



YELLOW SEED ORIENTATION GUIDE

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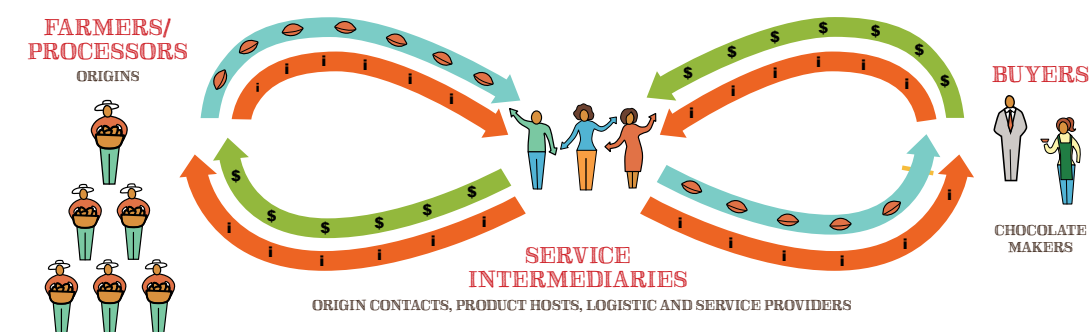
20 WAYS TO PARTICIPATE

EXPANDING MARKETS FOR SMALL-SCALE FARMERS

Yellow Seed's website engages new voices to provide more choices — from the millions of small farmers left out of today's markets, to the growing base of buyers, importers and intermediaries looking for resources that exist but are currently invisible.

Our pilot is started with cacao farmers in the heart of the Amazon, and the craft chocolate makers desperate to find them, providing a way for valuable products to flow, from farm to port and ultimately, to consumers.

The Yellow Seed Model: Expanding Markets through Collaborative Trade



BENEFITS TO FARMERS:

- Create online market visibility, access new buyers.
- Receive a fair price for quality, with clear terms.
- Share farm stories, resource needs and future visions.
- Build direct relationships and engagement with buyers.

BENEFITS TO BUYERS:

- Access new origins and a greater diversity of ethically-sourced cacao.
- Read product reviews and link with 3rd party logistics providers.
- Provide feedback on quality, build long-term trade relationships.
- Collaborate on product shipments and farm improvements.

BENEFITS TO THE COMMUNITY:

- Greater voice and choice leads to more sustainable supply chains.
- Small-scale farmers promote biodiversity and conservation.
- Equitable trade improves livelihoods, access to education and healthcare.
- Sharing resources and information accelerates everyone's good work.

INTRODUCTION

GREATER EQUITY THROUGH COLLABORATIVE TRADE.

Worldwide there are more than 450 million small-scale farmers, representing 70% of the world's poor. Many of these farmers produce specialty foods like cacao, coffee, tea, dried fruit and spices for international markets using traditional farming methods that respect the environment. Unfortunately less than 20% of these farmers are currently visible to market databases, meaning that most of these farmers are forced into an unfair choice: selling their goods for far less than fair value. Their other option is to transition to a monocultural, industrial operation involving

chemical pesticides and intensive farming methods that compromise soil and water health, in exchange for higher yields.

The well-being of traditional small-scale farmers play a critical role in the health of our global communities, including reducing rural poverty and environmental degradation. In fact, studies show that growth generated by agriculture is up to four times more effective in reducing poverty than growth in other sectors. Linking these small-scale farmers with fair, well-functioning markets could unleash a new and

sustainable agricultural revolution.

Here's a not-so-radical idea: what if food were traded in a way that is respectful of all farmers, their products and the land where the food is grown? What if global food supply chains treated farmers and buyers as equal partners, with a shared vision of success? And what if all of the organizations, companies and individuals who believe in this vision worked together to make this happen?

WELCOME TO COLLABORATIVE TRADE.

Collaborative Trade is a form of community-powered exchange, where the whole is greater than the sum of its parts. Yellow Seed's collaborative trade model is rooted in the belief that small-scale farmers should be meaningfully engaged as partners in the management of our food supply systems and the environmental services that underpin them.

At a basic level, collaborative trade is about voice and choice. It's about creating a supply chain that works for everyone impacted by that chain, making sure that all actors

are valued and have the ability to participate. It is about building relationships, where two or more parties can achieve common goals by creating alignment around a shared vision as well as joint strategies to address concerns that go beyond the view of any particular stakeholder.

