Insights on Building Relationships for Resilient Supply Chains: Montana Organic Grains, Pulses and Rotational crops

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The Challenge and the Opportunity

The state of Montana is critical for a domestic supply of organic grains, pulses and other rotational crops. Montana is only behind California and New York in the number of certified organic acres. Yet of the 18,000,000 acres of crop land in Montana less than 1% of that is certified organic.

Increasing the acres managed organically in Montana is key to ensuring the growing North American demand can be met through North American supply. Organic operations in the state are also important in early adoption of weather-resilient approaches to growing commodity crops. Montana has warmed about 2.7°F since 1950—a rate higher than much of the United States—and its climate is shifting toward more rain, less snow, earlier spring runoff, and greater drought risk. While total annual precipitation has changed little, the timing and intensity of storms are becoming more variable, stressing both agricultural and water systems.[1,2] For all farmers in the region, this means contending with increased volatility and uncertainty in their operations, agronomically and financially. Organic farmers often lack equal access to the same safety nets as conventional operations, such as crop insurance programs, concessionary lending, and various payments for transitioning practices. This means shouldering the burden of increased risk while simultaneously providing public benefits of clean air and water, and healthy soil through their management practices.

Increasing processing capacity in Montana is equally critical to ensuring a stable domestic supply of organic ingredients. Processors and food companies face mounting risks from climate variability: unpredictable weather patterns disrupt crop yields, creating ingredient shortages and supply volatility; a declining farmer base further constrains available production; inadequate processing infrastructure limits their ability to source locally and efficiently; and shifting consumer expectations add pressure to maintain consistent supply and quality. These compounding challenges leave processors and buyers vulnerable to supply disruptions and financial instability, even as they work to meet growing market demand for organic products.

Driving more widespread adoption of organic agriculture provides an opportunity to adapt our food system to be more resilient to climate variability. Growing processing and purchasing capacity in the state for organic crops also keeps significant economic value in the state. Creating new models of more equitable sharing of risk across all supply chain participants is critical to growing the supply of regenerative organic production. Farmers, processors, and food companies need access to new mechanisms that work for all players and investments in building a more resilient overall food system. Collectively we need new ways of partnering and new agreements that promote increased transparency and assure longevity for all. Could there be significant leverage points for scaling regenerative organic agriculture by examining where each player in the supply chain has risk and finding new ways to mitigate that risk together versus individually?

Project Overview

This project developed a system wide understanding of the challenges each participant in the organic supply chain faces. Using qualitative discussion guides, conversations were held with both buyers and farmers. Out of that assessment emerged several strategies for sharing risk and reward that can enable market expansion for Montana grown, certified organic grains, pulses, and rotational crops. The strategies identify current approaches and present new opportunities for organic farmers, processors, and food companies to more equitably share risks and collaboratively develop new and expand existing market channels.

This project revealed that expansion of organic acres and organic markets requires focus in three synergistic areas:

1. Strengthened cooperative structures that amplify farmer voices in negotiations,
2. Strategic infrastructure and educational investments that enable farmers to meet precise buyer specifications while retaining value and,
3. Relationship-building initiatives that transform transactional interactions between farmers, buyers and processors into collaborative partnerships built on mutual understanding and shared risk.

Methods and Process

Vilicus Institute convened an Advisory Committee (AC) composed of leading experts representing diverse sectors of the food system. The committee provided strategic guidance, ensured cross-sector collaboration, and contributed to the design and review of project deliverables. Discussion guides were developed with one-on-one guidance from Dr. Sarah Church, Associate Professor at Montana State University, and subsequently reviewed by the AC.

Particular attention was paid to understanding how contracts and relationships are built and managed between buyers and farmers. By understanding how these interactions work, and where there are challenges, opportunities for sharing and collaborating would become more apparent.

Discussion participants were selected by the AC. A total of 11 virtual interviews, led by Whole Farm Strategies' team, were conducted between June and September of 2025. The discussions were 60 to 90 minutes in length, and the discussion guides were used less as a structured interview, and more as guardrails. Seven individual Montana farmers from five operations are represented. Five buyers were selected to represent a diversity of stakeholder types, including mills that are willing to toll process, small consumer packaged goods (CPG) enterprises, and multinational CPG businesses. The key findings and recommendations in this report are based on qualitative analysis of interview transcripts and recordings. To ensure participant anonymity, all personally identifiable information, such as names and addresses, are omitted from this report. The AC had the opportunity to review the draft project report and their comments were integrated into the final report.

Farmer Discussion Guide

A questionnaire form developed in conjunction with the AC, guided the farmer conversations facilitated by Whole Farm Strategies' team (see Appendix A). This discussion guide approached the central questions:

- How do farmers manage their operations, approach certifications, and market their products?
- What are farmers' experiences with sales processes, contracts, and risk-sharing mechanisms?
- How do farmers perceive and navigate relationships within the supply chain, and what opportunities exist for collaboration and value creation?

Buyer Discussion Guide

A questionnaire form developed in conjunction with the AC, guided the buyer conversations facilitated by Whole Farm Strategies' team (see Appendix B). This discussion guide approached the central questions:

- How do buyers operate, what are their sourcing priorities, and how do they view certifications and identity preservation?
- What are buyers' experiences with farmer relationships, contracts, and risk-sharing, and what challenges do their farmer-suppliers face?
- How do buyers engage in marketing and storytelling, and what opportunities exist for farmers to meet their brand goals and needs?

