

Defra and the British Horse Industry Confederation

Joint research on the horse industry in Great Britain



British Horse Industry Confederation



defra
Department for Environment
Food and Rural Affairs

Department for Environment, Food and Rural Affairs

Nobel House

17 Smith Square

London SW1P 3JR

Tel: 020 7238 6000

Website: www.defra.gov.uk

© Crown copyright 2004

Copyright in the typographical arrangement and design rests with the Crown.

This publication (excluding the logo) may be reproduced free of charge in any format or medium provided that it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright with the title and source of the publication specified.

Further copies of this publication are available from:

Defra Publications

Admail 6000

London

SW1A 2XX

Tel: 08459 556000

This document is also available on the Defra website.

Published by the Department for Environment, Food and Rural Affairs. Printed in the UK, March 2004, on material containing 80% post-consumer waste and 20% Elemental Chlorine Free pulp.

Product code PB9255a

Contents

Introduction	4
The purpose of the research	6
What is the horse industry?	8
How big is the horse industry?	10
What are the major challenges facing the horse industry?	12
What next?	14

Introduction



For centuries, the horse has had a special place in this country. Horses have carried soldiers into battle, provided the power for agriculture and provided the principal means of land transport until the early part of the last century.

While the horse no longer fulfils these roles, it still gives pleasure to many millions, some of whom ride while many more watch. And the horse gives employment to tens of thousands.

So, the horse continues to make a hugely important contribution to the economy and to the social fabric of many communities. It also contributes to the health and education of many people.

Surprisingly for such an important industry, we have little factual information about it. How many horses are there in Great Britain? How many people ride? How many people work with horses, and in businesses which support horses? What is the industry worth? How do changes to one part of the industry affect others? Where we do have information it is not always consistent or comprehensive.

When I look on my present responsibilities at Defra I found this lack of information surprising. We must have answers to these questions (and many more) before we can answer the next question: How can we increase the economic value of the horse industry, and enhance its contribution to the social, educational, health and sporting life of the nation?

I was also amazed to find that, while I was the third Minister for the Horse, there was not one single Official for the Horse to work with the horse organisations on the development of the horse industry. But I have now put this right. Working with the Official for the Horse is a small, dedicated team which is co-operating with the horse organisations to draw up a plan to achieve their aspiration for a thriving, more competitive industry. The commitment of this team is enormous and is reflected by their popularity with horse organisations.

With the British Horse Industry Confederation (BHIC) taking the lead for the horse world, we jointly agreed that the first step must be to commission a Great Britain-wide survey of the industry. The task was given to The Henley Centre, and their report has now been published¹. At over 100 pages (some of them devoted to complex economic discussions) it is not light reading. But it is exciting reading for anyone who cares! This leaflet summarises some of the key findings of the research.

It also tells you how you can become involved in shaping the future of the horse industry in this country. I hope you will seize this opportunity. But I would echo what one of your own number is quoted in this leaflet as saying about the fragmentation of the industry. Given their common interest in the horse, I have been surprised by the energy-sapping divisions within the horse industry. As somebody ruefully put it to me recently, the decline in the horse population over the past 100 years has been matched by a burgeoning in the number of horse organisations. Whereas specialist discipline organisations undoubtedly serve a useful purpose, divisions rooted in protecting one's patch can only limit the effectiveness of what should be one of the most powerful forces for good in rural England. So those who care about the horse in British society must work together – or together choose to be ineffective. It's your choice.



Rt. Hon. Alun Michael MP

Minister of State for Rural Affairs and Local Environment Quality
and Minister for the Horse

¹ The full report can be found on www.defra.gov.uk/rurallhorses. Hard copies can be obtained, while stocks last, from Defra Publications, Admail 6000, London SW1A 2XX Tel: 08459 556000 e-mail: defra@iforcegroup.com.



The purpose of the research

We asked The Henley Centre to do three things.

- 1** To identify all the parts which make up the industry and show how each part contributes to the success of the whole.
- 2** To identify all currently available sources of information on the horse industry, assessing how reliable each piece of information is and making suggestions for filling the most significant gaps in our knowledge.²
- 3** By listening to the views of a wide variety of people involved with horses, to identify the most important issues which need to be addressed in the proposed long term industry strategy.

