

2019 INDUSTRY BREEDING REPORT



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1. Introduction

The NSW Standardbred Breeding Industry and for that matter the Australasian Standardbred Breeding Industry has been in decline for the past three decades. This continues to be a world-wide problem.

There has been a significant drop in the number of foals born, particularly in the last decade.

This has come about due to a number of factors, which are now consistent:

- a) Breeders are predominately in the older quartile with disposable income, they are not being replaced by younger breeders. Natural attrition takes a toll on the number of broodmares bred each season.
- b) The cost of living means that it is difficult for parents with children to afford the costs associated with breeding horses, therefore there are next to nil breeders to replace those that are lost.
- c) There are fewer stud/agistment farms operating to put downward pressure on agistment fees, meaning that the cost of agisting horses becomes more expensive.
- d) The use of stallion and mare mating's in the paddock (by rural participants) has virtually stopped.
- e) There is a genuine feeling that the best sires dominate racing and that if you do not patronise them you cannot compete. Accordingly breeders are either having one mare served as opposed to two or three or they are not breeding at all.
- f) NSW has been ravaged with drought the past two breeding seasons.

Despite the above negatives, there is no doubt that the quality of the Standardbred in Australasia has improved dramatically over the past decade with the widespread use of semen transport and artificial insemination. This has allowed breeders to have their mare(s) served by the stallion of their choice regardless of the stallion's physical location.

The percentage of juvenile horses that have raced in the past two (2) seasons has increased as a percentage in comparison to the previous four (4). However, numerically in the 2013/14 racing season there were 445 individual 2YO starters and this number dropped to 382 in the 2017/18 season.

Of major concern is the number of broodmares served in the 2018/19 season, which dropped to 1,372 and based on the foals born to mares served percentage the expected crop number in 2019/20 is between 900 and 925. This means it will be the first time that less than 1,000 live foals will be born in NSW.

The effects of the continual decreases in live foals will most likely take five (5) to seven (7) years to be realised in the horse population, however if foal numbers continue to drop then the current number of meetings and races in NSW may not be able to be maintained.

Handicapping changes have recently been made by Harness Racing Australia with the implementation of a National Rating Points System. This system aims to group horses of equal ability at any given time of their careers. A system which provides opportunities for all horses to be competitive and viable is essential given the drop in foal numbers and it is imperative that every sound and capable horse in the system is competing on the race track.

The following Breeding Report provides statistical information over a number of breeding seasons. It covers the following key indicators:

- mares served in NSW, foals born in NSW
- foals born in Australia & New Zealand
- the number of stallions standing in NSW and their total services
- the HRNSW Stallion Incentive Scheme
- the HRNSW Colonial Stallion Bonus
- the percentage of Foals offered at sales
- Breeders Challenge nominations and horses sustained
- how recipients of Breeders Challenge Owners Bonus Scheme Certificates are redeeming the Certificates
- the age of horses when they are winning Owners Bonus Certificates
- a summary of NSW registered foals and the percentage of 2YO's and 3YO's making it to the track
- a summary of all NSW race series, schemes and initiatives, and;
- a graphical representation of the above statistics.



2. Total Services

The following tables show the number and percentage of services to mares served over the past five (5) Breeding Seasons and how those mares were served (in NSW):

Season	ST to NSW	ST within NSW by NSW Sire	AI	Hand	Paddock	NSW TOTAL	Year on Year %	AUS TOTAL	NZ TOTAL
2014/15 #	930	368	293	144	27	1,762	(2.4%)	5,857	2,821
2015/16	1,062	184	238	130	20	1,634	(7.3%)	5,618	2,670
2016/17 ^	1,240	138	188	149	21	1,736	6.2%	5,394	2,702
2017/18	1,103	174	220	141	32	1,670	(3.8%)	5,312	2,544
2018/19	958	183	201	88	6	1,436	(14.0%)	4,845	2,437
Variance %	3.0%	(50.3%)	(31.3%)	(38.9%)	(77.8%)	(18.5%)	(10.2%)	(17.3%)	(13.6%)

NSW Breeders Challenge Owners Bonus Certificates increase from \$2,500 to \$3,000.

^ True Blue bonus for 100% NSW Bred horses announced.

Variance is last reported season against 2014/15.

Season	ST to NSW	ST within NSW by NSW Sire	AI	Hand	Paddock	TOTAL
2014/15	53%	21%	16%	8%	2%	100%
2015/16	66%	11%	14%	8%	1%	100%
2016/17	71%	8%	11%	9%	1%	100%
2017/18	66%	10%	13%	8%	2%	100%
2018/19	67%	13%	14%	6%	0%	100%

ST to NSW means semen transported from another state or country to be inseminated into a NSW based mare

ST to NSW by NSW Sire means semen transported from a NSW based sire to be inseminated into a NSW based mare

AI means semen artificially inseminated into a mare from a sire standing at the same property

Hand means the mare is naturally served by a sire under the supervision of a handler

Paddock means the mare and sire are placed in a paddock to naturally mate under no supervision

Comment

The number of broodmares served in NSW decreased by 14% year on year. While in part this decrease may be attributed to drought, it is a worrying statistic for future horse populations.

3. Foals Born in NSW

The following table shows the number of foals born in NSW over the past five (5) Breeding Seasons and where the foals were born:

Foals born	Region								
	Hunter	Far West	Goulburn/Menangle	North West	South Coast	Riverina	Metro	Western Districts	Total
2014/15 #	137	0	40	38	54	382	81	431	1,163
2015/16	135	0	36	38	61	379	61	433	1,143
2016/17	116	0	59	44	65	329	45	344	1,004
2017/18 ^	110	0	92	17	50	429	40	381	1,119
2018/19	109	1	138	46	16	404	43	291	1,048
Total	607	1	365	183	246	1,923	270	1,880	5,477
% of Total	11.0%	0.0%	6.7%	3.3%	4.5%	35.1%	4.9%	34.3%	100.0%
Variance % +	(9.1%)	(100%)	119.0%	(63.0%)	(27.5%)	(4.7%)	(56.0%)	(25.6%)	(16.0%)

NSW Breeders Challenge Owners Bonus Certificates increase from \$2,500 to \$3,000.

^ True Blue bonus for 100% NSW Bred horses announced.

+ Variance is foals born in 2018/19 against foals born in 2014/15

The following table shows the percentage of foals born against mares served.

Season of Service	Total Services	Mares Served	Mares served by more than one (1) Stallion	Foals Born Next Season	Foals Born/ Mares Served %
2013/14 *	1,806	1,715	91	1,163	67.8%
2014/15 #	1,762	1,699	63	1,143	67.3%
2015/16	1,634	1,560	74	1,004	64.4%
2016/17 ^	1,704	1,606	90	1,119	69.7%
2017/18	1,670	1,566	96	1,048	66.9%
2018/19	1,436	1,372	64	N/A	N/A
AVERAGE	1,669	1,586	80	1,095	67.2%

* Foal Nominators Bonus of \$3,000 cash commences

NSW Breeders Challenge Owners Bonus Certificates increase from \$2,500 to \$3,000.

^ True Blue bonus for 100% NSW Bred horses announced.

Comment

Due to the drought situation in NSW there were a number of broodmares which relocated to Victoria for the season. This has impacted the number of Foals born in NSW.

Comment

The Western Districts and Riverina have accounted for 69.4% of all foals born in the last five (5) breeding seasons. Their role in the breeding industry in NSW is critical.

Of note, the number of foals born in the South West & Riverina in 2017/18 and 2018/19 has increased to in excess of 400. This increase coincides with the opening of the Riverina Paceway. A similar trend was seen in the Western Districts when the Gold Crown Paceway was opened, where in 2014/15 and 2015/16 there were in excess of 400 foals born in the Region.

Further to the above observation foals in the North West increased in 2018/19 from 17 to 46. It was reported last year *"HRNSW has invested heavily in the region through the purchase of the Tamworth Showground and an increase of race meetings allocated to the Tamworth Club. While the Region has typically been an importer of horses from other Regions and States, it is expected that the local breeding industry should spike significantly in the coming seasons due to the support HRNSW has shown"*, and this has proven to be true.

While heavy investment in a Region has seen spikes in foal numbers it is evident in the Western Districts that the spike has not been maintained, this trend is an ongoing concern.

The Hunter has dropped by 28 foals from its five year peak in 2014/15 to a low of 109 in 2018/19. Lochend Stud and Medowie Lodge continue to build their stallion rosters therefore it is hoped that the current number of foals can be maintained.

With the introduction of Benstud to NSW the Goulburn & Menangle foal numbers increased from 92 to 138, and increase of 46 season on season and a gain of almost 100 foals since 2014/15.

The Metro Region has remained consistent the last three seasons however the South Coast dropped from 50 to 16 foals the most recent season.

The number of live foals to services has been quite consistent in the range of 64-71% (averaging 67.2%), this figure dropped to 64.4% for foals born in 2016/17, which was a concern given the improvements in veterinary reproduction practices in modern times, however it increased again for foals born in 2017/18 to 69.7%. There was an almost 3% drop in the 2018/19 season (down to 66.9%), however this is to be expected due to the ongoing drought conditions in NSW.

It is hoped that with modern technology the percentage of foals born to mares served is to continue to increase (pending periods of drought).

