Maryland’s Thoroughbred industry is in trouble—and this report presents the numbers that document its recent decline. A dramatic erosion is under way, not because people don’t want to breed and race horses in this state. The fact is, they are being enticed to relocate to neighboring states that offer economic advantages not found in Maryland.

It is an exodus, not extinction. Maryland’s Thoroughbred industry is not dying, it is shifting. The decline of the racing and breeding industry in Maryland is a result of not having the economic tools to compete. West Virginia and Pennsylvania have each implemented extensive slot machine wagering programs, and have directed a major portion of the resulting revenue, in the form of incentives and awards, to people who do business there. Citizens of those states have chosen
An industrial complex in Hunt Valley, near congested York Road, occupies land where Thoroughbreds once grazed. Below: Harford County birthplace of Preakness winner Deputed Testamony awaits its fate.
to direct revenue from slots to support tax relief, commerce, education, tourism and health care.

Maryland’s Thoroughbred industry is an umbrella. It shelters many people and protects valuable land resources, but the business here is at such an extreme competitive disadvantage that it is literally moving across our borders. The vendors who service the industry are also following the money. As you can see from the numbers, the infusion of slots revenue in West Virginia has brought its Thoroughbred industry back from near extinction—and added additional tourism revenue to the economy. Pennsylvania is poised on the brink of a similar economic advancement.

Breeding and racing Thoroughbred horses is a business. The business of horses creates and provides jobs. The business of farming horses creates commerce while also maintaining open space in this small state. But Maryland’s horse business is losing market share. For the people who are invested in the Thoroughbred industry in Maryland, the choices are difficult and emotional. They own farms here, and along with horses, raise families here. However, Economics 101 is telling them that in order to make
a living they have to follow the money. Most do not want to go to other states.

Maryland’s horse industry provides a varied and important business model. The breeding industry is innately agricultural. Growing horses carries the same risks and rewards as many agricultural crops—the weather, health issues and market prices often dictate the annual profit or loss. And Maryland’s horse farms contribute to the preservation of open space and show a commitment to responsible stewardship of the land. Maryland is a small state, so the pockets of rural agricultural land are in dramatic contrast, and a valuable buffer, to encroaching urbanization.

The most recent industry economic impact study, conducted by the American Horse Council in 2005, shows that the racing and breeding industry in Maryland has a total impact valued at more than $800 million annually. The analysis concluded that the racing and breeding industry provides in excess of 15,000 jobs, and produces spending of more than $1 billion on goods and services each year. However, upon the next review, it will certainly trend downward. Hopefully, this vital industry will not suffer too many more losses before state leaders take action that gets it moving, once again, in a positive direction.

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