



PURCHASING PRACTICES:

Guide for Established Kelp Buyers



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INTRODUCTION	1
01 STAGES OF YOUR PURCHASING PARTNERSHIP	2
Stage 1: Discovery	3
Stage 2: Pilots	4
Stage 3: Commercialization	4
Stage 4: Contracting	5
02 TOOLS FOR COMMERCIALIZATION CONVERSATIONS	6
Term Sheets	7
Chain of Ownership	8
Product Specifications & Testing	9
Contracts	13
03 MULTI-YEAR PURCHASING AND ONGOING COMMITMENTS	24
Commitment Management	25
Partnership Evaluation and Growth	25
Growing Together Year Over Year	27
04 RESOURCES	28

INTRODUCTION

According to NOAA, seaweed farming is the fastest growing aquaculture sector in the United States.¹ While this nascent industry offers promising economic, social, and environmental benefits, it faces a number of barriers to success. Farmers frequently cite the absence of reliable markets as a primary bottleneck, which can be attributed in part to the complexities of an emerging supply chain for a highly perishable crop. In 2022, GreenWave, a 501c3 nonprofit, received a NOAA Saltonstall-Kennedy grant to support market development by Establishing Kelp Purchasing Cycle Best Practices.

This resource, the third in a three-part series for farmers and buyers, serves as the next step after the [*Purchasing Practices: Guide for First-Time Kelp Buyers*](#). In conjunction with the *Purchasing Practices: Guide for First-Time Kelp Buyers* and *How to Work with Buyers: Guidance for Kelp Farmers*, it draws from papers and external resources, plus insights from 25 kelp farmers and buyers. It also references existing direct trade frameworks and GreenWave's conversations with four land-based agricultural experts from organizations including Fair Trade and Equal Exchange.

The goal of this guide is to help buyers form mutually beneficial, multi-year purchasing partnerships. It is best suited for companies that work directly with farmers and intermediaries who prioritize sustainability, traceability, and social responsibility. By the end of this guide, buyers will be equipped with the information required to conduct commercialization conversations, outline the details of their partnerships, and create contracts.



PART 01

STAGES OF YOUR PURCHASING PARTNERSHIP



01 Stages of Your Purchasing Partnership

In the [Purchasing Practices: Guide for First-Time Kelp Buyers](#), we discussed best practices for effective supplier partnerships including communication practices, planning and forecasting, negotiation, and crucial early-stage conversations. In this guide, we'll tackle what happens next. How do you formalize commitments with suppliers? How can you ensure successful purchasing relationships year over year?

Before we dive into commercialization conversations, it's important to clarify the context in which these conversations take place and the steps required to get there. We'll briefly cover the early partnership stages before taking a closer look at the stages that occur later on. While short-term partnership success requires clear, focused communication, long-term success is more about building trust and establishing the details of your commitment. Keep in mind that although this section is written sequentially, every partnership process is iterative and won't follow the same steps each time.



Stage 1: Discovery

Initial Outreach and Samples

During this stage, you're discovering your potential suppliers and they're discovering you. When you first connect with a supplier, you'll want to set up a call and request samples. Because samples require time and money, it's a farmer-forward practice to offer to pay for samples and/or shipping costs. Use these initial interactions to get a sense of what it would be like to work with this supplier.

01 Stages of Your Purchasing Partnership

Stage 2: Pilots

After receiving samples, you'll want to establish a concrete next step, which could be additional samples, gathering more information, or preparing for a pilot production run—a small-scale test of commercial production. During this stage, you have an opportunity to strengthen the relationship with potential suppliers. Depending on the supplier's operation, you may have the opportunity to visit their farm or facility, which is very effective for relationship building.

Through a pilot production run or additional rounds of samples with larger volumes, you'll work out many of the details of your partnership. Both parties will begin to understand what it would look like to work together and what it would take to scale the partnership. During this period, you'll have more in-depth conversations about product specifications, quality, certifications, volumes, logistics, timing, and more.