It is noted that there were 194 fewer mares served in 2018/19 compared to 2017/18. This was expected due to the drought conditions being experienced in NSW. Due to the drought the live foal percentage is also expected to be lower than average. As such the forecast number of live foals in the 2019/20 season is in the vicinity of 900. This will be the first time that fewer than 1,000 live foals will be born in NSW.

4. Foals Born in Australia & NZ

2018/19 Foals Notified in Australia as at 24/07/2019.

Season of Foaling	All Foals	Alive Foals	Deceased Foals	Alive Foal %	Alive Foal Population %
NSW	1,048	1,025	23	97.8%	31.6%
VIC	1,475	1,447	28	98.1%	44.6%
WA	412	406	6	98.5%	12.5%
QLD	231	227	4	98.3%	7.0%
SA	66	64	2	97.0%	2.0%
TAS	78	78	0	100.0%	2.3%
TOTAL	3,310	3,247	61	98.1%	100%

Alive Foals Notified (5 year comparison)

State	2014/15	2015/16	2016/17	2017/18	2018/19	Var since 2014/15 (Total)	Var since 2014/15 (%)
NSW	1,148	1,123	1,029	1,112	1,025	(123)	(10.7%)
VIC	1,620	1,500	1,473	1,337	1,447	(173)	(10.7%)
WA	426	419	410	390	406	(20)	(4.7%)
QLD	324	352	291	269	227	(97)	(29.9%)
SA	134	126	106	89	64	(70)	(52.2%)
TAS	137	123	98	93	78	(59)	(43.1%)
AUS	3,789	3,643	3,407	3,290	3,247	(542)	(11.7%)
NZ	2,200	2,003	1,810	1,783	1,554	(646)	(29.4%)

Variances based on 2014/15 foal numbers.

Comment

The percentage of NSW foals as an Alive Foal Population percentage of all Foals born in Australia decreased from 33.8% in 2017/18 to 31.6%.

NSW and VIC have provided 76.1% of Alive Foals born in Australia in 2018/19; this is up from 73.0% in 2014/15.

Over the last five (5) seasons the foal numbers in NSW, VIC and WA have decreased by a maximum of 11%, while the foal numbers in other States have excessively decreased.

It is no doubt inevitable that there will be a time in the foreseeable future where race date allocations across the Country will need to be tailored to meet the diminishing demands of the horse population.

5. Stallions

The following table shows the number of stallions registered in NSW, the number of stallions standing in NSW and the number of Stud's that stood stallions in NSW over the past five (5) seasons.

Season	Stallions Registered in NSW	Stallions Standing in NSW	Studs (Stood Stallion in NSW)
2014/15 +	57	42	25
2015/16	40	36	23
2016/17 ^	41	35	29
2017/18	45	38	24
2018/19	49	40	32

+ Colonial Stallion Bonus commenced

^ True Blue bonus for 100% NSW Bred horses announced.

The following table shows the services by NSW registered stallions over the past five (5) seasons.

Season	Services by NSW Stallions		Foals by NSW Stallions	
	Standing in NSW (Stallion Incentive Scheme Cost)	International Registered by HRNSW	Standing in NSW	International Registered thru NSW
2014/15 ^ +	1,360 (\$69,750)	260	854	126
2015/16 #	837 (\$38,000)	65	546	35
2016/17	546 (\$60,000)	175	358	62
2017/18	660 (\$75,000)	78	398	40
2018/19	520 (\$35,000)	81		

^ Nevele R Stud registered through HRNSW

+ Colonial Stallion Bonus commenced

Nevele R Stud no longer registered through HRNSW due to the \$750 Sire Registration Fee

Comment

The number of stallions standing in NSW has decreased over the past five (5) breeding seasons and services by stallions standing in NSW have steadily decreased.

Of note, Pepper Tree Farm discontinued standing stallions after the 2015/16 season. Their roster had been world class and from a peak of 1,360 services to NSW domiciled stallions in 2014/15 there were only 520 services to NSW domiciled stallions in 2018/19 (a 61% decrease).

This statistic is of major concern with respect to the NSW Breeders Challenge Blue Series. Due to the trend of Services to NSW domiciled stallions there will continually be a minimal pool of horses eligible to compete in the Series as the number of eligible foals significantly decreases.

Notwithstanding the above, Lazarus will stand his opening season in NSW, though any increases in broodmares served will take three (3) years to enter the racing system.

As a guide the number of Blue eligible and sustained starters for the 2017/18 and 2018/19 racing seasons is as follows (they are the crops from the 2014/15 and 2015/16 seasons, where services to NSW domiciled stallions were highest):

2YO'S	Blue Eligible & Sustained Starters		Blue Eligible & Sustained Total		Blue Starters/ Eligible & Sustained %	
	2017/18	2018/19*	2017/18	2018/19*	2017/18	2018/19*
C & G	61	38	199	136	30.7%	27.9%
Fillies	56	27	191	132	29.3%	20.5%
TOTAL	117	65	390	268	30.0%	24.3%

3YO'S	Blue Eligible & Sustained Starters		Blue Eligible & Sustained Total		Blue Starters/ Eligible & Sustained %	
	2017/18	2018/19*	2017/18	2018/19*	2017/18	2018/19*
C & G	76	107	155	182	49.0%	58.8%
Fillies	83	86	162	176	51.2%	48.9%
TOTAL	159	193	317	358	50.2%	53.9%

* As at 24/07/19.



Tintin In America NZ

6. Stallion Incentive Scheme

HRNSW introduced the Stallion Incentive Scheme in 2009/10. It was introduced to encourage owners of highly credentialed stallions to stand them in NSW by offering an advertising subsidy which provides coverage on Trots TV, in the e- Gazette, on the HRNSW website, in the National Trotguide and Trotting Weekly and last last year it was expanded to include radio and television advertising on the Sky Racing Channels.

The amount of subsidy for each individual Stallion is based on criteria which were developed in consultation with Harness Breeders NSW (HBNSW).

To be eligible, Stallions must stand for a minimum of \$2,000 (ex GST). HRNSW will monitor the discounts offered by Studs which bring the advertised Stallion Fee below the minimum of \$2,000 to ascertain whether the discounts are in the spirit of the Stallion Incentive Terms and Conditions.

The full incentive was formally paid to Studs the first year the Stallion stood in NSW and the subsidy was then matched dollar for dollar in the second year (i.e. a Stallion receives an incentive of \$15,000 the first year, HRNSW and the Stud will contribute \$7,500 in the second year).

In 2017/18 this changed as Studs are now afforded a subsidy for the first three (3) years, with the first and second season fully subsidised and the third year on a 50/50 basis.

The Stallions, Studs, Subsidy Incentives and Stallion Services for the past 5 years are as follows:

2014/15 # (shaded is second season sire) – Total Incentive Cost \$69,750

Stallion	Stud	Services	
Pet Rock USA	Yiribee Pacing Stud	157	
Caribbean Blaster ^	Yiribee Pacing Stud	110	
Shoobees Place USA	Lochend Stud	38	
Major In Art USA	Medowie Lodge	28	
Christian Fire NZ	Rosswood Stud	6	
Gomeo Romeo NZ ^	Rosswood Stud	3	
Lombo Pocket Watch ^	Yiribee Pacing Stud	22	
TOTAL NSW SERVICES		1,360	364 26%

Colonial Stallion Bonus commenced

^ Colonial Stallion Bonus eligible

2015/16 (shaded is second season sire) – Total Incentive Cost \$38,000

Stallion	Stud	Services	
Fly Like An Eagle NZ ^	Yiribee Pacing Stud	50	
Caribbean Blaster ^	Yiribee Pacing Stud	67	
Shoobees Place USA	Lochend Stud	19	
Major In Art USA	Medowie Lodge	19	
TOTAL NSW SERVICES		837	155 18%

2016/17 (shaded is second season sire) – Total Incentive Cost \$60,000

Stallion	Stud	Services	
Warrawee Needy USA	Yiribee Pacing Stud	63	
Smiling Shard NZ ^	Medowie Lodge	32	
Sebastian K SWE	Select Genetics	19	
For A Reason ^	Yiribee Pacing Stud	132	
Fly Like An Eagle NZ ^	Yiribee Pacing Stud	29	
TOTAL NSW SERVICES	546	275	50%

^ Colonial Stallion Bonus eligible

2017/18 (shaded is second season sire) – Total Incentive Cost \$75,000

Stallion	Stud	Services	
Tintin In America NZ ^	Yiribee Pacing Stud	92	
Bling It On ^	Cobbitty Equine Farm	92	
Courage Under Fire NZ ^	Yiribee Pacing Stud	18	
Yankee Rockstar ^	Yiribee Pacing Stud	14	
Stunin Cullen NZ ^	Yiribee Pacing Stud	11	
My High Expectations USA	Medowie Lodge	11	
Tiger Tara NZ ^	Pizzuto Stud	6	
Warrawee Needy USA	Yiribee Pacing Stud	39	
Sebastian K SWE	Select Genetics	38	
Smiling Shard NZ ^	Medowie Lodge	31	
TOTAL NSW SERVICES	660	352	53%

^ Colonial Stallion Bonus eligible

2018/19 (shaded is second season sire) – Total Incentive Cost \$35,000

Stallion	Stud	Services	
Fear The Dragon (US)	Yiribee Pacing Stud	42	
Tintin In America NZ ^	Yiribee Pacing Stud	94	
Bling It On ^	Cobbitty Equine Farm	73	
My High Expectations USA	Medowie Lodge	13	
TOTAL NSW SERVICES	520	222	42%

^ Colonial Stallion Bonus eligible



Shoobees Place USA

Comment

In the last five (5) breeding seasons the highest number of services to Stallion Incentive Scheme eligible stallions was 364 (2014/15).

