

KENTUCKY EQUINE  EDUCATION PROJECT



Horses work for Kentucky.

A Year in Review

KEEP BOARD

Non-Racing Breeds

John Long, U. S. Equestrian Federation

Jim Mahan, Kentucky Farm Bureau

Jack Murrell, Sycamore Springs Farm

Earl Rogers, Kentucky Walking Horse Association

Bennie Sargent, High Point Equestrian Center

Richard Wilcke, University of Louisville

Misdee Wrigley, Hillcroft Farm

Thoroughbreds

David Blee, Runnymede Farm

Susan Bunning, Chase Bank

Bill Casner, Winstar Farm

Kerry Cauthen, Four Star Sales

Doug Cauthen, Winstar Farm

Robert Clay, Three Chimneys Farm

Bob Elliston, Turfway Park

William S. Farish, Lane's End Farm

Thomas Gaines, KBC International

Brereton Jones, Airdrie Stud

Dan Kenny, Dan Kenny Bloodstock

Nick Nicholson, Keeneland Association, Inc.

Frank Penn, PennBrook Farm

John Phillips, Darby Dan Farm

Steve Sexton, Churchill Downs Inc.

John Sikura, Hill 'n Dale Farm

Jack Smith III, Jack Smith III Thoroughbreds

Duncan Taylor, Taylor Made Farm, Inc.

Ben Walden, Jr., Gracefield

Standardbreds

Joe Costa, The Red Mile

Kenneth A. Jackson, Kentuckiana Farms

Robert Stewart, Kentucky Harness Horseman

KEEP STAFF

Jim Navolio, Executive Director

Gene Clabes, Equine Director

Anne Buchanan, Field Director

Claria Horn Shadwick, Director of Research & Strategy

Cara Stewart, Field Representative

Scott Lowery, Director of Administrative Support

Jayson Page, Administrative Assistant

Our mission is to build broad-based education and grassroots initiatives to increase awareness of the benefits of Kentucky's horse economy and to promote jobs and economic opportunities for Kentuckians through the Commonwealth's world-class horse industry.

GOALS

- Educate the public and key state constituencies about the benefits the horse industry provides to all sectors of Kentucky's economy including:
 - Its \$4 billion economic impact and as many as 100,000 direct and indirect jobs;
 - Its importance to the state's agricultural and tourism industries and its contributions to the environment and land preservation.
- Develop a statewide grassroots network of Kentuckians who support the horse industry.
- Build a state coalition of diverse organizations supporting Kentucky's horse economy.
- Encourage the development of a pro-jobs and economic opportunities agenda for the Kentucky horse industry to include:
 - Increased state advocacy and promotion of the horse industry
 - Initiatives to stimulate jobs and economic growth through economic incentives and tax reform to solidify Kentucky's horse economy leadership and to attract new horse industry interests to the state; and
 - Expansion of existing state horse economy programs such as the Kentucky Thoroughbred and Standardbred development funds to encourage ownership of Kentucky-bred horses.

KEEP is a 501(c) 6 non-profit organization based in Lexington, Kentucky. Membership is open to anyone.

Cover photos courtesy of the Bluegrass Buckskin Horse Association, Bob Tanner, Kentucky Colt Racing Association and Doug Shiflet.

FIRST YEAR MILESTONES



A LETTER FROM THE BOARD CHAIRMAN

Dear KEEEP Members,

In May 2004, a group of people with diverse equine interests gathered at the Kentucky Horse Park to discuss the state of our industry. The Kentucky Equine Education Project evolved from that meeting. Our cause — to protect, preserve and grow the equine industry in Kentucky. Our motto — “Horses Work for Kentucky.”

Since that historic meeting a little more than a year ago, our staff and board members have traveled the state in an effort to unify the equine industry. From draft horses to hunters and jumpers to racing Thoroughbreds, Kentuckians are

passionate about horses, regardless of the breed or discipline.

We're proud of the impact our organization has had since it began. This report will give you an idea of what we've been able to accomplish together in a short time.

The board of directors and staff appreciate your continued support of our efforts to help keep Kentucky the “Horse Capital of the World.”

