

New Mexico Dairy Industry Key Indicators (January 2025)

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

- ✓ US dairy continues to consolidate down roughly 20,000 operations in 10 years to about 26,000 in 2023 (-44%).
- ✓ Number of dairies in NM since its peak in 2004 is down 54% in number of herds to less than 100.
- ✓ Cow numbers held fairly constant for the better part of 15 years have slipped 25% since 2020.
- ✓ Consolidation is partly due to producers not passing on livelihood to next generation: cows are sold into another herd.
- ✓ And partly due to decreasing water availability to grow feed at home substantially increasing cost of purchased feed.
- ✓ Farms nationwide are getting larger (economies of scale), as margins are tighter, but efficiencies increase.
- ✓ Milk production in NM and TX combined remains the 3rd largest milkshed in the nation behind CA and WI^{1,2,4}.
- ✓ New Mexico cows produce roughly 3% of the U.S. milk, with less than 3% of the U.S. cows, and less than 100 farms^{1,2}.
- ✓ Curry and Chaves counties are in the U.S. top 25 dairy producing counties⁴.
- ✓ Herd size in New Mexico remains the largest in the country at 2,700 cows per dairy operation (US average = 357)⁴.
- ✓ Dairy production is cyclical: 2014 was one of the best years in dairy history, and so were the first 6 months of 2022.
- ✓ However, recent data show NM dairy farms produced milk from 2015-2022 at an average net income (loss) of -81cts/cwt.
- ✓ Extreme high feed & production costs turned 2022 Q4 and all of 2023 into a financial disaster for NM producers.
- ✓ Production per cow is 24,587⁴ per lactation or 80 lbs/day (no. 10 U.S.) with 3.95% BF, 3.27% Prot. and 204 SCC⁴.
- ✓ About 63% of NM milk is used for cheese production, 31% for fluid milk, and 6% for butter, ice-cream and yoghurt².
- ✓ New Mexico is home to the largest cheese plant in the U.S.: Southwest Cheese, Clovis, NM.
- ✓ New Mexico is the 4th leading state in cheese production, producing 7% of the U.S. cheese⁵.
- ✓ New Mexico's dairy cows are housed in so called "open lots", with lots of space, open air, shades and wind brakes.
- ✓ **Efficiency:** cows doing more with less, a great story of sustainability - milk per cow up 25% in 25 years.
- ✓ **Sustainability:** reduced herd size + more production/cow = lower GHG footprint/unit milk = Environmental Solution.
- ✓ **Carbon Neutral:** New Mexico dairy producers are continually improving practices to meet future environmental goals!

The Economic Impact of Dairy Products	NM	U.S.
Total economic impact of dairy produced & sold ⁶	\$2.1B direct, \$3.9B indirect	\$794B total, \$255B direct, \$522B indirect
Contribution to GDP ⁶	=5.9% of NM '23 GDP (\$105.5B)	=3.0% of projected U.S. '24 GDP (\$29.2T)
Dairy Receipts – sales of dairy products ³	\$1.3B (31% of total)	\$45.9B (8.7% of total)
Total direct jobs generated in dairy industry ⁶	6,839 direct jobs	1.1 million direct jobs
Wages earned as result of dairy (direct) ⁶	\$1.3B paid in direct wages	\$183B paid in direct wages
Indirect jobs supported by dairy industry ⁶	15,090 indirect jobs	2.1 million indirect jobs
Cheese production ³	6.9% of U.S. cheese	4 th in U.S.
Number of dairy farms ²	84 farms (Oct. 2024)	Down 54% from 2004 (181 farms)
Total number of milking cows ¹	250,000 (2024)	Down 28% from 2006 (348,000)
Number of cows per dairy ⁴	2,710 (2023)	1 st in the U.S. (357 avg.)
Milk produced ³	6,663M lbs (2023)	226,364 M lbs (2023)
Contribution to national milk production ³	2.9%	9 th in the U.S.
Milk productivity ⁴	24,587 lbs/cow/lact. (305d)	10 th in the U.S.

County	# Farms ² Oct 2024	Milk Cows ³ 2024	Milk (lbs) ² Sep 2024	% calculated	Cash Receipts calculated
Curry	23	73,000	160,035,780	34.2%	\$ 444.6M
Chaves	16	53,000	96,104,262	20.5%	\$ 266.5M
Roosevelt	22	50,000	91,910,050	19.6%	\$ 254.8M
Lea	9	32,000	67,230,121	14.3%	\$ 185.9M
Dona Ana	7	14,500	25,730,180	5.5%	\$ 71.5M
Socorro	3	7,300	13,053,918	2.8%	\$ 36.4M
Other Counties Total	4	20,200	14,552,534	3.1%	\$ 40.3M
New Mexico Total	84	250,000	468,616,845	100%	\$ 1,300M

¹ USDA NASS, Jan 2024: <https://downloads.usda.library.cornell.edu/usda-esmis/files/h989r321c/jq087545p/cr56pm50m/mkpr0124.pdf>

² Southwest Marketing Area (FO 126), Oct 2024: https://www.dallasma.com/order_stats/order_reports.jsp

³ NMDA 2023 Ag Statistics, Jan 2025: https://www.nass.usda.gov/Statistics_by_State/New_Mexico/Publications/Annual_Statistical_Bulletin/2022/2022-NM-Ag-Statistics.pdf and USDA ERS Cash Receipts by State (accessed Dec 1, 2024): <https://data.ers.usda.gov/reports.aspx?ID=17843>

⁴ Progressive Dairyman: <https://www.progressivepublish.com/downloads/2024/general/2023-pd-stats-lowres.pdf>

⁵ Leading States in Cheese production in 2023: <https://www.statista.com/statistics/195764/top-10-us-states-for-cheese-production-2008/>

⁶ IDFA Dairy Delivers (accessed Dec 1, 2024):

<https://www.idfa.org/dairydelivers#:~:text=The%20Economic%20Impact%20of%20Dairy%20Products&text=In%20fact%2C%20America%20dairy%20industry,are%20shaping%20the%20dairy%20industry>