There was a sharp decline in 2015/16 where for the first time no Stallion Incentive Scheme Stallion served in excess of 100 mares in the season.

However, in 2016/17 For A Reason served 132 mares and 50% of all services to NSW domiciled stallions were by Stallion Incentive Scheme eligible stallions.

While no individual stallion served in excess of 100 mares in 2017/18, Tintin In America and Bling It On served 92 respectively & 53% of all services were to Stallion Incentive Scheme Stallions in 2017/18, proving that breeders are willing to breed to new stallions that raced in Australasia introduced by Studmasters into NSW.

There was only one (1) new stallion in 2018/19 – Fear The Dragon (US), who was available via frozen semen. He served 42 mares while Tintin In America maintained his number of services year on year and Bling It On decreased. With the limited number of 1st and 2nd year stallions there were 222 services in the Stallion Incentive Scheme (which was still 42% of total services by NSW stallions for the season).



For A Reason

7. Colonial Stallion Bonus

HRNSW introduced the Colonial Stallion Bonus in the 2014/15 Breeding Season. It was initiated to provide well performed and bred Australasian horses (Colonial Stallions) the opportunity to attract strong books of mares and to provide breeders with an incentive to send their mares to such Stallions.

There had been a negative bias by Breeders to using Colonial Stallions over the prior decade, however, with better tracks producing quick times it is clear that Colonial Stallions are on par with imported Stallions.

Colonial Stallion Bonus

Upon the birth and registration of a live foal, the foal nominators of progeny by the following Stallions are eligible to claim the \$500 Colonial Stallion Bonus rebate:

- a) In the breeding season of conception the Stallion must have physically and exclusively stood at a HRNSW registered stud located in NSW.
- b) The stallion must have been bred in Australasia.
- c) The stallion must have won a Group 1 race.
- d) The sire of the stallion must have won a Group 1 or equivalent race.
- e) In the breeding season of conception the stallion must have been nominated for the NSW Breeders Challenge.

The inclusion of an eligible stallion commences from the inaugural year physically standing at a HRNSW registered stud in NSW and ceases six (6) years thereafter (For example 2014/15 to 2019/20).

- a) If a stallion returns to racing or stands at an interstate Stud, but then returns to Stud in NSW, the Colonial Stallion Bonus rebate will still cease six (6) years after the first season standing at a HRNSW registered stud in NSW.

The registered foal rebate for the first three (3) year term (For example 2014/15 to 2016/17) will be \$500 per live and registered foal irrespective of the ownership (mares owned by the stud, stallion owner or non-associated persons)

The registered foal rebate for the second three (3) year term (For example 2017/18 to 2019/20) will be \$500 per live and registered foal based on a one (1) for one (1) application. *That is for every one (1) application received from a foal nominator who is not an associate or related party to the stud or the stallion owner, the stud or stallion owner will be able to claim one (1) rebate.*

Each breeding season HRNSW advise via Official Notice the stallions eligible for the Colonial Stallion Bonus.

Foal Nominators may use the \$500 to offset NSW Breeders Challenge fees at the time of Foal Notification.

The number of services and live foals for the 2014/15 season was as follows:

Stallion	2014/15 Services	2015/16 Live Foals
Caribbean Blaster	110	62 (56%)
The Warp Drive	25	9 (36%)
Lombo Pocket Watch	22	17 (77%)
Robin Hood	16	8 (50%)
Flightpath	9	8 (89%)
Mister Swinger	7	7 (100%)
Sir Galvinator	7	5 (71%)
TOTAL	196	116 (59%)

There were 1,360 services by Stallions that stood in NSW in 2014/15. The Colonial Stallion Bonus equated to 14% of total services.

The number of services and live foals for the 2015/16 season was as follows:

Stallion	2015/16 Services	2016/17 Live Foals
Caribbean Blaster	67	43 (64%)
Fly Like An Eagle NZ	50	36 (72%)
Maffioso	28	19 (67%)
Lombo Pocket Watch	18	13 (72%)
Soho Valencia	13	9 (69%)
Mister Swinger	9	8 (89%)
Robin Hood	8	5 (63%)
TOTAL	193	133 (69%)

There were 837 services by Stallions that stood in NSW in 2015/16. The Colonial Stallion Bonus equated to 23% of total services.

The number of services and live foals for the 2016/17 season is as follows:

Stallion	2016/17 Services	2017/18 Live Foals
For A Reason	132	92 (70%)
Caribbean Blaster	66	44 (67%)
Smiling Shard NZ	32	21 (66%)
Fly Like An Eagle NZ	29	19 (66%)
Maffioso	27	14 (52%)
Lombo Pocket Watch	20	11 (55%)
Soho Valencia	16	12 (75%)
Sir Galvinator	10	8 (80%)
Mister Swinger	3	2 (67%)
Robin Hood	1	0 (0%)
TOTAL	336	223 (66%)

There were 546 services by Stallions that stood in NSW in 2016/17. The Colonial Stallion Bonus equated to **62%** of total services.

The number of services for the 2017/18 season is as follows:

Stallion	2017/18 Services	2018/19 Live Foals
Tintin In America NZ	92	54 (59%)
Bling It On	92	63 (68%)
For A Reason	60	39 (65%)
Caribbean Blaster	42	32 (76%)
Smiling Shard NZ	31	16 (52%)
Lombo Pocket Watch	22	12 (55%)
Three Over Three	19	13 (68%)
Courage Under Fire NZ	18	8 (44%)
Maffioso	14	8 (57%)
Soho Valencia	14	9 (64%)
Yankee Rockstar	14	5 (36%)
Stunin Cullen NZ	11	6 (55%)
Excel Stride	10	8 (80%)
Sir Galvinator	6	6 (100%)
Tiger Tara NZ	6	3 (50%)
Robin Hood	5	1 (20%)
Scandalman NZ	4	3 (75%)
Mister Swinger	2	0 (0%)
TOTAL	462	286 (62%)

There were 656 services by Stallions that stood in NSW in 2017/18. The Colonial Stallion Bonus equated to **70%** of total services.

The number of services for the 2018/19 season is as follows:

Stallion	2018/19 Services
For A Reason	98
Tintin In America NZ	94
Bling It On	73
Caribbean Blaster	17
Lombo Pocket Watch	16
Three Over Three	15
Soho Valencia	10
Ultimate Art	9
Smiling Shard NZ	8
Maffioso	8
Excel Stride	3
Scandalman NZ	1
TOTAL	352

There were 520 services by Stallions that stood in NSW in 2018/19. The Colonial Stallion Bonus equated to **67%** of total services.

The Colonial Stallion Bonus Scheme continues to be extremely popular with Australian Breeders. This is demonstrated by 70% of all services to NSW domiciled stallions in the 2017/18 breeding season and 67% in the 2018/19 breeding season being by former Australasian Group 1 performers that stood in the state.

8. Foals Offered at Sales

The table below shows the number of live foals notified to NSW and the number of horses offered for sale at NSW based yearling sales – it aims to give an indication of the percentage of breeders that breed to sell against breeders who breed to race.

Foaled	Foals notified to NSW	Yearlings offered at NSW Sales	% offered at NSW Sales
2012/13	1,312	355	27.1%
2013/14	1,238	404	32.6%
2014/15	1,148	329	28.7%
2015/16	1,123	336	29.9%
2016/17	1,029	320	31.1%
2017/18	1,112	307	27.6%
TOTAL	6,962	2,051	29.5%

On average over the last six (6) years 29.5% of live foals notified to NSW have been offered at NSW sales.

These numbers are only a guide as horses that are notified to NSW may be sold in Victoria and vice versa.

The table below provides statistical information concerning the Australian Pacing Gold Sales focusing on NSW Breeders Challenge Eligible Yearlings, NSW Vendors and NSW Buyers.

APG Sale Review	2015	2016	2017	2018	2019	Var 2019/2015 #	Var 2019/2018 #	Var 2019/2015 %	Var 2019/2018 %
Yearlings offered at NSW Sale	180	189	184	183	184	4	1	2.2%	0.5%
NSWBC Eligible Yearlings offered at NSW Sale	163	178	174	169	163	0	(6)	0.0%	(3.6%)
VIC Branded Yearlings at NSW Sale	28	21	9	33	18	(10)	(15)	(35.7%)	(45.5%)
Other Branded Yearlings at NSW Sale	2	2	2	1	3	1	2	50.0%	200.0%
Yearlings Passed In at NSW Sale	29	31	36	26	21	(8)	(5)	(27.6%)	(19.2%)
Yearlings purchased by NSW Buyers at NSW Sale	77	95	94	97	125	48	28	62.3%	28.9%
Yearlings purchased by Interstate/Overseas Buyers at NSW Sale	74	63	54	60	38	(36)	(22)	(48.6%)	(36.7%)
Yearlings offered by NSW Vendors at VIC Sale	16	11	18	24	25	9	1	56.3%	4.2%
Yearlings purchased by NSW Buyers at VIC Sale	17	21	23	17	32	15	15	88.2%	88.2%
Yearlings offered by NSW Vendors at QLD Sale	6	2	2	2	0	(6)	(2)	(100.0%)	(100.0%)
Yearlings purchased by NSW Buyers at QLD Sale	7	6	8	8	13	6	5	85.7%	62.5%

Of note:

- The number of horses Passed In at the NSW sale has decreased the last two (2) years with the lowest amount of passed in horses in 2019.
- In 2019 there was an increase in the number of yearlings purchased by NSW buyers at the NSW Sale and a decline in the number of yearlings purchased by Interstate/Overseas buyers.
- The number of horses purchased by NSW Buyers at the VIC and QLD sale has increased and was the highest of the five (5) years in 2019.
- These statistics point to NSW buyers being the more active in the market.