Findings

Five key themes emerged from discussions with organic grain farmers and their supply chain partners in Montana. The alignment among farmer voices was particularly striking, with all participants echoing similar experiences and priorities around supply chain relationships. Notably, processors and buyers recognized and validated the importance of each theme raised by farmers, signaling shared understanding across the supply chain. These themes center on the critical intermediary role of processors and aggregators in defining quality and managing logistics, the foundational importance of USDA organic certification coupled with limited market demand for additional practice-based certifications, the essential yet often imbalanced nature of contracting relationships, the value of cooperative business structures to strengthen farmer negotiating power, and increasing on-farm investment in processing infrastructure to meet buyer specifications and capture more value. Throughout these findings, a common thread emerged: the vital role of collaboration and trust-based relationships between and within each party in the organic supply chain, alongside the need for contracts that genuinely support both farmers and buyers in building sustainable, equitable partnerships.

The Critical Role of Processors and Aggregators In Quality and Logistics

The role of processors and aggregators in the organic supply chain is critical. These supply chain participants are the ones who primarily define quality specifications and manage logistics before ingredients reach the end-user (often a food company). Large buyers (such as food companies who go direct to grocers) generally do not contract directly with farmers. Their processes instead dictate the purchase of ingredients from mills or distributors due to high volume demands, legal complexities and the need for stringent specifications, often including food safety certifications. Processors and aggregators act as key gatekeepers for quality, requiring that grain meets precise parameters, including protein content, test weight, and moisture. Additionally, processors and aggregators end up being the "keepers of the farm/farmer story" for brands that want to showcase a more direct connection to the soil building work happening at the farm level.

USDA Organic Certification Key, Limited Value of Other Practice-based Certifications

All of the participating farms hold USDA organic certification, most for over a decade. They see this certification as the basis of a strong market that offers some premium on the price per bushel, as compared to the conventional commodity cost of the same grain. Some of the farmers have recently become Regenerative Organic Alliance certified, though they have yet to see an appreciable market demand, or premium price, for their regenerative organic crops.

The buyer participants were not seeking any other practice-based certifications at this time, aside from certified organic. Two of the buyers cited the need for more ‘novel’ claims to win the eye of the market, such as upcycling or innovation on an ingredient. One example given was a recently launched chickpea based, allergen free nut butter replacement, The Amazing Chickpea. Additionally, all of the buyer participants noted that identity-preservation and direct-farm storytelling as marketing strategies seem to have taken a backseat at the scale where many of these farmers operate, pointing to the need for continued organic certification.

Contracts are Critical But are not Balanced for Both Parties

Contracting for organic crops sales in Montana reveals a stark difference between local and distant buyers. Montana-based buyers often conduct business based on trust, phone calls, and handshakes, though all of this continues to be backed by contractual agreements. This less transactional approach is made possible through close-knit, long-term relationships, and farmer participants have found more latitude for adjustment and compromise when things don’t go as planned. In contrast, out-of-state companies typically operate using highly formal, rigid contracts. This sole reliance on legalistic documents has sometimes led to complications, disputes, and broken commitments.

This difference highlights a key challenge: contracts are often perceived as being "only as good as who has the lawyers," which puts individual farmers at a distinct disadvantage when negotiating against large corporations with extensive legal teams. Organic Farmers have learned the importance of due diligence; they generally do not seed a crop without a contract in place. As demonstrated by all of the farmers interviewed, they meticulously review the quality parameters in these documents and desire solid, reliable agreements. (See Appendix C for a sample contract)

Contract Key Terms

From a farmer’s standpoint, a strong contract must include several critical clauses to protect their interests and ensure a fair partnership.

- **Act of God Clause**: This is essential to account for natural variations in yield and quality caused by unforeseen events like drought or excessive rain. It protects farmers from being penalized for circumstances beyond their control.
- **Clear Quality Parameters & Price Differentials**: Contracts need to provide detailed specifications for quality factors such as protein content, test weight, moisture, and foreign matter. They must also explicitly state, upfront, how prices will be adjusted for any variations from these specifications. Multiple buyers noted that they feel farms need more robust crop sampling protocols to capture a meaningful, representative sample of the harvest. (See Appendix D for crop sampling resources)

- **Storage Flexibility**: Clauses should define the terms for grain storage beyond the initial contract period, potentially including payments for farmers who store grain for the buyer.
- **Full Production Contracts**: Buyers' commitment to purchasing the entire output of a field provides significant security for the farmer.
- **Rejection Clauses**: There must be clear, transparent discussions around rejection clauses, particularly those concerning allergens, to ensure they are realistic and reflect the operational reality of the farm.

Contract Challenges

Farmer Participants shared that negotiating contracts presents several challenges that often place them at a disadvantage:

- **Buyer Rigidity**: Some buyers are unwilling to adapt their existing models or contract terms. They may view their contracts as non-negotiable, leaving little room for discussion or customization.
- **Unneeded Content**: Contracts can contain clauses that are not fully understood or genuinely needed by the buyer but are included out of legal caution or habit. These unneeded additions create unnecessary complexity and risk.
- **Farmer Reluctance to Negotiate**: Farmers may feel intimidated or assume that contracts are non-negotiable. This reluctance can cause them to miss opportunities to initiate discussions that secure more favorable and equitable terms.
- **Lack of Long-Term Relationships with Large Buyers**: Staff changes at larger companies can hinder the development of the lasting relationships that are crucial for flexible contract negotiations. A new representative may not be willing to honor a verbal agreement or previous negotiation. As mentioned earlier, this potential turnover makes written agreements crucial.

