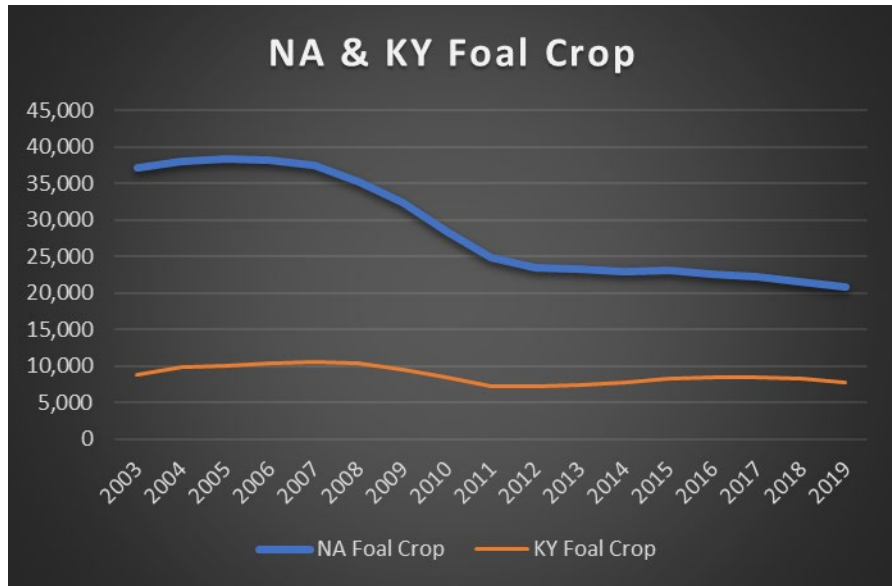


# **Overview of Kentucky Thoroughbred Breeding & Racing**

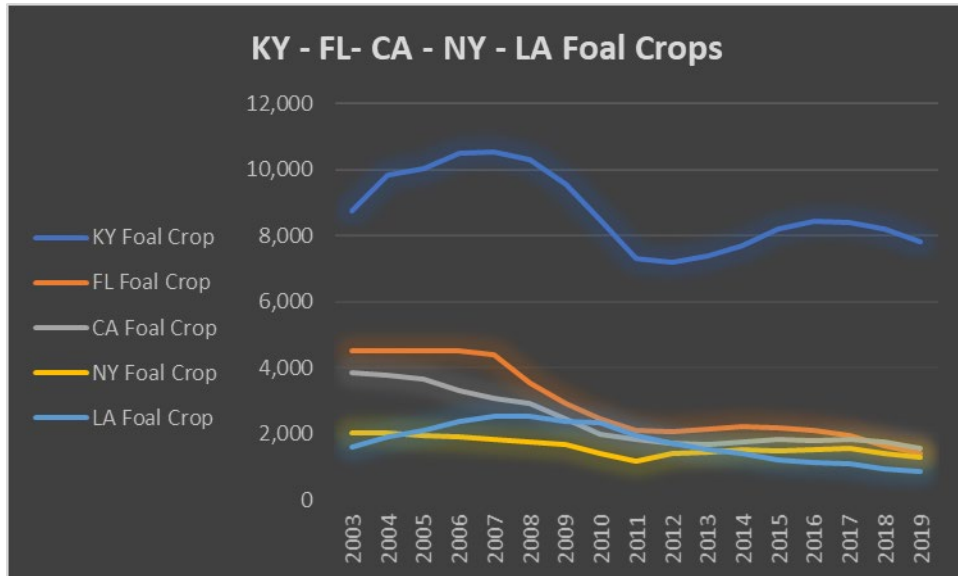
## **Task Force on Pari-Mutuel Wagering Taxation**

**August 9, 2021**



The Kentucky Thoroughbred industry has a competitive advantage in 2021 thanks to favorable market conditions within our internal racing circuit.

Kentucky is a net exporter of Thoroughbred foals and yearlings to every racing state and over forty countries worldwide. Nationally, breeding has contracted in many states however our commercial bloodstock market and foal crop numbers have remained stable, bucking a national trend.

