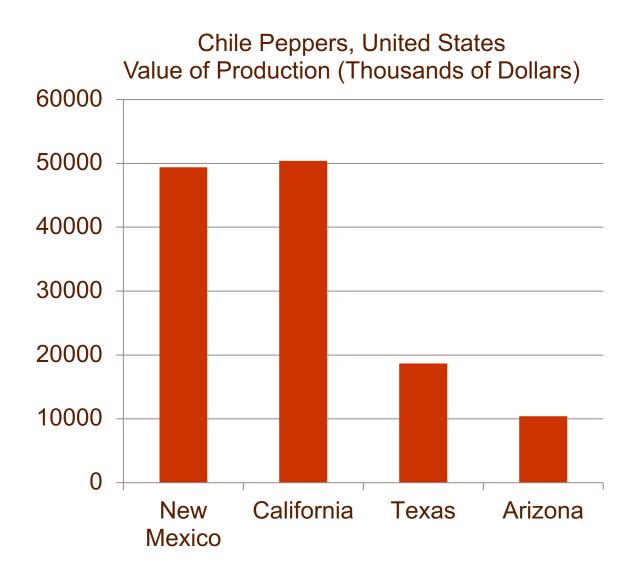


NEW MEXICO CHILE ASSOCIATION Presentation September 13, 2010

Dino Cervantes, NMCA Board



CHILE IN NEW MEXICO



- Chile or Chili? The arguments about the correct spelling are still "heated after all these years. Chile refers to the pods that were first planted by the Spanish along the Rio Grande Valley in the 1600's.
- Our state question is "Red or Green?" If you want both, then you ask for it "Christmas Style".
- Our Chile can be very hot or very mild. The flavor is as important as the heat.
- Like other peppers, Chile starts as green and turns to red. Green is harvested first, usually beginning in August and then red is harvested later in the fall.





SURVEY SAYS....

A 2009 Scientific Consumer Survey conducted by Research and Polling shows that:

- 80% of NM consumers say it is important that the chile they purchase is grown in New Mexico
- 92% of NM chile consumers are concerned about the decline in chile acreage across the state
- 90% of NM chile consumers agree that government officials should do everything in their power to ensure that chile continues to be grown and processed in NM.



New Mexico Department of Agriculture's GREEN CHILE Promotion is RED HOT!





Deputy U.S. Agriculture Secretary Kathleen Merrigan assists New Mexico's District 3 U.S. Rep. Ben Ray Lujan in planting chile peppers at the New Mexico Chile Pepper Fiesta in Washington, D.C





WHY IS CHILE SO IMPORTANT TO NEW MEXICO?

- 1. The industry is composed primarily of rural, family owned farms and companies that export products and bring money into NM.
- 2. Chile is the heart and soul of NM culture.
- 3. 5,865 full time jobs and 9,000 part-time jobs*.
- 4. Contributes \$465 Million to the state's economy*

*2009

FIVE PARTS OF THE NM CHILE INDUSTRY

Dry Red -

Made from mature red chile, mostly ground into powder. Used for color enhancement and flavor for meat products, traditional Mexican food dishes and sauces, spices and seasoning.

Oleo Resin -

Natural red food coloring agent produced by the extraction of lipids and pigments from the pods of sweet red and dry pepper. Used primarily in meat products and snack foods.

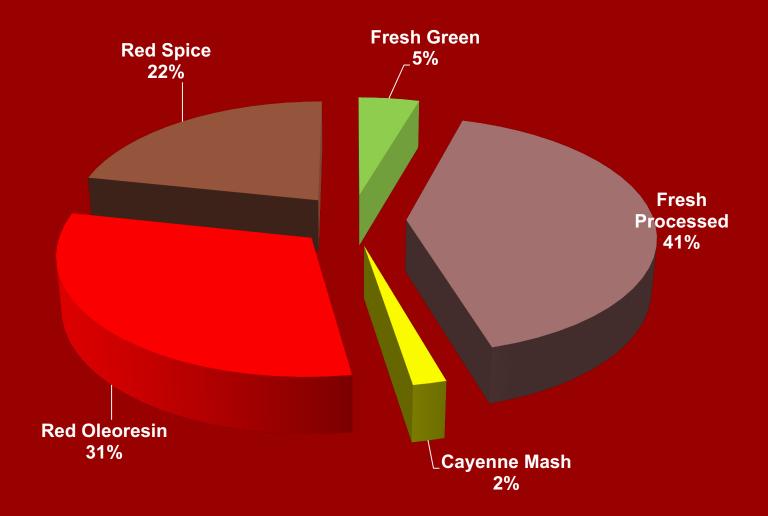
Processed Green -

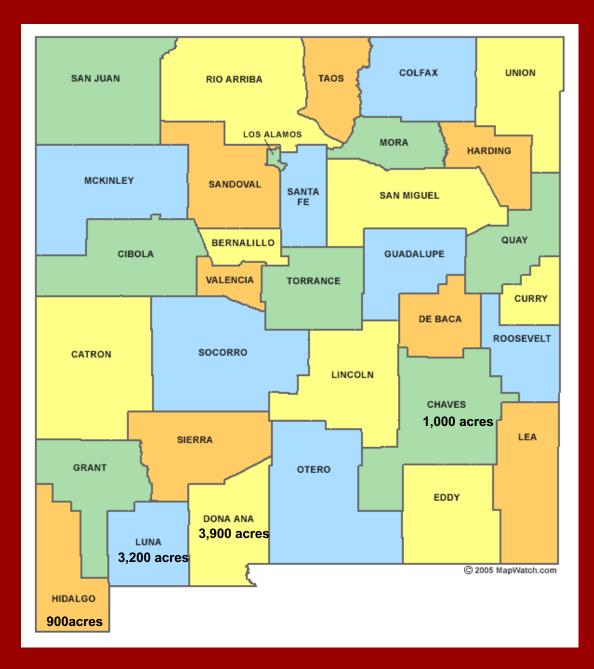
Canned or frozen, whole, chopped and/or used to make sauce.