A strong, trusting relationship between farmers and buyers is consistently highlighted by both farmers and buyers as more valuable and reliable than formal contracts alone. This direct communication allows for working through issues and building good faith, fostering interdependence and mutual well-being, rather than solely focusing on accumulation or self-interest.

Belief in Cooperative Business Structures

There is a strong belief among the Farmer Participants that collective action through a cooperative structure like the Montana Organic Producers Cooperative (MOPC) could significantly shift the power dynamic in negotiations with buyers. This collective approach could enable group marketing, shared infrastructure, and increased bargaining power for farmers to negotiate more favorable terms and multi-year contracts. Most of the Farmer Participants are current members of MOPC with a desire to further formalize their portion of the cooperative and build capacity, possibly through staff or contract labor, to strategically build relationships and increase market share as a collective. One farmer stated that MOPC “needs to get more cohesive with a lot more weight applied to the marketing.”

Investment Increasing In On-farm Processing Infrastructure

All of the farmer collaborators are increasingly investing in on-farm grain cleaning and processing facilities to meet precise buyer specifications, reduce transportation costs, and capture more value in the supply chain. This allows the farmer to provide buyers crops with "exactly the parameters they need". This also involves farmers taking on the role of the "middleman" (homogenizing, mixing, cleaning, shipping) to ensure consistent quality, which is identified as a significant challenge by buyers.

Recommendations

Three synergistic areas of focus for building more resilient organic supply chains emerged from this project. Within each of these focus areas are two recommended key actions.

1. Strengthened cooperative structures that amplify farmer voices in negotiations.
    a. Build capacity for farmers to collaborate, potentially through Montana Organic Producer’s Cooperative
    b. State-wide Sales & Marketing Support
2. Strategic infrastructure and educational investments that enable farmers to meet precise buyer specifications while retaining value.
    a. Invest in resilient infrastructure at all points in the supply chain
    b. Robust education on grain quality specifications, food safe storage and transportation
3. Relationship building initiatives that transform transactional interactions between farmers, processors and buyers into collaborative partnerships built on mutual understanding and shared risk.
    a. Stakeholder collaboration to build contracts that work
    b. Foster understanding and association by gathering on the land

Table 1.1 is a summary of the recommendations of this project. The recommendation that holds the highest leverage, in our minds, is moving forward in designing and hosting the facilitated roundtable gatherings, on farms, in mills and buyer facilities. The other focus areas may be viewed as more tangible. However, understanding is not built through zoom, or reports, but by doing the work of getting to know more deeply the challenges and opportunities others in the food system face. It is the stakeholders themselves who will create solutions uniquely beneficial to their shared goals, facilitated through an intentional discussion that will use this report and the surrounding research, as a foundation for the agenda.

Strategic Area	Key Actions
Strengthened Cooperative Structures - Amplify Farmer Voices 	Invest in marketing staff and infrastructure for MOPC with the goal of building cooperative capacity to market crops that meet specification.
	Train farmers in sales and marketing and / or gain staff support for these activities.
Strategic Infrastructure and Educational Investments 	Invest in resilient infrastructure at all points in the supply chain with a focus on decreasing costs for all, as well as sharing risk.
	Education on crop quality specifications. Analysis needed for what is within farmer control, processor control. Apply learnings to growing practices, harvest, post-harvest activities on-farm. Apply learnings to processing steps.
Relationship Building Intiatives 	Stakeholder collaboration with facilitation to build contracts that work.
	Foster understanding and association by convening stakeholder groups on farms and processing facilities.

Table 1.1

Build Cooperative Capacity & Activate Statewide Sales/Marketing Support

To successfully connect farmers to new markets, a more professional and unified approach to sales and marketing is necessary. This requires support at both the cooperative and individual farmer level. Cooperatives, such as MOPC, need financial and organizational support to hire a dedicated sales professional. This person would understand both the values of farming communities and traditional sales techniques, like cold calling and attending industry conferences, to effectively represent the cooperative's products to a wider audience.

Empowering individual farmers to take a more active role in marketing their own products is also key. By proactively engaging with potential buyers and understanding their specific needs, farmers can build direct connections and reduce their reliance on intermediaries, fostering a more direct and profitable business model.

Strategic Investment in Infrastructure and Education

Processors and end-users seek a consistent, dependable supply of local and regional grains and grain products that meet their specific quality, documentation, and scheduling requirements. To meet this demand, a more robust infrastructure for grain aggregation, cleaning, processing, and storage is needed across Montana and the Great Plains. Key needs that came out of the discussions include:

- **For Consumer Packaged Goods Makers:** More facilities with gluten-free certification and dedicated cleaning and dehulling for grains like oats, spelt, and buckwheat.
- **For Distillers:** New infrastructure for malting local and regional grains at an appropriate scale, as well as access to clean, dry storage for farmers who supply grain directly.
- **For Millers:** Increased on-site storage for incoming grain and additional regional cleaning facilities that can accommodate smaller batches of grain without significant delays.

- **On-farm:** Processing infrastructure for a first cleaning pass, at least. Allows farms to retain value of screenings for seed or animal feed and reduces the cost of freight paid for hauling cleanout. Increased access to information and evaluative tools, as well as crop handling and processing equipment, helps farmer participants understand and meet the precise standards of buyers, ensuring a higher-value product.