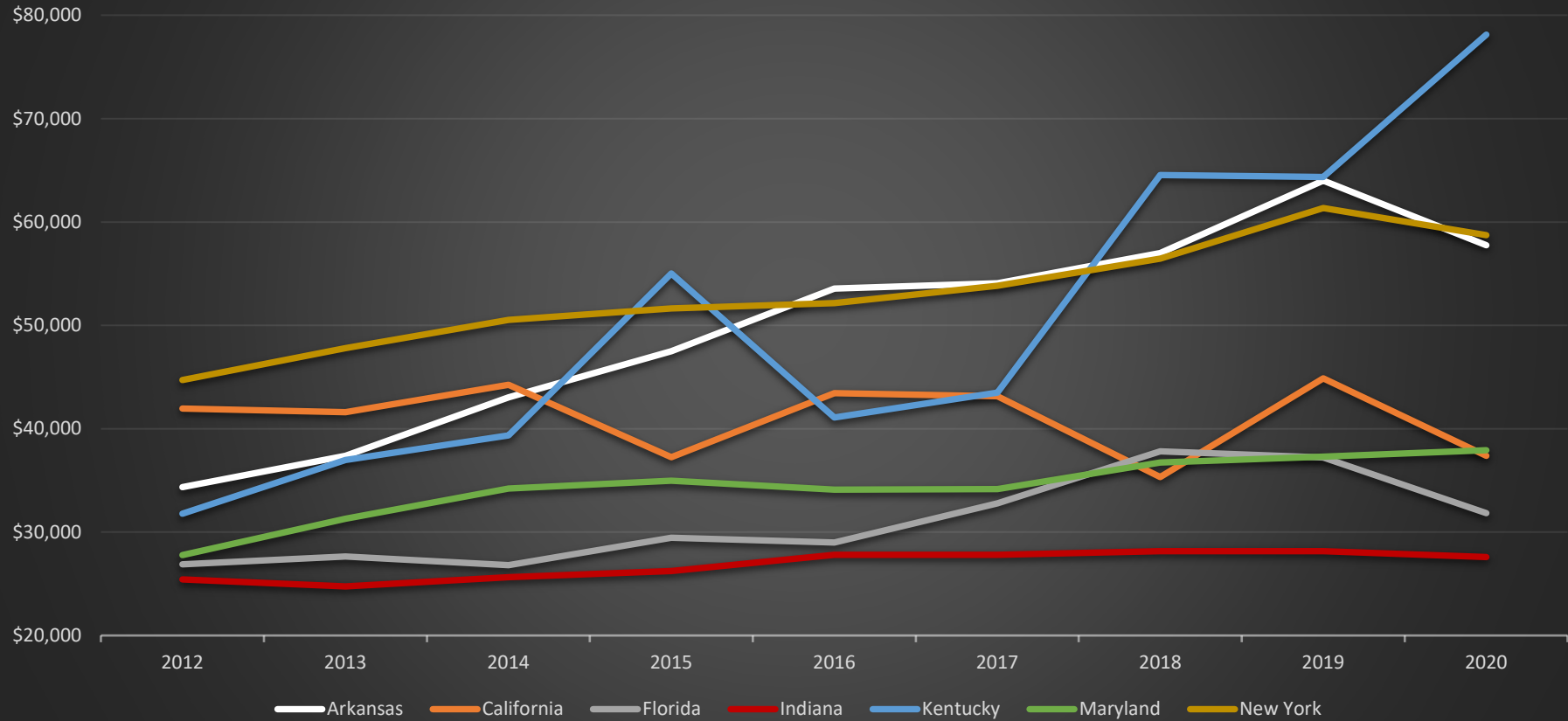


Outside of Derby week and Keeneland’s spring and fall meets, the Kentucky circuit was historically a regional pursuit, with California and New York leading the nation in purses, Graded Stakes, i.e. most prestigious races, and field size.

Since 2012 and thanks to Historical Racing complimenting our live racing, Kentucky Thoroughbred racing has bucked national trends of contraction, with strong and steady growth in purses, Graded Stakes, and field size.



