

NMDA Ag-Marketing:

Key Commodity Overview;
Value Added-Direct Marketing;
and International Trade



NMDA



New Mexico Beef

- New Mexico livestock products cash receipts total \$2.45 billion.
- Cattle and calf inventory is 1.45 million head; down 2% from 2019.
- Four (4) FSIS-inspected slaughter facilities.
- Twenty-five (25) custom-exempt facilities.



New Mexico Dairy

- New Mexico has approximately 135 dairies, with the largest average herd size (2,500) in the nation. New Mexico is currently ranked 9th in the nation for milk production and 5th in the nation for cheese production.
- New Mexico is home to two of the largest cheese plants in the world.



New Mexico Pecans

- New Mexico ranks No. 1 in the United States in pecan production.
- In 2019, New Mexico produced 87.8 million pounds of pecans.
 - *Valued at \$165 million.*
- NMDA Fruit and Vegetable Program executed 169 grades of pecans in 2019 and 161 in 2020.



New Mexico Chile

- In 2019, 63,075 tons of chile were produced.
 - *9,100 acres of chile were planted.*
- The economic value of New Mexico chile was \$50 million.
 - *51,722 tons of chile were processed, valued at \$41.4 million.*
 - *11,353 tons of chile were sold in the fresh market, valued at \$8.6 million.*



New Mexico Onions

- In 2019, New Mexico produced 3.9 million pounds of onions.
 - *Valued at \$102.6 million.*
- New Mexico ranks 1st in summer onion production and 5th in the United States in overall production.
- NMDA Fruit and Vegetable Program completed 553 Canada-bound onion inspections in 2019 and 519 in 2020.



New Mexico Peanuts

- In 2019, New Mexico produced 15.1 million pounds of peanuts.
 - *Valued at \$4.26 million.*
- NMDA Fruit and Vegetable Program executed 2,859 grades of peanuts in 2019 and 2,540 in 2020 to date.



Business Development: NMDA/NMEDD Collaborative Efforts

Hemp

- Rich Global – Las Cruces
- Natural ReLeaf – Las Cruces
- Big Dog – Lovington

Beef

- USA Beef – Roswell
- High Plains Processing – Las Vegas
- C4 Farms – Tierra Amarilla

Dairy

- Tucumcari Cheese – Tucumcari

Pet Food

- Marty's Meals – Santa Fe



\$5 Challenge Consumer Awareness Campaign

2019 Campaign Efforts

- **Retailer Point-of-Purchase Support – Focused on produce department:**
 - Lowe's (Double Up Food Bucks partner).
 - Farmers' markets statewide.

2020 Campaign Plans

- **Retailer Point-of-Purchase Support – Increase campaign reach storewide:**
 - Expanding to include 5 chains, 10 independents, and boutique stores upon request.



[\\$5 Challenge Commercial](#)

New Mexico Farmers' Markets

- Gross sales for all New Mexico Farmers' Markets in 2019 totaled \$11.5M (an 80% increase since 2015).
- One dollar spent at a farmers' market can generate **\$2.80** for the community's economy, a \$20.7M total estimated economic impact for New Mexico.



New Mexico Community Supported Agriculture (CSA)

- Community Supported Agricultures (CSA) are ever-evolving in the state of New Mexico.
- Local CSAs offer delivery, pick-up, and online services to support local New Mexico farmers and producers.
- In response to COVID-19, many CSAs are continuing to offer a weekly pick-up option at select locations.

Signature NM— Taste the Tradition® HomeGrown Event

- One-of-a-kind event featuring 50 to 60 New Mexico agriculture-related vendors.
- Attendance of more than 3,600 people over the 2-day event; an overall increase of 15% in 2019.
- Provides a boost to holiday sales for agribusinesses and overall brand awareness.

New Mexico Product Subscription Boxes

- New Mexico businesses are incorporating subscription boxes within their companies' services.
- These subscription boxes are a great option to support local farmers, producers, and agribusinesses that continue to be impacted by COVID-19.



