

'Stack the odds in your favour by remaining critical of mares'



Teagasc equine specialist Wendy Conlon analyses public auction results and advises breeders on costs of production

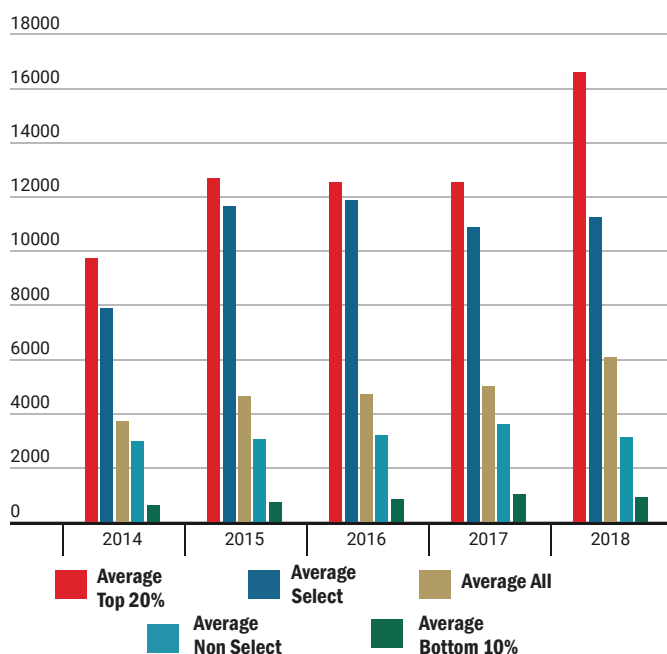
PUBLIC auction results for foals and three-year-olds at Goresbridge (including Supreme Foal Sale Barnadown and the Go For Gold Sale), Cavan, Mullingar (Mayo Roscommon Horse Breeders), Tattersalls Select Event Sale and the Monart Sale were analysed and it must be acknowledged that the majority of trade remains in the private domain and public auction trade can only provide limited insight into the overall trends.

A key factor to bear in mind when reviewing sales returns is the cost of production as this is the benchmark for profitability, or otherwise. Costs of production are highly variable between enterprises, animals, breeding seasons and breeding methods used. Variant stud fees; the need to acquire professional assistance in sales preparation or not; perhaps even land, building or machinery rental fees or loans on same may impact some enterprises and not others but should be factored into the cost of production.

Mare depreciation, sales entry fees, commission and veterinary costs are also variable. Whether a foal is produced using natural covering, artificial insemination, the nature of semen used, or embryo transfer can have a hugely significant bearing on costs involved.

Including what are considered as minimal husbandry interventions (feeding, bedding, farrier; veterinary; dosing) and assuming reasonable fertility, Teagasc estimate the cost of production for the foal going to auction to be in the

Overview of prices for three-year-olds over a five year period



region of €1,800 - €1,900 (non-select versus select sales), and that of the three-year-old for auction to be in the region of €4,000 - €4,600 (non-select versus select sales).

These figures do not include stud fee, sales commission, repayments/rental on fixed assets, mare depreciation, labour/professional fees. The veterinary fees included



do not account for breeding with frozen semen or embryo transfer. Barren years should be considered in the cost of production over the life of the mare as costs are still expended.

Breeders should keep account of individual costs of production with a view to reviewing profitability at time of sale and potentially influencing decision making.

NUMBERS SOLD

The number of foals sold in 2018 was on a par with the numbers sold in 2014 and 2016, and down 65 on those sold in 2017. The number of three-year-olds presented and sold at public auction in 2018 were

significantly down on the years preceding. We can only speculate as to the reason for this.

There wasn't a major downward shift in the numbers of foals registered in the Irish Sport Horse Studbook between 2014 and 2015 (4,548 and 4,435, respectively), with a larger drop evident between 2013 and 2014 (612 fewer registered in 2014). There wasn't an increase in the numbers of foals sold in 2015.

Were animals sold directly from the farm gate with greater use of social media; retained for further production under saddle or dispersed through alternative sales outlets at marts or non-performance sales?

FOAL SALE FIGURES

Year	No. Sold	No. Sold €5,000 or more (Range)	Average top 10%	Average top 20%	Average	Average Bottom 10% (all sales)	Average non-select sales only	Average Select Sales Only
2014	229	14 (€5,000 - €7,500)	€5,226	€4,487	€2,069	€488	€1,742	€4,688
2015	204	38 (€5,000-€22,000)	€11,055	€8,427	€3,154	€475	€2,026	€8,478
2016 - all sold	232	33 (€5,000 - €25,000)	€11,132	€8,027	€2,918	€439	€2,076	€9,626
2016 not including outlier price €25k			€10,471	€7,750	€2,818			€9,012
2017 - all sold	295	51 (€5,000 - €35,000)	€12,913	€9,102	€3,143	€481	€1,921	€9,759
2017 not including outlier prices €26k- €35k			€10,703	€7,879	€2,871			€8,370
2018	230	46 (€5,000 - €18,000)	€10,121	€7,836	€3,283	€657	€2,346	€5,997

