



New Mexico Agriculture Contributions & Opportunities

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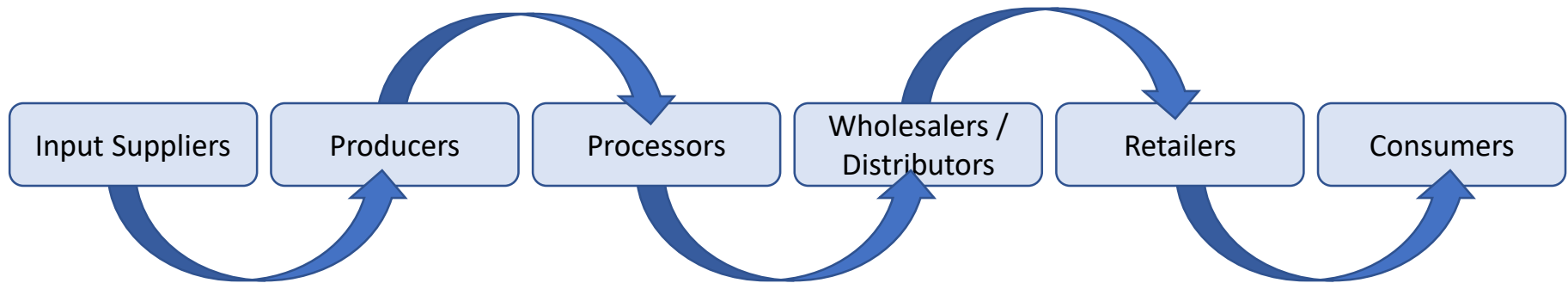
Investments & Pensions Oversight Committee
Santa Fe, NM
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Food & Fiber's Economic Contribution to New Mexico's Economy

Often when we think of agriculture, we often think only of production agriculture, but it is more...