Farm-to-School Program

New Mexico Public Education Department

- \$1,153,752 invested in New Mexico-grown fruits and veggies in school year 18-19.
 - *The average school district spent 15% of their produce budget on local products.*
- Estimated 150k students served.
- 54 vendors sold to schools—3 distributors, 3 grower co-ops, and 48 individual farm operations.



NEW MEXICO
Taste the Tradition

NM PED
Public Education Department

NEW MEXICO
Grown with Tradition

New Mexico Cut Flower Initiatives

- NMDA will administer two projects from the New Mexico FY20 USDA-AMS Specialty Crop Block Grant Program.
- These projects will focus on the support and improvement of the state's specialty cut flower industry.



NM Green Chile Social Media Influencer Campaign

- Six influencers in strategic regions across the U.S.
- Seven different social media platforms leveraged.
- The ROI figures as of September 2020 were as follows:
 - *5,900+ positive engagements.*
 - *55,400 consumers reached.*
 - *\$300,000 in potential incremental sales.*
- Potential Future Reach of 1,042,456 Consumers.



New Mexico's Food Service Industry during COVID-19

- At the height of the COVID-19 pandemic, NMDA was instrumental providing expertise, information and food sourcing services to meet emergent needs of New Mexicans.
- NMDA efforts included connecting food service distributors with food banks, charitable organizations, and New Mexico grocers to alleviate the shortages on the shelves.
- As a direct result from COVID-19, food service/ restaurant businesses lost over 60% of revenues due to closures and restrictions.



Trade Shows Product Showcases Technical Seminars Trainings Culinary Events

- NMDA Marketing staff promoted New Mexico agricultural commodities at various national trade shows.
- 2019 highlighted trade shows:
 - *National Restaurant Association Show; Chicago, IL.*
 - *The Food and Beverages of The Americas Show; Miami, FL.*
 - *Produce Marketing Association – Food Service Conference; Monterey, CA.*
 - *Multi Unit Food Service Operators Conference; Denver, CO.*



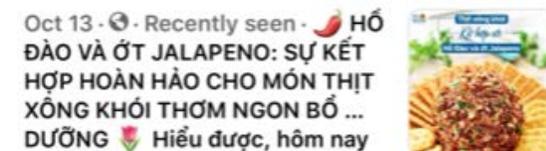
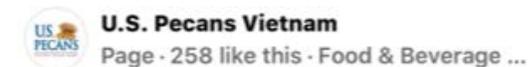
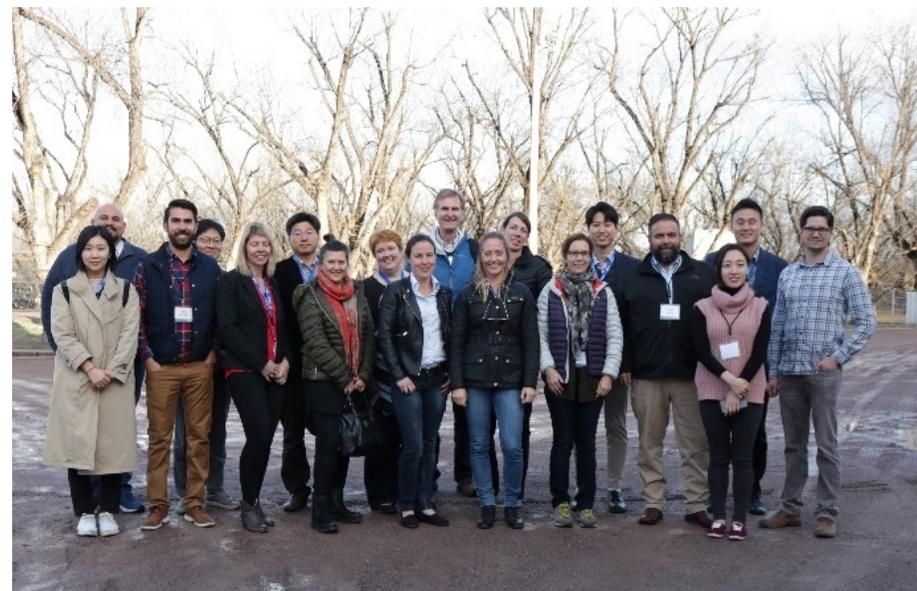
International Trade