9. Breeders Challenge Nominations

The following table provides the number of eligible horses for the NSW Breeders Challenge and the number and percentage sustained for each Series.

Series	Foaled	Live Foals notified to NSW	Foal Nominations	Eligible Horses	2YOs Sustained	% Sustained	3YOs Sustained	% Sustained
1	2005/06	1,713	N/A	1,713	771	45%	771	45%
2	2006/07	1,617	N/A	1,617	842	52%	842	52%
3	2007/08	1,220	N/A	1,220	709	58%	709	58%
4	2008/09	1,174	N/A	1,174	858	73%	598	51%
5	2009/10	1,226	94	1,320	784	59%	584	44%
6	2010/11	1,405	90	1,495	811	54%	580	39%
7 [^]	2011/12	1,402	97	1,499	818	55%	759	51%
8	2012/13	1,312	115	1,427	898	63%	721	51%
9	2013/14	1,238	143	1,381	760	55%	809	59%
10 #	2014/15	1,148	118	1,266	801	63%	743	59%
11	2015/16	1,123	174	1,297	945	73%	903	70%
12	2016/17	1,029	79	1,108	882	80%		
13	2017/18	1,112	25	1,137				
14*	2018/19	1,025	54	1,079				

There was an Equine Influenza outbreak in 2007, the effects were felt for three (3) seasons.

[^] Nominators Bonus (\$3,000 cash) announced to commence for foals born in 2011/12 and NSW Breeders Challenge Owners Bonus Certificates increase from \$2,000 to \$2,500.

NSW Breeders Challenge Owners Bonus Certificates increase from \$2,500 to \$3,000.

* Series 14 Foal Nominations are not due until 31 August 2019.

Comment

The NSW Breeders Challenge eligibility conditions have changed over the years. Up to Series 3 sustainability was based on one payment, with the take up rate averaging 51%. It is evident that allowing owners to sustain per year has had an increase in the overall amount of horses that sustain.

There is a continual decline in eligible horses for the NSW Breeders Challenge. This has resulted in recent times due to less Stallions domiciled in NSW. However the percentage of horses sustained for the NSW Breeders Challenge in Series 11 and 12 has increased and is the highest percentage of 2YO and 3YO horses to sustain.

It must be noted that the NSW Breeders Challenge 3YO sustaining rate has increased since Series 9 and the margin between 2YO sustainers and 3YO sustainers has decreased.

These statistics are positive and are on the back of HRNSW's increased communication with stakeholders and the race series' and bonuses associated with the NSW Breeders Challenge.

10. Breeders Challenge Certificates

The table below shows the number of certificates issued each racing season and how they have been redeemed or in some cases have not been used and expired.

Racing/Breeding Season	Issued	Redeemed						Expired / Outstanding
		Service	%	Yearling	%	Cash	%	
2008/09	226	134	59%	74	33%	12	5%	6 (exp)
2009/10	199	141	71%	32	16%	13	7%	13 (exp)
2010/11	240	188	78%	38	16%	N/A	N/A	14 (exp)
2011/12	244	179	73%	50	20%	N/A	N/A	15 (exp)
2012/13	282	226	80%	47	17%	N/A	N/A	9 (exp)
2013/14	353	260	74%	66	19%	N/A	N/A	27 (exp)
2014/15	473	324	68%	114	24%	N/A	N/A	35 (exp)
2015/16	398	262	66%	97	24%	N/A	N/A	38 (exp) / 1
2016/17	451	227	50%	116	26%	N/A	N/A	33 (exp) / 25
2017/18	427	210	49%	107	25%	N/A	N/A	110
2018/19	398	70	18%	42	10%	N/A	N/A	286
Total	3,691	2,221	60%	783	21%	25	1%	190/422

* As at 17 July 2019.

Comment

There is evidence that the Breeders Challenge Owners Bonus Certificates are a valued tool for breeders and yearling buyers. Minimal certificates issued have expired since 2008/09.

As the conditions of the Certificates have changed on numerous occasions since their inception, there have been differing trends of redemption.

For instance certificates could be cashed for half their value. However, looking at the cash redemptions it can be said that they were minimal, meaning the Certificates were predominately used for breeding or a yearling purchase.

There has been a continual increase of redemptions for yearling purchases since the 2014/15 season. In recent times yearling purchases nearly consist of close to one quarter of redemptions. This is a result of current owners choosing to reinvest in a yearling rather than breed themselves. Nonetheless the proportion of certificates used for services to mares still remains high, which has helped to enhance the number of broodmares bred annually.

Nominators Bonus: The NSW Breeders Challenge Foal Nominators Bonus is a cash payment. The funds distributed cannot be tracked to confirm whether Foal Nominators reinvested the money back into breeding or to purchase yearlings at sales.

11. Owners Bonus Certificate Winners

The table below shows the number and percentage of winners of NSW Breeders Challenge Owners Bonus Certificates for the period 01/09/09 to 17/07/2019.

Breeders Challenge Owners Bonus certificates are redeemable against the purchase price of a Breeders Challenge eligible yearling at any Australian Public Yearling Sale or against the service fees of stallions nominated for the NSW Breeding Schemes and associated breeding fees.

Age of Winner	Number	Percentage
2YO Only	393	13.0%
3YO Only	1,142	37.9%
2YO & 3YO	352	11.7%
4YO	771	25.6%
5YO	240	8.0%
6YO	75	2.5%
7YO	28	0.9%
8YO	9	0.3%
9YO	3	0.1%
TOTAL	3,013	100%
Winners	Number	Percentage
2YO or 3YO	1,887	62.6%
4YO or older	1,126	37.4%



The first foal born by Bling It On, a Colt out of Joyces Desire

Comment

The above table shows that almost two (2) in every three (3) (62.6%) NSW Breeders Challenge eligible winning horse wins its Bonus as a juvenile (2YO and/or 3YO).

Of the juvenile winners:

- 393 horses won as a 2YO and did not win as a 3YO (20.8%)
- 1,142 horses won as a 3YO and did not win as a 2YO (60.5%)
- 352 horses won as a 2YO and also as a 3YO (18.6%)

The above table also shows that just over one (1) in every three (3) (37.4%) NSW Breeders Challenge eligible winning horse wins its bonus as a 4YO or older horse.

Of the 4yo or older winners:

- 771 won as a 4YO (68.5%)
- 240 won as a 5YO (21.3%)
- 75 won as a 6YO (6.7%)
- 40 won as a 7YO or older horse (3.5%)

12. NSW Live Foal & Starters Summary

The table below shows the current live foal totals and the percentage of 2YO and 3YO starters.

Foaling Season	Live Foals Notified	2YO	%	3YO	%
2006/07	1,617	451	27.9%	737	45.6%
2007/08	1,220	416	34.1%	685	56.1%
2008/09	1,174	460	39.2%	655	55.8%
2009/10	1,226	454	37.0%	688	56.1%
2010/11	1,405	442	31.5%	707	50.3%
2011/12	1,402	418	29.8%	654	46.6%
2012/13	1,360	356	27.1%	574	43.8%
2013/14	1,332	361	29.2%	609	45.7%
2014/15	1,163	327	28.1%	572	49.2%
2015/16 ^ 3YO	1,143	362	31.7%	588	51.4%
2016/17 ^ 2YO	1,004	305	30.4%	N/A	N/A
2017/18	1,119	N/A	N/A	N/A	N/A
2018/19	1,048	N/A	N/A	N/A	N/A

N.B. 2yo and 3yo starters include all Australian bred starters. NZ and USA bred starters have been excluded, therefore the percentage is only a guide.

^ as at 24 July 2019

*** Total is live foals notified to NSW**

Comment

There was a significant increase in the percentage of 2YO's and 3YO's that made the race track in the 2009/10 through to 2013/14 racing seasons.

It was a concerning trend that less than 30% of 2YO's and less than 50% of 3YO's had raced in from the 2011/12 foaling season to the 2014/15 foaling season, however from the 2015/16 foaling season this percentage has again increased, albeit within a smaller horse population, meaning the total number of starters has continued to be far less than 400 per season.

Going forward, if the current number of race meetings are to be maintained then a larger percentage of horses will be required to race as there is an ongoing smaller pool of foals.



The table below shows the total number of starts, races, total starts and starts per starter by 2YO's and 3YO's.