Sincerely,

Brereton C. Jones
KEEP Board Chairman

- Team leaders assigned in all 120 counties
- Presentations made to 160 organizations across the state
- Raised \$3.5 million at the world's largest All Breed Stallion Season Auction
- Legislation was passed to establish a \$15 million Breeder Incentive Fund; these funds will be distributed to owners of Thoroughbreds, Standardbreds and all non-racing breeds
- Legislation was passed to remove an out-of-state buyer's tax helping keep more horses in Kentucky
- Membership surpassed 7,000 in June 2005 and continues to grow (KEEP's 2005 year-end goal is 10,000 members)
- The University of Kentucky launched a new initiative to focus more attention and resources on the equine industry
- Increased awareness of the importance of the horse industry on the state's economy (awareness increased 11 percent, from 46 percent to 57 percent, in just 7 months)¹
- United all breeds for the first time to form a strong statewide lobbying and grassroots network

¹ Preston-Osborne Research benchmark survey conducted in November 2004 and tracking poll conducted June 2005.

2005 LEGISLATIVE OVERVIEW

During the 2005 legislative session, KEEP helped pass legislation that established a breeder incentive fund and removed a tax on out-of-state buyers. This legislation, signed into law by Gov. Ernie Fletcher in March, now helps Kentucky attract and retain more horses and makes the state a horse-friendly place to do business.



Cathy Parke (center), Scott County team leader and Thoroughbred owner, praised Gov. Fletcher (left), and members of the legislature for the passage of HB272, which set up a \$15 million breeder incentive fund and removed a tax on out of state breeders.

Breeder Incentive Fund —

This law shifts the current taxes paid on stud fees for stallions standing in Kentucky into an equine-specific fund to encourage breeding and foaling horses in Kentucky. This money will be split among owners of Thoroughbreds, Standardbreds and all non-racing breeds.

Monies for this fund began accruing in June 2005. Currently, KEEP is facilitating the process of establishing programs for the three industry components to determine eligibility rules and procedures. The funds available under this program are estimated to reach up to \$15 million annually.

Each breed group is working to establish a system that will best fit its needs and create incentives for attracting and retaining horses.

Removal of Out-of-State Buyers' Tax —

This change in law removes the provision that taxed non-resident owners unless they moved their horses upon purchase to other states instead of boarding and training them in Kentucky. Realizing that the more horses we keep in the state means more jobs and more economic prosperity, KEEP fought to get this tax removed as an incentive for these buyers to leave their animals in Kentucky.

HEADLINES

Standardbred, quarter horse breeders endorse governor's incentives

"I think that any tax reform that we do, we need to consider how our horse farms are being treated in regards to other agriculture," said Rep. Don Pasley, D-Winchester. "...We've got a lot of hardworking people out there, small farms, trying to make a living. And they should be treated just like anybody else."

Courier-Journal, Louisville, KY
February 12, 2005

Banking on incentives

"The good part about this bill is that it's almost instantaneous," Stewart said. "So often bills get passed and things happen — but it's in the future."

— Steve Stewart, Standardbred breeder and owner of Hunterton Farm in Paris, Ky.
Courier-Journal, Louisville, KY
March 20, 2005

KEEP thanks lawmakers for important first step in promoting Kentucky's horse industry

Advance Yeoman, LaCenter, KY
March 30, 2005

Kentucky's equine history nothing to horse around with

"Our equine heritage is rich, but as with all wealth, we must work to preserve it or risk squandering it."
— Rep. Stan Lee, R-Lexington
Southsider Magazine, Lexington, KY
May 1, 2005

GRASSROOTS EFFORTS

To build an effective statewide organization, one of the first things KEEP decided was that it needed to build a grassroots network. To accomplish this, a local team leader was recruited for each county in the state. The local team leaders help organize public meetings, recruit



Jim Navolio, KEEP's executive director, discusses KEEP's mission at a team leader training event in Bowling Green.

members, identify regional equine-related needs and issues, and serve as the primary contacts for the KEEP staff in their counties. All team leaders

have some direct connection to the horse industry through their business, sport, hobby or personal investment. The team leaders represent all types of horse interests and are valuable resources for KEEP.