2019

- Japan and EU Inbound- Wine Beer and Spirits
- S. Korea and EU inbound- Tree Nuts
- Gulfood Trade Show- Dubai, UAE
- ANUGA Trade Show- Cologne, Germany
- Food Hotel Vietnam Tradeshow- HCMC, VN
- Bakery China Tradeshow- Shanghai, China
- HRI Outbound to Mexico- MX City + Cancun
- NMDA Directors Mission to Brazil
- Brangus Breed Inbound
- Spring Inbound
- Joint Stockman Inbound
- CNOG Oaxaca Trade Show

2020

- Canada Virtual B2B Trade Mission
- Mexico Livestock Genetics Virtual B2B
- EU and Israel Virtual B2B- Tree Nuts
- Americas Food and Beverage- Miami, FL
- Social Media Campaign- Vietnam



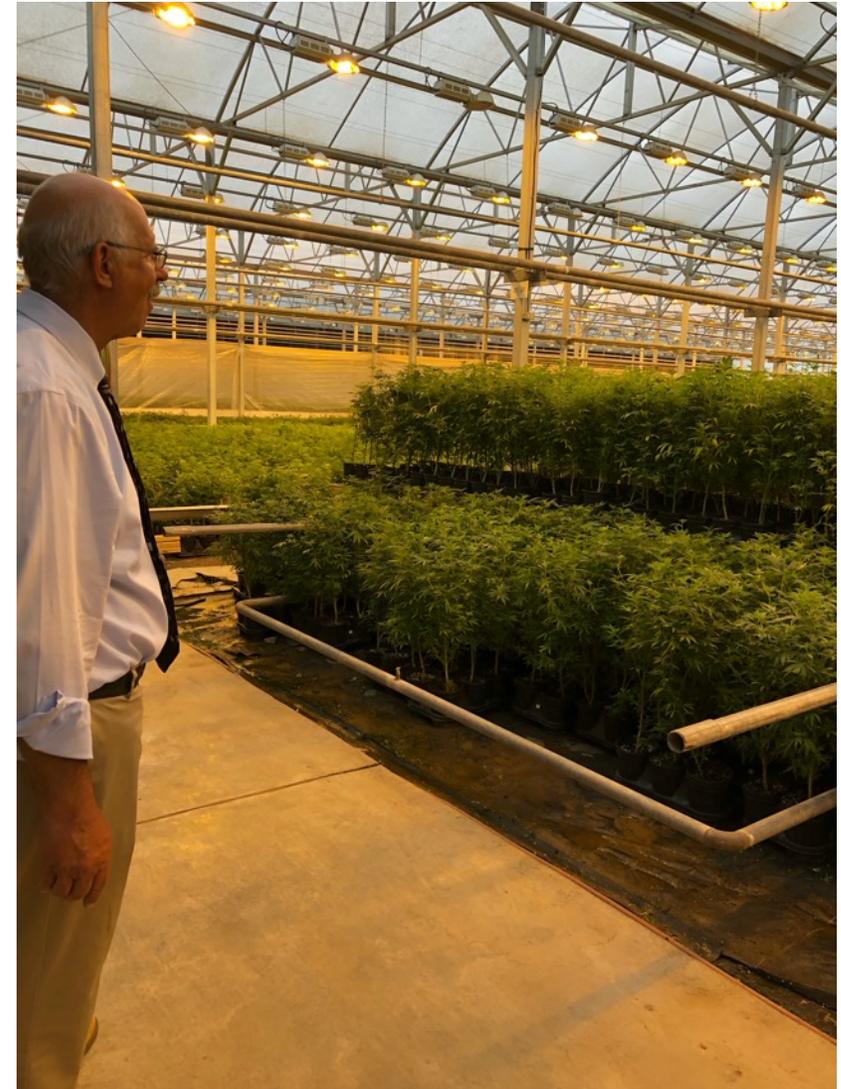
Top New Mexico Ag Exports

- Tree Nuts: \$207.4 million
- Dairy Products: \$188.7 million
- Plant Products (*red chile spices*): \$119.6 million
- Beef and Veal: \$87.6 million
- Cotton: \$34.6 million
- **Total Ag Exports: \$780.4 million**