Foaling Season	Starters							
	2YO Total Starters	2YO Total Races	2YO Total Starts	2YO Starts/ Starter	3YO Total Starters	3YO Total Races	3YO Total Starts	3YO Starts/ Starter
2006/07	470	259	2,138	4.55	808	616*	5,936	7.35
2007/08	429	238	1,935	4.51	739	759*	5,032	6.81
2008/09	478	263	2,156	4.51	767	976*	5,850	7.63
2009/10	491	263	2,144	4.37	809	1,023*	6,094	7.53
2010/11	467	287	2,308	4.94	800	998*	6,513	8.14
2011/12	445	253	2,052	4.35	738	1,160*	5,393	7.31
2012/13	377	199	1,633	4.33	660	949*	4,868	7.38
2013/14	377	204	1,654	4.39	692	887*	5,007	7.24
2014/15	348	195	1,586	4.56	658	796*	4,769	7.25
2015/16 ^ 3YO	382	227	1,778	4.65	641	743*	4,359	6.80
2016/17 ^ 2YO	319	180	1,397	4.38				

N.B. Starters include all starters regardless of state/country of birth

^ as at 24 July 2019

*** includes 3YO+ races**

Comment

The total number of 2YO races conducted increased in the 2017/18 racing season to 227 races, there also were significantly more starters and each horse on average had more starts than the previous four (4) seasons. However, of concern is the trend of the number of 3YO starters and total starts per season, where there has consistently been less than 700 horses compete and furthermore they are not having as many starts per season as was previously the case.

The 2018/19 season still had a month to run when this report was written.



13. Imports & Exports

The table below shows the number of imports and exports from NSW to New Zealand and the USA and to NSW from New Zealand and the USA.

Racing Season	Imports from		Exports to	
	NZ	USA	NZ	USA
2006/07	118	2	12	13
2007/08	78	2	1	2
2008/09	119	3	9	5
2009/10	194	3	13	8
2010/11	265	5	13	0
2011/12	292	5	35	0
2012/13	284	4	47	8
2013/14	255	9	38	7
2014/15	248	5	39	17
2015/16	225	0	34	46
2016/17	191	1	25	23
2017/18	186	1	26	41
TOTAL	2,455	40	266	129
AVERAGE	205	3	24	12

USA Imports are predominately Stallions and not race horses.

When considering the movement of horses between NSW, New Zealand and the USA, on average over the last eleven (11) racing seasons there have been 205 imports into NSW and 36 exports out of NSW.

The number of imports into NSW from New Zealand had increased significantly between the 2010/11 and 2015/16 racing seasons with over 200 horses consistently being imported, however this number dropped to under 200 for the first time in seven (7) years in 2016/17 and this trend continued in 2017/18.

Due to dollar parity there was a stoppage of exports to the USA in 2010/11, however in 2014/15 there were 17 horses exported and a further 46 exported in 2015/16. This number normalised to 23 during the 2016/17 season, however increased again to 41 in 2017/18.

With the success of exported horses increasing and the Australian Dollar decreasing it is expected that the number of exported horses to the USA will continue to increase.



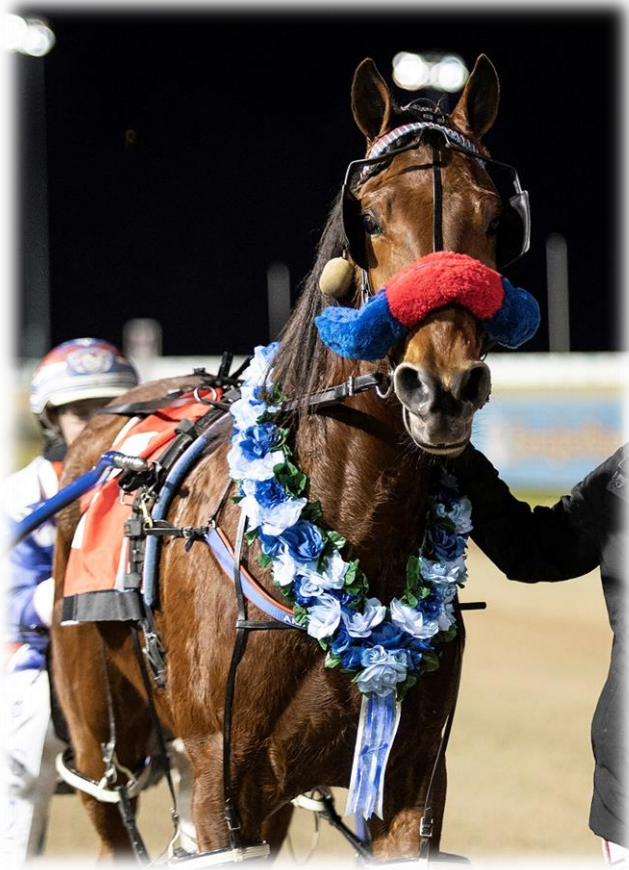
Shartin NZ

14. Series', Schemes & Incentives

The following race series', bonus schemes and incentives are available in NSW.

RACE SERIES

NSW Breeders Challenge Major Race Series



Chasing The Wind

The aim of the Breeders Challenge Race Series is to promote improvement in the quality of the Standardbred breed in NSW, provide an incentive to domicile more mares in NSW and to reward NSW breeders through the development of a lucrative race series and bonus scheme in their home state.

For Breeders Challenge eligible 2YO and 3YOs, heats of \$15,000 are conducted at racetracks throughout NSW, with \$25,000 semi-finals and \$125,000 finals (2YO) and \$150,000 finals (3YO) held at Tabcorp Park Menangle

All Finals are held at Tabcorp Park Menangle on the last Sunday in June.

Prizemoney for all NSW Breeders Challenge events is split 80% to the owners (1st to last), 5% each to the trainer, driver, the foal nominator and the stallion nominator of all runners.

NSW Breeders Challenge Blue



HRNSW in conjunction with the NSW Harness Racing Club introduced a new race series for horses that are 100% NSW Bred. Scheduled to run between the Major Race series and the Regional Finals in July, these races are designed to give 100% NSW bred horses another opportunity at earning prizemoney.

The races are restricted to Breeders Challenge eligible horses that have been sustained for their respective season that also meet the following criteria:

- Sire physically stood in NSW in the season of conception, and;
- Dam served or inseminated in NSW, and;
- Foal born in NSW and notified to HRNSW.

Tabcorp Park Menangle host both 2YO & 3YO feature events worth \$50,000 each for each gender with performance based eligibility restrictions.

It must be acknowledged that there is a prizemoney contribution of \$150,000 by Club Menangle for this series.

NSW Breeders Challenge Regional Finals



Wagga, Parkes, Newcastle, Goulburn, Young & Bathurst have conducted successful Breeders Challenge Regional Finals since their inception in 2010.

In 2019 for the first time there were \$10,000 Qualifying Divisions for 2YOs & 3YOs of each genders.

The NSW Breeders Challenge Regional Finals feature four (4) Group 2 \$50,000 Finals for NSW Breeders Challenge eligible horses.

Trot NSW Race Series



A Trotters Race Series was added from Series 7 (foals born from the 2011/12 season) onwards and from 2017 does not form part of the NSW Breeders Challenge. Eligibility criteria along with nomination and sustaining fees are the same as those already in place for the pacers.

The Trotters Race Series has been introduced to create more opportunity for owners and breeders of square gaiters to earn more prizemoney while encouraging more participants to breed trotters in NSW.

The series comprises one off Group 2 \$30,000 races for 2YO, 3YO and 4YO/5YO and all finals are run at Tabcorp Park Menangle at that same meeting in May each year.



Emerald Stride

BONUS SCHEMES

Breeders Challenge Owners Bonus Scheme



The Breeders Challenge Owners Bonus Scheme rewards owners of Breeders Challenge eligible horses and encourages reinvestment in the breeding industry. Certificates are applied to all NSW races valued at \$5,000 or more.

It was first introduced in 1998/99 (as the State Bred Bonus Scheme) and certificates were valued at \$1,500. They have since increased in value three times (2000/01 to \$2,000, 2010/11 to \$2,500 and in 2014/15 to \$3,000).

The owners of Breeders Challenge eligible and sustained 2YO and 3YOs each win a \$3,000 bonus certificate for a horse's first win in NSW for the season in a race valued at \$5,000 or more.

Breeders Challenge eligible and sustained 4YO or older horses also win a \$3,000 Bonus Certificate for their first win in NSW in a race valued at \$5,000 or more provided they have not won a bonus certificate as a 2YO or 3YO.

Breeders Challenge Owners Bonus certificates are redeemable against:

- the purchase price of a Breeders Challenge eligible yearling at any Australian Public Yearling Sale
- the purchase price of a Breeders Challenge eligible horse at a trialling sale
- the service fees of stallions nominated for the NSW Breeding Schemes
- the fees associated with getting a broodmare in foal
- NSW Breeders Challenge Fees
- Bathurst Gold Crown Fees



Phil Thurston with "Cheeky"

NSW Breeders Challenge Nominators Bonus



The NSW Breeders Challenge Nominators Bonus was introduced to reward nominators of foals conceived from the 2010/11 season (Series 7) onwards.

The nominators of Breeders Challenge eligible and sustained 2YO and 3YOs win a \$3,000 cash bonus for a horse's first win in NSW for the season in a race valued at \$5,000 or more.

Breeders Challenge eligible and sustained 4YO, 5YO, 6YO & 7YO horses also win a \$3,000 cash bonus for their first win in NSW in a race valued at \$5,000 or more (provided they have not won a cash bonus previously).

Eligible and sustained 8YO's will be eligible to win certificates from the 2019/20 season, 9YO's in 2020/21 and so on.

NSW Breeders Challenge Owners and Nominators Bonuses raise the value of an eligible horse's first NSW Career Penalty win to a minimum of \$9,000 (includes base prizemoney).