Stage 3: Commercialization

In the commercialization stage, you'll dig into all aspects of sourcing, production, distribution, and marketing to test assumptions made during the pilots and make sure they hold up under commercial constraints.

At the commercialization stage, your partnership is no longer an abstract idea. It now has the potential to alter your business plans and operations. You will both need to understand the implications of the product launch. What are the risks in your supply chain, and what can you do to mitigate them? What will your pricing and payment structure be? These are just a few of the topics that you'll need to finalize before commercialization is possible. This phase will require many in-depth conversations.

Stage 4: Contracting

Not all partners will put a contract in place, but it can benefit both parties to have the terms of your relationship in writing. In some cases, a farmer will already have a contract they typically use. Alternatively, you may suggest implementing an adapted version of the contract template included later in this guide. Regardless of who initiates contracting, everyone involved should understand the terms. This typically means sending over a bulleted version of the contract in language that all parties, including those who are not lawyers, understand. From there, you can have a series of discussions and negotiations leading up to drafting and signing the contract.

Keep in mind that your sales process isn't over just because you have a contract in place. In the next section, we'll go through the details of finalizing your partnership agreements with suppliers.



PART 02

TOOLS FOR COMMERCIALIZATION CONVERSATIONS





Term Sheets

Successful long-term partnerships require a mix of relationship-building and negotiation. After initial negotiations, you can leverage a term sheet to solidify your agreement. A term sheet is a preliminary, non-binding document that outlines the most significant conditions of a proposed business transaction. Term sheets are a way of making sure that you and your partner have a mutual understanding about the essentials before you get into the details. They provide an opportunity for both parties to get their thoughts down on paper (bullet points are fine) and demonstrate that everyone is serious about the transaction. You can also use them to uncover topics that require more discussion or negotiation. Term sheets can also act as blueprints for your final contract, saving time and money on legal fees.

Here are some of the key elements that you may want to include in your term sheet:

- **Order Details:** species, quantity, and price
- **Timeline:** key dates for outplanting, harvesting, processing, shipping, and payment
- **Logistics:** how and when monitoring, harvesting, weighing, and storage will occur
- **Quality Control:** format, biofouling, temperature requirements, and certifications
- **Processing and Shipping:** specifics of how value-added products should be made
- **Chain of Ownership and Responsibility:** who has legal rights to the product, and who is responsible for risks and liabilities at each point in the value chain
- **General and Administrative:** legal entities, responsibilities for expenses, and how to make changes to agreed-upon terms

[Here](#) you'll find a term sheet template that covers these terms and many others that you will want to align on before moving to a formal contract. Use the term sheet template as a guide to your conversations with suppliers, and fill it out as you go. Provide this worksheet along with our contract templates to your lawyer when you are ready to finalize the deal.

Chain of Ownership

In its journey from sea to sale, kelp will change hands many times. At each transfer point, it is essential to define who owns the product (who has the “title”) and who is on the hook for potential risks and liabilities that could impact the product (who has the “responsibility”). Although the transfer of title and responsibility often happen simultaneously, it is not necessarily always the case, particularly when third party logistics providers (like shippers or distributors) are involved.

In addition to talking through the chain of ownership with the supplier in your term sheet, it can be helpful to list out all of the transfer points your kelp will pass through, identify how and when the transfer will occur, and who has title and responsibility for the kelp before and after each transfer. In general, it is a farmer-forward practice for the buyer to shoulder the cost and logistics of transportation from as early a point as possible. However, this is context-specific and should be decided on a case-by-case basis.

For example, in a value chain where a farmer sells raw, unprocessed kelp to their buyer via a third party processor:



Kelp Seed

Ownership and responsibility belong to the nursery until the kelp seed is picked up by the farmer. Both ownership and responsibility transfer to the farmer at the time they leave the nursery with the kelp seed.



