an international impact on equine research. Some of the major research accomplishments include: the developed six major vaccines to protect against strangles, equine influenza, equine rhinopneumonitis, equine viral arteritis, the shaker foal syndrome (toxoinfectious botulism) and validated field safety and efficacy of equine rotavirus vaccine; providing leadership in the sequencing of the complete genome of the horse and structural characterization of horse genes; performing the definitive experiments that identified the cause of Mare Reproductive Loss Syndrome, and much more (Gluck Website).
Local Attributes

The horse industry is not only a major facet of the Lexington economy it is ingrained into the local culture. From streets named after famous race horses, to horse themed restaurants and bars, to city wide horse-themed public art Lexington is truly a horse city. The extent to which horses culture exists could be seen as Lexington prepared to host the 2011 World Equestrian Games. To personify the diversity of the equestrian community the Equine Village, a “horseapalooza” of different breeds, performers, and hands on experiences build around the Kentucky Horse Park’s visitor center and museum (Blackford 2010). To show off its unique style Lexington hosted the second HorseMania public art event. HorseMania organized 83 artistically decorated horses to go on public display for several months before being auctioned off with benefits going to local charities, the Lexington’s public art program, and participating artists (Warren 2010).

Aside from an established horse economy and nationally recognized equine science University support, the city of Lexington itself hosts a myriad of attributes to support the horse industry. The Lexington workforce is at the forefront of those local attributes. The educational programs at the University of Kentucky as well as the Bluegrass Community Technical College (BCTC) combined with the legacy of horse breeding and training in the area means that the workforce is replete with experienced professionals. Overall a recent nationwide ranking of innovation noted Lexington’s superior human capital assets scoring it over 22 basis points higher than the national average (StatsAmerica). The top ranked human capital score is fueled by the fact that 38.7% of Lexingtonians have a bachelor’s degree or higher, which makes Lexington the 13th most highly educated city in the country. High levels of educational attainment are made possible, in part, by the fifteen higher education institutions in the region, and the fact that Fayette County has composite ACT score that is significantly higher than the state and national averages. The bottom line is that Lexington has a strong, well educated workforce that provides a solid base for the local economy.

Lexington has many competitive advantages for attracting and retaining business. Throughout Kentucky, utility costs are competitive, in terms of both electricity and natural gas. The region is served by a sophisticated and integrated telecommunications network that has built in excess capacity throughout Fayette County. Kentucky has a business friendly environment with the 9th lowest tax burden in the country (Tax Foundation). Lexington also enjoys the advantage of location. When the local business community was surveyed and asked why they choose to locate their businesses in Lexington the number one answer was a close proximity to their customer base and/or suppliers. Lexington has excellent air and interstate access to the rest of the state as well as many metro areas outside of the region. These transportation attributes make Lexington a regional hub that provides excellent geographic proximity to market needs. For all these reasons and more Forbes magazine ranks Lexington as the ninth best place in the nation for business and careers – predicated on our solid job growth, the education of our labor force, and low business costs.

While Lexington is a first class place to do business, it also ranks as one of the best places to live and raise a family. In addition to a low cost of living, affordable housing, and low commute times the region enjoys a wealth of natural beauty and offers various outdoor activities that take advantage of those resources. The high quality of life and good school systems contributed to Lexington being ranked the #5 Best City for Families by Parenting Magazine (2010). Lexington boasts many outstanding lifestyle and cultural amenities including premiere horse-racing, numerous museums, and prestigious athletic teams.

www.locateinlexington.com
Bibliography


Garkovich, Lori (2009). *Conceptualizing the Kentucky Horse Industry as an Economic Cluster*. Bluegrass Equine Digest (October).


Appendix – A list of all Equine Related Businesses in Lexington, KY

Sheehy Equine Media Services
Kentucky Horse Park Foundation
Maker's Mark Secretariat Center - Reschooling Adoptable Racehorses
United States Pony Clubs, Inc.
Kentucky Equine Education Project (KEEP)
Kentucky Thoroughbred Association
United States Equestrian Federation, Inc.
Thoroughbred Owners and Breeders Association
National Thoroughbred Racing Association
American Association of Equine Practitioners
Breeders' Cup Limited
The Jockey Club
The Pyramid Society
Equine Equity Partners, LLC
Vetix, Inc.
Trail Aid Enterprises, LLC
Equine Diagnostic Solutions
Limestone Partners LLC
Breeders Supply & Equipment Co.
Central Equipment Company
Tarter Farm & Ranch Equipment
Breeders Supply & Equipment Co.
Equestrian Events, Inc.
The Thoroughbred Center
Blue Grass Tours, Inc.
The Red Mile
Keeneland Association, Inc.
Fasig-Tipton Co., Inc.
KBC International, Inc.
Airdrie Stud, Inc.
Darley
Juddmonte Farms
Crestwood Farm
Vinery, Ltd.
Shadwell Farm, LLC
Gainesway Farm
Horse Racing Properties International, LLC
The Jockey Club
Sallee Horse Vans, Inc.
Dr. Victor J. Torres, DVM, PLLC
Equine Diagnostic Solutions
Alltech
The Pyramid Society