² We did not ask the researchers to do “primary research” (in other words, where information was not currently available we did not ask them to generate that information). That would have been a much larger task and would have taken many more months to complete.



What is the
horse industry?

Defra and the British Horse Industry Confederation

Joint research on the horse industry in Great Britain

The research divides the horse industry into two parts. For the sake of simplicity, we might describe these as:

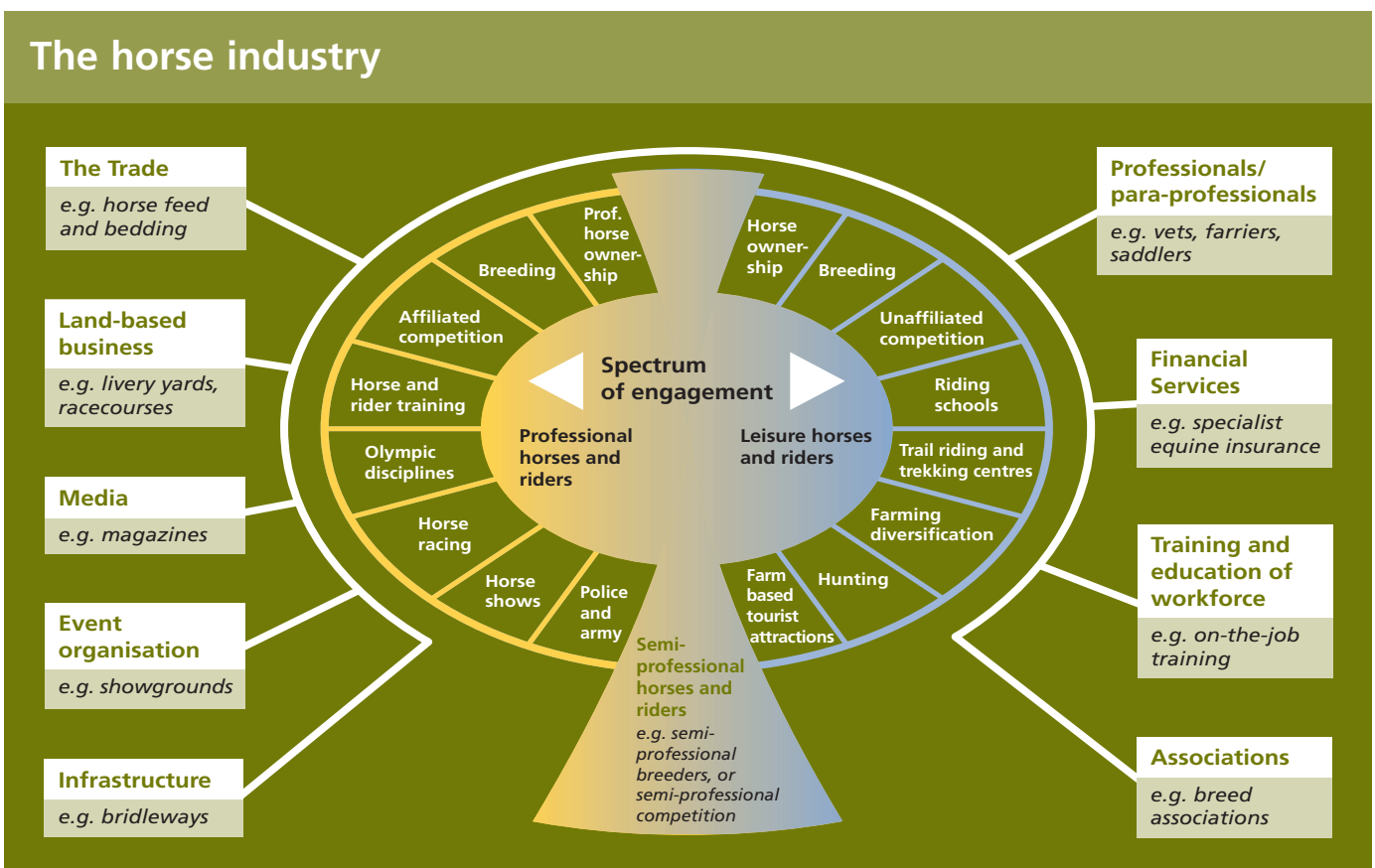
- activities based on the use, possession or ownership of horses (“the core”); and
- of equal importance, suppliers of horse-related goods and services for those core activities.