Of the list above, the biggest opportunity to build resiliency into these local and regional grain systems comes in the form of key investments in Farmer-driven processing infrastructure. It is important to consider the role of MOPC, or other emerging stakeholder collaborations, in the activities that are supported by increased infrastructure for cleaning and processing. This includes:

- **Farmer-driven Cleaning Facilities:** Farmers need support to develop and manage their own grain cleaning facilities. Having this capability on-site or at a shared facility nearby allows them to deliver grain that meets specific buyer parameters.
- **Milling Capabilities:** Encouraging investment in and providing support for farmer-led flour and feed mills is crucial. These mills enable farmers to add value to their crops and utilize a wider range of grain qualities.
- **Homogenization and Blending:** Infrastructure for blending different grain qualities is essential for creating a consistent product. This ensures that the grain consistently meets buyer specifications, which in turn helps prevent rejections and reduces waste.
- **Markets for Screenings/By-products:** Developing viable markets for grain screenings and by-products is important for retaining value. Creating end-uses for these materials, such as animal feed, turns waste into a valuable asset.

Grain Quality Parameters & Food Safe Storage and Transportation

Effective management of grain post-harvest is vital for maintaining quality and reducing costs. Improvements in two key areas—storage and transportation—can help make the local grain system more competitive.

Farmers need education and tools to effectively monitor grain quality while in storage. By tracking factors like moisture and temperature, they can maintain the integrity of their crops and ensure the grain remains in top condition for the market. Some farmers mentioned that there are emerging metrics and analyses that buyers are requesting, and these farmers have expressed an interest in learning more about what they can control, and how to meet these requirements. There is also a need to find strategies to reduce significant transportation expenses. This is felt most acutely by farms that are extremely rural, where both first and last mile transportation costs can soar. Buyers and farmers noted that transportation can sometimes account for up to half the cost of grain, so finding resources and opportunities to invest in more localized distribution hubs or collective shipping initiatives through a cooperative could offer significant savings.

Stakeholder Collaboration to Build Contracts that Work

To move forward in association with one another, the perception of contracts will need to shift to recognize the importance of written agreements in codifying a transparent relationship, as well as setting expectations that are able to be openly discussed and revisited. For instance, it may be advisable to revisit a contract as a way of setting the stage for the continued relationship when a new stakeholder joins the team. As one farmer participant noted, “I think getting to know your buyers is really critical, because I want to build a relationship. I don't want to start arguing with a contract.”

Support Innovative Contractual and Financial Arrangements

These recommendations emerged from conversations with farmer participants. Though buyers often did not respond with ideas of their own, they responded favorably when they learned about these recommendations, with strong desire to discuss case by case details with farmers at the time of drafting contracts.

- **Multi-year contracts:** Farmers desire multi-year contracts that include a sustainable price for both parties. Some farmers have successfully negotiated contracts with both price ceilings and floors, providing stability for both sides.
- **Upfront financing/seed payment**: Farmers express a desire for buyers to share the risk of high upfront costs, such as providing upfront seed payments or covering seed costs directly.
- **Guaranteed base payments per acre**: Instead of solely paying for yield, farmers seek a base payment per acre that guarantees they can sustain their operations, and the related ecosystem services. This helps ensure economic viability regardless of production fluctuations.
- **Financial reporting innovation**: Opportunities exist to prove the security of these contracts and relationships as future revenue, thus securing lower interest rates on operating notes for farmers, improving their cash flow.
- **Tools to guide changes in relationship participants:** Contracts stipulate that if there is a buyer transition it is expected that the outgoing buyer supports a smooth transition to the new buyer or company owner, which would include transferring key relationships and responsibilities.

Acknowledge Nuances between ‘Relationships’ and ‘Customers’

Before entering into a new sales partnership, each partner needs to answer one key question: Am I forming a relationship or am I working transactionally with a customer? Working with a customer generally means the farmer / buyer is working on a purely transactional and profit based arrangement. Forming a relationship means each party will need to give and take for the benefit of both parties. Neither arrangement is right or wrong, but understanding what type of partnership is forming will help understand how to approach the other party and what to reasonably expect from them in unusual or difficult circumstances.

Customers will generally only work for their own profit benefit - meaning they are highly unlikely to offer a farmer more generous terms, bend contracts, or otherwise go out of their way to benefit the other party to their own financial detriment. However, a partnership that is formed as a relationship means both farmers and buyers will occasionally need to give up time, profit and/or emotional labor to make sure both parties are successful enough to continue their relationship over the long term. Importantly, like with all relationships, a sales relationship cannot be successful if only one party is willing to go above and beyond. Farmers and buyers should both be aware that if they want successful sales relationships they will need to be proactive in supporting the other party.

Foster Understanding by Convening on Farms and Processing Facilities

There are opportunities across the supply chain and among all the stakeholders to improve relationships and mutual understanding. Currently, a disconnect exists between many stakeholders, which often leads to misunderstandings, due to a lack of visibility and comprehension of the challenges each one is facing.

Creation of resilient and equitable supply chain relationships requires that all the stakeholders have a clear idea of the daily realities and challenges facing each of their respective partners. There is a strong wish, expressed by many participants in this project, to build trusting and personal relationships, where interest in the other and the well-being of the whole are the two main goals. In such a setting, contracts serve the purpose of codifying the key elements of these personal relationships, rather than being the only element defining the more transactional relationships.