Harvested Kelp

Ownership and responsibility belong to the farmer until the kelp is delivered to the processor. At that point, ownership and responsibility of the kelp transfers to the buyer, although the processor may have some responsibility for the kelp depending on the details of their contract with the buyer.



Processed Kelp

Responsibility and ownership of the processed kelp remains with the buyer during shipping, although the shipper may have some responsibility for the processed product depending on the details of their contract with the buyer.

If you decide to retain ownership and responsibility for the kelp throughout processing and/or shipping, make sure that you have clear, well-documented agreements with any contractors you use. In addition to defining quality control processes and end-product specifications, it is very common for such agreements to require that co-packers and third party logistics providers have insurance that would cover any potential issues that might arise while the kelp is in their possession.



Product Specifications & Testing

Clearly communicating your product requirements and specifications early on will set you up for success. Ask potential suppliers for specification sheets and photos to get a sense of what they offer. In most cases, suppliers are happy to work with you to meet your needs. You can also lean into suppliers' expertise to co-create product specifications. Keep in mind that some forms of processing may require you or your suppliers to obtain additional permits or licenses, which can add costs and increase operational complexity.

When discussing specifications, it's also important to ask farmers about their compositional and safety testing protocols. Here are some considerations when covering testing protocols with potential suppliers:

1. Kelp composition is highly variable *across* farm sites. Having a year-over-year record of the kelp composition at a particular farm site can help differentiate it from kelp grown elsewhere.
2. Kelp composition can be variable *within* a given site—both year over year *and* over the course of a single growing season. Ask suppliers if they know how their kelp composition changes over time.

Every additional test adds cost. Be very clear with suppliers which compositional and safety tests are important to you.

02 Tools for Commercialization Conversations

In our [Cultivated Seaweed Testing Guide](#), you'll find additional details on:

- The chemical composition of kelp
- Testing plan considerations
- Sampling plans
- Testing result interpretation
- Sample preparation procedures
- North American laboratories with seaweed testing capabilities and experience
- Specification sheet guidelines



If you haven't developed kelp specifications previously, here are the types of decisions you'll be making:

Species

Make sure you know which species you're after. While sugar kelp is the most widely cultivated, you may be interested in other species.

Stability

Unless you are buying fresh, wet kelp, the product will need to be stabilized in some way prior to shipment. Common stabilization formats are frozen, fermented, chemically stabilized, and dried.

Format

Format refers to which parts of the kelp are included in the product and the size and shape of those parts. Some buyers will want only the blades, while others are happy to take the whole organism: blades, stipes, and holdfasts. Buyers may ask for kelp to be delivered as whole as possible, or they may want it cut into pieces. Make sure you get as specific as possible with format. For example, does "small" mean 1-inch pieces or ¼-inch pieces? Does "cold" mean 45°F or 35°F? Does "rinsed" mean rinsed with freshwater or saltwater?

02 Tools for Commercialization Conversations

Certifications

Some buyers may require suppliers to have certifications that verify that the farming operation meets certain third-party standards. Some examples include USDA Organic, ASC-MSC Seaweed Standard, SQF, and B-Corp. Certifications can be expensive and time-consuming, so be sure to clarify whether you're willing to pay more for a certified product or help cover the costs of certification directly.



Composition and Contaminant Analysis

Many buyers will also require testing to ensure that kelp is free of contaminants and meets regulatory requirements for heavy metals and microbes. You may also want to ask for certain food safety practices, such as [HACCP](#), thereby reducing the likelihood that you will end up with microbiological contamination.

Heavy metals are found in kelp because of their presence in the ocean water, and, similar to microbes, are not necessarily cause for concern. However, it is important for customers to know what the levels are, so that they can take it into consideration when deciding how much to include in their final products.