THREE-YEAR-OLDS

Year	No. sold	No. Sold €10,000 or more (Range)	Average top 10% (all sales)	Average of Top 20% (all sales)	Average all sales	Average of Bottom 10% (all sales)	Average non-select sales only	Average Select Sales Only
2014	466	30 (€10,000 - €53,500)	€12,772	€9,710	€3,690	€616	€2,976	€7,868
2014 not including outlier prices €21k- €53k			€11,213	€8,794	€3,496			
2015	465	56 (€10,000 - €42,000)	€17,255	€12,677	€4,638	€717	€3,050	€11,635
2015 not including outlier prices €35k-€42k			€14,348	€11,053	€4,269			
2016	546	59 (€10,000- €64,000)	€17,315	€12,529	€4,700	€821	€3,176	€11,842
2016 not including outlier prices €42k-€64k			€15,857	€11,667	€4,522			€10,966
2017	495	50 (€10,000 - €36,000)	€16,758	€12,531	€5,008	€1,029	€3,600	€10,860
2018	324	56 (€10,000 - €59,000)	€22,547	€16,585	€6,052	€890	€3,117	€11,245
2018 not including outlier prices €45k-€59k			€18,156	€14,186	€5,518			€9,918



This unnamed three-year-old gelding by OBOS Quality 004 topped the 2018 Goresbridge Go For Gold Sale at €59,000 and was bought by UK event rider Sam Ecroyd

Tadhg Ryan

Figure 1
Overview of prices attained for foals over a five year period

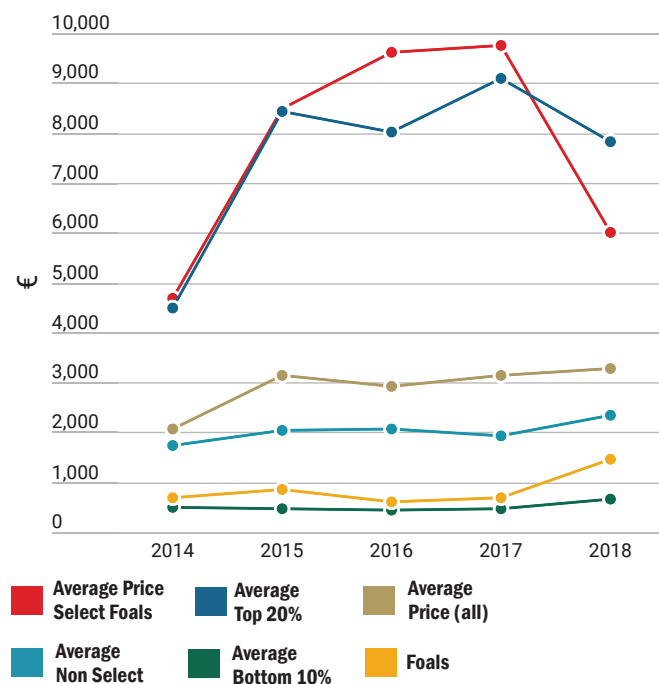
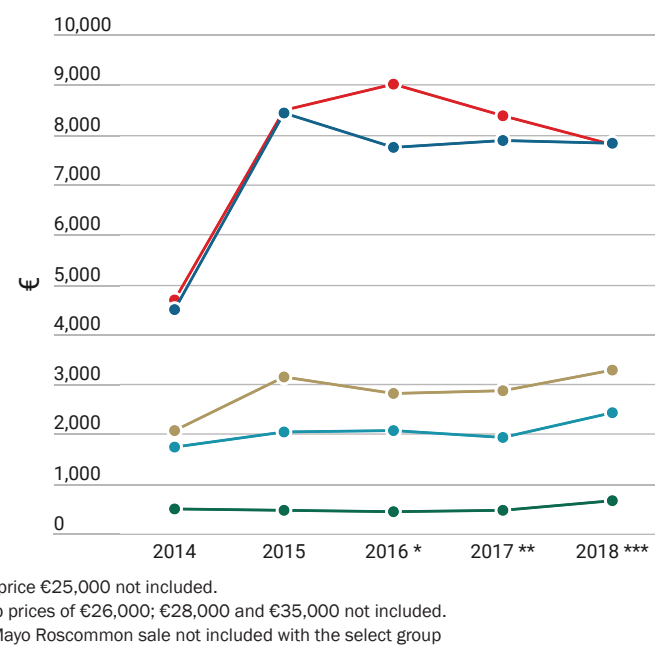


Figure 2
Overview of prices attained for foals over a 5 year period (outlier prices removed & Mayo/Roscommon Sale not included with select group)



*top price €25,000 not included.
**top prices of €26,000; €28,000 and €35,000 not included.
***Mayo Roscommon sale not included with the select group

The foal trade figures for the average price of all foals sold showed improvement on the previous four years as did the average price of the non-select foals sold.

When the 'outliers' (prices which significantly deviated from the average) are removed for 2016 and 2017, the average price of the top 20% of foals hasn't changed dramatically over the period 2016-2018. An average value over the three years combined is €7,822, a marked improvement on the 2014 returns of €4,487, but €600 back on the 2015 average of €8,427.