The New Mexico Food & Fiber Supply Chain

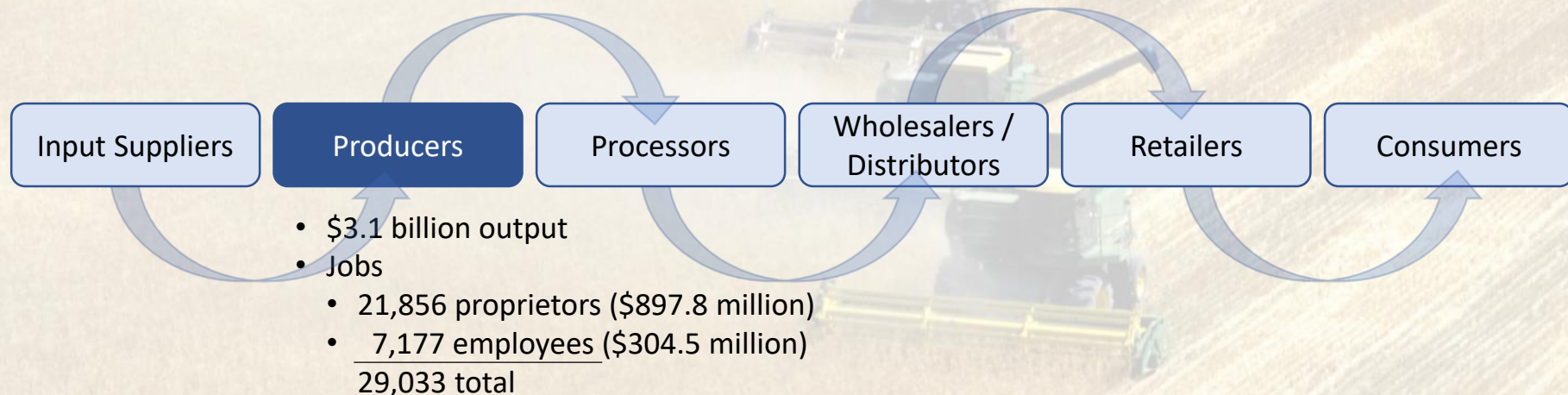


The New Mexico Food & Fiber Supply Chain



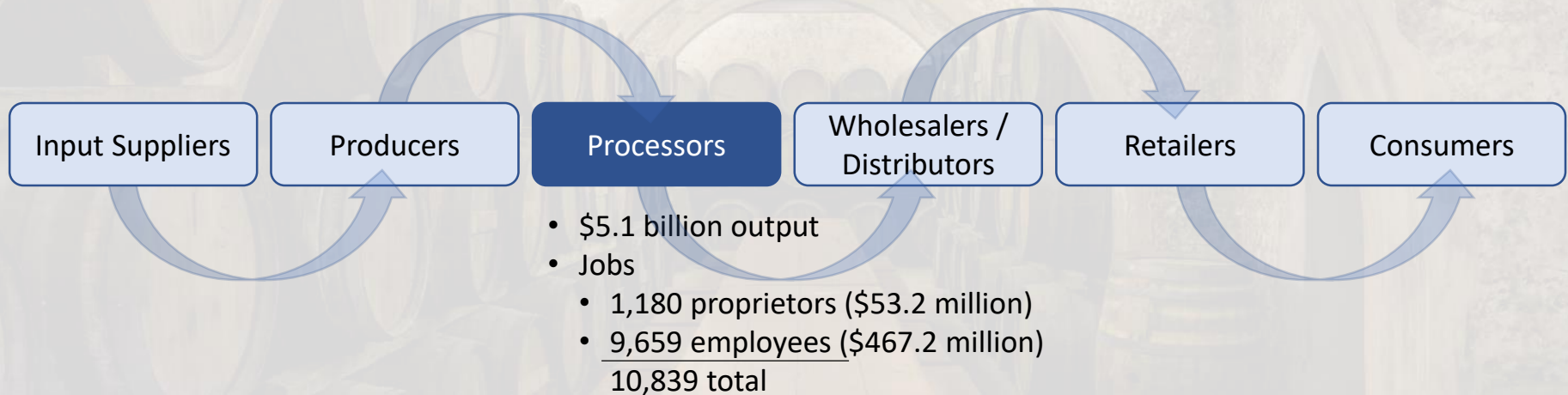
Source: IMPLAN 2021 using personal calculations

The New Mexico Food & Fiber Supply Chain



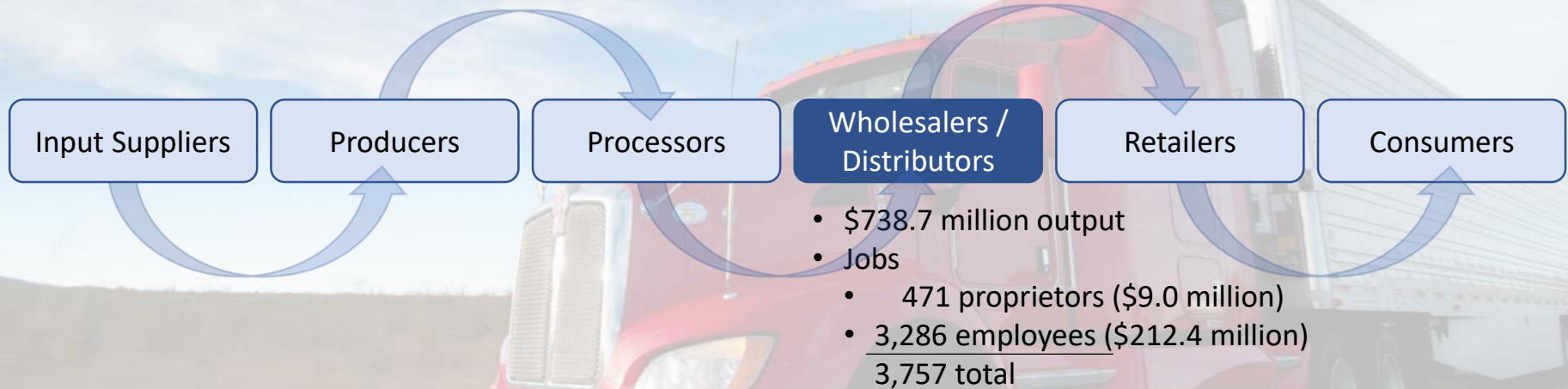
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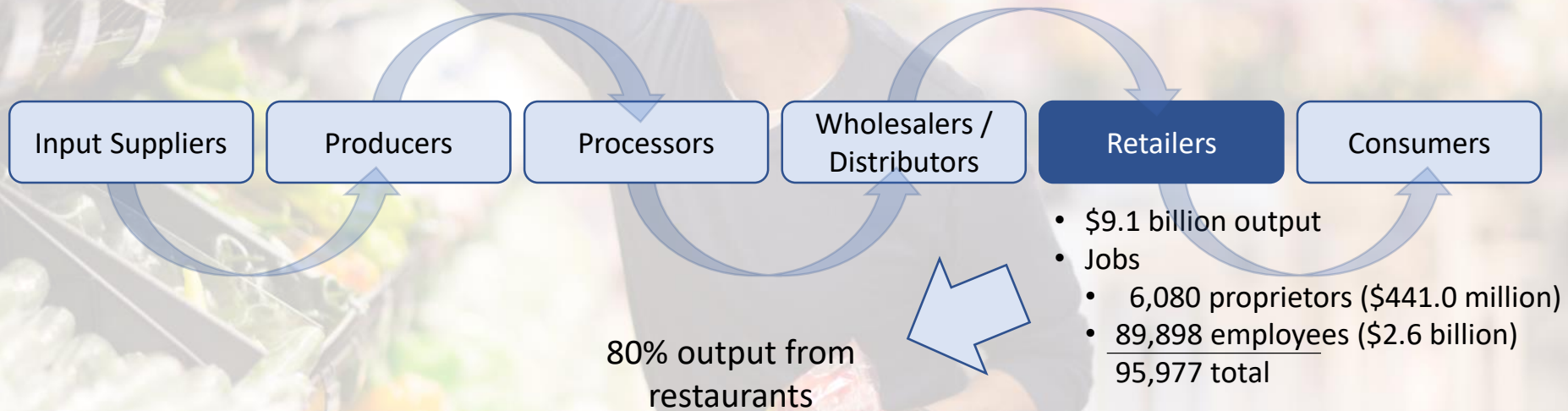
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The New Mexico Food & Fiber Supply Chain