Fresh Green -Roasted for consumption or storage

Cayenne Mash-Fermented for key ingredient for hot sauce.

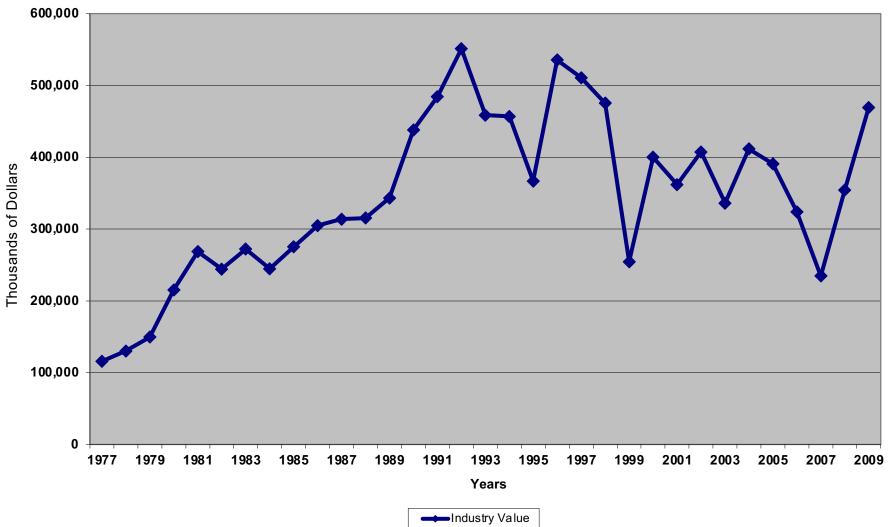
Dollar Contribution 2009 Based on a 57,370,000 Total Farm Value



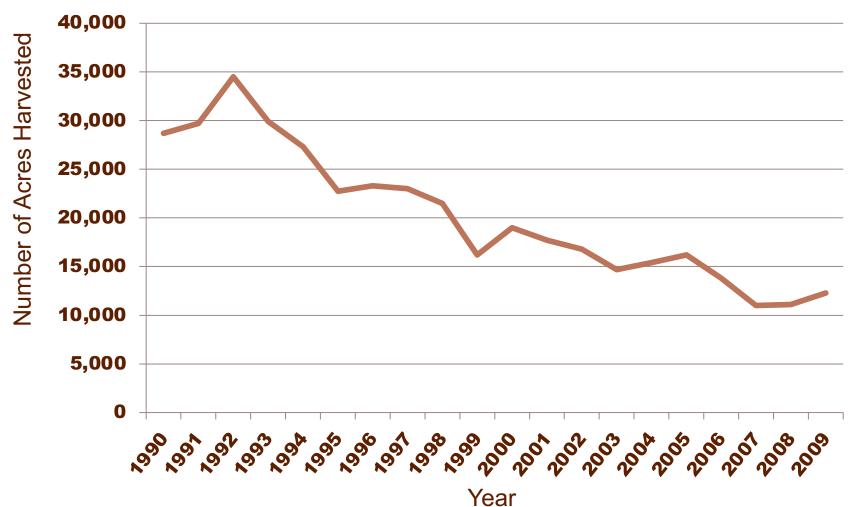


Number of Acres Grown in <u>Southern</u> New Mexico in 2009

New Mexico Chile Industry Value 1977-2009



Number of acres of chile grown in New Mexico is down significantly, about ½ of what it was at its peak in the early 1990's.



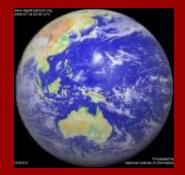
Chile, Acreage Harvested

8/2010



CHALLENGES

- Need for Comprehensive Immigration Reform/Skilled Employees
- Cost of Labor
- Lack of Available Automation/Mechanization
- Globalization/Foreign Competition (Imports)
- Disease



STRENGTHS

- An industry plan and industry support
- State support and resources
- NMSU research, talent, and support
- Superior product
- Demand for US and NM chile; Quality, Safety and Accountability
- Trend against reliance on foreign food
- An industry already in place
- Knowledge
- Huge opportunity, high demand and increased consumption





NEW MEXICO CHILE ASSOCIATION (NMCA)

- NMCA is a non-profit organization. Our members are processors and growers from throughout New Mexico.
- Purpose is to provide resources and coordinate efforts to ensure the viability and prosperity of NM chile and its related industries.
- To create an environment that reinstates NM and the region as the world leader in chile production, processing, and innovations.
- We enjoy an outstanding and unique industry-university partnership with New Mexico State University.





NMCA (Industry) – UNIVERSITY PARTNERSHIP

Research, Development and Other Projects

- Mechanization
- Plant breeding
- Disease resistance
- Pathogen detection and prevention
- Fumigation trials
- Industry statistics and information
- Certification
- Surveys





NEW MEXICO CHILE ASSOCIATION Principal Sponsors and Partners









Rezolex, Ltd.



Thank You!

Cervantes Enterprises