Trust, that is built "one teaspoon at a time", and can be lost "by the gallon" is at the heart of "social soil", a term coined at the Institute for Mindful Agriculture (IMA), to describe the shared invisible substance in any group of people working together. The "fertility" of this social soil, the degree of mutual trust and empathic understanding, largely determines the outcome of the work together. The most important step on any "trust-building" journey is the ability to communicate with each other openly and honestly. This requires listening to one another, not simply trying to understand what the other is saying, but what they actually mean. Listening becomes the central "tool" to grow and cultivate social soil. And unfortunately, only a very few of us have had any formal training and practice in the activity of listening.

Below is a diagram that describes differing levels of listening[3]; this is based on the work and research of Otto Scharmer and the Presencing Institute. Neither stage is "good or bad" in itself, but depending on the level that a group can achieve the results will vary dramatically. Our experience at IMA has shown that finding the needed and wanted "nuanced and creative solutions for balancing risks and fostering mutual profitability", will require stakeholder conversations to move through "Level 3" and touch into "Level 4".

In considering this, it is important to note that currently the farmers and producers are the voices with the least power and leverage within the "food economy," which could make these initial stakeholder meetings "unbalanced" or even difficult to organize. It might be necessary and possibly helpful, in this current situation, for the farmer/producers to create collaborative associations (producer cooperatives) that would lend their collective voice more weight; and thus, allow for a more balanced conversation.

Parallel to the more focused stakeholder roundtables, the hosting of several field days on farms and in processing facilities in the region will foster deeper understanding of all the diverse aspects of stewarding land and growing food among the “non-farming-eater” communities. Future convenings could be in CPG Brand facilities. This is essential because “walking in each other’s shoes” is an important prerequisite to begin building mutual understanding and trust – key elements of the above-mentioned personal relationships. The following imagination might guide the way into a future where the well-being of our Earth and all her inhabitants is the main goal. Rather than continue to work in the food system as a “chain” stretching from producer to the eater/consumer, why not imagine a “roundtable” across which all kinds of different connections and relationships can develop and where we move from a more impersonal, anonymous food system to a food web woven out of strong personal relationships.

Montana is a large state but has been said to have “one long main street”. Working to foster stronger relationships across all stakeholders in the food system will have significant ripple economic impacts and allow a more resilient agriculture through direct connections.

Best Practices for Building a Relationship

Clarity on expectations, from both the farmer and buyer, is essential to having a strong and frictionless relationship. Too often a new sales relationship is doomed from the start because either the buyer or farmer is working from assumed knowledge about the other party. For example: a buyer might assume that a smaller-scale farmer is using the same invoicing practices of larger farmers. Or a farmer might assume a buyer will show them the same flexibility on quality standards that they have received from other customers. This assumed knowledge is often considered “industry standard” by buyers and may not be information they are used to talking through with farmers. Oftentimes for farmers this assumed knowledge is based on their past sales relationships, and can be especially off-base when they are moving from working with smaller-scale to larger-scale customers.

When forming a new relationship it is strongly recommended that both buyers and farmers go through all potential friction points in their relationship before a sale has been made. This allows both parties to identify any issues at the start of the relationship, when they are easier to resolve. To make sure nothing is missed it is strongly recommended both parties review each clause of the contract to make sure they discuss all relevant information.

Farmers and buyers should also discuss how flexible they are on all of the information discussed. For example: if a farmer’s crop isn’t available for delivery until two weeks after the target delivery date will the buyer still be able to purchase it from them? Or will that lead to a cancelled sale?

Conclusion

The path forward for Montana's organic grain, pulse and rotational crop market lies not in choosing between relationships and contracts, but in weaving them together into a resilient, equitable supply chain with increased stakeholder understanding. Success will be measured not only by expanded markets and improved farmer profitability, but by the cultivation of what we term "social soil"—the trust, empathy, and open communication that forms the foundation of truly sustainable food systems. Montana's organic grain, pulse and rotational crops community should move from a linear supply chain toward an interconnected roundtable model. The ultimate outcome is clear: a food system where the well-being of the land, farmers, processors, and consumers are inextricably linked, creating prosperity that flows in all directions rather than extracting value from the few who are directly connected to the care of the biological soil that feeds us all.

Montana's organic farmers are already leading the way in scaling ecologically-based, low-input farming systems that work in greater alignment with natural processes—despite operating within a system that neither incentivizes nor rewards them for doing so. Expanding this adoption will require challenging the deeply embedded market orthodoxies that dictate who bears what risk and when throughout the supply chain. Without questioning these assumptions—about risk allocation, equity, and shared responsibility for change—farmers will remain trapped in a system that constrains their capacity to adapt and limits our collective ability to build a more resilient food system that works for everyone.

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Appendix A

Supply Circle - Farmer Discussion Guide

This discussion guide has been prepared as part of a grant through Rural Food Business Development Center (RFBDC) Climate Resilient Ag theme team.

Thanks so much for taking the time to talk with us.

We're working on a project focused on expanding the market for certified organic grains, pulses, and oilseeds grown right in Montana. We know that farming organically—especially in the face of climate extremes—requires a huge amount of commitment, creativity, and risk. Our goal is to create a roadmap that helps farmers like you find more secure, equitable, and long-term relationships with buyers, processors, and other supply chain partners.

Through this project, we're speaking directly with a small group of organic producers and post-farmgate partners to understand what's working now—and what's getting in the way. We're especially interested in how risk and reward are shared across the supply chain. Whether it's forward contracts, equipment sharing, processing timing, or cash flow—we want to explore what would make a real difference for your operation.