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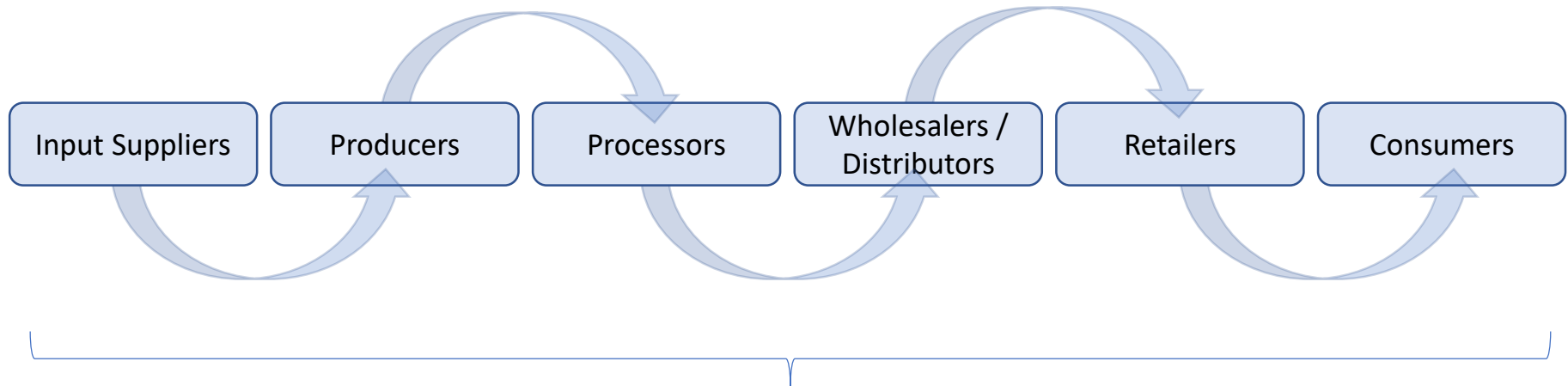
The New Mexico Food & Fiber Supply Chain



- 2.1 million people
- 817,706 households
- 1.1 million employment
- \$118.5 billion GDP
- \$106 billion personal income

Source: IMPLAN 2021 using personal calculations

The New Mexico Food & Fiber Supply Chain



\$18.6 billion output (9.0%)

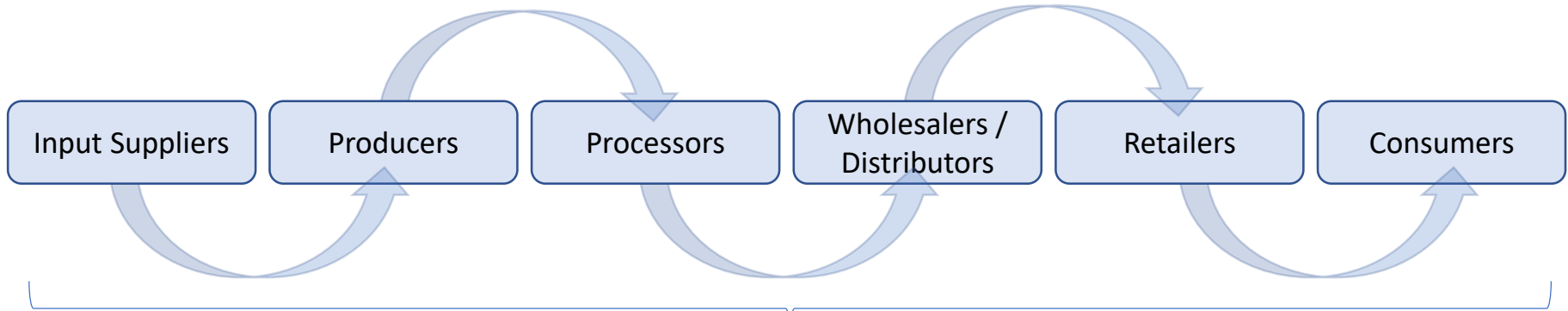
- 2.4% input suppliers
- 16.8% producers
- 27.5% processors
- 4.2% wholesalers
- 49.1% retailers