02 Tools for Commercialization Conversations

Other Specifications

You may have additional needs based on the sector you operate in. Particularly when kelp is destined for human food, you may be concerned with color, taste profile, level of biofouling, processing, or overall cleanliness. For more information on quality considerations for food markets, refer to GreenWave's Hub course on [Post-Harvest Handling](#).

Other things to consider asking your supplier for:



Allergens



Sensory characteristics (color, texture, flavor)



Legal disclaimers



Storage and handling practices

Most importantly, be sure to discuss product specifications in-depth with your suppliers and document what you agree upon in your contract. It's far better to uncover misunderstandings or unique requirements early than to face surprises when it's too late to address them. One of the best ways to communicate about specifications is through photos shared by both parties. You may want to create a guide that contains photos of kelp that meet and do not meet your specs. Communicate with suppliers throughout the season to make sure they're still on track to meet your required specifications and provide support when needed.



Contracts

Once you are on the same page with a supplier about the general terms of your agreement, it's time to make it official with a **contract**—a binding, written agreement intended to be enforceable by law. Contracts get specific about the promises two parties are making to one another as part of their business relationship. A good contract is easy to understand, fair, transparent, and protects both parties equally.

GreenWave has worked with the law firm Perkins Coie to develop a contract template that you can use as a starting point. The contract has two parts:

1. Purchase agreement

Describes the general terms and conditions for your relationship with your supplier.

2. Order form

Specifies the kelp format, volume, price, quantity, timing, and acceptance criteria of a particular transaction.

See the sections below for a step-by-step guide to each part of the contract. Keep in mind that this information is intended to be used as a general guide, and it is not a substitute for professional legal advice. We strongly recommend that you consult with a qualified legal counsel to ensure that all documents and the information contained therein meet your specific needs and circumstances.

As you review this contract with your prospective supplier, it may bring up issues neither of you had considered. Rather than ignore these issues, we suggest talking through them to make sure both parties are aware of potential risks, uncertainties, or other factors that could affect the outcomes of the deal. Omitting or hiding information will not only damage trust, but could also lead to legal issues later on.



02 Tools for Commercialization Conversations

Purchase Agreement

Our purchase agreement template is written such that you should only need one per supplier per season. Below is a list of each item in the document and a brief explanation of what it means and why it's included. We recommend looking at this list side-by-side with GreenWave's:



[Seaweed Purchase Agreement Template](#)

1. **Sale of Goods** – A high-level overview of what this document is about:
 - a. A Buyer is going to purchase some Goods (either raw kelp or a processed format of kelp) from a Seller, as described in the attached Order Form(s).
 - b. This agreement can be changed, but only via the process outlined in this section.
2. **Delivery** – How and when the product will be delivered to the Buyer, who pays, and when ownership and responsibility for the product transfers from the Seller to the Buyer.
3. **Quantity** – The attached Order Form(s) describes the quantity of Goods to be purchased. However, the Seller has the option to deliver and be paid for up to a certain percentage above the quantity stated in the Order Form(s).



4. **Inspection and Rejection of Nonconforming Goods**
 - a. How long the Buyer has to inspect and either accept or reject the product, and under what circumstances rejection is allowed.
 - b. What happens to the product if the Buyer rejects it.
 - c. If the product is rejected, the Buyer cannot pursue any other actions against the Seller (other than not paying for it).
5. **Price** – The price to be paid in the Order Form(s), but does not include taxes. The Buyer is responsible for paying the Seller any required taxes.

02 Tools for Commercialization Conversations

6. Payment Terms — How many days the Buyer has to pay the Seller, and fees for late payments.

7. Term; Termination

- a. The agreement begins on the Effective Date stated within the document.
- b. How and when either party may terminate.
- c. Seller's ability to terminate when/if they realize that they cannot meet the minimum quantity described in the Order Form(s).
- d. When the agreement is terminated, the Buyer and Seller no longer have obligations to one another *except* payments due for product already delivered.