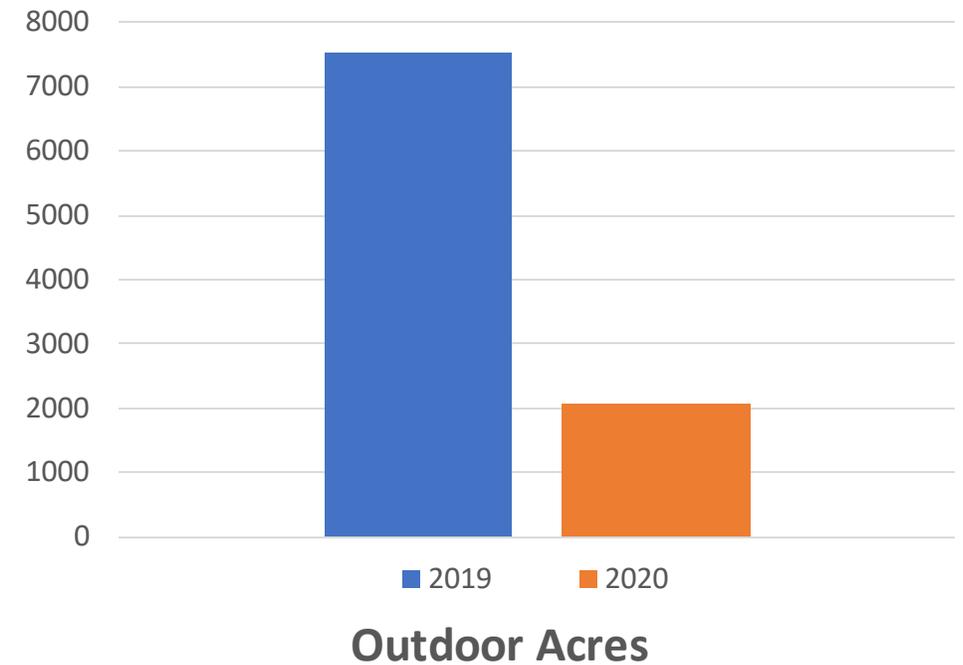
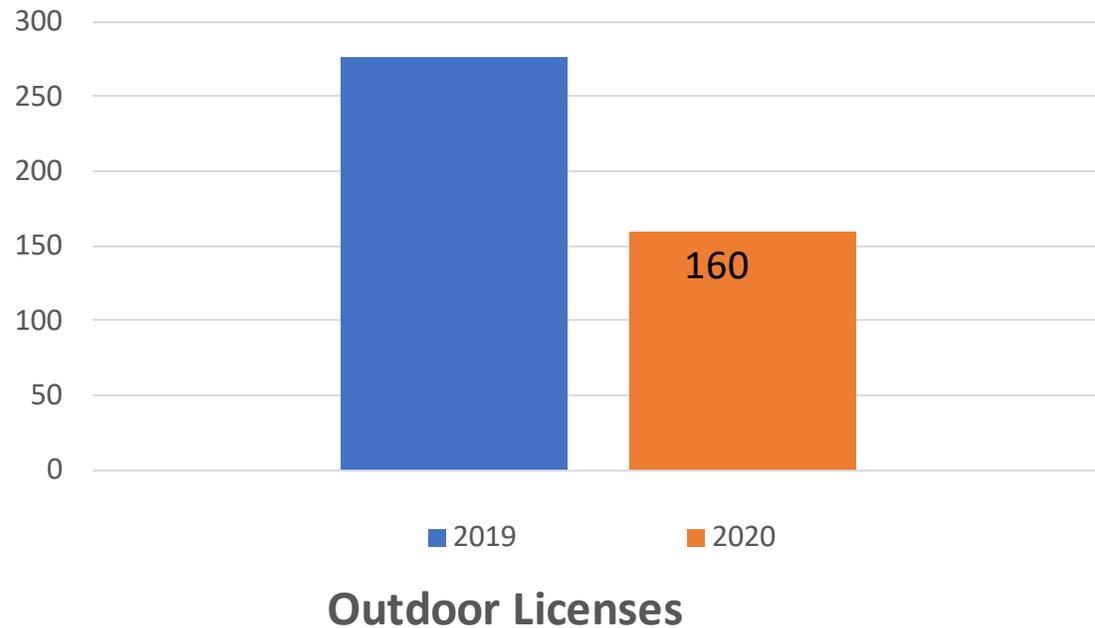