It was at the upper end of the foal trade, where the exceptional prices of €20,000 plus achieved in more recent years were absent. Trade levelled off returning more sober averages than the previous three years for the select sales.

The Mayo Roscommon Horse Breeders (M.R.H.B.) sale was a new feature on the sales calendar and a commendable endeavour by those involved. However, perhaps needing time to establish itself, when analysed as a select sale it serves to significantly alter the average. When the results of the M.R.H.B. sale are removed from the analysis the average of the select foals sold otherwise was €7,784.

It is pertinent to note when the outliers are removed from the analysis that the average of the top 20% across all sales has remained relatively stable over the past three years. The profitability outcome must be answered on an individual basis relative to input costs but it is reasonable to suggest that many are struggling in this endeavour.

On a positive note, despite the fall off in numbers of entries/number sold, the volume of three-year-olds that attained sales figures of €10,000 or more, following a dramatic increase in 2015 to 56 horses in this category, has remained relatively steady in the

interim. The range in values attained reached a high of €64,000 in 2016 and remained comparatively buoyant at €59,000 in 2018.

There have been some standout outlier prices in this age category over recent years and when these are removed from the analysis a steadily increasing average for all three-year-olds sold is apparent (up €774 from 2014 to 2015; up €253 from 2015 to 2016; up €456 from 2016 to 2017; up €510 from 2017-2018) cumulatively up €2,022 since 2014 an increase of 58%.

The top 20% of all three-year-old sales, with outliers discarded, demonstrates a €5,392 improvement since 2014. However, examining the select sales only and removing the outliers of €45,000, €45,000, €46,000 and €59,000 from the analysis, the average of the select group is back €942 on 2017 (no outliers), and €1,048 on 2016 when the outliers of €42,000 and €64,000 are removed.

CONCLUSIONS

Despite Brexit uncertainty, sterling devaluation, and perhaps assisted by reduced entries in the three-year-old age group, trade remained reasonably consistent albeit with an evident levelling at the upper end of the select sales most notable in foal trade. Three-year-old trade could be described as buoyant.

Those who failed to break even must rethink their approach.

- Is the breeding goal (and choice of stallion) the correct one?
- If the mare has not been inspected perhaps an independent viewpoint on her strengths and weaknesses can assist with decisions around breeding goals.
- Can production costs be reduced without impacting welfare?
- Can improvement be made to presentation at the time of sale – i.e. body condition, general turnout, condition of feet, handling?
- Investment in professional production, or just getting some help, if the product has the re-

quired temperament, conformation and athleticism traits may need to be considered.

- Consider if you are selling at the correct time. Foals intended for the eventing market may be better sold at three (or older) if land base, facilities, skills are conducive to selling later.
- Where progeny of a given mare

are at the bottom end of trade, consider if it would be better not to breed the mare again. Perhaps she would be more productively utilised as a recipient mare, as a companion for youngstock or used for non-breeding purposes. The 2019 sales season may yet prove to be a challenging one.

There remains so much unknown in relation to Brexit and its over-riding future impact. Breeders can only stack the odds in their favour by continuing to remain critical of mares and their progeny, and culling where necessary, while choosing stallions that complement their mare's weaknesses and remaining realistic about breeding goals.

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IMPERIAL TIGER

BAY - 2007 - 166CM

Sire: **PUISSANCE** - IMPERIUS ex LADY MARLANE
Dam: **GENTLE SERVANT** - KING'S SERVANT ex GENTLY

IMPERIAL TIGER

IMPERIAL TIGER has unprecedented **FIVE full siblings** that have all **WON** at National two star level and above:

- > **GFG RAMBO MAN** (2002)
- > **CHANTERELLE II** (2003)
- > **ARDAGH HIGHLIGHT** (2004)
- > **HORSEWARE LUKESWELL** (2005)
- > **HARTHILL PERCY** (2006)

ARDAGH HIGHLIGHT was **EVENTING IRELAND'S LEADING HORSE IN 2017**, winning two Internationals at two and three star, and picking up multiple International placings, including the **TEAM IRELAND EQUESTRIAN'S SILVER MEDAL EVENTING SUCCESS AT WEG 2018**.

HORSEWARE LUKESWELL is an **INTERNATIONAL THREE STAR WINNER** and finished 12th at the 2015 European Championships.

His 2 full sisters are grade A show jumpers **LEE ANN** and **LITTLE ELLE**.

Also standing - **SEA MOON**
A dual purpose son of **BEAT HOLLOW**. He is a triple Gr.2 winner who defeated 13 GR. 1 winners for TB mares only.

WINSTON - Bay stallion
168cm KWPN 160cm show jumper, by **HEARTBREAKER X BURGGRAAF**
Fantastic temperament and movement.

Limited supply of frozen semen available from **PUISSANCE**.



"This bloodline is astonishing. To produce that many winners is phenomenal, but the physical and mental attributes of these horses are everything you want in an elite sport horse. The two I've won three stars on (Highlight and Lukeswell) are probably the two best equine athletes I have ever competed."



- Sam Watson

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