In addition, except for NSW Breeders Challenge Finals (as there is already a prizemoney percentage for nominators built into these events), should a NSW Breeders Challenge eligible and sustained 2YO, 3YO or 4YO win a Group 1 race in Australia, the nominator of the horse shall receive 10% of the race's total advertised 1st placegetter's prizemoney.



Pelosi with Owner/Breeder Wayne Honan and Trainer Anna Woodmansey

MARE & STALLION INCENTIVES

Trot NSW Incentive Certificate



Trot NSW Incentive Certificates provide a \$500 subsidy to breeders that patronise Trotting Gait Stallions.

In order to be eligible, the mare must be served or inseminated in NSW, the sire must be nominated for the Trot NSW Series and the service fee must be related to the conception of a foal during the current breeding season.

Breeders are provided with a \$500 Certificate upon providing proof that their mare is in foal by way of a 45 day pregnancy test.

The Certificate can be used to offset the stallion fee.

Stallion Nominations



Nomination for the NSW Breeding Schemes allows stallions to have Owners Bonus Certificates used against their service fees, and their nominators are paid 5% of Breeders Challenge prizemoney.

In order to participate in the NSW Breeding Schemes, a stallion must be nominated by a stud which agrees to pay foal fees to HRNSW. The fees for both NSW and Non-NSW based stallions are charged on a live-foal basis for all Alabar Breeders Challenge eligible foals registered in NSW, or registered elsewhere but nominated for the NSW Breeding Schemes.

Foal eligibility for the NSW Breeding Schemes is not determined by interstate or international stallion nominations, as a foal by any stallion may be eligible for inclusion should they be out of a NSW based mare.

Stallion fees for foals nominated for NSW Breeders Challenge are subsidised by HRNSW through Tax Parity for NSW domiciled stallions and are \$110 per live foal for interstate stallions.

Stallion nominator payments apply in the Alabar Breeders Challenge series for which stallion fees were charged.

Stallion Incentive Scheme



HRNSW announced the Stallion Incentive Scheme in 2009/10. It was introduced to encourage owners of highly credentialed stallions to stand them in NSW by offering an advertising subsidy which provides coverage on Trots TV, in the e- Gazette, HRNSW website, the National Trotguide and through the Sky Racing platforms.

The amount of subsidy for each individual Stallion is based on criteria which were developed in consultation with Harness Breeders NSW (HBNSW).

The full incentive was formally paid to Studs the first year the Stallion stood in NSW and the subsidy was then matched dollar for dollar in the second year (i.e. a Stallion receives an incentive of \$15,000 the first year, HRNSW and the Stud will contribute \$7,500 in the second year).

In 2017/18 this changed as studs are now afforded a subsidy for the first three (3) years, with the first and second season fully subsidised and the third year on a 50/50 basis.

Colonial Stallion Bonus

\$500 is payable upon a live foal to the Foal Nominator of a mare served by an eligible Colonial Bred Stallion conceived from the 2014/15 breeding season.

The Conditions are as follows:

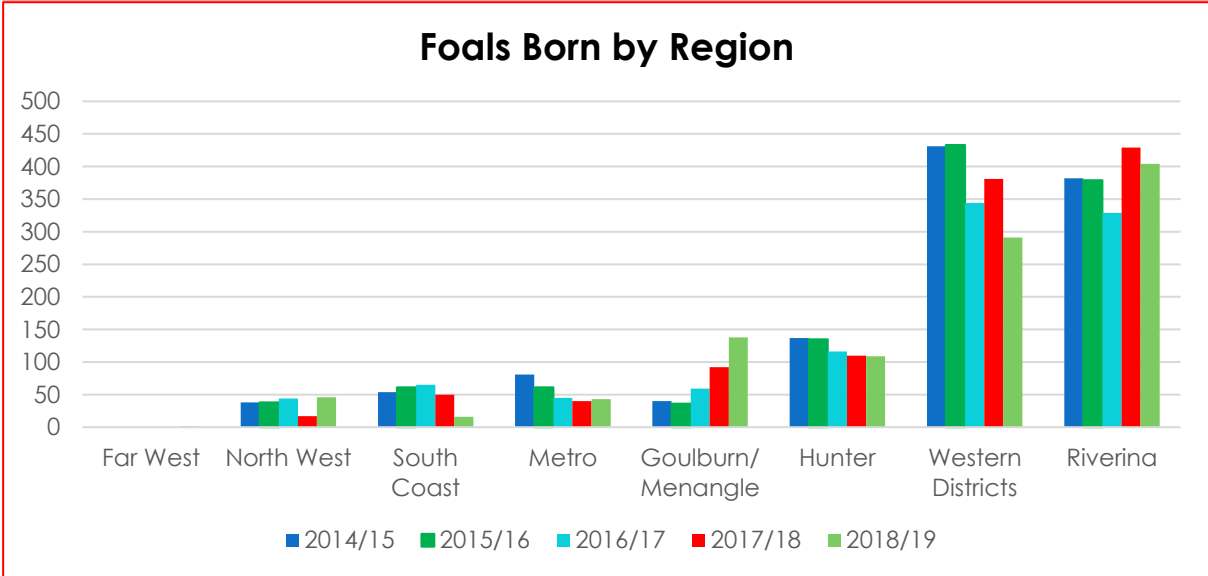
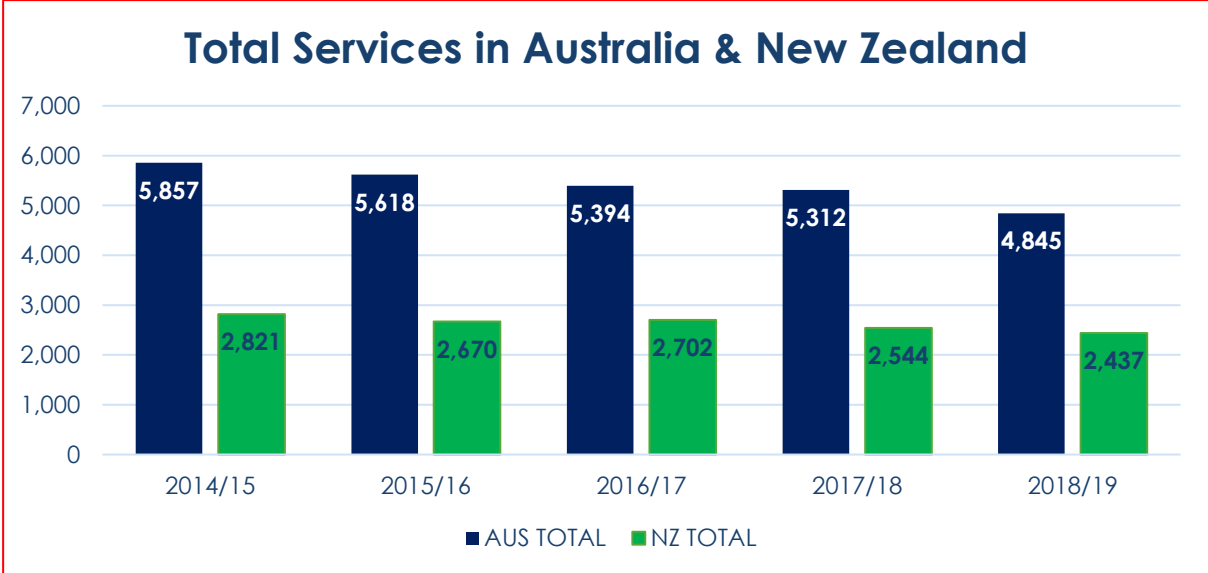
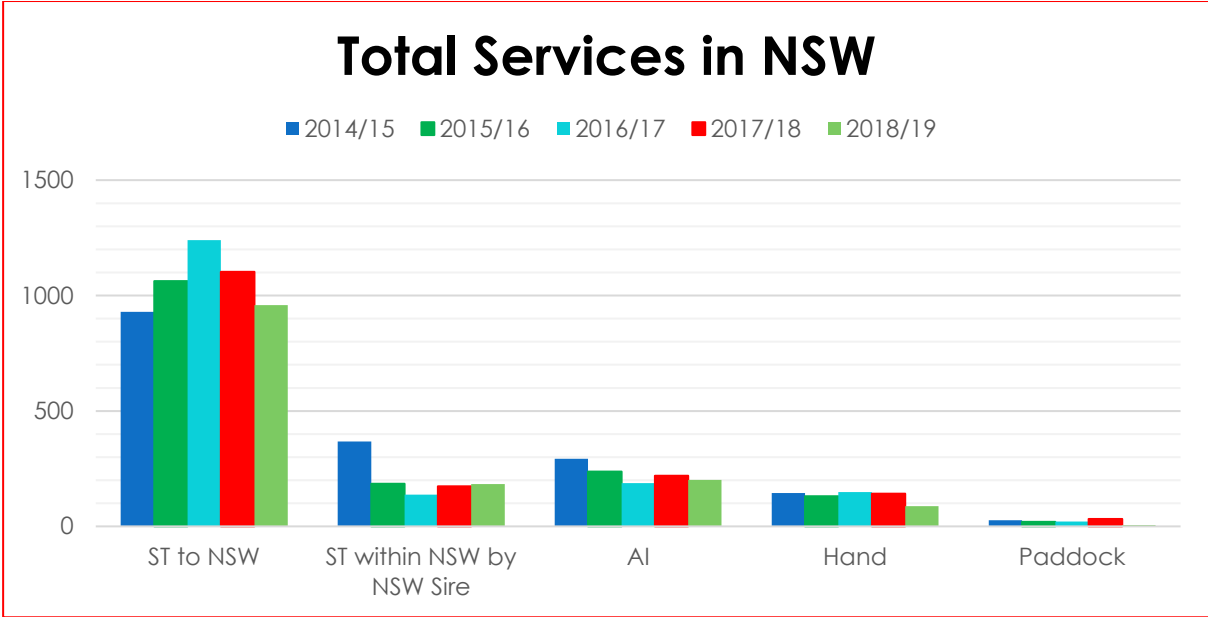
- The stallion must have been bred in Australasia.
- The stallion must have won a Group 1 race and must be standing at a NSW stud.
- The sire of the stallion must have won a Group 1 or equivalent race.
- The stallion must be nominated for the NSW Breeders Challenge.