Hemp Regulatory Progression

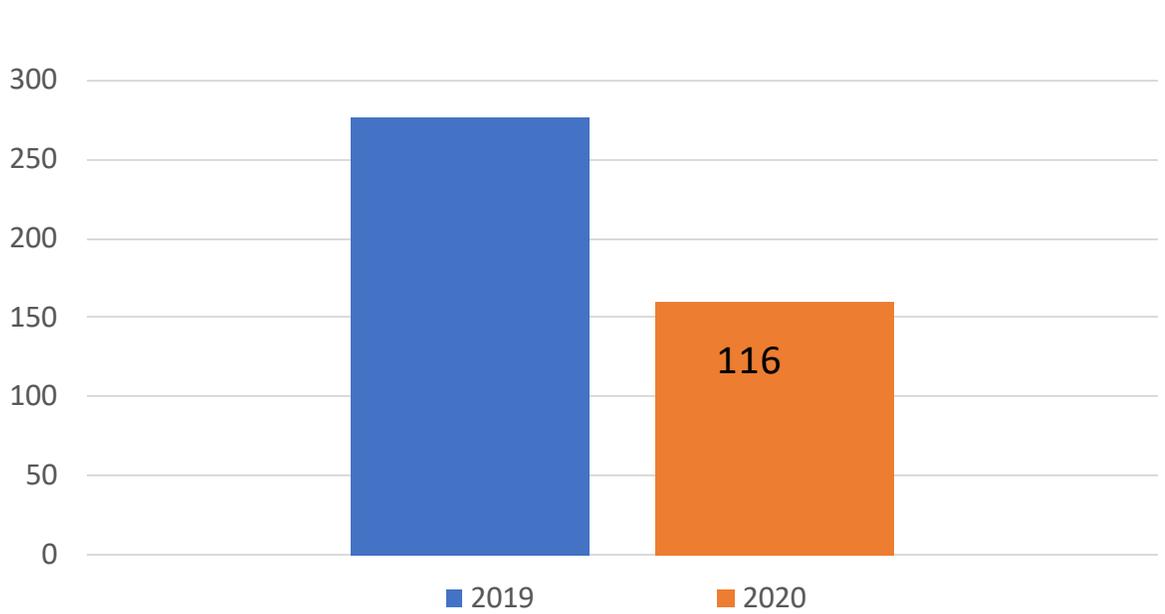
- 2014 Federal Farm Bill Regulations (research pilot program)
 - *New Mexico hemp laws promulgated in 2018.*
 - *2018: NMDA began issuing licenses for hemp production.*
 - *Intent: Provide growers the opportunity to conduct local research to determine best management practices, rotation fit, and marketability.*
- 2018 Farm Bill, hemp recognized as an agricultural crop
 - *Eligible for federal programs (i.e. crop insurance; use of federal waters; interstate transportation)*
 - *USDA promulgated required Interim Final Rules December 20, 2019*
 - Required states to submit regulatory plans to USDA for approval prior to October 1, 2020 or allow USDA to regulate hemp in the state.
 - New Mexico awaits approval of the state's regulatory plan.