146,381 jobs (13.6%)

- 4.6% input suppliers
- 19.8% producers
- 7.4% processors
- 2.6% wholesalers
- 65.6% retailers

Source: IMPLAN 2021 using personal calculations

New Mexico vs. the U.S.



Output

	New Mexico	United States
Dollars	\$18.6 billion	\$3.6 trillion
% of Economy	9.0%	8.9%
Supply Chain % ¹		
Input Suppliers	2.4%	4.1%
Producers	16.8%	12.8%
Processors	27.4%	35.0%
Wholesalers	4.2%	5.6%
Retailers	49.1%	42.5%

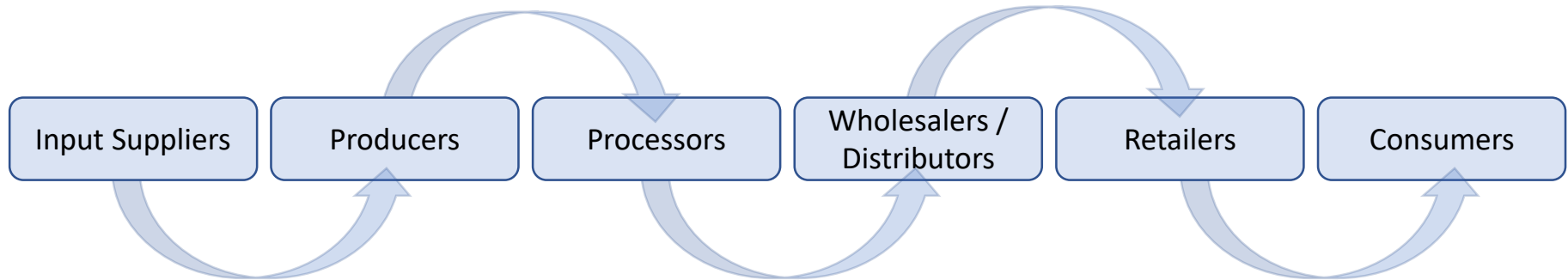
¹ Numbers may not add to 100% due to rounding

Jobs

	New Mexico	United States
Jobs	146,381	195.7 million
% of Economy	13.6%	12.3%
Supply Chain % ¹		
Input Suppliers	4.6%	4.9%
Producers	19.8%	10.8%
Processors	7.6%	11.3%
Wholesalers	2.6%	3.4%
Retailers	65.6%	69.6%

