

## **PRODUCTION & SELLING COSTS**

The cost of breeding horses in New Zealand compares very favourably with other major breeding countries, especially in the northern hemisphere. The temperate New Zealand climate and horse-friendly environment mean that fewer stabling, feeding and veterinary costs are incurred.

Nevertheless, thoroughbred horse breeding, whether for selling or racing, is not something that can be done on a shoestring with consistent success. The rearing and preparation costs in the table below have been provided by a major stud, private agistment farms & sale preparation specialists, for the case of a mare and foal owned by breeders who do not own land and cannot do their own work with their horses.

Service fees, sale commissions (10% of sale price plus any percentage paid to the vendor's agent), and insurance premiums (usually around 3.5% of insured value) should be added to these costs to calculate the costs of breeding, rearing and preparing individual yearlings for sale.

Please note:

Breeders who can rear and prepare horses on their own farms do not pay cash for many rearing costs (eg foaling, weaning and agistment) but do incur them by contributing their own time, energy and skills; and bearing property purchase, mortgage, equipment, operation and maintenance costs themselves.

Many breeders with their own farms use professional services for only one or two stages of a horse's early life, perhaps the five months after foaling and/or the three-month sale preparation.

The two cases given in the table use GST-exclusive costs based upon a dry mare (ie without a foal at foot) going to the stud or farm in September, conceiving in October and foaling the following September; and rearing the foal until weaning in February. The foal is agisted from early March until early November when s/he begins preparation for a February yearling sale. The figures assume that the mare conceives easily and that neither she nor the foal suffer illness or injury during this 29-month period.

Further information visit [www.nzthoroughbred.co.nz](http://www.nzthoroughbred.co.nz)

*PTO for Production Cost table*

	<b>Commercial Stud</b>	<b>Private Agistment Farm</b>
Agistment	5,500	4,500
Feet trim every six weeks	286	286
Drench every six weeks	308	308
Vet costs (ovulation, scanning, drugs)	650	650
Transport to stud	150	150
<b>Sub-Total</b>	<b>6,894</b>	<b>5,894</b>
Foaling fee	450	400
Agistment & Hard feed	2,525	1,683
Foal feet trim every six weeks	150	150
Mare feet trim every six weeks	150	150
Foal & mare drench every six weeks	300	300
NZTR Return (mare)	77	77
Branding & Blood-typing (foal)	176	176
<b>Sub-Total</b>	<b>3,828</b>	<b>2,936</b>
Weaning Charge	450	350
Agistment	4,500	4,080
Feet trim every four weeks	350	350
Drench every six weeks	200	200
<b>Sub-Total</b>	<b>5,500</b>	<b>4,980</b>
Preparation	5,200	4,500
Farrier every four weeks	150	150
Drench every four/six weeks	110	110
Gear hire or purchase	385	330
Shoeing	100	100
Transport	150	150
<b>Sub-Total</b>	<b>6,095</b>	<b>5,340</b>
Sale Entry	1,800	1,800
Promotion & Hospitality	1,650	1,000
<b>Sub-Total</b>	<b>3,450</b>	<b>2,800</b>
X-Rays	850	850
<b>TOTAL COSTS</b>	<b>\$26,617</b>	<b>\$22,800</b>