This isn't just a listening exercise. The insights from these conversations will shape a practical roadmap for change, with ideas for new contract models and collaborative strategies. We're also planning to work with some participants to test these ideas in real time—so this could be the beginning of something ongoing.

The final roadmap will be shared widely through the Vilicus Institute and organic networks throughout the Northwest and Rocky Mountain regions, with the goal of spotlighting farmer-centered solutions for building resilience and strengthening supply chains.

Tell us about your farm.

This is a 'grand tour' question intended to frame the interview as a conversation and build rapport. Use responses to answer general info questions found below. Follow up to get any answers not gleaned from grand tour.

Name

First Name

Last Name

Farm Name - Publish

Legal Farm Name or DBA

Phone

Email

Address

Street Address

Address Line 2

City

State/Region/Province

Postal / Zip Code

Country

Preferred Method of Contact

How many acres do you currently manage?

What crops do you focus on growing for sale through a business-to-business pipeline? (NOT direct to consumer) *

Marketing Questions

Which of the crops just mentioned has been most successful for you for marketing and gaining the price that you desired?

Why have the crops named been most successful?

What Certifications does your farm hold?

- [ ] Bee Better
- [ ] Certified Animal Welfare Approved by A Greener World (AGW)
- [ ] Certified Humane
- [ ] Certified Naturally Grown
- [ ] Certified Organic
- [ ] Demeter Biodynamic
- [ ] Fair Trade
- [ ] Real Organic Project
- [ ] Regenerative Organic Alliance (ROC)
- [ ] Regenified
- [ ] Other

For each of these certifications, can you tell me more about the following: Why do you maintain each?

For each of these certifications, can you tell me more about the following: What is the total estimated cost incurred annually?

For each of these certifications, can you tell me more about the following: Do you currently feel that you see a return on the investment in each certification, and in what ways?

Tell me about how you track your sales from the beginning conversation with a buyer through the transfer of goods.

How do you keep track of what you have to sell?

- [ ] Spreadsheet
- [ ] Paper Records
- [ ] In your head
- [ ] Customer Relationship Management (CRM) Software
- [ ] Other

What CRM Software are you currently using?

Are you satisfied with the CRM so far? Any challenges to note?

Please describe the process in as much detail as possible, highlighting strengths and pointing out opportunities for improvement.

Have you developed a process and/or system of tracing your product lots throughout the chain of custody?

- ◯ Yes
- ◯ No
- ◯ Working On It

Please describe the process in as much detail as possible, highlighting strengths and pointing out opportunities for improvement.

Is the process of working with each buyer well defined and well understood by both yourself (the farmer) and the buyers taking your product?

- ◯ Yes
- ◯ No
- ◯ Working On It

Please tell us about any experiences with marketing and selling ecosystem services, carbon credits, biodiversity credits or similar.

Please tell us about any experiences marketing the story of your farm and its practices. What value did this bring for your farm?

Is there anything else that you would like to talk about on the topic of marketing, storytelling or adding value to your farm's story?

Past and Current Contracts

Keeping within the confidentiality of contractual agreements held, I would like to talk with you more about your experience with contracts in the past.

Tell us about one of your biggest successes with current and/or past contract agreements.

Please tell us about past learnings or missed opportunities when it comes to your experience with contracts.

Is there any language that must be included in a contract before you will consider it?

Is there anything else that you would like to talk about on the topic of contracts?

Hopes for Future Contracting

What clauses and/or language would ideally be included in future contracts with buyers?

What are some other agreements that you would like to see in future contracts with buyers?

Why would these agreements serve your operation?

Risk-Sharing Questions

What can you tell me about the challenges faced by the buyers of your crops?

Please describe any experiences that you have had in the past risk-sharing with buyers, successes and challenges.

What new arrangements, partnerships, and ways of sharing risk would be desirable? In other words, if you could imagine an ideal relationship with a buyer, what would it look like?

Is there anything else that you would like to talk about on the topic of risk-sharing?

Supply Circle - Buyer Discussion Guide

This discussion guide has been prepared as part of a grant through Rural Food Business Development Center (RFBDC) Climate Resilient Ag theme team.

About the Project - *A Roadmap for Building Resilient, Climate Smart Supply Chains for Montana Organic Grains, Pulses and Oilseeds*

We're working on a project to help grow the market for organic grains, pulses, and oilseeds produced in Montana—and do it in a way that strengthens the whole supply chain. As you know, farmers are navigating increasingly unpredictable conditions due to climate change, and that volatility affects everyone involved—from the field through to processing and sales.
This project is about finding better ways to share both the risks and rewards across the supply chain. We're talking with a select group of producers and post-farmgate partners to learn more about what's working, where there are barriers, and what new kinds of collaboration might be possible.

One key area we're exploring is how purchase agreements and contracts can be designed to support long-term relationships—especially by including tools like forward commitments or risk-sharing clauses. But we're also digging into things like processing timelines, cash flow planning, and other levers that could create more stability and value across the chain.

We'll compile what we learn into a roadmap, which will be published online through the Vilicus Institute and shared throughout organic networks in the Northwest and Rocky Mountain regions. And this isn't the end—we're planning to use this roadmap to launch pilot partnerships in the next phase of the work.

We're really looking forward to hearing your thoughts on what it would take to make organic supply relationships more resilient, more equitable, and more successful for everyone involved.

Tell us about your operation in the context of purchasing organic and regenerative organic ingredients.

This is a 'grand tour' question intended to frame the interview as a conversation and build rapport. Use responses to answer general info questions found below. Follow up to get any answers not gleaned from grand tour.