8. Confidential Information

- a. The Buyer and Seller agree not to disclose each other's Confidential Information for a specified length of time.
- b. Confidentiality obligations do not apply if a party discloses information to their lawyer, or as required by a government agency.
- c. Definition of "Confidential Information."
- d. Confidential Information must be returned or destroyed upon the request of the disclosing party, or at the time of termination of the purchase agreement.
- e. General knowledge, skills, and experience are excluded from Confidential Information.
- f. If Confidential Information is disclosed, the affected party may seek a court order against the other.

02 Tools for Commercialization Conversations

9. Warranties

- a. **By Seller** — Seller promises that they will provide the product as specified in the Order Form.
- b. **By Buyer** — Buyer promises that it:
 - i. will comply with all applicable laws in its use of the product.
 - ii. has sufficient funds to pay for the associated orders.
 - iii. is solvent enough to stay in business after paying for the associated orders.
 - iv. assumes full responsibility for distributing the product, and will comply with all applicable laws in doing so.
 - v. will ensure the products are properly labeled, in compliance with applicable law.
 - vi. will only use the product for its intended purposes.
 - vii. (if applicable) is providing a proprietary reagent with the following characteristics, which should be handled in the following ways.
- c. **Seller Disclaimer** — Other than its promise to sell the product as described in the Order Form(s), the Seller makes no promises as to the suitability of the product for the Buyer's end uses (i.e. for particular products).



10. Limitation of Liability

- a. Except as described in 10(b), neither party can be held liable for anything that might go wrong during the course of this transaction, and in no event can either party's liability exceed the amount paid by the Buyer to the Seller.
- b. The parties may still be held liable for (A) anything they have explicitly agreed to compensate the other party for in case of loss, (B) fraud, gross negligence, or willful misconduct, or (C) disclosing confidential information as described in 8.

11. **Indemnification** — Buyer will protect the Seller against any third-party claim related to the Buyer and their participation in this agreement.

02 Tools for Commercialization Conversations

- 12. Insurance** — Buyer must carry commercial general liability insurance with coverage of at least \$1M, and name the Seller as an additional insured.
- 13. Entire Agreement** — All terms and conditions are contained in this document (and the Order Form(s)), and this document takes precedence over any other documents or communications, written or verbal.
- 14. Survival** — Sections 6, 8, 9, 10, and 11 survive termination/expiry of the agreement.
- 15. Notices** — All official communications made under this agreement must be in writing, delivered as specified in this section. Note that email notice is not always enforceable, since it is difficult to prove that the recipient actually received the notice.
- 16. Severability** — If any part of the agreement turns out to be illegal, invalid, or unenforceable, the rest of the agreement will remain unaffected.
- 17. Amendments** — Amendments to the agreement can only be made in writing and signed by both parties.



- 18. Waiver** — If one party violates this agreement, the other party may exercise any right given to them in this agreement. If they choose not to exercise their right in a particular case, it does not mean that they have waived their right to do so in general (unless they explicitly say so in writing). For example, if the Buyer is late on a payment in May and the Seller chooses not to charge them a late fee, the Seller still has the right to charge the late fee if the Buyer is late again in September.
- 19. Cumulative Remedies** — If one party violates this agreement in multiple ways, the other party may exercise any and all rights given to them in the agreement to make amends; these rights are not mutually exclusive.

02 Tools for Commercialization Conversations

- 20. Assignment** — Neither party can transfer any of its responsibilities under this agreement (e.g. the responsibility to purchase the kelp) without written consent of the other party.
- 21. No Third Party Beneficiaries** — This agreement is only relevant to the Buyer and the Seller.
- 22. Choice of Law** — All legal matters related to this agreement will be handled based on the laws of the state named in this section. The parties can choose alternative dispute resolution instead of going to court. All dispute resolution will occur virtually where possible.
- 23. Counterparts** — The Buyer and Seller can sign the document separately. Electronic signatures, transmission, and copies are as valid as an original physically signed copy.
- 24. Relationship of the Parties** — The Buyer and Seller are independent contractors and are not agreeing to any other kind of business structure. Neither party has the authority to contract for or bind the other party in any way. The relationship is not exclusive.



