



Importance of the New Mexico Dairy Industry

The State of the Dairy Industry in New Mexico: we made it through 2020, where next?

by Robert Hagevoort, Extension Dairy Specialist

NM Dairy an economic force. The dairy industry in New Mexico, much like the dairy industry in the U.S. is undergoing some rapid changes. Continued industry consolidation remains the key metric, driven primarily by economies of scale as margins in the industry remain rather thin. The COVID-19 situation during 2020 forced New Mexico dairy initially in a tailspin as the industry was forced to adjust to a multiple of severe supply chain interruptions from school closures to restaurant closures towards a drastic change towards in-store purchasing and at home cooking. The resiliency of the industry manifested itself with an amazing jibe from the normal supply chain structure, to one nobody would have ever been able to forecast. There are still some storage hangovers such as a lingering butter stockpile to work through, but hopefully recently announced additional USDA Food Box programs for 2021 will help absorb some of that. NM Dairy remains the number one driver of agricultural cash receipts totaling \$1.4B or almost 45% of all Ag cash receipts, resulting in a \$4.5B total economic impact, providing roughly 5,500 direct and 16,000 indirect jobs to the economy.

NM Dairy an environmental solution. The dairy industry announced in 2020 its commitment to be carbon neutral or Net Zero by 2050. A closer observation of what that means for New Mexico dairies resulted in some amazing findings. The New Mexico total herd size has remained constant over the last 15 years. At the same time producers have managed to improve production with 33% (from 62 to 82 lbs/hd/d). This means that the industry can make a valid argument that methane emissions per unit of milk have significantly declined. Capper and Cady (2020) reported that between 2007-2017 the US dairy industry improved production with 25% and GHG emissions only increased 1%. Initial modelling efforts for New Mexico demonstrate **a decrease in GHG emission intensity of 8% since 2000 and 12% since 1990 per unit of milk produced.**

NM Dairy and green or resilient technologies. The above reduction in GHG is the result of applying the great many tools and technologies dairy producers are continuing to utilize to lessen the footprint of a dairy cow. It bears reminding though, that dairy cows naturally produce GHG as a result of what cows biologically are meant to do: convert humanly undigestible, unusable and only for ruminants re-usable fibrous feed- and by-products into valuable energy and protein. Examples of these technologies are: continued improvement towards a more efficient cow and more efficient ruminal bacteria; more precise nutrition advice to tailor the ration exactly to the needs of the cow (much like human athletes); modification of the bacterial fauna in the rumen to cater to bacteria which either produce less GHG, or those that are more efficient capturing the energy and converting it to usable products; handling dairy manure in ways that lessens GHG emissions to the environment; using technologies to capture manure energy for renewable energy; using the remaining cow manure as an organic additive to the soil profile to capture and sequester carbon in the soil profile; and many other available green farming practices.

Dairy farmers: the original environmental stewards. It is important to remember that dairy farmers are the original recyclers and environmental stewards no matter the size of the farm: all that changes is the scale, not the principles. New Mexico dairy farmers are committed to continuing to demonstrate they are a part of an environmental solution, despite the misleading and fake headlines. How's that for a conversation changer?

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.

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(Photo by Waranya Mooldee on Unsplash.)

College of Agricultural, Consumer and Environmental Sciences

Parasite Control in NM Beef Herds



Webinar March 30th, 6:30 pm

Register at nmbeef.nmsu.edu

1 BQA CEU available

With drought continuing its firm grip on pastures in the SW, it is critical to maximize efficiency from the remaining forage base. Parasites including flies can sink weaning weights and impair breed backs. Controlling parasites and avoiding development of parasite populations that are resistant to control measures are critical management practices that can return dividends, especially during drought.

Dr. Brandon Smythe will discuss the importance of fly control as well as outline various fly control methods for NM beef producers.

Dr. John Wenzel will highlight the importance of internal parasite control and discuss practices to control internal parasites.

If you are an individual with a disability who is in need of an auxiliary aid or service to participate, please contact Craig Gifford in advance at (575) 646-6482 or cgifford@nmsu.edu.

Extension Animal Sciences and Natural Resources | 575-646-3326



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