This means more fulfilled, prosperous farmers and more satisfied buyers searching to discover those farmers. This means more transparency and participation along the way. This means more reliable, equitable and sustainable mar-

kets, from farm to port, maker to consumer.

Collaborative trade is an evolution of fair and direct trade. It unites people on a larger scale, to share resources and work together so we can multiply the positive effects of all of those committed to doing better.

We invite you to join us!

“The value of direct connection is both economic and social. We feel increasingly motivated to not only improve the quality of our product, but our quality of life. In this way, the producer is part of the winning team, and the entire machine runs with more power and efficiency.”

—Carlos Angulo Gonzalez
Allima Cacao, Chazuta, San Martín, Peru

ABOUT YELLOW SEED

Yellow Seed is a nonprofit, impact driven enterprise that connects small-scale farmers to new trade opportunities. We make people, products and resources visible online so that trade can happen with greater transparency and ease. Farmers can share their stories and products, access new markets and build consistent trading relationships, while buyers can find new farms, read product reviews and connect with service providers to facilitate trade.

Yellow Seed's pilot program is focused on the cacao market, where we know there are challenges when it comes to sourcing fair-priced, sustainably grown beans. We also know there are farm managers with access to the internet or connections with someone who can act as an online contact for the farm.

With each new profile we allow trust and business relationships to form among buyers who are actively

seeking high quality, distinctive cacao and the farmers, true artists, who produce these beans deep in the heart of the jungle. As we continue building our platform, it will transparently show the path of cacao, from farm to satisfied, delighted consumer, and offer details that are useful about each moment in the cacao's journey, including tracking the reliability and quality of actors along the way.

WHY CACAO? A PILOT

Cacao is a vitally important agricultural crop for over 5 million farmers living in the global tropics. Growing 90% of the world's cacao, these farms employ 12 million workers. The majority are family-run enterprises where wages support food, healthcare and education in local economies.

Cacao is also a commodity in a unique position: it is the engine for a rapidly growing chocolate market, there are many producers who are

currently invisible to the market, and it is grown in parts of the world under threat from deforestation, mining, and climate change. Cacao requires a web of strong human relationships, grounded in trust, in order to make its way from where it is grown, harvested, and processed to consumers waiting to be delighted by its flavor.

Buyers looking to pay fair prices for ethical, high-quality, traditionally-farmed cacao are challenged in two

ways. First, it is difficult to find farms that can supply excellent beans. Second, trying to identify cost-effective shipping options from all over the globe is overwhelming. Navigating barriers, from logistics to communications, adds time and financial costs that most single businesses cannot sustain alone. Buyers are limited to trading with a handful of known origins, leaving the vast majority of cacao farmers invisible to modern markets.

MISSION

Yellow Seed connects small-scale cacao farmers to new trade opportunities.

VISION

Yellow Seed envisions a future in which the globalized world is nourished through a web of small agro-ecological farms. By expanding markets through collaborative trade, we aim to create thriving human, agricultural and ecological systems.

FOUNDER QUOTE

“Yellow Seed believes that small matters. One's scale or financial level should not limit participation. The value each user contributes is not only important, but essential to creating wholeness.”