Foal nominators may use the \$500 to offset NSW Breeders Challenge fees at the time of Foal Notification.

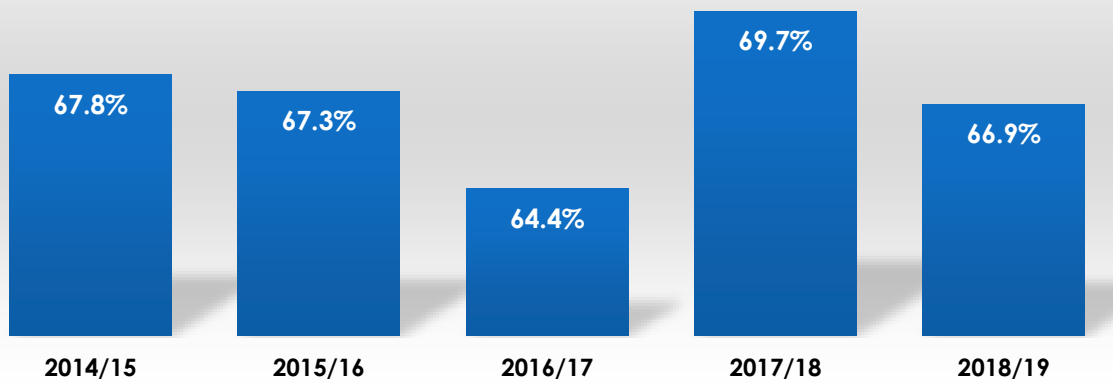


Lazurus NZ

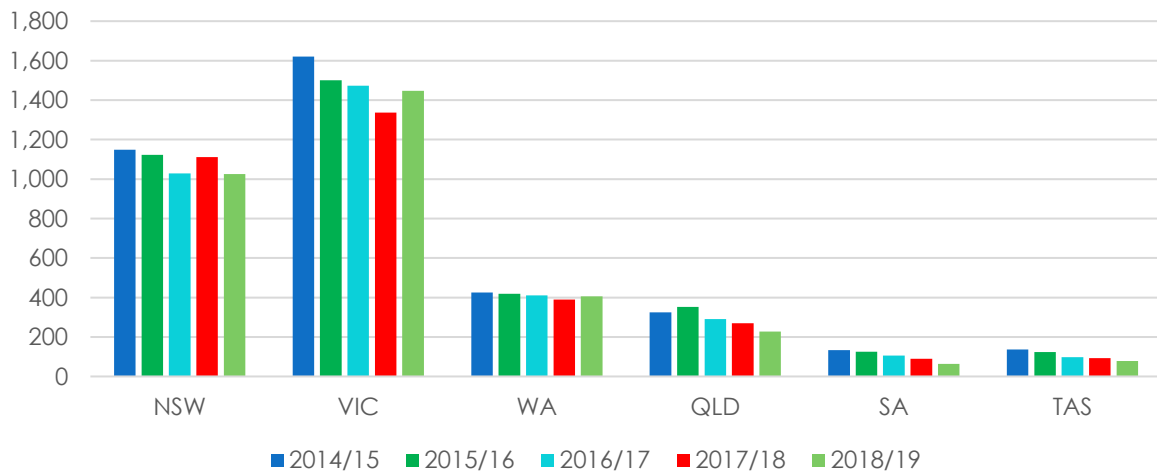
15. Graphical Representations



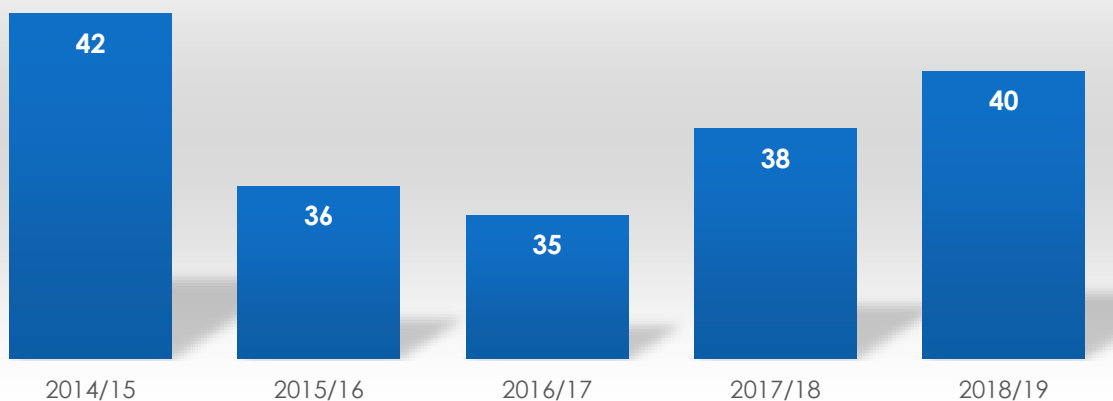
NSW Foals Born/NSW Mares Served %



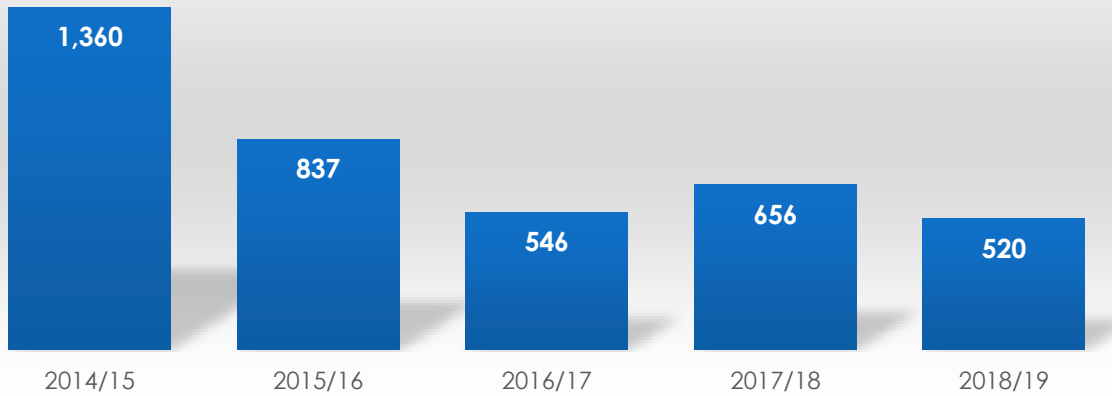
Alive Foals Born by State



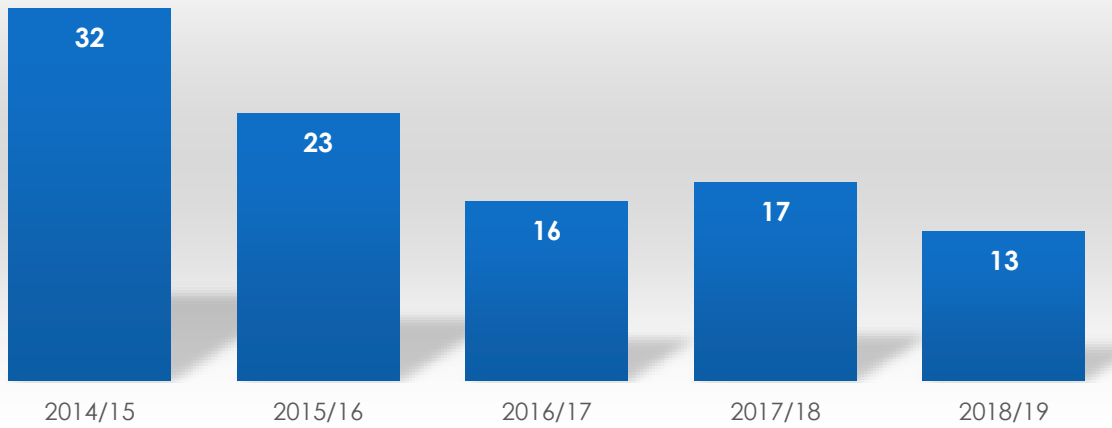
Stallions Standing in NSW



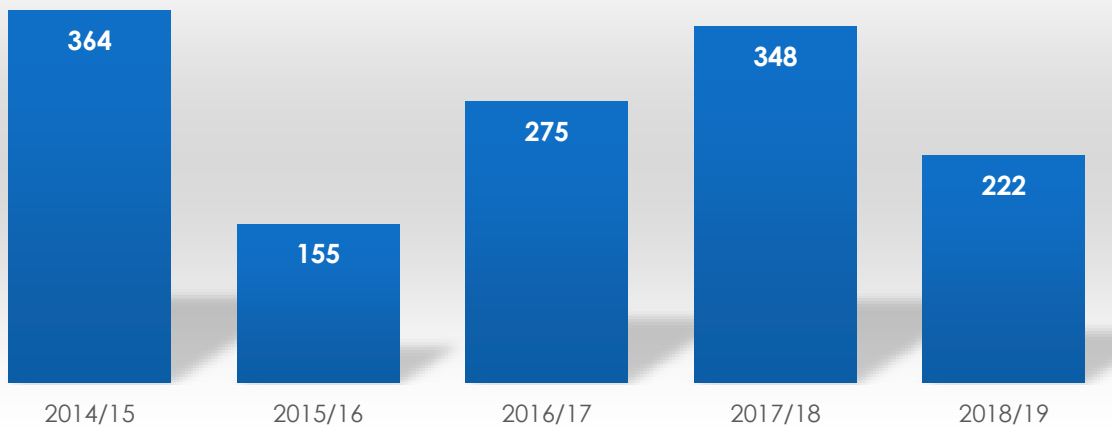
Services by NSW Stallions



