

7. Proposed contracts are always subject to negotiation. While most production contracts will be printed on typed forms offered on a take-it-or-leave-it basis, you do have the freedom to negotiate. A term that is in writing can still be changed if both parties agree to do so. Of course, your ability to obtain more favorable terms will depend on your market power to negotiate with the company and whether other growers are willing to sign the contract.

8. If there are any changes in the agreement, make sure they are in writing and separately signed by the company representative. The fact that you believe the contract was amended doesn't mean it was. Most contracts specifically provide that the only thing enforceable is what is in writing.

9. Do not rely on oral communications made by the company, either before the contract is signed or during performance. If what is being said is important to the relationship, be sure it is put in writing, signed by both parties and incorporated as an amendment to the contract. If you cannot get it in writing, be sure to keep copies of any documents, such as letters, payment sheets and checks, that you can use to show what was agreed.

10. Keep good records of your performance. It is always a good idea to keep good records when legal issues are involved. This is especially true in the performance of production contracts. Keep a record of all communication and contact with the contractor, and keep a record of your actions in producing the commodity. If possible, you should keep samples of what was produced and the results of independent quality tests, such as on the germination of seeds or the quality of produce. These records may come in handy in a later dispute over your compliance with the contract terms.

11. Don't hesitate to ask questions when you don't understand what is happening. Remember, you are committing yourself to performing under the terms of the written agreement. If you do not fully understand what the language means or how the procedure will operate, ask questions. The questions should be directed to the company representative or to your own advisers.

12. Stay in touch with the other party to the contract. Communication is important in resolving uncertainty and in preventing misunderstandings. Communication with the other side about your performance, questions or concerns lets you help build a smooth, productive relationship. When long periods pass without communication, it is possible for circumstances to change and put performance of the agreement in a much different light.