



# Economic Impact Analysis

## Equine Industry in Marion County











# Marion County Breeds

Akhal-Teke  
Altè Real, see Lusitano  
American Cream Draft  
American Paint Horse  
American Quarter Horse  
American Saddlebred  
American Warmblood  
Andalusian  
Anglo-Arabian  
Appaloosa  
Appendix Quarter Horse  
AraAppaloosa  
Arabian horse  
Ardennes horse, or Ardennais  
Argentine Criollo  
Azteca horse  
Bashkir Curly, see Curly horse  
Belgian (horse)

Belgian Warmblood (includes Belgian Half-blood)  
Chickasaw Horse, aka Florida Cracker Horse  
Clydesdale  
Dutch Warmblood  
East Friesian horse  
Falabella  
Fjord horse/Norwegian Fjord Horse  
Florida Cracker Horse  
Friesian horse  
Friesian Sporthorse  
Gypsy Vanner  
Hackney horse  
Haflinger  
Hanoverian  
Holsteiner  
Irish Draught  
Irish Sport Horse  
Kiger Mustang  
Lipizzan or Lipizzaner  
Lusitano  
Mangalarga

Miniature horse  
Missouri Fox Trotter  
Morab  
Morgan horse  
Mustang  
Paint, see American Paint Horse  
Paso Fino  
Percheron  
Peruvian Paso  
Rocky Mountain Horse  
Saddlebred, see American Saddlebred  
Shire  
Spotted Saddle horse  
Standardbred Suffolk Punch  
Swedish Ardennes  
Tennessee Walking Horse  
Thoroughbred  
Trakehner  
Warmblood, Welsh Cob  
Zweibrücker





# Economic Impact Analysis

- Recently completed analysis of the **2014 HITS Ocala Winter Circuit**
- Onsite/Online Survey of **500 participants** at the June 2014 OBS Thoroughbred Auction
- an online survey of Marion County businesses conducted June-August 2014 resulting in **524 responses**

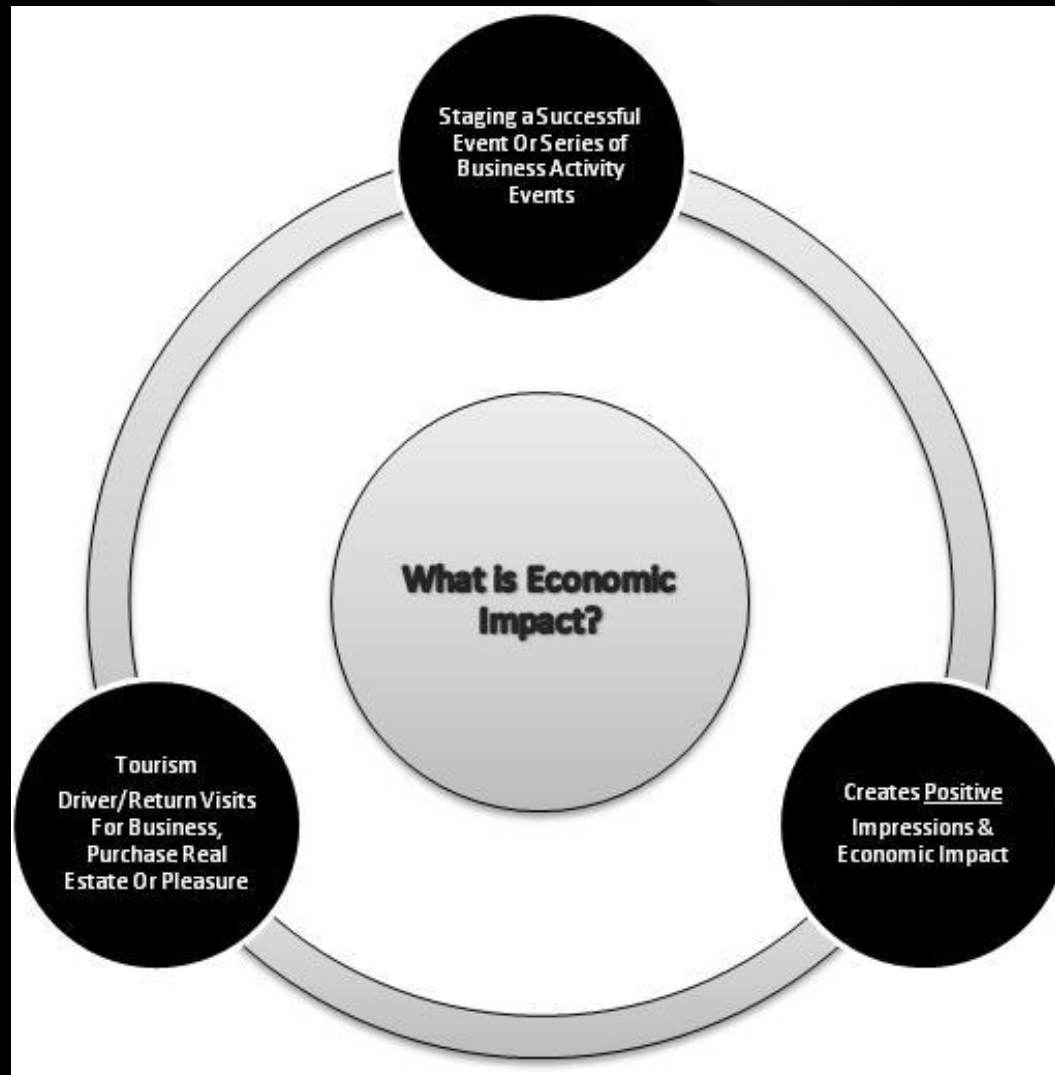


## Methodology

The data was analyzed using the application of economic impact IMPLAN models to determine what the impact of the equine industry has on an annual basis, targeting the Ocala Metropolitan Statistical Area using a regional economic model employing 2012 region data. The IMPLAN model was constructed for the Ocala MSA (Marion County) using the trade flows methodology, with all social institutions included internally. The model provides multipliers and include direct, indirect, and induced effects.