### Average Purse Per Race 2012 - 2020



## Graded Stakes Assigned by State

| 2012 U.S. Graded Stakes by State |       |       |        |       |         |       |       |       | 2020 U.S. Graded Stakes by State |       |       |        |       |         |       |       |       |  |  |     |  |  |     |
|----------------------------------|-------|-------|--------|-------|---------|-------|-------|-------|----------------------------------|-------|-------|--------|-------|---------|-------|-------|-------|--|--|-----|--|--|-----|
| State                            | Gr. I | %     | Gr. II | %     | Gr. III | %     | Total | %     | State                            | Gr. I | %     | Gr. II | %     | Gr. III | %     | Total | %     |  |  |     |  |  |     |
| AR                               | 2     | 2.0%  | 3      | 2.0%  | 5       | 2.5%  | 10    | 2.2%  | AR                               | 2     | 2.3%  | 3      | 2.3%  | 6       | 2.8%  | 11    | 2.5%  |  |  |     |  |  |     |
| CA                               | 33    | 33.3% | 52     | 34.7% | 37      | 18.3% | 122   | 27.1% | CA                               | 22    | 25.6% | 46     | 34.6% | 46      | 21.5% | 114   | 26.3% |  |  |     |  |  |     |
| DE                               | 0     | 0.0%  | 2      | 1.3%  | 3       | 1.5%  | 5     | 1.1%  | DE                               | 0     | 0.0%  | 1      | 0.8%  | 3       | 1.4%  | 4     | 0.9%  |  |  |     |  |  |     |
| FL                               | 4     | 4.0%  | 14     | 9.3%  | 31      | 15.3% | 49    | 10.9% | FL                               | 3     | 3.5%  | 11     | 8.3%  | 32      | 15.0% | 46    | 10.6% |  |  |     |  |  |     |
| IA                               | 0     | 0.0%  | 0      | 0.0%  | 3       | 1.5%  | 3     | 0.7%  | IA                               | 0     | 0.0%  | 0      | 0.0%  | 2       | 0.9%  | 2     | 0.5%  |  |  |     |  |  |     |
| IL                               | 3     | 3.0%  | 1      | 0.7%  | 15      | 7.4%  | 19    | 4.2%  | IL                               | 3     | 3.5%  | 0      | 0.0%  | 5       | 2.3%  | 8     | 1.8%  |  |  |     |  |  |     |
| IN                               | 0     | 0.0%  | 2      | 1.3%  | 0       | 0.0%  | 2     | 0.4%  | IN                               | 0     | 0.0%  | 0      | 0.0%  | 2       | 0.9%  | 2     | 0.5%  |  |  |     |  |  |     |
| KY                               | 17    | 17.2% | 20     | 13.3% | 40      | 19.8% | 77    | 17.1% | KY                               | 18    | 20.9% | 25     | 18.8% | 33      | 15.4% | 76    | 17.6% |  |  |     |  |  |     |
| LA                               | 0     | 0.0%  | 6      | 4.0%  | 7       | 3.5%  | 13    | 2.9%  | LA                               | 0     | 0.0%  | 6      | 4.5%  | 5       | 2.3%  | 11    | 2.5%  |  |  |     |  |  |     |
