



Texas Dairies: Economic Benefits

Texas' Dairy Industry Contributes to Both Local and State Economies

- Texas has 558 Grade A dairies. In September 2010, the state's estimated 333,841 milk cows produced more than 701 million pounds of milk.¹
- An average dairy farm has 380 cows, produces 7.65 million pounds of milk per year and annually contributes \$1.2 million directly and \$3.03 million overall to the state's economy.²
- The dairy industry is the fourth largest agricultural commodity contributor to Texas' GDP. Dairy follows only beef cattle, nursery and greenhouse, and the cotton industries in value added to the Texas economy.³
- Wholesale milk sales are the 5th agricultural cash receipt and 7.1 percent of state ag revenues.⁴
- The dairy industry in 2005 generated \$2.5 billion in total output activity, 15,540 full-time jobs and a total of \$676 million of value added (direct, indirect and induced figures).⁵
- The Texas dairy industry contributes \$735 million in added value to the Texas economy. That includes only the raw milk and not the milk processing industry through the retail sector.⁶
- The milk processing sector – consisting of fluid milk processing, butter and cheese making, ice cream and other products – generates more than 5,500 jobs in Texas. With an industry output valued at more than \$3 billion, the sector contributes almost \$500 million in added value to the state's economy.⁷
- Combined, the milk production and processing sectors yields a value added to the Texas economy of \$1.23 billion. This vibrant and growing industry is continuing to boost the rural job base and economy in Texas.⁸
- For every 100 cows, a dairy farm creates six jobs, both direct and indirect.⁹

Texas' Top 10 Dairy Producing Counties (September 2010)

- | | | |
|---------------|------------|--------------|
| 1. Erath | 5. Hartley | 9. Hopkins |
| 2. Castro | 6. Lamb | 10. Comanche |
| 3. Parmer | 7. Bailey | |
| 4. Deaf Smith | 8. Hale | |

Texas' Dairy Processors

- | | |
|---|-------------------------------------|
| Amarillo – Plains | Garland – Daisy Brand |
| Austin – Borden | Grandview – David's Supermarket |
| Brenham – Blue Bell | Houston – HEB; Oak Farms |
| Conroe – Borden | Lubbock – Bell Dairy |
| Dalhart – Hilmar Cheese | San Antonio – HEB; Oak Farms |
| Dallas – Borden; Mozzarella Cheese; Oak Farms | Stephenville – Schreiber |
| El Paso – Eagle Family Foods; Farmers Plant; Prices | Sulphur Springs – DFA, Morning Star |
| Fort Worth – Vandervoort; Dannon | Tyler – Southwest Dairy |
| | Waco – Oak Farms |
| | Winnsboro – DFA Butter Plant |

3500 William D. Tate Ave., Suite 100 • Grapevine, TX 76051-8734 • (866) 770-4823 • (817) 410-4577 (fax)

www.milk4texas.org

Sources:

¹ Milk Market Administrator's Report, September 2010 data.

² "The Dairy Industry in Texas: Accounting for its Economic Impacts," Victor E. Cabrera and Robert Hagevoort, extension dairy specialists, Agricultural Science Center at Clovis, Department of Extension Animal Sciences and Natural Resources, College of Agriculture and Home Economics, New Mexico State University. January 2007.

³ Texas Cooperative Extension and Texas A&M Department of Agricultural Economics, January 2007.

⁴ U.S. Department of Agriculture, Economic Research Service, 2009 data, www.ers.usda.gov/statefacts/tx.htm

⁵ "The Dairy Industry in Texas: Accounting for its Economic Impacts."

⁶ Texas Cooperative Extension and Texas A&M Department of Agricultural Economics, January 2007.

⁷ Texas Cooperative Extension and Texas A&M Department of Agricultural Economics, January 2007.

⁸ Texas Cooperative Extension and Texas A&M Department of Agricultural Economics, January 2007.

⁹ "The Dairy Industry in Texas: Accounting for its Economic Impacts."