—Nancy Zamierowski, Founder, Yellow Seed

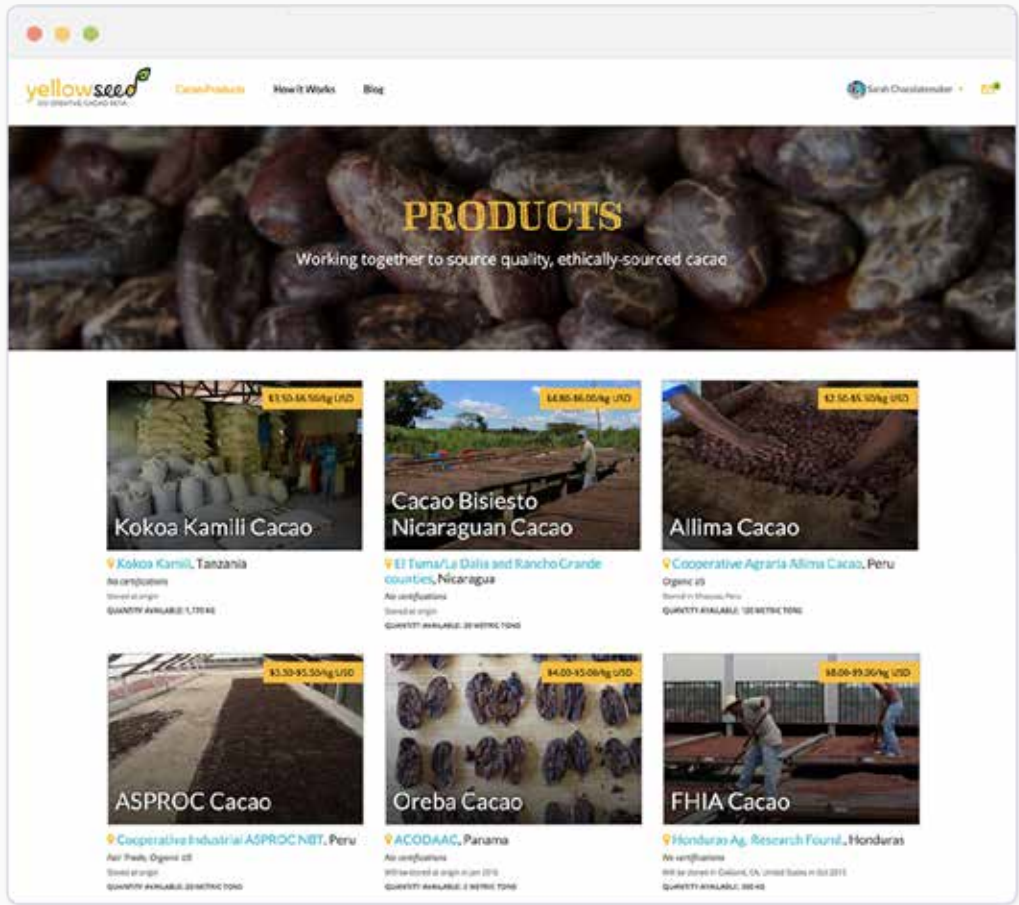


THE YELLOW SEED WEBSITE

Simply put, our website was designed by its users. We developed features and functions based on extensive interviews with cacao farmers, craft chocolate makers and service