What are your goals in coming to this conversation?

What can you tell me about the current challenges faced by the farmers that grow ingredients for you?

Name

First Name

Last Name

Business Name - Publish

Legal Name or DBA

Phone

Email

Preferred Method of Contact

Address

Street Address

Address Line 2

City

State/Region/Province

Postal / Zip Code

Country

What crops do you purchase?

Marketing Questions

Which of the crops just mentioned has been most successful in forwarding the goals of your business?

Why have those crops been the most successful?

What Certifications do you seek when purchasing ingredients?

- [ ] Bee Better
- [ ] Certified Naturally Grown
- [ ] Certified Organic
- [ ] Demeter Biodynamic
- [ ] Fair Trade
- [ ] Real Organic Project
- [ ] Regenerative Organic Alliance (ROC)
- [ ] Other

For each of these certifications, can you tell me more about the following: Why do you maintain each?

Tell me about how you track your sales from the beginning conversation with a producer through the transfer of goods.

Does this process engage the selling party (farm) to co-create clear expectations of the purchase path?

Please describe the process in as much detail as possible, highlighting strengths and pointing out opportunities for improvement.

Do you prioritize crops that can be identity-preserved?

- ◯ Yes
- ◯ No

Identity preservation (IP) is the process of keeping a crop segregated from seed to market to maintain specific traits or quality, ensuring it meets contracted end-user requirements.

Please describe the ideal process(es) for preserving identity of an ingredient in as much detail as possible.

Please highlight strengths and point out opportunities for improvement in your process of preserving identity of crops.

Is the process of working with each farmer well defined and well understood by you and your team, as well as the farmers?

- ◯ Yes
- ◯ No
- ◯ Working On It

Please give more information on how you have made agreements around the play-by-play of a sales transaction.

Please tell us about any experiences with purchasing ecosystem services, carbon credits, biodiversity credits or similar.

Please tell us about any experiences marketing the story of a farm and its practices. What value did this bring for your business?

Is there anything else that you would like to talk about on the topic of marketing, storytelling or adding value to your brand's story?

Past and Current Contracts

Keeping within the confidentiality of contractual agreements held, I would like to talk with you more about your experience with contracts in the past.

What circumstances need to be in place for you to consider creating a contract with a farmer?

Is there any language that must be included in a contract before you will consider it?

Please talk about your successes with current and/or past contract agreements.

Please tell us about past learnings or missed opportunities when it comes to your experience with contracts.

Are there specifics that you can cite that have prevented you from entering into contracts in the past?

Is there anything else that you would like to talk about on the topic of contracts?

Hopes for Future Contracting

What clauses and/or language would ideally be included in future contracts with farmers?

What are some things that you would like to see in future contracts that you enter with the farmers that grow your ingredients?

Risk-Sharing Questions

What are one or two of your brand's biggest goals?

How can your current farmers and future farmers help to support you in achieving those goals?

Please describe any experiences that you have had in the past risk-sharing with farmers.

What new arrangements, partnerships, and ways of sharing risk would be desirable?

Is there anything else that you would like to talk about on the topic of risk-sharing?

Date

dd-MMM-yyyy

Appendix C
Example Contract

Disclaimer: This example is not intended as legal advice. Always consult an attorney regarding your specific situation.

{YYYY} ORGANIC GRAIN GROWING AGREEMENT

This agreement, made and entered into this {DD, Month, YYYY}, by and between {Buyer}, a {State} corporation doing business at {Street address, City, State, Zip, Phone} and
(Producer)
(Address)
(City, State, Zip)
(Telephone, Fax)
(E-mail)

WITNESSETH:

WHEREAS Producer farms land in {County}, (State), the legal description of which is ____; and
WHEREAS the parties agree to the following terms where the Producer will grow {CROP} and {Buyer} will purchase the resulting harvest consistent with the following terms.
WHEREAS the parties wish to reduce their agreement to writing, NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. {Buyer} agrees to sell to the Producer approx. _______ bushels of {Seed Crop}.
The producer shall pay with delivery of harvested grain. In the event of crop failure, seed shall be repaid with cash by {Date}.

2. Producer agrees to seed approx. _____ acres of such {Crop} on the Land during the crop year {YYYY}, it being understood that the estimated seeding rate is between {xx-yy} pounds per acre.

3. Producer shall plant, cultivate, grow and harvest {Crop} in accordance with the standards of NOP (National Organic Program) third party organic certifier and good farming practices customarily employed in the community. Producer shall complete the certification process before {Buyer) takes delivery of {Crop}. The producer shall forward a copy of organic certificate and inspection report (if necessary) before any deliveries. The {Crop} fields shall not be contaminated with other wheat and/or grain. The Producer shall permit field and bin inspections during the growing season and through time of delivery to {Buyer}, to certify the purity of the {Crop) crop being grown and cleanliness of storage facilities. Producer shall furnish {Buyer} with a copy of their organic certificate. The certificate must list {Crop}.

5. {Buyer} may have a lien registered against the harvested {Crop} to secure Producer's

obligations hereunder, Producer hereby agreeing to take all necessary actions and to execute all documents necessary to perfect such lien.

6. Producer shall pay all expenses for planting, growing, and harvesting the {Crop} and assumes all risks of damage to or loss of the crop from any cause.