Another important way KEEP is having an impact on the local level is through its grassroots committee's efforts. While traveling the state, the KEEP staff identified numerous equine events and organizations that needed assistance. KEEP's board quickly established a \$125,000 grassroots fund to assist these organizations. It is KEEP's intention, through this fund, to strengthen the horse industry at the local level where it can have the most impact. Each month applications are accepted and reviewed by the committee for funding. The following is an overview of the categories, the funding available and the total funded through July 2005.

Funding Categories

- 4-H Clubs
- Horse Show/Futurity Class Sponsors
- Academic/Educational Programs
- State Breed Associations
- Advertising: Directories & Programs

Total Awarded: \$79,925.10

HEADLINES

Local horse group gets KEEP grant

Clay City Times, Stanton, KY
April 28, 2005

Saddle Club receives grant

Edmonson News, Brownsville, KY
May 12, 2005

Shelbyville Horse Show gets KEEP grant

Sentinel-News, Shelbyville, KY
May 18, 2005

Cadiz residents named to statewide organization

Cadiz Record, Cadiz, KY
July 13, 2005

KEEP's staff has made more than 160 presentations across the state since August 2004. The staff has attended county meetings, fairs, civic clubs, race meets, auctions and other events to spread the message of the organization.

"Horses represent Kentucky's number one agricultural enterprise with nearly a billion dollars in sales annually. As the state's flagship land-grant research institution, we have a responsibility to do everything we can to protect this industry that is so important economically and to our Commonwealth's very identity."

Dr. Lee Todd, University of Kentucky President
Lexington Herald-Leader
May 24, 2005

KEEP IN THE NEWS

KEEP earned its fair share of media coverage in its first year of operation. In January 2005, a statewide media campaign was launched beginning with a billboard campaign to bring attention to the fact that Kentucky's horse industry was being threatened by other states. Following the billboard campaign, television, radio and print ads ran for six weeks. This effort helped raise awareness of KEEP's mission and reinforce the need for support of horse-friendly legislation.



KEEP didn't just rely on paid media — it worked hard to provide continuous updates to the media concerning its team leader appointments, staff activities and issues affecting the industry.



Photo courtesy of Marc Manning

KEEP Board Member Jack Murrell reviews the silent auction table at the Stallion Season Auction.

Stallion Season Auction

In December 2004, the organization sponsored the largest ever All Breed Stallion Season Auction. This event helped raise \$3.5 million. These monies helped KEEP spread its message to a statewide audience and raise awareness about the organization.

- Adair**, Paul Eastridge – Quarter Horse
- Allen**, Jim Marsh – Quarter Horse; Draft Horses & Mules
- Anderson**, Annette Whittle – Appaloosas
- Ballard**, Clyde Stevens – Standardbred
- Barren**, Dr. Bobbie Guilfoil – Veterinarian
- Bath**, Earl Rogers – Tennessee Walking
- Bell**, Dr. Talmadge Hayes – Quarter Horse; Thoroughbred
- Boone**, Shea Stephenson – Quarter Horse
- Bourbon**, John Sosby – Thoroughbred
- Boyd**, Mike Bowling – Saddlebred
- Boyle**, Mike Martin – Thoroughbred; Tennessee Walking; Appaloosas
- Bracken**, Keith Ramsey – Tennessee Walking; Quarter Horse
- Breathitt**, Kay Barnett – Tennessee Walking
- Breckenridge**, Carrie Dowell – Quarter Horse
- Bullitt**, Ryan Corbin – Quarter Horse
- Butler**, Glendall DeWeese – Quarter Horse
- Caldwell**, Wayne Boyd – Quarter Horse
- Calloway**, Dr. Jim Rudolph – Quarter Horse; Veterinarian
- Campbell**, Missy Jo Hollingsworth – Quarter Horse
- Carlisle**, Gail Bishop – Quarter Horse
- Carroll**, Sanford “Bud” Skaggs – Quarter Horse
- Carter**, Doug Stephens – Tennessee Walking
- Casey**, Joe Harper – Quarter Horse
- Christian**, Greg Harper – Fox Trotters; Tennessee Walking; Quarter Horses
- Clark**, Dan Considine – Thoroughbred
- Clay**, Kenny Smith – Tennessee Walking
- Clinton**, Delmer Vitatoe – Quarter Horse; Mules
- Crittenden**, Gayle Singleton – Quarter Horse
- Cumberland**, Lanny Judd – Standardbred; Hackney Ponies
- Daviess**, Joe Iracane – Thoroughbred
- Daviess**, Sally Wood – Saddlebred
- Edmonson**, Linda Starnes – Tennessee Walking
- Elliott**, Briant Barker – Natural Gaited; Tennessee Walking
- Elliott**, Ellis “Buddy” Pennington – Natural Gaited
- Estill**, Robin Fassas – Arabian; Mountain Horse; Saddlebred; Thoroughbred
- Fayette**, Michael Owens – Thoroughbred
- Fleming**, Chris Gehring – Quarter Horse
- Floyd**, Jerry Fannin – Tennessee Walking
- Floyd**, Denzil Allen – Tennessee Walking