intermediaries. Our iterative, human-centered design approach was rooted in inquiry, ensuring that what we built would be effective, and help our audiences find one another and successfully connect.

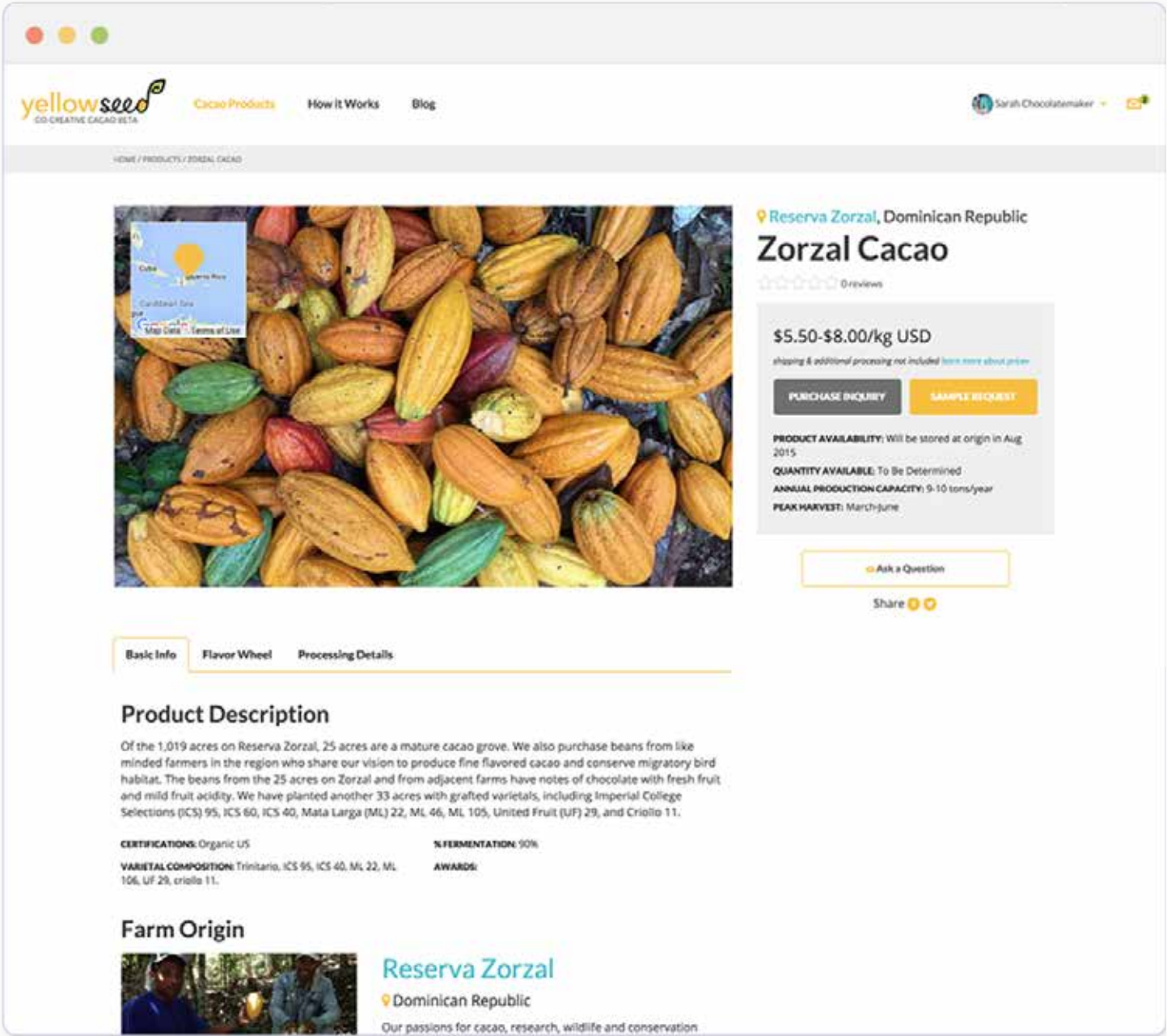
CURRENTLY ON THE YELLOW SEED WEBSITE:

- Farmers can share stories and product information via Origin and Product Profiles.
- Buyers can discover products at origin and link with services to simplify trade.
- Makers and intermediaries can sell excess direct trade beans by uploading Product and Origin profiles.
- User reviews will help provide transparency about many aspects of an exchange - from the reliability of transport, to the quality of the beans delivered, to the financial terms of the business dealing and the environmental and social responsibility of practices.
- Automatic payments will simplify transaction flows.



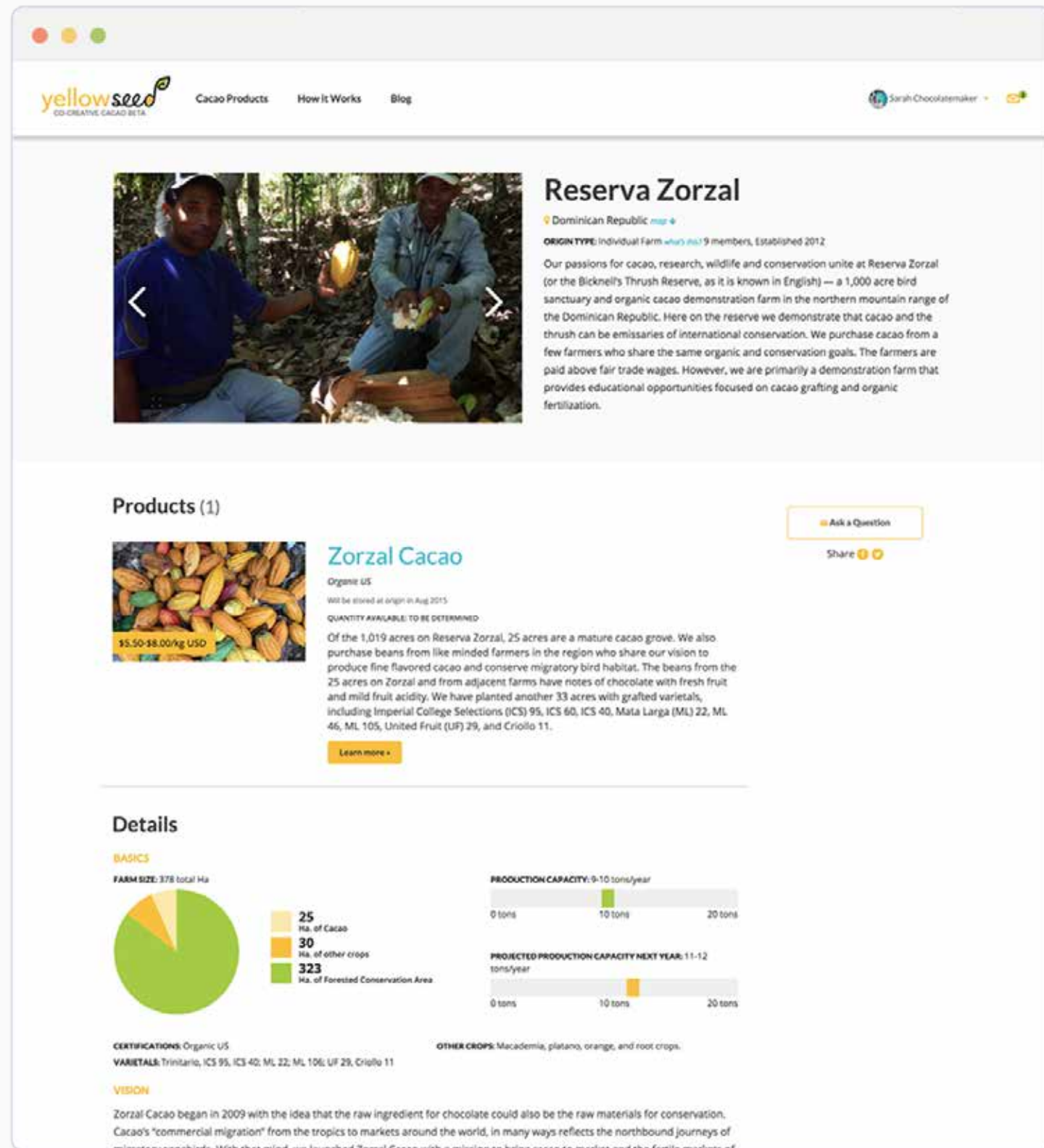
PRODUCTS SEARCH

The products search page is the central hub for information on all products listed on Yellow Seed. As our database grows, we will be adding search and filtering features to make it easier for buyers to find exactly what they are looking for.