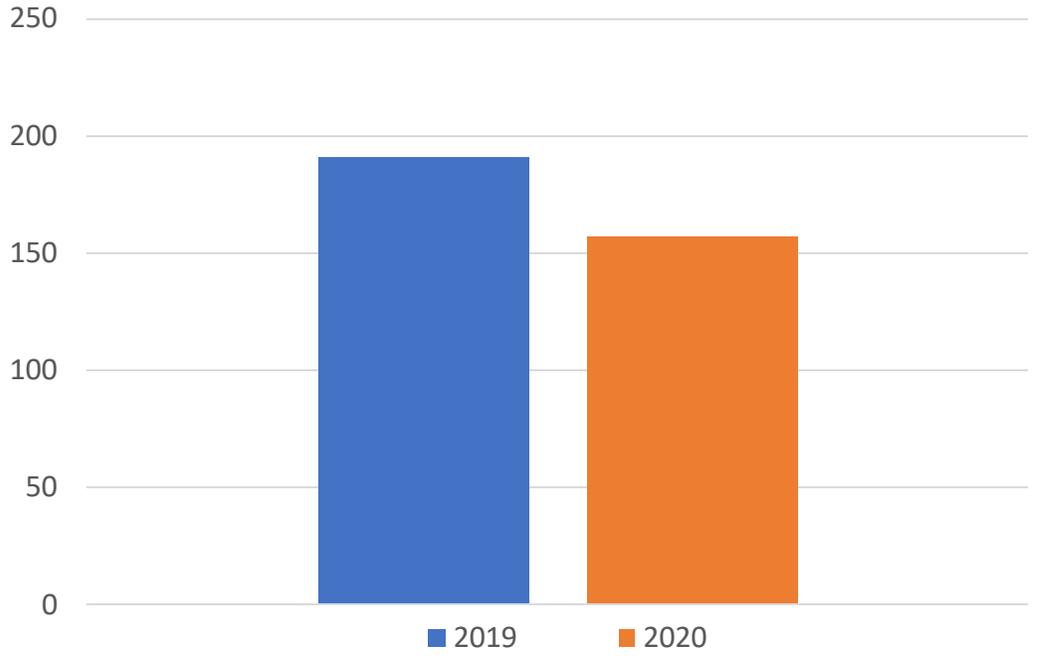
New Mexico 2019 & 2020 Hemp Licensing Data (Outdoor)



New Mexico 2019 & 2020 Licensing Data (greenhouse)