Source: IMPLAN 2021 using personal calculations

The New Mexico Food & Fiber Supply Chain



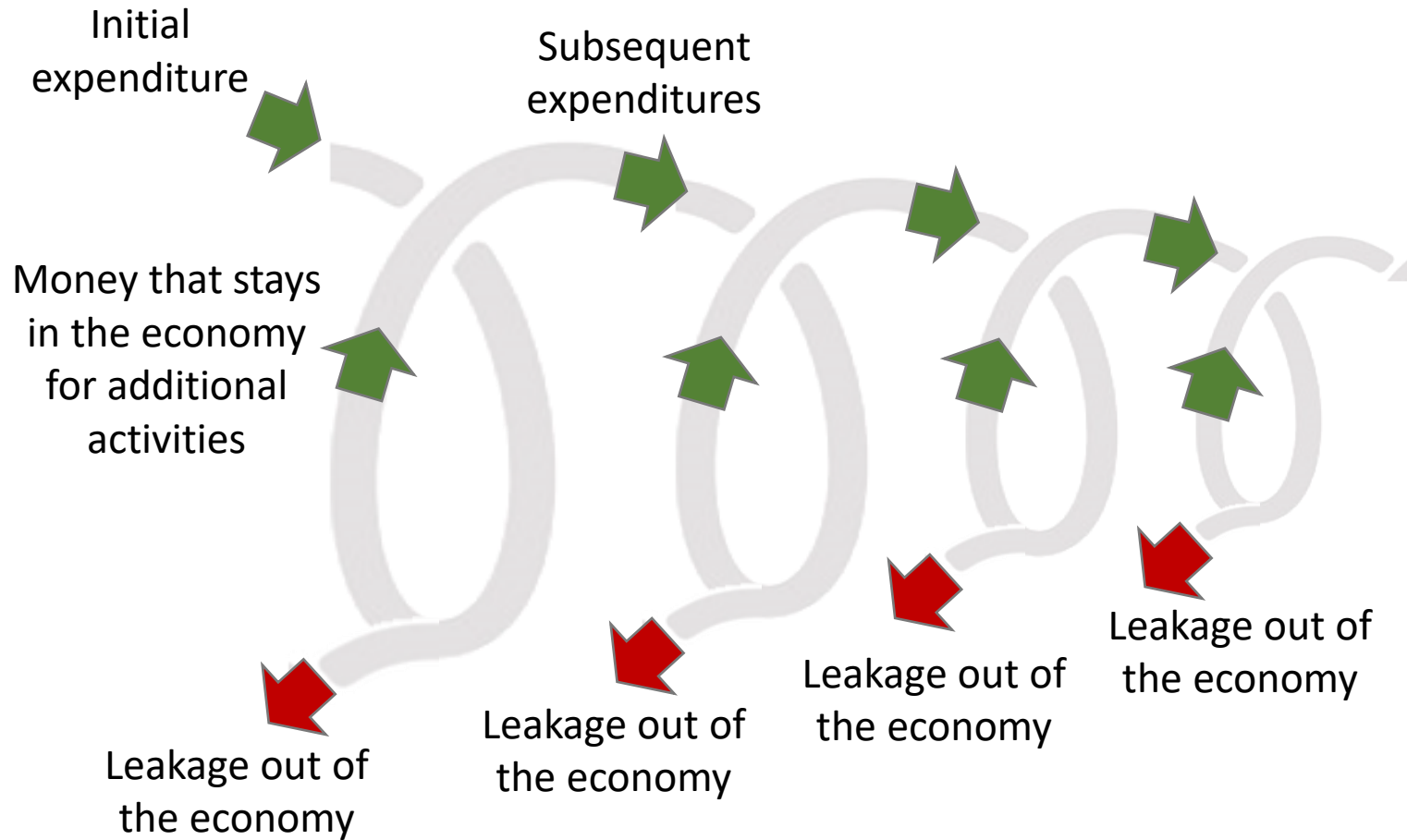
\$18.6 billion output
146,381 jobs

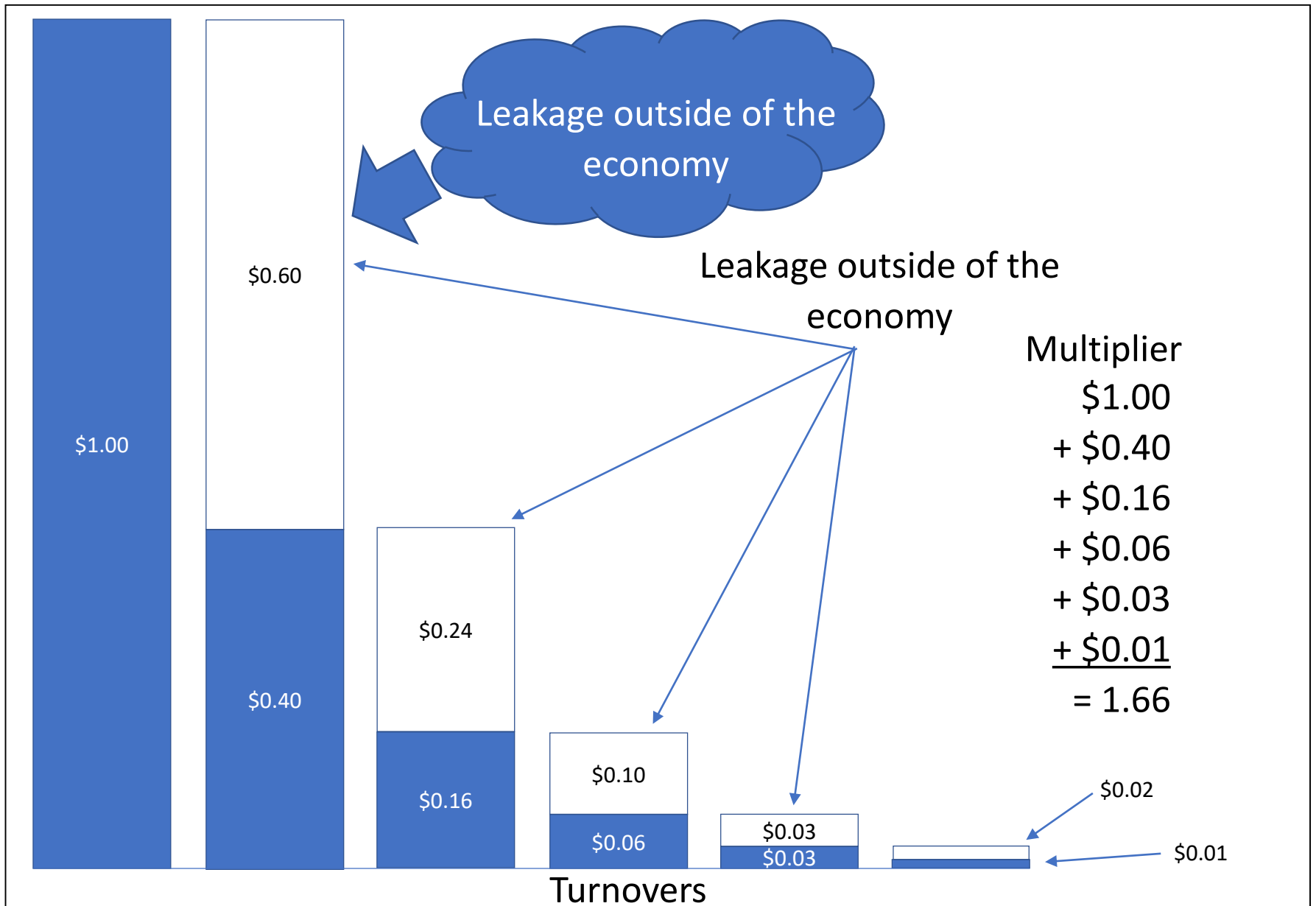


“Direct” output & employment

These numbers do not include output and employment from other segments of the economy that provide products and services to supply chain participants.

Money within the economy





The New Mexico Food & Fiber Supply Chain

Direct Contribution. Initial changes that result from economic activity.



Indirect Contribution. Contributions from local industries buying goods and services from other local industries are a result of the direct contribution initial changes that result from economic activity.



Induced Contribution. Contributions that occur from spending of income received from wage earners as a result of direct and indirect contributions.

The New Mexico Food & Fiber Supply Chain

When we account for these “ripple” contributions, the direct contributions have a multiplicative impact on the economy.



\$40.2 billion output



257,697 jobs



\$4.1 billion in business taxes



\$275.0 million exports

Output multiplier = 2.18

Employment multiplier = 1.82

Source: FeedingtheEconomy

Investing in Food & Fiber

Market Returns

The S&P 500 is broken into 11 sectors. These include:

- Consumer discretionary index
- Consumer staples index
- Energy index
- Financials index
- Healthcare index
- Industrials index
- Information technology index
- Materials index
- Real estate index
- Communication services index
- Utilities index

Market Sectors

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Restaurants

- Chipotle Mexican Grill
- Domino's Pizza Inc
- Darden Restaurants
- McDonald's Corp
- Starbucks Corp
- Yum! Brands

Other (related)

- Advanced Auto Parts
- Amazon.com Inc
- Autozone
- Best Buy Company
- Carnival Corp
- Caesars Entertainment Inc
- Ebay Inc
- Expedia Group Inc
- Ford Motor Company
- General Motors Company
- Garmin Ltd
- Lowe's Companies
- Nike Inc
- Tractor Supply Company