Order Form

Our contract template includes two different order forms. You may use multiple order forms per supplier, per season. As a starting point, choose the order form that most closely fits your scenario:

Exhibit A: Order Form (RAW KELP)

When the buyer will be purchasing raw kelp, delivered to a dock or other location.

Exhibit B: Order Form (PROCESSED KELP)

When the buyer will be purchasing a stabilized or value-added product.

02 Tools for Commercialization Conversations



Below is a list of each of the items in these order forms, and a brief explanation of what it means and why it's included.

Exhibit A: Order Form (RAW KELP)

1. **Description of Goods** — Description of the species being sold, and the fact that it is to be delivered wet.
2. **Price and Expenses**
 - a. Price per pound for the kelp, and re-statement that the Buyer will pay the same price for additional kelp up to the percentage stated in the Purchase Agreement, Section 3.
 - b. Expenses the Buyer will pay the Seller for.
 - c. Expenses that are the Buyer's sole responsibility.
 - d. Expenses that the Seller is responsible for. By default, our template includes all expenses associated with farming, harvesting, transportation to and unloading at the Delivery Address, but you and your suppliers should review and revise this based on your unique chain of ownership.
3. **Quantity**
 - a. The minimum amount of kelp the Buyer will purchase.
 - b. The maximum amount of kelp the Buyer will purchase.
 - c. The type of containers the kelp will be delivered in. You may also want to specify how much kelp is acceptable per container.
 - d. When and how weighing the kelp will happen.
4. **Timing**
 - a. Date by which you agree to commit to a harvest, processing, and delivery window.
 - b. Process for modifying the timeline.
5. **Delivery Address** — The location where the kelp will be delivered.

02 Tools for Commercialization Conversations

6. Acceptance Criteria — The criteria the kelp is expected to meet based on your specifications. If the kelp does not meet this criteria, you have the legal right to reject the order and not pay for it, provided that you document the issue and communicate your acceptance or rejection within a defined time period.

Our template criteria include:

- a. The kelp will be grown on Seller's farm (not anyone else's, and not wild harvested), and a description of the format the kelp will come in.
- b. The type and quantity of biofouling that is acceptable.
- c. The type and quantity of biofouling that is unacceptable.
- d. The timing of harvest relative to when kelp will be delivered.
 - i. Seller agrees to track and provide documentation of the temperature of the kelp from the time of harvest to the time of delivery. This provides quality assurance to the Buyer *and* protection for the Seller in the case of quality issues later on.
- e. Time limits and acceptable conditions for storing the kelp between harvest and delivery.
- f. How the kelp will be delivered to the Delivery Address.
- g. Any other criteria the Buyer wishes to add.

Note that our template does not include explicit right to remedy a product rejection, e.g. by enabling the Seller to replace it with product that does meet the acceptance criteria. This is something you may wish to add in collaboration with a lawyer.



02 Tools for Commercialization Conversations

Exhibit B: Order Form (PROCESSED KELP)

In this order form, the Buyer is paying for a quantity of *finished product*, not raw kelp. This means that you are expecting the Seller to have priced the finished product. If there are any costs you are expecting to pay as a Buyer above and beyond the per-pound purchase price, they should be itemized in Section 3.

1. **Raw Materials** — List of raw materials to be included in the finished product. To avoid disclosing any proprietary ingredients a Buyer might have, they are referred to in this document as “Special Sauce.” You will need all the details on what the Special Sauce is made of in order to safely ship and handle it, but these details do not need to be in the contract itself.
2. **Description of Goods** — Description of the species being sold, and the fact that it is to be processed, packaged, and shipped to the Buyer.