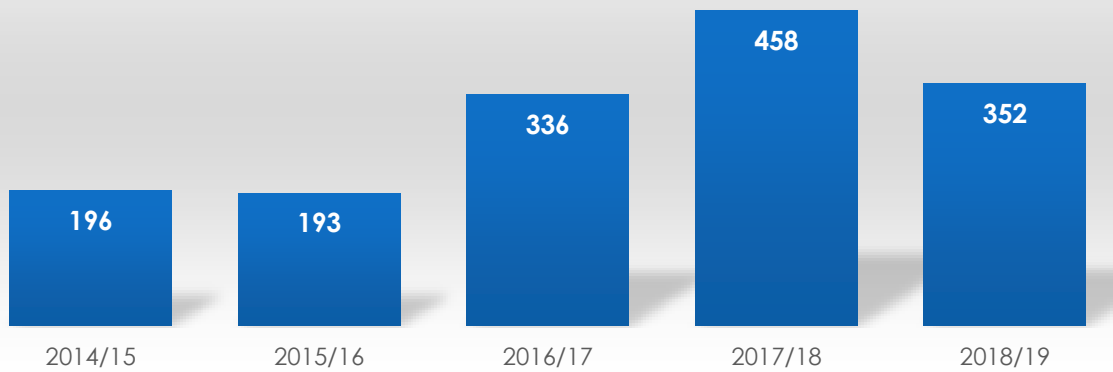
Average Services by NSW Stallions



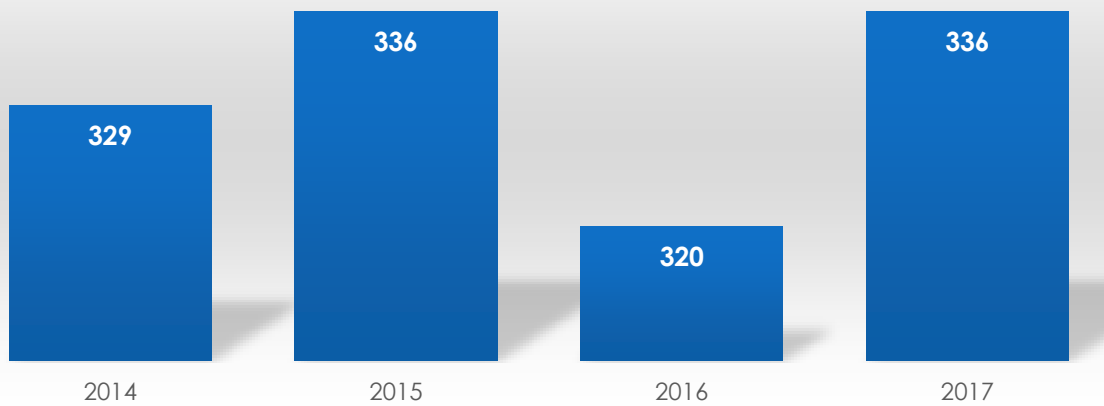
Services by Incentive Scheme Stallions



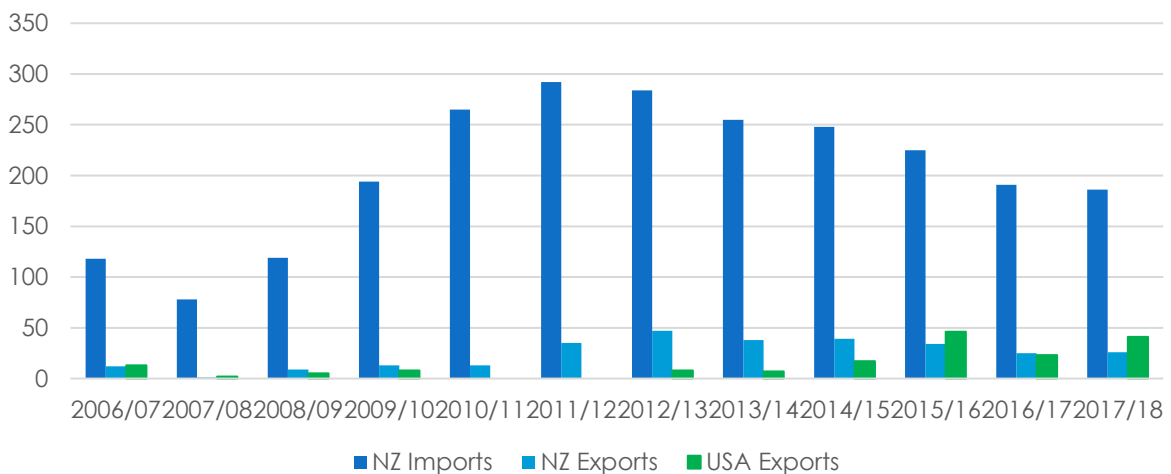
Services by Colonial Stallion Bonus Stallions



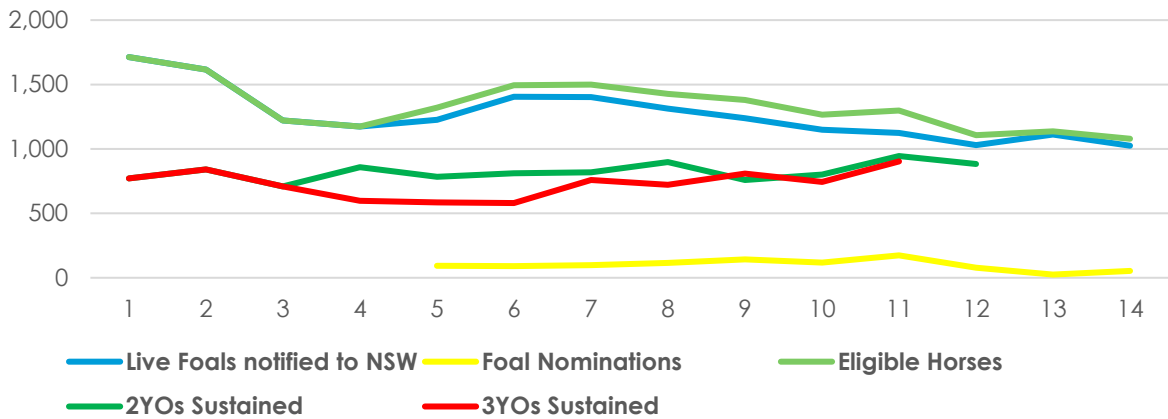
Yearlings offered at NSW Sales



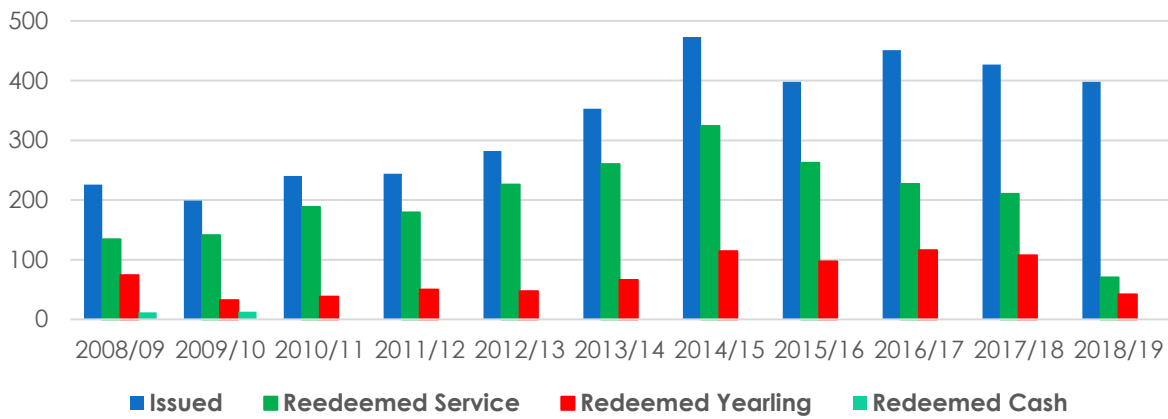
Imports/Exports



NSW Breeders Challenge Nominations



NSW Breeders Challenge Certificates Redeemed



Age of Certificate Winners