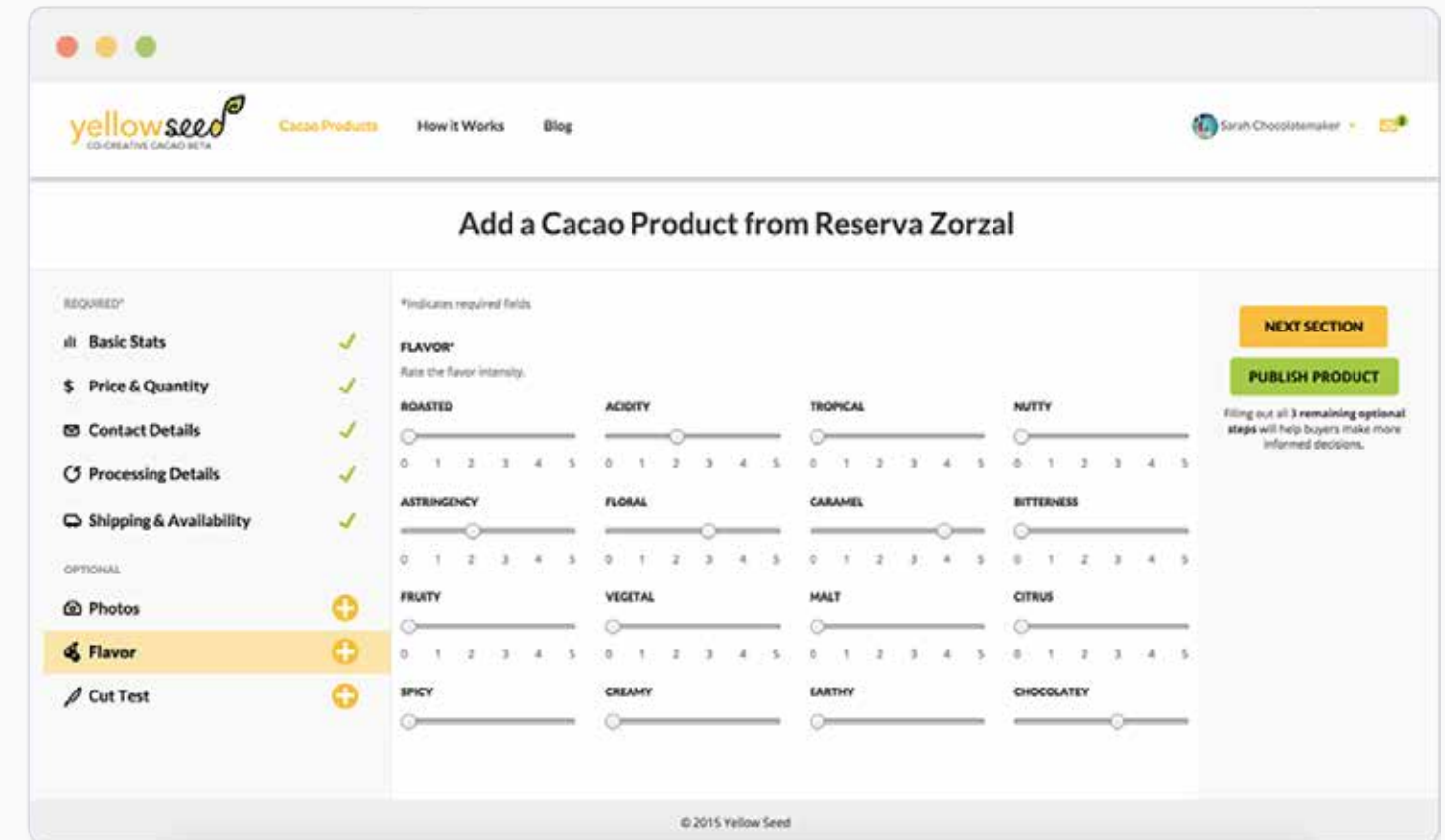
PRODUCT PAGE

Each individual product page lists all the info that buyers need in order to make an informed decision about the cacao they are buying. Clicking onto the Farm Origin links (following page) will display more detailed information about the farm.



FARM ORIGIN PAGE

Origin Profiles describe the story of a cacao farm. Details will include size and production capacity, varietal types and any certifications. They may also include current challenges, the future vision of the producers, and photos.



ADD PRODUCTS/ ADD ORIGINS

This feature enables **Origin Contacts** and **Product Hosts** to upload new profiles to the website. **Origin Contacts** are the main contact for trade transactions when product is purchased and shipped directly from Origin. **Product Hosts** have pre-organized a shipment of product to land in the USA direct from Origin or have product already warehoused in the USA.

WHAT FEATURES ARE NEXT?

The initial features above serve to test the basic functionality of a collaborative trade model. Next we plan to add other features and functions to accelerate the impact of Yellow Seed .

- More farmers with product profiles and farm stories.
- Basic user profiles for buyers and service providers (agronomists, quality specialists, etc.)
- Channels for buyers to connect so that they can share resources and collaborate on matters like co-shipping product and farm improvements.
- Improved communication tools to support feedback between farmers and buyers.
- Features to aggregate purchase interest and pre-order commitments.

STRATEGIC PRIORITIES FOR 2016

PRIORITY 1: ENHANCE WEBSITE FUNCTIONALITY AND INCREASE TRACTION

WHAT WILL WE ACHIEVE BY THE END OF 2016?

Yellow Seed believes that strong trade relationships can be built between small-scale farmers and buyers if the features and functions of our website are effective. Our goal is to continue designing the website in consultation with users, so that it is efficient and reflective of diverse needs.

HOW WILL WE ACHIEVE THIS?

- **User Interviews:** We will continue user interviews with farmers, buyers and intermediaries to assess how effective the model is for them and what changes need to be made.
- **Design Working Groups:** We will host working groups with site users to support a collaborative approach to designing new features and functions.
- **Improved Site Features and Functions:** We will dedicate resources to code these new features and functions, as well as improve existing features including automatic payment flows, transparency, feedback and ratings.

HOW WILL WE MEASURE SUCCESS?

1000

transactions on the site by 2017.

5000

reviews, stories and feedback comments by 2017.

95% positive

customer feedback and user experience.

PRIORITY 2: RAISE AWARENESS OF YELLOW SEED AND COLLABORATIVE TRADE

WHAT WILL WE ACHIEVE BY THE END OF 2016?

Yellow Seed is in an incredible position to create real change for small-scale farmers. To amplify our impact, Yellow Seed must create awareness of the collaborative trade movement and the opportunities available for farmers to add their voice and buyers to connect with these farmers.

HOW WILL WE ACHIEVE THIS?

