

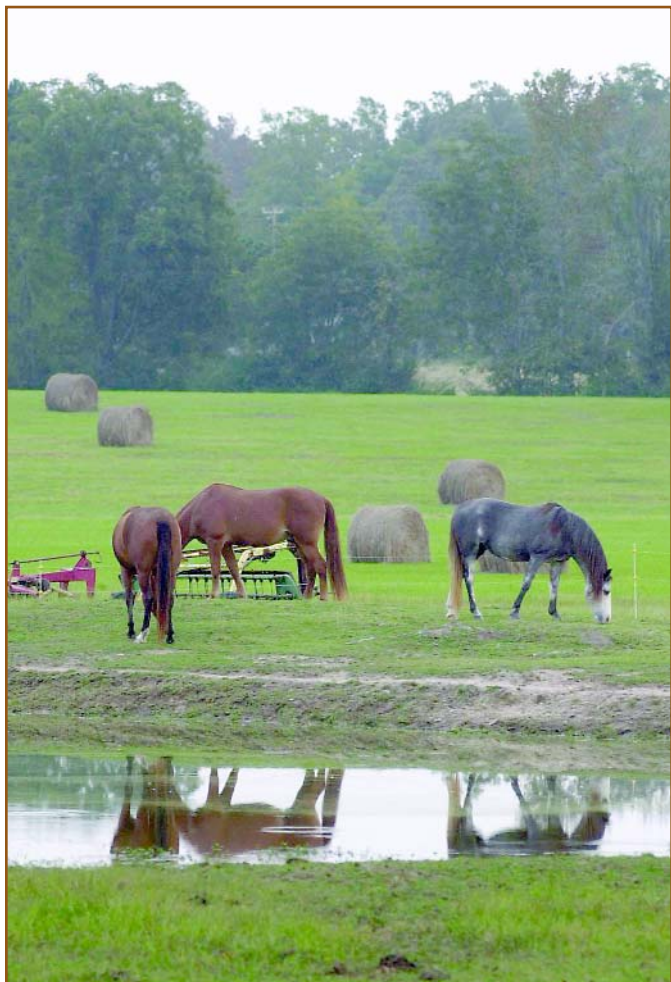
# Infrastructure Investment...

*Study reveals impact of Mississippi's horse industry*

*By Linda Breazeale*

The first phase of an economic impact study has revealed almost a billion dollars are invested in the Mississippi horse industry's infrastructure.

MAFES agricultural economists completed the study of the industry's investment in arenas, barns, towing vehicles, horse trailers, fencing and land.



*Jim Lytle*

## Mississippi's Horse Industry Facts – 1997

Horses	75,000
Owners	21,500
Arenas	321
Trucks	21,500
Trailers	21,500

## Investment

Public arenas	\$70,000,000
Private arenas	6,500,000
Barns	183,800,000
Trailers	209,900,000
Vehicles	376,200,000
Land	112,500,000
Fencing	26,900,000
<b>Total</b>	<b>985,800,000</b>

James Hamill and Randy Little concluded that horse owners have an invested value of almost \$986 million in a state with about 75,000 horses. While that figure is above either Arkansas' or Louisiana's horse numbers, it is considerably lower than Tennessee's 190,000 or Alabama's 130,000 horses.

"Even though Mississippi is home to the second largest American Quarter Horse Association show in the world, very few people know anything about our state's equine industry," Little said.

The National Agricultural Statistics Service discontinued its inventory of horses in the 1950s when mechanization caused a significant decrease in numbers. However, growth in the horse industry in the last decade motivated the NASS to publish population estimates in 1999.

**Public, Private Arenas**



“One thing we found was a tremendous increase in public arenas in recent years. In 1995, the Mississippi Legislature provided \$10 million in matching funds of up to \$500,000 per entity for livestock facilities. They appropriated an additional \$5 million in 1997,” Little said.

Little said public funding for livestock facilities resulted from needs created by youth activities and the adult activities that followed. One major facility constructed in 1997 as a result of state legislative support is the Mississippi Horse Park, Agricenter and Fairgrounds located on MSU’s Leveck Animal Research Center. General obligation bonds supported \$3.5 million for the facility’s construction. An additional \$2.5 million was appropriated to the Mississippi Department of Agriculture and Commerce to build an adjacent 5/8-mile track to support the state’s Standardbred horse industry.

A 1997 survey indicated that 72 public arenas are located in 64 of Mississippi’s 82 counties.

“Public funding of these facilities has generated an expenditure of more than \$70 million since 1995,” Little said. “No other state has made such a commitment to public livestock facilities.”

The same survey revealed 249 private arenas in 70 counties. The total estimated value of all private arenas is \$6.5 million.

**Horse Barns**

Using comparable percentages from studies conducted by the American House Council and Texas researchers, the MSU economists speculate that 21,500 Mississippians own 3.5 horses each and a total of 17,800 barns.

“If the average value of a barn is \$14,000, then the average inventory value would be \$3,787 per horse for stabling,” Little said. “With the assumption that horse owners have an average investment of \$4,900 for a two-horse barn, the average investment of \$2,450 per horse was used to determine the total investment in barns of almost \$184 million to house 75,000 horses.”

**Transportation Issues**

If Mississippi horse owners are similar to Texans, 98 percent have trailers and towing equipment.

“We believe the average investment per trailer to be almost \$10,000 and the state’s total figure to be almost \$210 million,” Little said. “With an average of about \$17,500 per towing vehicle, that would make the state’s total investment near \$376 million.”

**Land, Fencing**

The economists assumed one acre per horse and a minimum of \$1,500 per acre for a total land investment of almost \$113 million. Fences can vary from very expensive to moderate, but if horse owners used wooden fences around 3.5 acres, the average farm would require \$2,500 in fencing for a state total of almost \$27 million.

**Total Investment**

“The analysis of the state’s horse industry reveals not only that Mississippians love horses, but that there are significant amounts of private and public investment in the industry,” Little said. “The almost \$1 billion investment illustrates the substantial impact that the Mississippi equine sector has on the state’s economy.”



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