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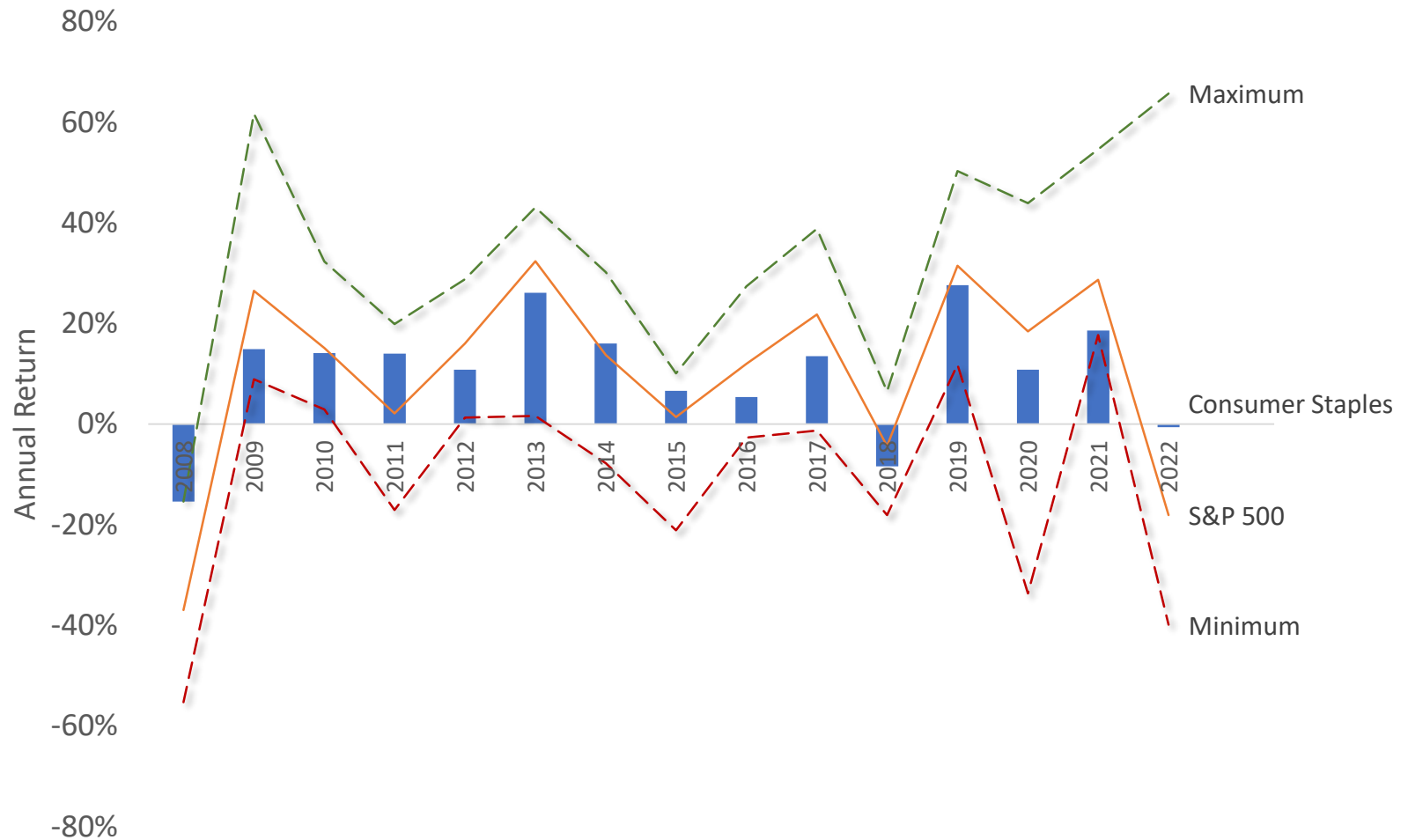
Food processors

- Archer Daniels Midland
- Bunge Ltd
- Conagra Brands Inc
- Campbell Soup Company
- General Mills
- Hormel Foods
- Kellogg Company
- Keurig Dr Pepper Inc
- Tyson Foods
- J.M. Smucker Company
- Monster Beverage Cp
- Pepsico

Other (related)

- Kimberly-Clark Corp
- Walmart Inc
- Target Corp
- Sysco Corp
- Procter & Gamble Company
- Kroger Company
- Estee Lauder Companies
- Dollar General Corp
- Costco Wholesale
- Clorox Company
- Colgate-Palmolive Company

Market Returns (S&P 500 Sectors)



