

New Mexico Dairy Industry Key Indicators (January 2021)

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State of the dairy industry in New Mexico – continuing its path as an environmental solution

- ✓ Projected 2020 US dairy herd up 0.5% from 2019 from 9.336M to 9.376M head¹ NM dairy herd 329,000 (2019)
- ✓ New Mexico cows produce 3.75% of the U.S. milk, with 3.5% of the U.S. cows, and only 127 farms
- ✓ Herd size on New Mexico dairy farms is the largest in the U.S. (2,300 cows): growth driven by economies of scale
- ✓ Milk production in the Southwest (NM, TX and AZ) combined 3rd largest milkshed in the nation behind WI and CA
- ✓ Between 2000 and 2018 dairy farmers experienced both their best (2014) and their worst years ever (2009 & 2012)
- ✓ Work in 2015 revealed that NM dairy farms produced milk between 2000-2015 at a net rate of return of -\$0.10/cwt
- ✓ In New Mexico the value of a lb. of milk is 5.5 cts less than in Florida (\$0.197 vs \$0.142)
- ✓ Production per cow is 25,113 lbs. or about 82 lbs./day (no. 3 U.S.) with 3.79% BF, 3.16% P, 5.79% S, and 186 SCC
- ✓ New Mexico's favorable climate allows dairy cows to produce lots of very high-quality milk, averaging only 186K SCC
- ✓ As a percentage of total farm receipts dairy is almost as important in NM (43%) as in NY (50%) and WI (47%)
- ✓ U.S. dairy consolidation is twice the NM rate (5 vs. 2.5%/yr), with 60 NM dairy farms closing doors since 2003 (-32%)
- ✓ In the next decade (2030) NM dairy numbers could be down to 90, but producing up to 90lbs/hd/d, in 3,000 cow herds
- ✓ New Mexico is home to the largest cheese plant *in the world*: Southwest Cheese, Clovis, NM
- ✓ New Mexico is the 4th leading state in cheese production, producing 7.4% of the U.S. cheese
- ✓ **Efficiency:** dairy farmers doing more with less, a great story of sustainability - milk per cow up 33% in 15 years
- ✓ **Sustainability:** constant herd size + more efficient cows = lower GHG/unit milk = **Dairy, an Environmental Solution**

The Economic Impact of Dairy Products	NM	U.S.
Total economic impact of dairy produced and sold in NM ⁴	\$4.45 billion	\$198.9 billion
Contribution to GDP	= 4.2% of NM GDP (\$105B)	= 1.0% of U.S. GDP (\$21.43T)
Dairy Receipts – sales of dairy products ²	\$1.4 billion	
Dairy receipts as a % of NM total farm receipts ³	43.4% (1 st in NM)	
Total employment generation in NM ⁴	5,437 direct jobs (\$194 million paid in direct wages)	1.0 Million direct jobs (\$37.6 billion paid in direct wages)
Indirect jobs supported by dairy industry ⁴	16,224 indirect jobs	2.1 Million indirect jobs
Cheese production ⁷	7.4%	4 th in U.S.
Number of dairy farms ⁵	127 farms (2020)	Down 32% from 2004 (186 farms)
Total number of milking cows ³	329,000 (2019)	Down 10% from 2006 (362,000)
Number of cows per dairy ⁶	2,329 (2019)	1 st in the U.S.
Milk produced ⁵	8,187 M lbs (2019)	218,382 M lbs (2019)
Contribution to national milk production ⁶	3.75%	9 th in the U.S.
Milk productivity ⁶	25,113 lbs/cow	3 rd in the U.S.

County	# Farms ⁵ Nov 2020	Change peak ⁵ Jul 2004	Milk Cows ³ Jan 2020	Milk (lbs) ⁵ Nov 2020	% calculated	Cash Receipts calculated
Curry	25	20 (+5)	86,000	166,295,715	25.18%	\$ 352.5M
Chaves	26	41 (-15)	80,000	157,991,751	23.92%	\$ 334.9M
Roosevelt	35	44 (-9)	58,000	144,808,233	21.93%	\$ 307.0M
Lea	10	17 (-7)	33,000	67,233,270	10.18%	\$ 142.5M
Dona Ana	10	23 (-13)	27,500	41,892,452	6.34%	\$ 88.8M
Socorro	7	9 (-2)	12,600	20,678,525	3.13%	\$ 43.8M
Valencia	4	7 (-3)	8,700	16,264,480	2.46%	\$ 34.5M
Eddy	3	7 (-4)	9,000	16,217,450	2.46%	\$ 34.4M
Luna	3	0 (+3)	-	13,699,680	2.07%	\$ 29.0M
Other Counties Total	4	7 (-3)	15,200	12,662,661	1.92%	\$ 26.8M
New Mexico Total	127	186 (-59)	329,000	660,407,856	100%	\$ 1,400M

¹ USDA NASS, Dec 17, 2020: <https://downloads.usda.library.cornell.edu/usda-esmis/files/h989r321c/q524kf13h/ws85b748b/mkpr1220.pdf>

² USDA NASS: https://www.nass.usda.gov/Quick_Stats/Ag_Overview/stateOverview.php?state=NEW%20MEXICO

³ NMDA 2019 Ag Statistics: <https://www.nmda.nmsu.edu/wp-content/uploads/2020/12/2019-NM-Ag-Statistics.pdf>

⁴ IDFA #DairyDelivers: <https://www.idfa.org/dairydelivers>

⁵ Market Admin. Report, SW Marketing Area: https://www.dallasma.com/order_stats/admin_reports.jsp

⁶ Progressive Dairyman: <https://www.progressivepublish.com/downloads/2020/general/2019-pd-stats-lowres.pdf>

⁷ Leading States in Cheese production in 2019: <https://www.statista.com/statistics/195764/top-10-us-states-for-cheese-production-2008/>