TEAM LEADERS (By County)

- Franklin**, Graydon Patterson – Thoroughbred
- Franklin**, Dr. Emily Keogh – Rocky Mountain; Veterinarian
- Fulton**, Teresa Amberg – Quarter Horse
- Gallatin**, Sharon Parker – Quarter Horse; Saddlbred
- Garrard**, Robert Pruitt – Quarter Horse
- Grant**, Doug Drenik – Rocky Mountain
- Graves**, Nate Sholar – Standardbred
- Grayson**, Nancy Cain – Quarter Horse
- Green**, Donna Lee Eferstein – Standardbred
- Greenup**, David Applegate – Thoroughbred
- Hancock**, Georgia Rees – Pony of the Americas
- Hardin**, Jerry Jolly – Harness
- Harlan**, Leo Miller – Quarter Horse; Tennessee Walking
- Harrison**, Kelly Downs – Paints
- Harrison**, Gary Downs, Jr. – Paints
- Hart**, Dr. R. Kevin Vance – Tennessee Walking; Veterinarian
- Henderson**, Arlene Alexander – Tennessee Walking
- Henry**, Larry Congleton – Quarter Horse
- Hickman**, Kenny Ward – Tennessee Walking
- Hopkins**, Jeff Higgins – Quarter Horse
- Jackson**, Jim Cunagin – Quarter Horse
- Jackson**, Eva Phillips – Rocky Mountain; Tennessee Walking
- Jefferson**, Norm Luba – Quarter Horse
- Jessamine**, Cathy & Lon Oyster – Quarter Horse
- Johnson**, Ronnie Ross – Standardbred; Tennessee Walking
- Kenton**, Dwight Back – Thoroughbred
- Knott**, Phillip Childers – Mountain Horse; Quarter Horse
- Knox**, Jennifer Butcher – Quarter Horse
- Larue**, Melissa Metcalf – Thoroughbred; Quarter Horse
- Laurel**, Cindy Taylor – Quarter Horse
- Lawrence**, Brooks Horn – Gaited
- Lee**, Charles J. Issel – Thoroughbred
- Leslie**, Tracy Watts – Rocky Mountain
- Letcher**, Candy Nantz – Paso Finos
- Lewis**, Jim Cochran – Quarter Horse
- Lincoln**, Deborah Jones – Anglo-trakheners
- Livingston**, Patty Hubbard – Tennessee Walking
- Logan**, J.D. Hill – Tennessee Walking
- Lyon**, Phil Jones – Tennessee Walking
- Madison**, Morris B. Maury Floyd – Thoroughbred
- Magoffin**, Dr. Richard Connelley – Quarter Horse; Thoroughbred
- Marion**, Jim Avritt – Standardbred
- Marshall**, Terry Douglas Anderson – Quarter Horse
- Martin**, Ronald Maynard – Trail
- Mason**, Wanda Felice – Warm Bloods
- McCracken**, Allen Scotty Harris – Standardbred
- McCreary**, Darlene Hensley – Standardbred; Gaited Buckskin; Appaloosa; Mule
- McLean**, Larry Whitaker – Quarter Horse
- Meade**, Judith English – Quarter Horse
- Menifee**, Teresa Castle – Tennessee Walking; Natural Gaited
- Mercer**, Mike Rockas – Thoroughbred
- Mercer**, Bitsy Ogata-Eckler – Hunter/Jumpers
- Metcalf**, Donald M. Butler II – Thoroughbred
- Monroe**, Larry Thurman – Quarter Horse
- Montgomery**, Les Cunningham – Saddlebred; Hackneys
- Morgan**, Suzette Oldfield – Tennessee Walking
- Muhlenberg**, Steve Newman – Quarter Horse
- Nelson**, Joe Pruitt – Quarter Horse
- Nicholas**, Robbie Matthews – Quarter Horse