3. Price and Expenses

- a. Price per pound for the finished product, and re-statement that the Buyer will pay the same price for additional finished product up to the percentage stated in the Purchase Agreement, Section 3.
- b. Expenses the Buyer will pay the Seller for.
- c. Expenses that are the Buyer’s sole responsibility.
- d. Expenses that you are responsible for. By default, our template includes all expenses associated with farming, harvesting, processing, packaging, and shipping to the Delivery Address, but you should review and revise this with your Seller based on your unique chain of ownership.

4. Quantity

- a. The minimum amount of finished product the Buyer will purchase.
- b. The maximum amount of finished product the Buyer will purchase.
- c. The type of containers the finished product will be delivered in. You may also want to specify how much product is acceptable per container.
- d. When and how weighing of the finished product will happen.

02 Tools for Commercialization Conversations

5. Timing

- a. Date by which you agree to commit to a harvest, processing, and shipping window.
- b. Process for modifying the timeline.

6. Delivery Address — The location where the final product will be delivered.

7. Acceptance Criteria — The criteria that the raw ingredients (the kelp) and the finished product are expected to meet to fulfill the Buyer's specifications. If the kelp or finished product does not meet this criteria, the Buyer has the legal right to reject the order and withhold payment. Our template criteria include:

- a. The kelp will be grown on the Seller's farm (not anyone else's, and not wild harvested), and a description of the format.
- b. The type and quantity of biofouling that is acceptable.
- c. The type and quantity of biofouling that is unacceptable.
- d. The timing of harvest relative to when kelp will be delivered.
 - i. The Seller agrees to track and provide documentation of the temperature of the kelp from the time of harvest to the time of delivery. This provides quality assurance to the Buyer and protection for the Seller in the case of quality issues later on.
- e. Time limits and acceptable conditions for storing the kelp between harvest and processing.
- f. Specifications for processing the kelp. The more detail in this section the better, because it ensures there is mutual understanding and ensures you understand the true costs of the process. See example specifications [here](#).
- g. Storage conditions for the finished product in between production and shipping.
- h. Timeline for shipping finished product.
- i. Any other criteria the Buyer wishes to add.



02 Tools for Commercialization Conversations

Contract Management

Your contract represents the commitments you've made to the supplier, and it is critical that you follow through on them and hold each other accountable.

Know your contractual obligations, and have a plan to meet deadlines. Create a digital calendar immediately after signing a contract, add events for each activity or deadline, and invite all of the relevant people to the event. Include:



Deadlines for termination (7b) or submitting change orders (1b)



Reviewing insurance documents (12) or other required regulatory requirements with enough time that they can be updated if there are issues



Timing for agreeing upon harvest and processing dates (Order Form 5a)



All obligations agreed to in the Order Form around quantity, quality, storage conditions, timing of harvest relative to delivery or processing



Timing for sending invoices (Order Form 2a) and receiving payment (6)

Frequent and proactive communication increases the likelihood that any issues that arise can be caught and addressed early. Remember: the deal isn't done until you fulfill all of your obligations under the contract and send payment to the supplier.



PART 03

MULTI-YEAR PURCHASING AND ONGOING COMMITMENTS



03 Multi-Year Purchasing and Ongoing Commitments

According to Better Buying², the most commonly cited “sustainable partnership practice” by suppliers is a long-term partnership approach. This approach emphasizes consistency and trust over the years and is cited by many suppliers as more desirable than higher prices. However, it can be detrimental to commit to multi-year purchasing agreements if it’s not a practice your business can sustain. Early in your seaweed purchasing journey you may refrain from this type of commitment until you have a more established and stable kelp supply chain. However, you can still enter into supplier partnerships with a long-term mindset and communicate this intention regardless of your contractual agreements.