7. Producer shall immediately notify {Buyer} upon completion of harvest of the number of bushels of {Crop} produced and the location of stored grain including bin numbers and amounts from each field in each bin. Producer shall keep one end gate sample from each field. A 4 lb. representative sample from each bin shall be sent to {Buyer} who will keep half and send half to the Montana State Grain Testing Lab for a test of protein, moisture, grade, falling numbers and cracked grain at {Buyer} expense. A copy of the report shall be sent to both parties with notification of compliance to standards listed below. The parties then shall arrange for delivery of {Crop} to {Buyer} with no deliveries will be made before {Date} and half the deliveries to be to be completed no later than {Date and all the deliveries complete by {Date}.

8. The standards for the {Crop} to be produced by Producer are as follows:
THIS LIST IS OFFERED AS EXAMPLE ONLY AND DOES NOT APPLY TO A SPECIFIC CROP
Organically certified to USDA NOP
Moisture - 11% or less
Protein - 12.5% minimum
Test weight - 58 pounds or more
Falling numbers - 350 or more
Hard & vitreous – 90%
Insect Infestation - 0%
Insect damage – 0.05%
Foreign materials - 0.5%
Broken Kernels - 3% or less
Contrasting classes - 0.5% or less
Ergot - less than 0.01%
Ochratoxin 3 ppb or less
No musty odors or fungus or mold in excess of FDA standards
Black tipped fungus and touched by black tip – 1% or less

9. {Buyer} shall pay Producer {$$} per bushel for cleaned {Crop} which conforms to the specifications set forth in Paragraph No. 8 above on first 8 bushel per acre yield; {$$} per bushel for yield above nine bushel per acre. The dirty incoming weight, including the dockage, shall determine yield for prices above with the exception of dockage plus foreign material is over 5% then that amount shall be deducted from total bushels.

10. Producer shall pay trucking to {Location}. ***OR*** Freight-on-Board (FOB) Location as agreed upon by both parties

11. {Buyer} shall pay Producer at a discounted rate for {Crop} that is below the

standards set forth in paragraph 9 (above) except in the case that this non-conformance prevents the {Crop} from being certified organic or suitable for milling or manufacturing. In such case the grain shall be graded as feed and the local market for the respective feed shall be used as a base from which payments are made.

12. {Buyer} shall pay Producer for said {Crop} within 30 days of delivery to {Buyer}'s Fort Benton address as {Buyer} shall direct or other destination as shall be mutually agreed upon.

13. Producer hereby promises and agrees to deliver the {Crop} to {Buyer} free and clear of all liens, encumbrances, security interests and claims of any nature whatsoever, except as stated above. {Buyer} shall have the right to pay and satisfy any liens, although it shall not be required to, and any amounts so paid by {Buyer} shall be deducted from amount due producer hereunder.

14. {Buyer} gives no warranty, expressed or implied as to the description, quality, productiveness, or any other matter, of the {Crop} seed delivered. {Buyer} is not, and shall not be, in any manner responsible for the quality or abundance of crops produced by such {Crop} Seed.

15. Neither this contract nor the obligations contained herein may be assigned by Producer to any third party whatsoever and the same may not be used as collateral by any third party for any loan or otherwise encumbered.

16. The contract and the obligations contained herein shall be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

17. If any provision of this agreement shall be construed to be illegal or invalid by a court of competent jurisdiction, such construction shall not affect the legality or validity of any of the other provisions hereof, and the illegal or invalid provisions shall be deemed stricken and deleted, but all other provisions shall continue in full force and effect any provision.

18. The law of the {State} shall control this agreement and venue for any lawsuit relating to this Agreement shall be {Location}. In the event that litigation is filed to enforce the provisions of this agreement, the prevailing party shall be entitled to its reasonable attorneys' fees.

19. {Buyer}'s performance hereunder, or any delay in performance, including the acceptance of deliveries of grain on the date(s) specified, shall be excused where such failure to perform or delay is attributable to any cause or reason beyond {Buyer}'s control, including without limitation, equipment breakdown, labor trouble, governmental regulations, transportation difficulties, embargoes, civil disturbances, acts of God, or any other causes of the like or different character beyond {Buyer}'s control.

20. In the event of an Act of God, producer not obligated to deliver {Crop}. However, if Act

of God prevents harvest in {YYYY}, producer will be obligated to compensate {Buyer} for cost of seed.

21. Financial Risk Statement: in the event of financial solvency, amounts owing after surety payments may result in an unsecured obligation. The producer is hereby advised of the financial risk involved with this type of contract.

23. It is the responsibility of the producer to notify {Buyer} if bankruptcy or insolvency is pending for the Producer(s) or any affiliates so {Buyer} may plan accordingly or refuse contracting acres with the producer. It is understood that if this is not disclosed by the Producer, {Buyer} has the right to all contracted {Crop} harvested despite bankruptcy of producer.

24. All aspects of this contract to remain strictly confidential.

IN WITNESS WHEREOF, the parties hereto have executed this contract on the day and year below.

____ Producer ________________ Date

____ {Buyer} ________________ Date

Appendix D
Crop Sampling Resources

- North Dakota State University Grain Stream Sampling and Sampler Construction
https://www.ndsu.edu/agriculture/ag-hub/ag-topics/crop-production/crops/barley/grain-stream-sampling-and-sampler-construction

- USDA Practical Procedures for Sampling Grain at Farm Sites and Remote Locations
https://www.ams.usda.gov/sites/default/files/media/PracticalSamplingProcedures2017.pdf

- OGRAIN YouTube Video: How to Submit a Grain Sample for Lab Analysis
How to Submit a Grain Sample for Lab Analysis