- Ohio**, Judella Burton – Fox Trotters
- Oldham**, Howard Rea – Quarter Horse
- Owen**, Ed Ashcraft – Thoroughbred
- Owsley**, Keith Gabbard – Mountain Horses
- Pendleton**, Danny Burton – Quarter Horse
- Perry**, Dr. Melody Pust – Quarter Horse; Arabian; Veterinarian
- Pike**, Julie & Kevin Garris – Paso Finos
- Powell**, Bruce Crowe – Mountain Horses
- Pulaski**, Dr. Katherine King – Quarter Horse; Thoroughbred
- Robertson**, Christine Pfetzer – Quarter Horse; Minis; Belgian
- Rockcastle**, Crystal Witt – Quarter Horse
- Rowan**, Smokey Carswell – Tennessee Walking
- Russell**, Paul Coffey – Quarter Horse
- Scott**, Catherine Parke – Thoroughbred
- Shelby**, Hoppy Bennett – Saddlebred
- Simpson**, Paul Reinbolt – Paints
- Spencer**, Nathan Smith – Quarter Horse
- Taylor**, Dr. Clint Durham – Quarter Horse; Veterinarian
- Todd**, Blair Campbell – Tennessee Walking
- Trigg**, Joy Champion – Quarter Horse
- Trigg**, Elizabeth Englert – Dressage
- Trimble**, Beth Wagner – Thoroughbred; Quarter Horse; Mules
- Union**, Mary Ann Wells – Quarter Horse
- Warren**, Dr. Stan Snodgrass – Quarter Horse; Veterinarian
- Warren**, Tammy Garrison – Quarter Horse
- Washington**, Joan Hamilton – Standardbred
- Wayne**, Kevin Jones – Quarter Horse
- Webster**, Bob Stanley – Quarter Horse
- Whitley**, Renee Yetter – Saddlebred; Dressage
- Whitley**, Wayne Perkins – Quarter Horse
- Wolfe**, Nora Deaton – Mountain Horses
- Woodford**, Steve Johnson – Thoroughbred

MEMBERSHIP HIGHLIGHTS

KEEP membership is open to anyone. Memberships start at \$10 for adults; \$5 for junior members. KEEP is proud to report that all memberships in the organization are paid. Membership entitles you to:

- Receive all KEEP newsletters, press releases and updates
- Free admission to the Kentucky Horse Park & Kentucky Pari-mutuel Race Tracks (excluding the Kentucky Derby, Kentucky Oaks and the Breeder's Cup) through December 2006
- Free admission to the Kentucky Horse Park/American Saddlebred Museum through December 2006 and 15% discount at the Horse Park Gift Shop

Membership through July 2005	7,139
Year End Membership 2004	4,524
Kentucky Counties with Members	114
Non-Kentucky Members	347

HOW CAN YOU HELP?

You can help KEEP reach and exceed its 2005 year-end goal of 10,000 members. Tell your friends and acquaintances about our organization and what we have accomplished working together. Call 859-259-0007 or toll free 866-771-KEEP (5337) for membership brochures or log onto our Web site at www.horseswork.com and join online. It's that easy.

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Photo courtesy of The Bloodhorse



KEEP Chairman Brereton Jones welcomes the Bloodhorse Publications group and its 100+ employees as KEEP members.



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