Greenhouse Licenses



Greenhouse Acres

2020 Hemp Producing Locations



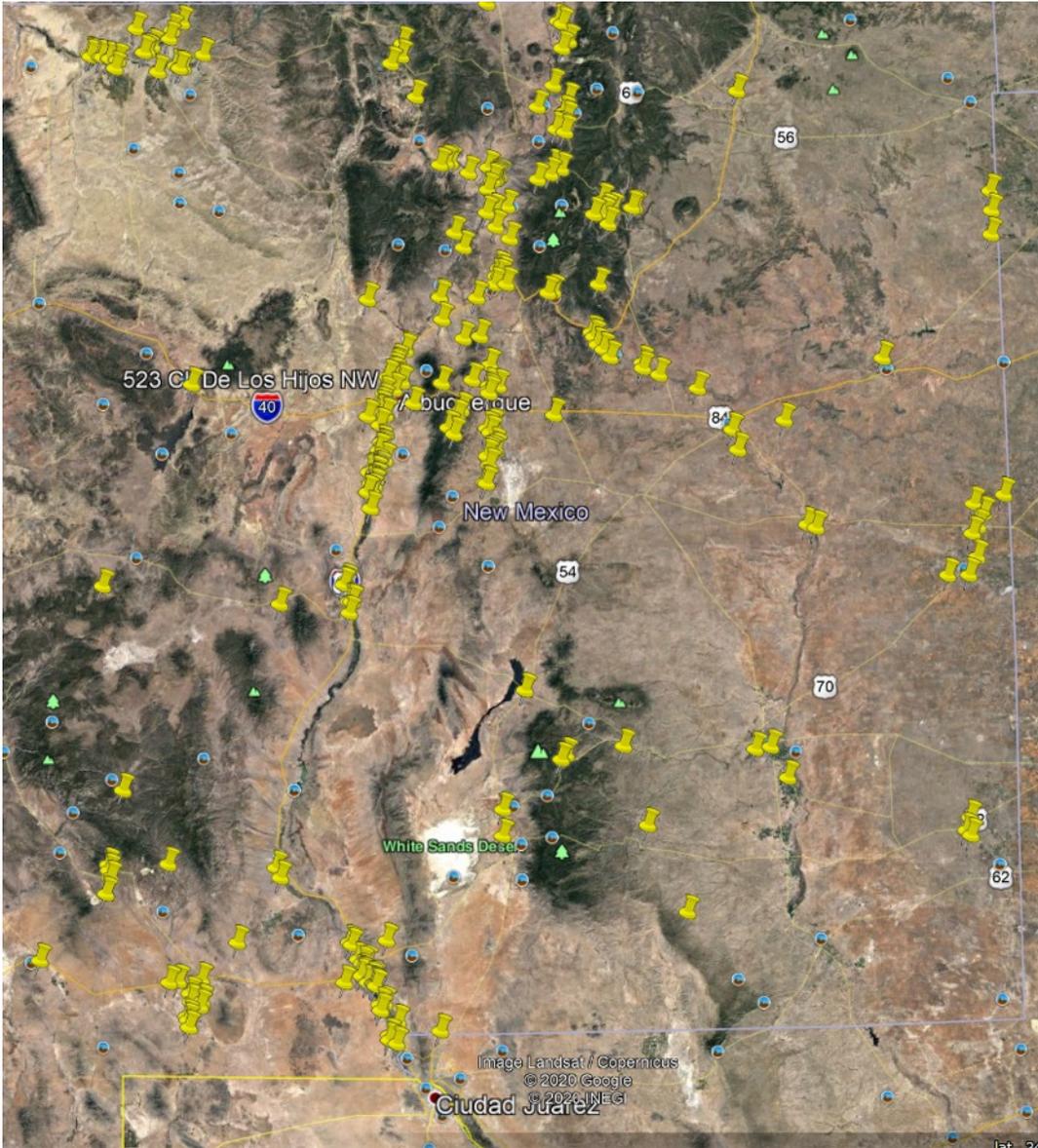
Field Production



Greenhouse



Hemp Cola



2020 Hemp Production Locations

Value-Added (Hemp)