- **Farmer Engagement:** We will deepen our farmer engagement program, reaching out to aligned partners, the cacao community and international non-profits that can help us spread the word about the benefits of Yellow Seed.
- **Social Outreach and Buyer Networks:** We will continue our social media campaign, attend events and conferences, and liaison with buyer networks committed to equitable, sustainable trade.
- **Feature Key Stakeholders:** We will feature stories and profiles that showcase pioneer farmers and buyers leading the collaborative trade movement.

HOW WILL WE MEASURE SUCCESS?

100

origin and product profiles by 2017.

500

active users on the site by 2017.

3,000

monthly visits by 2017.



STRATEGIC PRIORITIES FOR 2016

PRIORITY 3: BUILD PARTNERSHIPS AND SECURE FUNDING

WHAT WILL WE ACHIEVE BY THE END OF 2016?

Collaborative trade is about bringing together people and resources so that we can amplify the good work that individual organizations and companies are already doing. Our goal is to create partnerships and programs that are mutually beneficial and enhance the overall positive impact of everyone's contribution.

HOW WILL WE ACHIEVE THIS?

- **Identify Operational or Technological Partners:** We will explore partnerships and services that can support our users and community including pre-financing options for farmers and buyers, a key challenge for trade relationships.
- **Build Funding Support and Financial Model:** We will secure funding to support our mission, invest in priorities and achieve long-term goals. With the aim of financial sustainability at scale, we will continue to work with advisors and partners to refine our business model to ensure equitable economic reward for our community of users and Yellow Seed itself.
- **Identify Farmer Fund Partners:** We will establish partnerships to support operational aspects of our Farmer Fund, a fund delivered to farmers in the form of farmer-elected community projects.

HOW WILL WE MEASURE SUCCESS?

1000

new trade transactions as a result of operational partner programs.

Net funding

support enables Yellow Seed to reach short term goals.

Social Impact

of farmer-elected community projects.



CUSTOMER STORIES

FARMER STORY



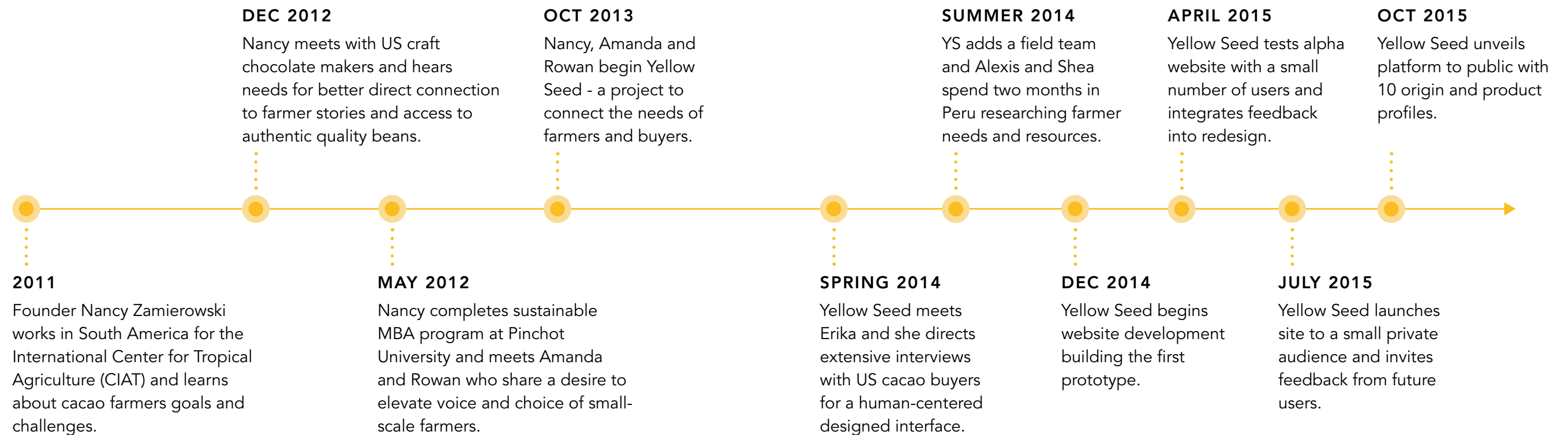
Alejandrina Niquispe and Andres Parizaca own a flavor award winning cacao farm in the Peruvian Amazon but because the farm is small and uses traditional processing methods, they do not produce enough quantity nor have enough consistency in supply to meet typical market standards. Instead they sell their prized beans for an average market price to a bulk buyer in Cusco. They wish they could receive a fair price for the labour and love they put into making their fine beans.

