



Favorable Prospects for 2017

As detailed in recently released statistics by The Jockey Club, the trends within the California breeding industry continue to remain stable. For the third consecutive year more than 2,500 mares have been bred in the Golden State, resulting in live foal crops approaching 2,000. This past breeding season the reported change in mares bred was less than 1%, or 25 total mares (see chart below).

This chart specifically depicts the conception area and does not factor in the California foals by out-of-state stallions. Therefore, after factoring in the several hundred California foals expected to have been conceived in Kentucky and elsewhere, the live foal crop for next year should be very similar to that of 2016.

As I have detailed many times, these healthy trends can be attributed to the cooperation within the industry that have provided the lucrative enhancements to the California-bred racing and incentive program. The total Cal-bred program—at more than \$35 million a year in restricted purses and incentive awards—has fueled the investment by California breeders.

Recently I attended the Keeneland November Breeding Stock Sale, and it was very rewarding to see many California farm owners, breeders, and agents quite active in the sale with the goal of upgrading their broodmare bands and bringing more quality mares to the state.

As California-breds continue to make up more than half of the field sizes north and south, and California racing becomes more dependent on locally bred horses, these statistics bode well for the future of racing in the state. Plus, even with the upward trend in the live foal crop, the emphasis still remains on quality, as a higher percentage of the horses being bred are making it to the races.

It is also important to note that, unlike in other states, we are realizing these positive results even without revenue from other forms of gambling. Restricted purses and incentives continue to remain strong strictly through the pari-mutuel handle.

The prospects for next year look very favorable, and the expectations are strong for more positives on the breeding front.

Happy Holidays. **CTB**

State/Province	2015 Stallions	2016 Stallions	Pct. Change	2015 Mares Bred	2016 Mares Bred	Pct. Change
Kentucky	208	227	9.13%	17,448	17,750	1.73%
Florida	112	107	-4.46%	2,890	2,757	-4.60%
California	150	156	4.00%	2,568	2,543	-0.97%
New York	55	55	0.00%	1,554	1,510	-2.83%
Louisiana	104	102	-1.92%	1,494	1,332	-10.84%
Maryland	36	32	-11.11%	788	913	15.86%
Ontario	39	38	-2.56%	797	761	-4.52%
Oklahoma	66	59	-10.61%	756	702	-7.14%
New Mexico	76	72	-5.26%	789	692	-12.29%
Pennsylvania	42	41	-2.38%	627	489	-22.01%