| MD                               | 1     | 1.0%  | 4      | 2.7%  | 4       | 2.0%  | 9     | 2.0%  | MD                               | 1     | 1.2%  | 2      | 1.5%  | 10      | 4.7%  | 13    | 3.0%  |  |  |     |  |  |     |
| NJ                               | 2     | 2.0%  | 3      | 2.0%  | 13      | 6.4%  | 18    | 4.0%  | NJ                               | 2     | 2.3%  | 0      | 0.0%  | 9       | 4.2%  | 11    | 2.5%  |  |  |     |  |  |     |
| NM                               | 0     | 0.0%  | 0      | 0.0%  | 1       | 0.5%  | 1     | 0.2%  | NM                               | 0     | 0.0%  | 0      | 0.0%  | 1       | 0.5%  | 1     | 0.2%  |  |  |     |  |  |     |
| NY                               | 36    | 36.4% | 38     | 25.3% | 32      | 15.8% | 106   | 23.5% | NY                               | 33    | 38.4% | 35     | 26.3% | 44      | 20.6% | 112   | 25.9% |  |  |     |  |  |     |
| OH                               | 0     | 0.0%  | 0      | 0.0%  | 1       | 0.5%  | 1     | 0.2%  | OH                               | 0     | 0.0%  | 0      | 0.0%  | 1       | 0.5%  | 1     | 0.2%  |  |  |     |  |  |     |
| OK                               | 0     | 0.0%  | 0      | 0.0%  | 0       | 0.0%  | 0     | 0.0%  | OK                               | 0     | 0.0%  | 0      | 0.0%  | 2       | 0.9%  | 2     | 0.5%  |  |  |     |  |  |     |
| PA                               | 1     | 1.0%  | 2      | 1.3%  | 4       | 2.0%  | 7     | 1.6%  | PA                               | 2     | 2.3%  | 3      | 2.3%  | 5       | 2.3%  | 10    | 2.3%  |  |  |     |  |  |     |
| TX                               | 0     | 0.0%  | 0      | 0.0%  | 3       | 1.5%  | 3     | 0.7%  | TX                               | 0     | 0.0%  | 0      | 0.0%  | 3       | 1.4%  | 3     | 0.7%  |  |  |     |  |  |     |
| VA                               | 0     | 0.0%  | 1      | 0.7%  | 2       | 1.0%  | 3     | 0.7%  | VA                               | 0     | 0.0%  | 0      | 0.0%  | 1       | 0.5%  | 1     | 0.2%  |  |  |     |  |  |     |
| WA                               | 0     | 0.0%  | 0      | 0.0%  | 1       | 0.5%  | 1     | 0.2%  | WA                               | 0     | 0.0%  | 0      | 0.0%  | 1       | 0.5%  | 1     | 0.2%  |  |  |     |  |  |     |
| WV                               | 0     | 0.0%  | 2      | 1.3%  | 0       | 0.0%  | 2     | 0.4%  | WV                               | 0     | 0.0%  | 1      | 0.8%  | 3       | 1.4%  | 4     | 0.9%  |  |  |     |  |  |     |
|                                  |       | 99    |        |       | 150     |       |       | 202   |                                  |       | 451   |        |       | 86      |       |       | 133   |  |  | 214 |  |  | 433 |

