

## New Mexico Dairy Industry Key Indicators (Updated March 2025)

Robert Hagevoort Ph.D. Extension Dairy Specialist at the Ag Science Center at Clovis, 2346 SR 288, Clovis, NM 88101  
Phone: (806) 786-3421 E-mail: [dairydoc@nmsu.edu](mailto:dairydoc@nmsu.edu) - <http://aces.nmsu.edu/ces/dairy/index.html>

### 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 but 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 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 3<sup>rd</sup> largest milkshed in the nation behind CA and WI<sup>1,2,4</sup>.
- ✓ 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<sup>1,2</sup>.
- ✓ Herd size in New Mexico remains the largest in the country at 2,700 cows per dairy operation (US average = 357)<sup>4</sup>.
- ✓ 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 -81 cts/cwt.
- ✓ Extreme high feed & production costs turned 2022 Q4 and all of 2023 into a financial disaster for NM producers.
- ✓ Production per cow is 24,587<sup>4</sup> per lactation or 80 lbs/day (no. 10 U.S.) with 3.95% BF, 3.27% Prot. and 204 SCC<sup>4</sup>.
- ✓ About 63% of NM milk is used for cheese production, 31% for fluid milk, and 6% for butter, ice-cream and yoghurt<sup>2</sup>.
- ✓ New Mexico is home to the largest cheese plant in the U.S.: Southwest Cheese, Clovis, NM.
- ✓ New Mexico is the 4<sup>th</sup> leading state in cheese production, producing 7% of the U.S. cheese<sup>5</sup>.
- ✓ 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 <sup>6</sup>	\$2.1B direct, \$3.9B indirect	\$794B total, \$255B direct, \$522B indirect
Contribution to GDP <sup>6</sup>	=5.9% of NM '23 GDP (\$105.5B)	=3.0% of projected U.S. '24 GDP (\$29.2T)
Dairy Receipts – sales of dairy products <sup>3</sup>	\$1.23B (31% of total)	\$45.9B (8.7% of total)
Total direct jobs generated in dairy industry <sup>6</sup>	6,839 direct jobs	1.1 million direct jobs
Wages earned as result of dairy (direct) <sup>6</sup>	\$1.23B paid in direct wages	\$183B paid in direct wages
Indirect jobs supported by dairy industry <sup>6</sup>	15,090 indirect jobs	2.1 million indirect jobs
Cheese production <sup>3</sup>	6.9% of U.S. cheese	4 <sup>th</sup> in U.S.
Number of dairy farms <sup>2</sup>	85 farms (average 2024)	Down 53% from 2004 (181 farms)
Total number of milking cows <sup>1</sup>	240,000 (2024)	Down 31% from 2006 (348,000)
Number of cows per dairy <sup>4</sup>	2,710 (2023)	1 <sup>st</sup> in the U.S. (357 avg.)
Milk produced <sup>2</sup>	5,896M lbs (-10.6%) (2024)	225,868 M lbs (2024)
Contribution to national milk production <sup>2</sup>	2.9%	9 <sup>th</sup> in the U.S.
Milk productivity <sup>2</sup>	24,717 lbs/cow/lact. (305d)	10 <sup>th</sup> in the U.S.

County	# Farms <sup>2</sup> Oct 2024	Milk Cows <sup>3</sup> 2024	Milk (lbs) <sup>2</sup> Jan 2025	% (calculated)	Cash Receipts (calculated)
Curry	22	73,000	163,481,780	32.7%	\$ 402.2M
Chaves	15	53,000	98,655,741	19.7%	\$ 242.3M
Roosevelt	23	50,000	99,131,866	19.7%	\$ 242.3M
Lea	9	32,000	72,167,900	14.4%	\$ 177.1M
Dona Ana	7	14,500	35,859,740	7.2%	\$ 88.6M
Socorro	3	7,300	13,595,120	2.7%	\$ 33.2M
Other Counties Total	4	20,200	18,213,218	3.6%	\$ 44.3M
<b>New Mexico Total</b>	<b>84</b>	<b>240,000</b>	<b>501,105,465</b>	<b>100%</b>	<b>\$ 1,230M</b>

1 USDA NASS, Feb 2025: <https://downloads.usda.library.cornell.edu/usda-esmis/files/h989r321c/mg74sh83p/nc582h285/mkpr0225.pdf>

2 Southwest Marketing Area (FO 126), Jan/Feb 2025: [https://www.dallasma.com/order\\_stats/order\\_reports.jsp](https://www.dallasma.com/order_stats/order_reports.jsp)

3 NMDA 2023-24 Ag Statistics: [https://www.nass.usda.gov/Statistics\\_by\\_State/New\\_Mexico/Publications/Annual\\_Statistical\\_Bulletin/2023-2024/2023-2024-NM-Ag-Statistics.pdf](https://www.nass.usda.gov/Statistics_by_State/New_Mexico/Publications/Annual_Statistical_Bulletin/2023-2024/2023-2024-NM-Ag-Statistics.pdf) and USDA ERS Cash Receipts by State (accessed Mar 9, 2025):

[https://data.ers.usda.gov/reports.aspx?ID=4052#P7765847b3073498b8540dfd1559ca568\\_2\\_17IT0R0x31](https://data.ers.usda.gov/reports.aspx?ID=4052#P7765847b3073498b8540dfd1559ca568_2_17IT0R0x31)

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's%20dairy%20industry.are%20shaping%20the%20dairy%20industry>