Activities forming the core part of the industry range from professional through to leisure. In between lie many semi-professional riders, and participants whose interest is split between earning a living and pure leisure activity.

The industry core caters directly for the needs of consumers. The activities geared toward professional riders include commercial breeders, affiliated sports, trainers and racing. The leisure-orientated activities include the provision of riding lessons and hacking, unaffiliated sports and tourist attractions.

The other part of the industry is made up of organisations that supply goods and services to the core. Examples include farriery, feed, equine medicine, livery yards, racecourses, tack, training and feed supply.

Below is a diagram showing how the various parts of the industry relate to each other.





How big is the horse industry?

The limitations of available data make it difficult to say with any confidence what the industry is worth. The research showed that the horse industry's gross output³ is approximately £3.4 billion, but this figure is not very reliable. Further research would be needed if we wished to arrive at a more reliable figure.

Other estimates derived from existing data are:

- the horse industry employs 50,000 people directly. It employs an additional 100,000-200,000 people indirectly;
- 2.4 million people ride;
- 5 million people have an active interest in the horse industry;
- 11 million people have some interest in the industry, including watching horse racing on television; and
- there are between 600,000 and just under a million horses.

³ In simple terms, this is the market value of total sales of horse-related goods and services produced in Great Britain each year. To give an example, gross output in the car manufacturing industry is what people spend on buying cars and spare parts; gross value added (or GVA) is gross output minus what the car industry buys in from other industries. This is the more useful figure in determining what an industry is worth because it equals the incomes directly earned within it. Unfortunately, we do not have the necessary information to give the GVA of the horse industry.



What are the major challenges facing the horse industry?

The research concludes that current trends, especially the growth in the leisure economy, suggest the potential for real growth for the industry. However, some small businesses and riding schools have fallen behind other leisure sectors and may decline even further.

The research observes that the industry is diverse, with communication between the various parts not always very effective. It is essential that disagreement within the industry is overcome and that those with an interest in the industry begin to view it as a partnership. The principal requirement for growth over the next ten years is to develop the necessary infrastructure to build and implement a successful strategy.

At a workshop held at Stoneleigh in December 2003, a participant described the horse industry as suffering from "constipated fragmentation". The participants, who were broadly representative of the range of equine interests, concluded that the single most important challenge facing the industry was the need for greater co-operation from all sectors.

The report suggests five specific issues as key to the industry's growth. These will need to be considered as the industry, with Defra's help, seeks to develop the strategy. The issues are:

- the wider promotion of the British horse industry both nationally and internationally, including developing a marketing and communications programme and identifying a central body to lead it;
- the promotion of British thoroughbreds and the development and promotion of a British sport horse, including improving the sport horse breeding sector's organisation and overseas marketing;
- the development of 'joined up' thinking and best practice in the promotion of leisure riding and sporting excellence, including linking the grass roots and the top tier and promoting riding schools as community assets;
- the promotion of UK-based horse tourism, including providing a national framework for equestrian tourism and promoting best practice; and
- the continued improvement of off-road riding opportunities, including uniting and strengthening the industry's efforts behind a lead organisation to promote its needs, publicising them nationally and locally, and working with other groups such as cyclists.

But there are other possibilities including: promoting the sport to a wider audience; improving the economic performance of equine businesses; and improving skills, training and standards, leading to better animal welfare, health and safety improvement, better job prospects and better tourism growth. It will be for the industry to decide on the key priorities.

What next?

Defra and the British Horse Industry Confederation have begun working on developing the strategy, which we hope will be completed by the spring of 2005. But we want everyone who is involved in any way with horses to have an opportunity to contribute to it.