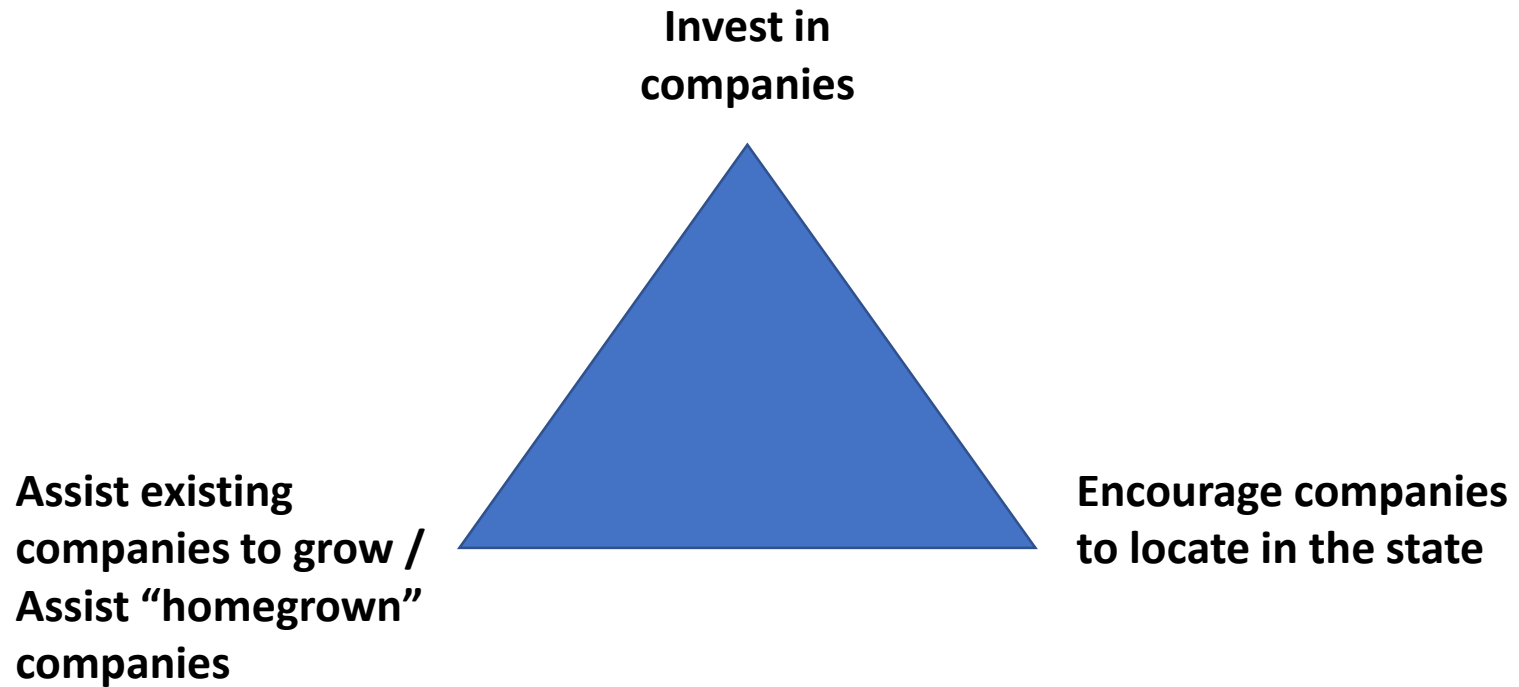
Source: novelinvestor

Sector Return Standard Deviations

Sector	Stdev
Energy	29.1%
Information Technology	28.2%
Financials	24.9%
Consumer Discretionary	23.6%
Materials	23.5%
Real Estate	23.1%
Communication Services	20.3%
Industrials	20.0%
S&P 500 Index	19.3%
Health Care	15.3%
Utilities	14.2%
Consumer Staples	11.6%

Source: novelinvestor

Investing in food (and agricultural) companies



Investing in food (and agricultural) companies

Invest in publicly traded companies

- From an investment perspective, it is easier if a company is publicly traded
- Few publicly traded companies based in New Mexico
- Depending on legalities and policies, it is possible to invest in private companies, but more difficult.

Encouraging companies to locate in the state

- Create a positive business environment
- Provide incentives

Assist existing companies to grow / Assist “homegrown” companies

- Technical assistance
- Workforce / management development
- Financial assistance / access to capital (State Small Business Credit Initiative)

New Mexico State University's Center of Excellence in Sustainable Food & Agricultural Systems

- One of four centers established in 2019 by the State Legislature
- Housed in the College of Agricultural, Consumer, and Environmental Sciences
- Two co-directors (Science & economics/business)
- Mission to build a vibrant, sustainable agricultural economy
 - Innovative, transdisciplinary, and collaborative research
 - Interdisciplinary education and training
- Focus on post-harvest value-added agriculture











The Center of Excellence

 The logo for New Mexico State University, featuring the letters "NM" stacked above "STATE" in a serif font, with a stylized outline of the state of New Mexico behind the text.	<p>Jay M. Lillywhite Assistant Dean</p> <p>College of Agricultural, Consumer, and Environmental Sciences MSC 3169 New Mexico State University P.O. Box 30003 Las Cruces, NM 88003</p> <p>575-646-5321 lillywhi@nmsu.edu</p>
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