Note: Does not include Breeders' Cup championship races.



# REAP THE REWARDS

of Breeding and Racing in Kentucky



**\$122,655,688\***

Purse money in Kentucky hit an all-time high in 2020, significantly higher than California (\$104,096,053), Florida (\$106,819,140), and New York (\$110,650,829)

**8.8\***

Average field size in Kentucky in 2020, higher than California (7.2), New York (7.9), and Florida (8.4)

**\$78,125\***

Average purse per race in Kentucky in 2020 far outpaced Florida (\$31,829), California (\$37,391), and New York (\$58,732)

Over **\$170 million** has been distributed to Kentucky breeders since 2006, and with purse money soaring and thanks to the Kentucky Thoroughbred Development Fund, the fullest fields in the country, and quality racing year-round, **there is no better time to breed and race in the Bluegrass.**

**BREED THEM, RAISE THEM,  
RACE THEM. WE ALL WIN.**



Kentucky Thoroughbred Owners  
and Breeders, Inc.  
(859) 259-1643  
KentuckyBreds.com

FIND YOUR KENTUCKY-BRED AT KEENELAND SEPTEMBER  
AND **SHARE IN THE REWARDS** | SEPT. 13 - SEPT. 24



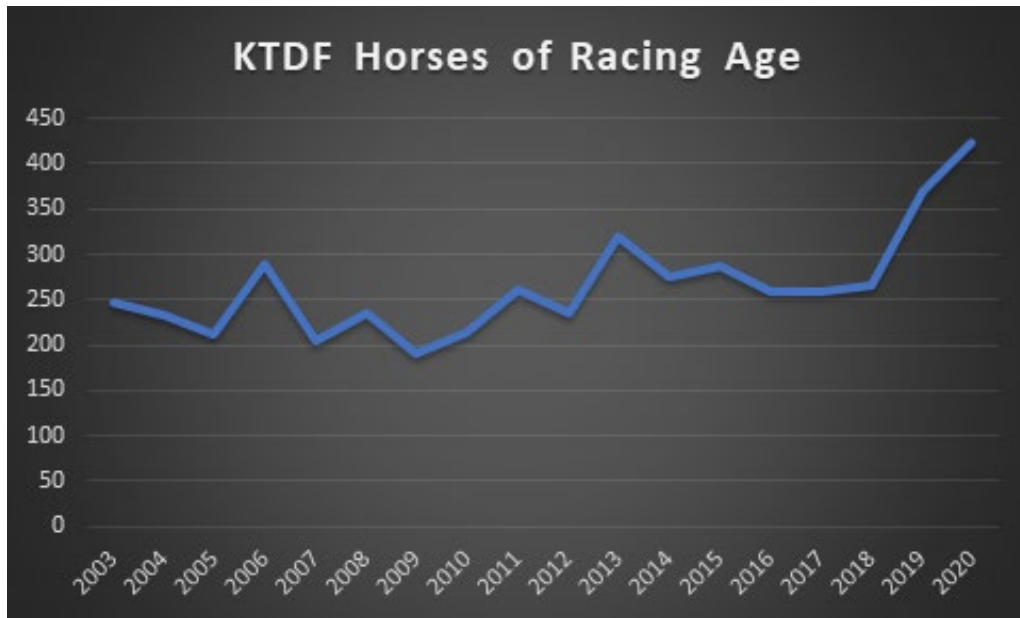
Kentucky Breeders  
Incentive Fund  
(859) 246-2887  
kbif.khrc@ky.gov

\*Source: The Jockey Club 2021 Fact Books

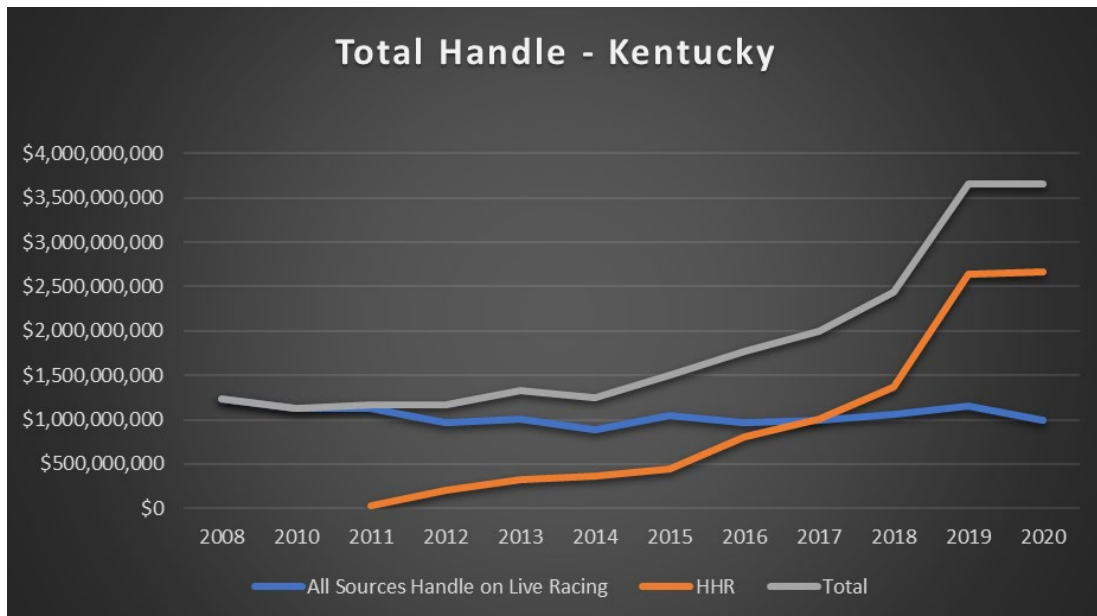
|      | KY  | NY  | FL  | MD  | CA  | IN  |
|------|-----|-----|-----|-----|-----|-----|
| 2012 | 8.8 | 7.7 | 8.2 | 7.9 | 7.5 | 8.4 |
| 2019 | 8.7 | 7.3 | 8.1 | 7.7 | 6.9 | 7.9 |
| 2020 | 8.8 | 7.9 | 8.4 | 6.7 | 7.2 | 7.9 |

