



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



"THE BEST THING ABOUT THE FUTURE is that it comes one day at a time," said our 16th President Abraham Lincoln. Our days, however, seem mostly filled with a regular routine of work, house cleaning, laundry, grocery shopping, cooking meals, taking care of the kids & taking out the dog. Often, it is difficult to see beyond these daily tasks & responsibilities to find those moments of true joy & satisfaction. Rose Kennedy looked for those special moments, saying, *"Life isn't a matter of milestones, but of moments."* The Kennedys, known for competing at touch football, politics & life, likely found inspiration from Mother Teresa, who said, *"Life is a game, play it!"*

THE GAME OF LIFE: Edwin Arlington Robinson said, *"Life is the game that must be played."* But it took Milton Bradley, who after seeing similar European games, to develop the *Checkered Game of Life* in 1860. Mr. Bradley was actually a lithographer, who had produced a popular early print of Abraham Lincoln *sans* his whiskers. But once the President began sporting a beard, customers wanted their money back! So, Mr. Bradley decided to make board games! *The Checkered Game of Life* was his first & unlike earlier, similar, *virtue* focused games, his took a more capitalistic business focus. Players moved across the board & past life's milestones - *education, marriage, kids & jobs* - trying to win at the game of life. And unlike previous games & even current versions, players could fall prey to the vices & social problems of the day, including ruin, influence peddling, prison, & even suicide! Mr. Bradley sold 45K copies of his game in the first year of production. He switched to making armaments during the Civil War, but noticed soldiers in camps were looking for ways to occupy themselves away from the battlefield. Instead of weapons, he made the first small travel versions of popular games like chess & checkers! He worked with charities to get these games distributed to the soldiers. For most of the next 150 years, *Milton Bradley* games were part of the American landscape, until it was acquired by *Hasbro* (along with its competitor, *Parker Brothers*). And while you can play *Milton Bradley's Game of Life* as many times as you want, you get only one chance at your life, but as Mae West said, *"You only live once, but if you do it right, once is enough."*

INDUSTRY NEWS: *Nestlé Health Science* has taken a minority interest in *Before Brands*, makers of *SpoonfulOne* products, designed to prevent food allergies. *PeakBridge* led a \$5M raise in *Tastewise*, a consumer data company which dissects trends in online restaurant menus, recipes & social media posts. *Postmates*, ready to IPO, raised another \$225M from *GPI Capital*, increasing the delivery company's valuation to \$2.4B. *Sweetgreen*, fast casual restaurant, raised \$150M from *Lone Pine Capital* & *D1 Capital Partners*, for expansion. *Yogi Tea* acquired *Choice Organic Teas*. *Paine Schwartz Partners* has raised \$1.425B for its fifth food & agribusiness private equity fund.

Sam's Club will test *Sam's Club Care Accelerator Together* with *Humana*, a program for members bundling medical, pharmacy, dental & vision healthcare for a low annual fee & transparent pricing. *Giant Eagle* has

partnered with *InComm's OTC Network*, which provides supplemental benefits & incentive spending on healthy products. *Raley's* is posting shelf tags to indicate pasta sauces with less than 5% or more than 25% of total calories coming from added sugars & if successful, will expand the practice to other categories. *Cargill* will launch a new animal & human health & nutrition products business unit. *Amazon* is signing leases with plans to open a chain of stores beginning in Los Angeles, Chicago & Philadelphia, per the *Wall Street Journal*. *Gordon Food Service* & indoor farm *Square Roots* opened their first co-located farm at *Gordon's* headquarters in Michigan. *BrightFarms* & organic produce distributor *Crosset Company* will distribute *BrightFarms'* products to Midwest retailers. *Trickling Springs Creamery* shut down production in the wake of a fraud investigation. *Costco*, *HEB* & others will selectively offer plant-based *Better Than Beef Burger* by *Don Lee Farms* (the former *Beyond Meat* co-packer). *Mondelez* & *Barry Callebaut AG* will launch *CaPao*, a plant-based snack made from the unused parts of the cacao fruit. *Coca-Cola* will launch its energy drink in the USA in January. Israeli *Strauss Group* has created a milk chocolate bar with 30% less sugar by replacing it with 17% dietary fiber & 5% ground tiger nut flour. Two iconic Pennsylvania companies are releasing *Yuengling Hershey's Chocolate Porter!* *Bolthouse Farms* will launch 25 CBD-infused products in January. *Celsius* will introduce *BCAA Recovery*, which contains branch chain amino acids. *Bulletproof* founder Dave Asprey will step aside as CEO to be a brand evangelist & allow other CPG professionals move the brand forward.

UNFI missed on 4th QTR earnings & lowered its long-term outlook, citing a shrinking retail base. Protein demand drove a 1% revenue increase for *Cargill's* 1st QTR though earnings fell 10%. *McCormick* saw a 10% increase in EPS for 3rd QTR on a slight revenue increase. *Costco* beat expectations on earnings as sales rose 7% & comparables rose 5.2% for 3rd QTR.

USA adults have decreased their intake of lower quality carbs (including added sugars) & increased higher quality carbohydrates, plant protein & healthy polyunsaturated fat during the past two decades, but lower quality carbs still make up a large portion of their diets, per a *JAMA* study. The *New York Post* reports that more than 75% of restaurants in the city that never sleeps at night have slashed staff hours & 36% have reduced staff due to local government's mandated minimum wage hikes. Many restaurants are closing as poor service issues impact customers. Major retailer's fresh departments (deli, bakery, meat, seafood & produce) generate 43% of total sales per *Nielsen*. *Woof Whiskers* reveals dog owners will pay up to 3X more on organic food for their best friend. The *CRN Consumer Survey on Dietary Supplements* reveals 77% of Americans take supplements daily. The *Annals of Internal Medicine* reports that a research team from the USA, Canada, Europe, Brazil, New Zealand & Korea found insufficient evidence that red & processed meats add to health risks.

MARKET NEWS: Markets rallied at the end of the week as a still booming economy saw wage growth & the lowest unemployment rate in a half a century!

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenjo*

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