

Each stall can turn a cost into income.

Industrial hemp hurd, priced by the stall. Conservative case.

Adam Thompson | Breckenridge, Colorado | September 2026

The stall waste haulers refuse

A stalled horse produces 12 to 13 tons of manure and soiled bedding a year. Pine shavings and sawdust turn that pile into a waste-management problem. High lignin means wood composts slowly - commonly six to twelve months or longer - and can lock up nitrogen in soil. Many composters, mushroom growers, and commercial haulers prefer straw-based manure or refuse the load. The bag looks cheap. The truck does not.

Saratoga already writes the rule

On August 19, 2026, Peter J. Iovino, Racing Secretary at Saratoga Casino & Hotel, confirmed it in writing: "Shavings only." / "Correct." Haulers will not take sawdust. The 2026 stall application already stated twice: "All horses stabled at Saratoga Casino Hotel must use track required bedding." Saratoga Race Course publishes 1,820 stalls in 90 barns. That count is the offtake letter. It is not a harness add-on.

Hemp hurd reverses the economics

Dakota Hemp in Wakonda, South Dakota (45304 302nd St) already sells cleaned hurd as stall bedding. The published 30 lb bag ladder is \$20 / \$19 / \$18 / \$17 pallet / \$16 multi-pallet. Cleaned hurd is \$0.60/lb. USDA NASS 2025 fiber utilized value is \$13,453,000 - \$0.20/lb and \$620/acre on 21,693 harvested acres. NASS \$/lb is retted stalk at the farm. Dakota \$/lb is bagged hurd. The stall is the bid that re-prices the inner stalk.

Dakota's spec is absorbency of four to five times weight, and compost in six to nine months under proper management. The finished manure is a soil product, not a rejected load. The stall ledger's conservative case on a 12x12, priced on the Dakota multi-pallet bag, after material, labor, haul, and half the compost, nets \$1,081 a year versus pine. Year-1 is lower because of the 1.25 lb/sq ft fill. $1,820 \times \$1,081 = \$1,967,420$ of barn-side net at Saratoga. That figure is the conservative case, not a guarantee. Do not bid barns below \$16 per 30 lb.

Healthier stalls, healthier horses

Respiratory health limits racehorse performance and longevity. Fine dust from conventional bedding contributes to inflammatory airway disease. Hemp hurd's absorbency and lower respirable particle load address the stall air directly. Cleaner conditions support recovery between works and races. The same material serves sport horses, boarding stables, and livestock.

The gate that must open first

Nothing commercial scales at the racetrack until HISA's near-zero tolerance for cannabinoids is clarified for environmental exposure. Trace positives linked to bedding have already occurred. Independent science already exists. Dr. Joseph J. Wakshlag at Cornell has published peer-reviewed equine CBD/CBDA pharmacokinetics, including work at 1 mg/kg, with no clinically relevant adverse effects on the measured parameters. That is science, not a waiver. It supports a reasoned case for distinguishing low-level environmental contact from intentional administration. Focused engagement with HISA is the first step. Commercial adoption at the track follows only after that clarity.

How this becomes an industry

USDA NASS 2025 floral utilized value was \$574,481,000. Grain was \$8,092,000. Fiber took about 49 percent of the acres and 1.8 percent of utilized value. AHC 2023 counts 6.65 million U.S. horses. This model assumes 45 percent stalled. Full conversion would need about 416,444 fiber acres - 19x the 21,693 acres harvested in 2025 - and is not a forecast. The planning number is 10 percent: 41,644 acres. A decorticator lists about \$229,000. Steel follows the offtake letter, not the other way around.

A controlled pilot generates the data. Once regulatory clarity and early commercial volume exist, unit cost falls. The same bedding that solved a waste problem at the track then serves sport-horse, dairy, beef, and companion-animal markets. Elite racing demand for hurd is large enough to justify regional processing. Increased acreage lowers cost for every other animal sector and opens secondary markets - hempcrete, bast, grain, premium compost. Keep the product industrial.

Sequence

1. Clarify HISA environmental-exposure rules for industrial hemp hurd.
2. Run a controlled pilot; measure hauler rates, labor, and compost demand. Book conservative labor and half the compost until a year of invoices.
3. Sign offtake where bedding is already track-required - Saratoga Casino & Hotel first, on the 1,820 published stalls. Price on the Dakota ladder. Do not bid below \$16 per 30 lb.
4. Site mill capacity only after the letter. Dakota Hemp in Wakonda is the existing mill. Inner Bluegrass is planning mill #2.

Sources: USDA NASS National Hemp Report 2025; American Horse Council 2023; Dakota Hemp published bag schedule; NYRA 90 barns / 1,820 stalls; Churchill Downs 1,400+; P.L. 119-37; Peter J. Iovino, Racing Secretary, Saratoga Casino & Hotel, 19 August 2026.