# Methodology-Graphic







# HITS-Economic Impact

Spectator Attendance:	20,000 spectators for the season
Exhibitors/Vendors/Others:	2,000 stalls per week
	6,000 HITS participants per week
	Trainer and entourage included, equivalent season long total of 20,000 participants
Vendors/Judges/Officials:	200 per season

- Total industry output (revenue) impacts to the study area was **\$94.0 million**;
- Total value added (GDP) impact was **\$60.4 million**;
- Total employment impact was **1,300 jobs**.



## Ocala Breeders Sales

For the calendar year 2014, over

- **3,100+** horses were sold at OBS
- A record total of more than **\$142 million**, a 20% increase over 2013 gross sales.
- Buyers represented 42 states and 18 countries.

Japanese--20 horses for over \$4 million

Korean--147 horses for over \$4.4 million

Qatar—8 horses for over \$2.3 including one for **\$1.6 million**. This purchase tied for the highest price for a two year old in training in North America with all **three** top sales occurring at OBS.



## Summary-Economic Impact

An online survey of Marion County businesses was conducted June-August 2014 resulting in the following:

- **524** responses (60% horse farms/breeders/training facilities and 40% other businesses)
- questions of industry classification, annual sales and employment, percentage of business attributable to equine-related customers/events, and the share of this activity that originates from customers outside of Marion County



# Summary-Economic Impact

		Horse Farms & Training Facilities	All Other Sectors	Total All Sectors	Share of County Economy
Survey results	Number of survey respondents	317	207	524	
	Share of surveyed firms with equine business sales from nonlocal sources	66.6%	37.7%	55.2%	
Business population	Number firms in Marion County	1,017	7,990	9,007	
	Number of firms in Marion County with equine business sales from nonlocal sources	677	3,011	3,688	
Average equine-related nonlocal sales and employment per firm	Sales (\$)	\$832,700	\$397,379	\$684,218	
	Jobs	3.41	1.78	2.85	
Expanded county equine-related nonlocal sales and employment	Sales (million \$)	\$564	\$1,196	\$1,760	11.2%
	Jobs	2,307	5,366	7,673	5.8%
Regional economic multipliers	Industry Output	1.709	1.381		
	Value Added (GDP)	1.039	0.848		
	Employment final demand indirect/induced effects (jobs/M\$ output)	7.36	6.68		
Regional Economic Impacts	Industry Output (M\$)	\$963	\$1,653	\$2,616	16.6%
	Value added (GDP) (M\$)	\$586	\$1,014	\$1,600	18.3%
	Employment (fulltime & part-time jobs)	6,246	12,963	19,209	14.5%
<p><i>Employment impacts estimated using direct jobs reported. Industry average sales and employment from online survey (Aug 2014). Impacts represent direct, indirect &amp; induced multiplier effects in regional economic model for Marion County FL (IMPLAN Group LLC). Average multipliers weighted by total value/jobs in each industry group; 25% gross margin applied to wholesale &amp; retail trade sectors. Sources for number of firms: U.S. Department of Agriculture, 2012 Census of Agriculture (horse farm operations with sales); Florida Department of Labor, Quarterly Census of Employment and Wages, 3rd quarter, 2013 (all other business sectors).</i></p>					





## Summary-Economic Impact

- **\$2.62 billion** in industry output (revenues)
- **\$1.60 billion** in value added contribution to Gross Domestic Product
- Employment of **19,209** full-time and part-time jobs
- These impacts represent 15 to 18 percent of the overall Marion County economy in 2012.



## Recommendations

- The equine industry offers a sizeable impact on the local economy thus future efforts should be focused upon assuring continued support of the industry.
- With **2/3 of out-of-town visitors reporting a “more favorable”** impression of the region as a result of their experiences during 2014 OBS/HITS events and more than **80% indicating they plan to return** the following year, these measures should continue to be documented and opportunities for increased business or tourism opportunities explored.
- The reported positive impressions of the community provides impetus for future large scale equine events and it is important that community leaders understand their importance.



## Recommendations

- The out-of-town visitors to OBS/HITS represent a high socioeconomic status which distinguishes them from attendees of other large scale events.
- With the typical OBS/HITS attendees having a larger than average discretionary income, local industries which are sizably impacted by equine-related activities need to focus marketing and service delivery that caters to this unique visitor.
- Offering local, regional and state-wide outreach campaigns targeting education of government agencies and private foundations could pay off significantly.
- Focusing on social media and innovation to motivate equine visitors to **visit more often, for longer periods and spend more** could be significant to the local economy.



## Recommendations

By all measures, the Ocala/Marion County equine industry is a powerful contributor to the local economy.

A concerted effort should be made to disseminate these findings to educate key local and state officials and stakeholders to encourage efforts which will continue to add to the economic development and job creation opportunities.