Partnership Evaluation and Growth

One of the most important ingredients for a long-term partnership is open and ongoing feedback. We encourage you to set up a regular cadence for check-ins leading up to your purchase and soon after product delivery is an ideal time for a more thorough reflection. Coming prepared for this conversation is helpful to ensure you cover everything and to create space for difficult topics.

03 Multi-Year Purchasing and Ongoing Commitments

Here are some tips adapted from Better Buying Guide's [Win-Win Sustainable Partnerships](#) to enable productive reflection sessions:

- Document the entire reflection process. This should be built into the terms of partnership early on. You can document using a pre-established template that you can co-create with your supplier. Be sure to reflect after each major purchase, even if everything went well.
- When evaluating suppliers, we encourage you to think about the experience of working together holistically. It's encouraged to consider all aspects of your supplier and the relationship you have with them. Keep in mind their business practices, sustainability standards, product quality, communication, and more.
- Ask questions to build shared understanding, and actively solicit both positive and constructive feedback. Specific questions based on what occurred are very helpful. For example, you might say, "You estimated supplying 20,000 lbs and in the end supplied 15,000 lbs. How can we learn about this scenario and improve forecasting in the future?"
- Approach the conversation with a collaborative growth mindset. Don't ignore challenges—think of them as an opportunity to improve your communications, operations, and overall partnership process, and express a willingness to rectify issues.
- Allow opportunities for transparent communication with suppliers about targets and roadmaps for achieving them. Ask suppliers what support they need in order to make progress, and be prepared to share some of the financial or operational burden with your suppliers to achieve desired results.
- Leave space and time to make future plans for your work together, and use this time to maintain momentum into your next year or other major milestone for working together.



03 Multi-Year Purchasing and Ongoing Commitments

Growing Together Year Over Year

By outlining the terms of your relationship in detail and establishing dedicated time for evaluation and reflection, you'll lay the groundwork for partnerships to flourish. When challenges arise, we encourage you to look at them as opportunities to deepen your trust and understanding and co-create solutions.

Through cultivating long-term relationships, buyers benefit from reliable quality and predictable pricing, which can lead to cost savings and product improvements. Similarly, suppliers gain a sense of stability, allowing them to plan more effectively, invest in quality improvements, and offer better service over time.

If you've made it this far, you're well-versed in ways to set yourself up for success to establish win-win, long-term partnerships. Throughout your kelp purchasing process, we encourage you to reach out to the GreenWave Market Development team (marketdevelopment@greenwave.org) for questions, support, or feedback on this guide.



PART 04

RESOURCES



04 Resources

Learn More and Find Buyers

- **Seaweed Source:** A free web app that streamlines connections between active seaweed businesses to align kelp supply and demand.
- **Value Chain Coordination:** 1:1 consulting with processors and buyers to support North American sourcing strategy and facilitate network connections.
- **Regenerative Ocean Farming Hub:** Curriculum, resources, events, and an online community for farmers, hatcheries, and the seaweed industry at large. See the “**Markets and Processing**” channel in the Community for post-harvest topics.

In-Guide Resources

- **Purchasing Practices: Guide for First-Time Kelp Buyers:** A roadmap for emerging kelp buyers to learn about the domestic seaweed industry and direct partnerships with farmers.
- **Term Sheet Template:** A preliminary, non-binding document that outlines the most significant terms and conditions of a proposed business transaction.
- **Cultivated Seaweed Testing Guide:** A roadmap for lab testing kelp, including chemical composition, recommended tests, result interpretation, laboratories, and specification sheets.
- **Seaweed Purchase Agreement Template:** Outlines the general terms and conditions for your relationship with your buyer. Please make a copy and edit with the guidance of a lawyer based on your agreement with your buyer.



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Sources

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² Better Buying Institute. (2022). “Better” win-win sustainable partnership (Vol. 3, No. 1) [PDF]. Better Buying™ Deep Dive Report. https://drive.google.com/file/d/1i9B2ODTfzaYEVQWEJcbRK_jKAWPj9vll/view