## Average Field Size 2012 versus 2019, 2020





**Horses of Racing Age registrations have increased for the Kentucky Thoroughbred Development Fund thanks to strong purses attracting more out-of-state Horsemen and leading owners to start Kentucky-breds and other horses located outside the Commonwealth here.**



**Full fields of quality horses, unrestricted racing, major capital improvements to backside, track and patron infrastructure, an emphasis on safety for horse and rider and world-class training, veterinary care and after-care makes Kentucky racing an appealing wagering product.**

**Foal crop + Sales + Purses + full Fields + Handle = JOBS**



**SOURCE: April '17 UK Community & Economic  
Development Initiative Study on Influence of  
Agricultural Cluster in Fayette and Woodford  
Counties**

| <b>Occupation</b>  | <b>Annual Mean<br/>Wage</b> | <b>Annual<br/>Wage,<br/>Entry<br/>Level</b> | <b>Annual<br/>Wage,<br/>Experienced</b> | <b>LQ</b> |
|--|-----------------------------|---|---|-----------|
| Veterinarians  | \$99,800                    | \$33,300                                    | \$133,100                               | 2.29      |
| General & Operations Managers                                    | \$92,800                    | \$41,400                                    | \$118,500                               | 0.92      |
| Farmers, Ranchers & Other Agricultural Managers                  | \$81,800                    | \$51,100                                    | \$97,200                                | 0.77      |
| Agricultural Engineers   | \$70,500                    | \$51,400                                    | \$80,000                                | 1.24      |
| First-Line Supervisors of Farming, Fishing & Forestry<br>Workers | \$62,100                    | \$33,200                                    | \$76,600                                | 1.16      |
| Animal Scientists  | \$54,100                    | \$27,700                                    | \$67,400                                | 3.92      |
| Animal Breeders  | \$52,400                    | \$30,400                                    | \$63,400                                | 5         |
| Farm & Home Management Advisors                                  | \$50,300                    | \$32,200                                    | \$59,300                                | 4.06      |
| Grounds Maintenance Workers                                      | \$43,100                    | \$22,600                                    | \$53,300                                | 0.82      |
| Bookkeeping, Accounting and Auditing Clerks                      | \$37,300                    | \$23,800                                    | \$44,000                                | 1.01      |
| Animal Trainers  | \$36,000                    | \$18,100                                    | \$44,900                                | 3.82      |
| Secretaries & Administrative Assistants                          | \$35,700                    | \$24,200                                    | \$41,500                                | 1.04      |
| Maintenance & Repair Workers, General                            | \$35,400                    | \$22,900                                    | \$41,600                                | 0.98      |
| Miscellaneous Agricultural Workers                               | \$32,300                    | \$26,900                                    | \$34,900                                | 0.95      |
| Weighers, Measurers, Checkers & Samplers,<br>Recordkeeping       | \$30,800                    | \$21,600                                    | \$35,400                                | 1.34      |
| Office Clerks, General   | \$30,300                    | \$21,100                                    | \$35,000                                | 0.85      |
| Miscellaneous Production Workers                                 | \$27,500                    | \$18,700                                    | \$32,000                                | 1.13      |
| Self-Enrichment Education Teachers                               | \$27,300                    | \$17,200                                    | \$32,400                                | 0.56      |
| Agricultural & Food Science Technicians                          | \$27,100                    | \$17,300                                    | \$32,000                                | 2.75      |
| NonFarm Animal Caretakers  | \$25,500                    | \$19,300                                    | \$28,600                                | 1.94      |
| Driver/Sales Workers   | \$24,100                    | \$16,800                                    | \$27,800                                | 1.14      |