BUYER STORY



Angela is small-batch artisan chocolate maker in San Francisco looking to trade directly with farmers using indigenous varieties processed with traditional methods to retain their fine flavor. Unfortunately finding these farmers, including possible in-country visits to acquire information on growing conditions and processing methods is almost impossible, never mind the language barriers. Angela would really appreciate a website where she can search through farms and find the information she needs to feel confident in starting a new trade relationship.

OUR JOURNEY TO DATE



“We have learned that trust matters. Extensive interviews with the cacao industry revealed that due to the myriad of challenges that arise along the cacao supply chain, trust between farmers and buyers is paramount. Yellow Seed’s collaborative trade model is based on the belief that by increasing access to information, transparency and mutual accountability between parties we can build trust and open up new global markets for small-scale farmers. As more farmers, buyers and intermediaries are visible and able to exchange ideas with one another, we can begin to understand how to improve trading relationships and access new markets.”



HOW WE PLAN TO SCALE

Yellow Seed is designed to listen to the needs of its community and amplify its good work. To do this, Yellow Seed supports a growing community of users through the creation of new and improved features and tools that facilitate connection and the

exchange value generated by each user. As more users join the site, more value is created in the form of information, products and services, benefiting all.

While we continuously improve the functionality of the site, we will

subsequently add more farmers and cacao products. As we learn and grow, we plan to replicate the model with other specialty agricultural products like coffee, tea, herbs and spices.

YELLOW SEED'S BUSINESS MODEL

We are a nonprofit, social impact driven enterprise. We aim to be financially-sustainable at scale. We retain a small percentage of the transaction fee of products and services sold on the website

for our operations. We also rely on grants and corporate sponsorship to finance the technology development and to sustain our work. From every trade of cacao transaction, a percentage of the

transaction fee can also be allocated to our Farmer Fund. This fund will be delivered to the farmers in the form of farmer-elected community projects.

OUR TEAM AND VALUES

Collaboration underpins our internal team structure and the platform we are building. Over the past two years we've evolved into a tidy band of committed researchers, technologists, designers and business strategists. We are united by the common desire to promote

fairness and equality, finding ways to distribute influence and power in pursuit of health and wellbeing for communities and our planet. The leadership of Yellow Seed met in the MBA in Sustainable Systems program at Pinchot University. Pinchot's education model was co-cre-

ative by design, with students seen as partners in learning with value and experience to add to the class. We were invited to voice concerns, suggest ways to adjust course, and literally shape our education along the way.

THE YELLOW SEED COMMUNITY IS CONNECTED THROUGH THE VALUES WE SHARE:

- **Transparency:** Our aim is to make people, practices and pricing visible. By illuminating where value exists, greater transparency informs how we might create systems where all can participate while promoting fairness, equitable trade and mutual accountability.
- **Participation:** Small matters. All participants impacted by the system are invited to contribute to making the system work better, in ways that are meaningful for each person involved. Individual voices and informed choices lead to greater diversity, resilience and abundance in our food systems.
- **Wholeness:** We aspire to create markets that honor and reward each person's contribution, resulting in greater security, happiness and prosperity within the global community. When our interconnected systems heal - when buyers find farmers, when natural ecosystems are abundant, when products flow - we will have achieved wholeness.



JOIN THE COLLABORATIVE TRADE MOVEMENT

Yellow Seed is designed as a community project and many hands make light work. We invite you to multiply the good work you are already doing and lend your voice, experience, knowledge or connections to help others find what they are seeking.

- **Lend your voice:** Add a review of a product or farm visit.
- **Add a product:** List a cacao product and origin story in the Yellow Seed registry.
- **Tell us what you love:** What type of cacao products would you like to exchange?

DONOR & PARTNERSHIP OPPORTUNITIES

Yellow Seed is fiscally sponsored as a 501(c)(3) by SEE (Social and Environmental Entrepreneurs), which incubates projects who are making a cultural impact by creating progressive, social, and environmental change. SEE is a registered public charity, which provides nonprofit status, making donations fully tax deductible. Thank you for supporting our work with your Donation.

Join the Collaborative Trade movement through partnership or sponsorship. Email nancy@yellow-seed.org for details.