For information on how you can become involved, visit the Defra horse website:

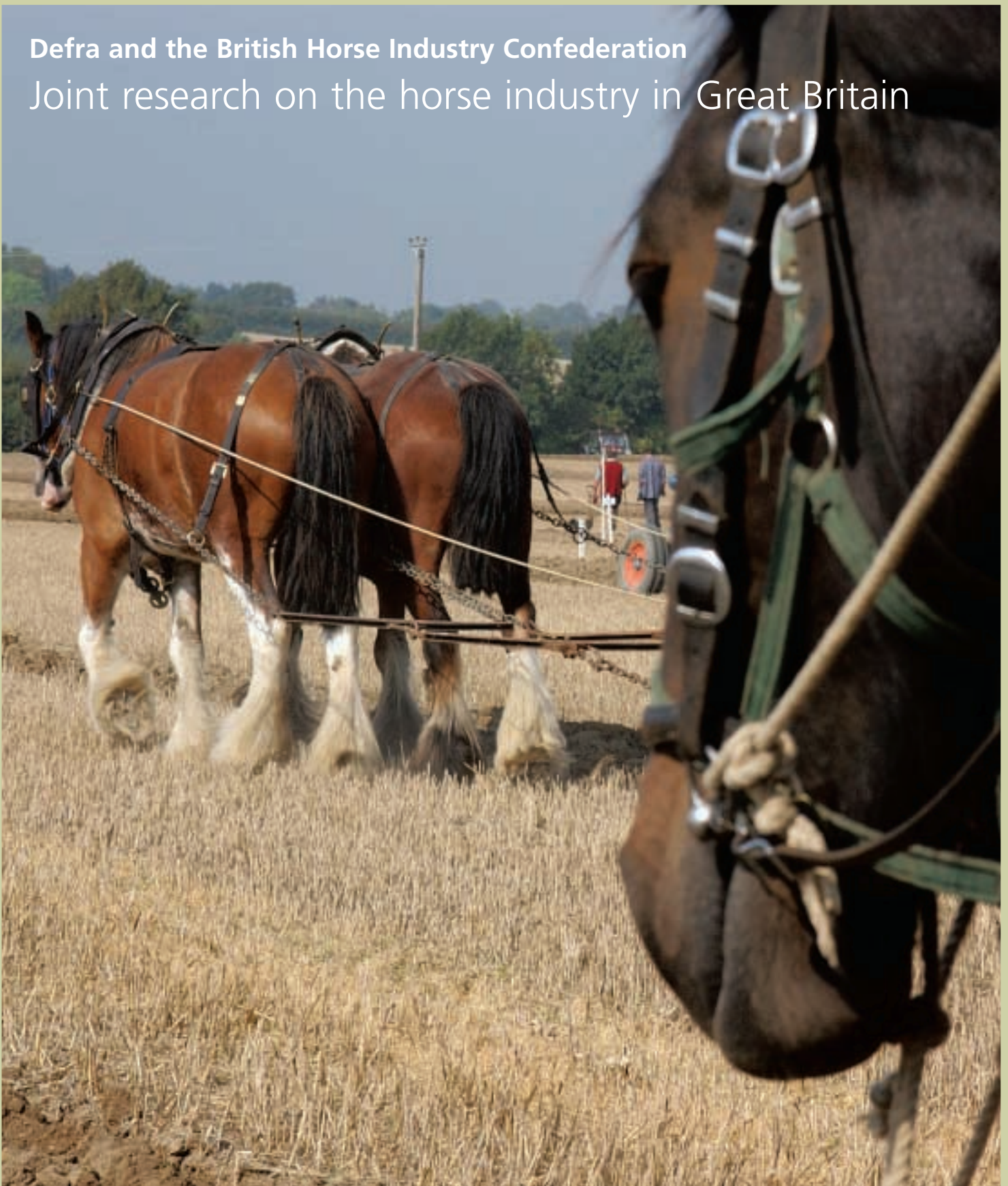
www.defra.gov.uk/rural/horses

or for a fact sheet contact:

John Heine
Horse Industry Team
Area 2C Ergon House
Horseferry Road
London SW1P 2AL

e-mail: horse.industry@defra.gsi.gov.uk

Defra and the British Horse Industry Confederation
Joint research on the horse industry in Great Britain



PB9255a

© Crown Copyright March 2004

Printed on recycled paper containing 80% post consumer waste and 20% Totally Chlorine Free virgin pulp.