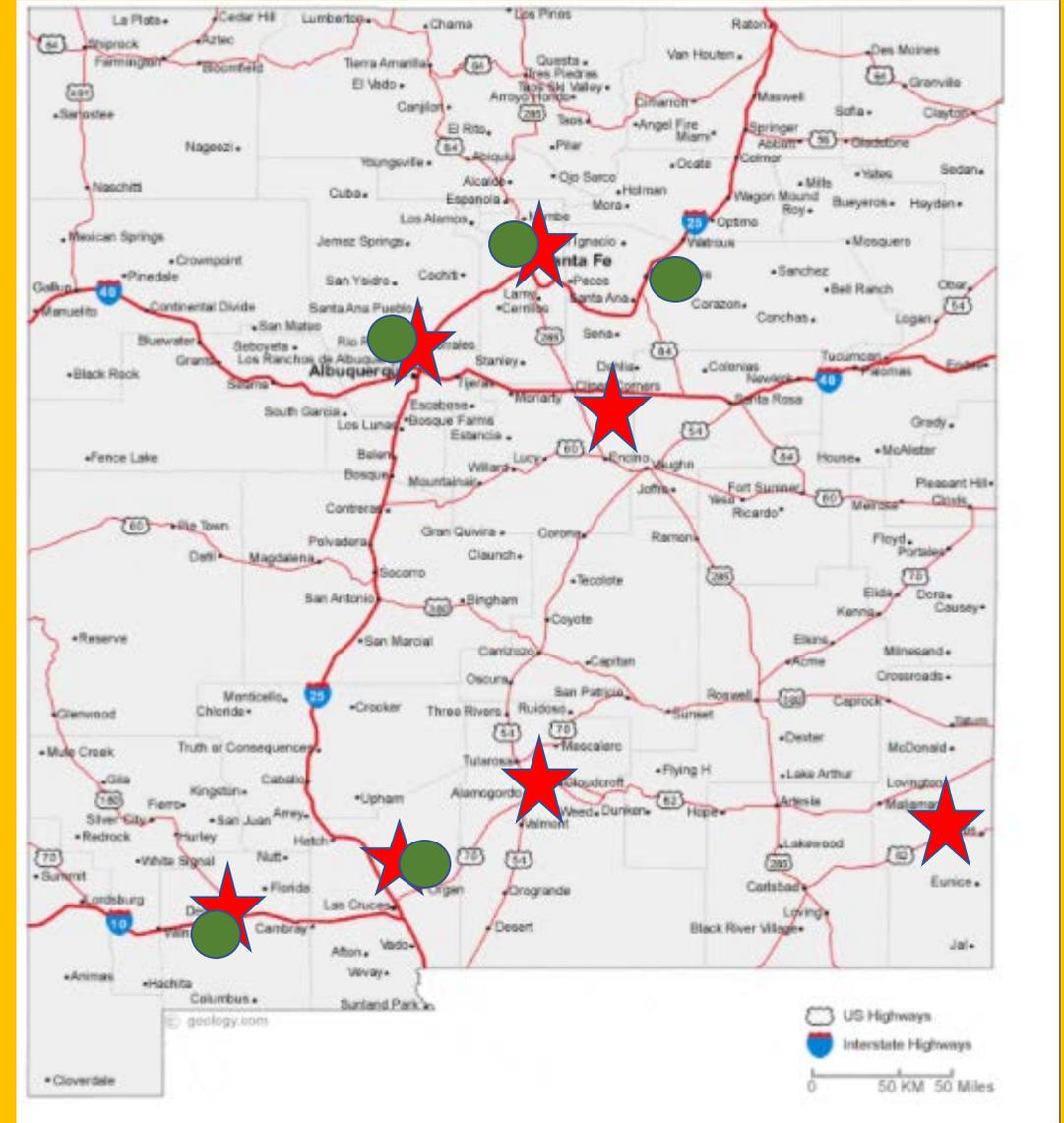
- Hemp Extractors (13)
- Manufacturers (22)
- Hemp Breeding Operations- Seed, Transplants
- Revitalized Greenhouse Industry
- Specialty Stores



Hemp Bud (Socorro)



Hemp Processing Facility



Value-Added Products Offered by NM Manufacturers

- CBD Tinctures
- CBD Balms (bath)
- CBD Creams
- CBD Honey
- CBD Topicals
- CBD Salves
- Hemp Terpenes
- Hemp Teas
- CBD Capsules
- CBD Gummies
- CBD Candies
- Hemp Flower/Pre-Rolls
- Cartridges



CBD Gel Capsules



CBD Tinctures



CBD Salves



*CBD Pre-Rolls
Flower*



CBD Gummies



CBD Candy



CBD Tea



Terpenes

Current Status

- Hemp production nationwide entered a cooling-off period for 2020:
 - *Backlog in raw hemp due to production at commercial levels while extraction remains at niche levels.*
 - *Significant price drop for raw hemp destined for CBD extraction (70%+).*
- New Mexico growers continued to plant in 2020, but fewer acres per grower than 2019.
- Good fit as a niche crop/product and as an agricultural commodity in New Mexico.
- New Mexico hemp extraction industry continues to move from niche to industrial levels.
- New Mexico raw hemp oil continues to be exported and used to supply New Mexico businesses (i.e. Ultra Health-State of Israel).

Current Status continued ...

- Current pandemic status has slowed increase in demand of hemp-based products, although price drop has created broader demand.
- Investments in New Mexico's hemp industry continue as banks understand the industry.
- Hemp industry, consumers, and manufactures continue to wait for FDA to clarify use of hemp extracts (i.e. pet products, livestock, food and beverage additives).

Major Industries Beginning to the Push Limits

“Coca-Cola is eyeing the
cannabis market”

“Molson Coors to produce cannabis-
infused beverages in Colorado”

“What Is Weed Beer And Why Are
People Going Crazy Over It?”

“New Hemp-Extract Sparkling Water
on the Market”



NMDA



N E W M E X I C O D E P A R T M E N T O F A G R I C U L T U R E