



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



ST. PAUL WROTE THE ROMANS, Ephesians, Galatians, Philipians, Colossians, Hebrews, Titus, Philemon & twice to Timothy, the Corinthians & Thessalonians! Early Bibles have attributed these Epistles to Paul even though their authorship is not certain. The Epistles take the time to cover the early theological thought of the Christian church. Letter writing allows the author both the time & solitude to reveal his most inner thoughts & feelings. Thoreau thought letter writing should reveal the soul, not facts, saying, *"What are the convulsions of a planet, compared with the emotions of the soul? Or the rising of a thousand suns, if that is not enlightened by a ray?"*

(W)RIGHTING RELATIONSHIPS: Essayist Agnes Repplier thought no amount of technology could *"...eradicate from the human heart that passion for self-expression which is the impelling force of letters."* Yet, with the advent of national long-distance plans, cell phones, the internet & texting, letter writing has become a lost art, no longer the primary form of long-distance communication. Despite the unofficial motto of the USA Postal Service, (it was actually a derived translation from Herodotus describing the mounted couriers of Persia), letter delivery over the centuries has been dangerous & deadly! Besides bandits & other hostiles, mail was lost on crashing planes & sinking ships due to both weather & war, causing letters to be delayed or never delivered! During the course of history, there have been many famous letters! Authors, men & women of letters, routinely wrote & saved their letters for posterity. Lincoln wrote the Bixby letter to a widow who lost five sons during the Civil War. Émile Zola wrote *J'accuse* to the then French President, charging the French Government of blatant anti-Semitism & illegally jailing Alfred Dreyfuss. FDR received a letter from Albert Einstein in 1939, warning of the Nazi's intent to build & use a superweapon, the atomic bomb! About the same time, FDR received a letter from a 14-year-old budding communist, Fidel Castro, asking for \$10 & offering the location of Cuba's biggest iron ore mine in exchange! Truman wrote a scathing letter to *Washington Post* music critic Paul Hume, threatening to punch him in the nose for his review of daughter Margaret's singing! MLK wrote his historic open letter from the Birmingham Jail. The love letter has played an important role in history, beyond the ones Pat Boone wrote in the sand or the one that made the *Box Tops* find an aeroplane! Napoleon wrote Josephine, Beethoven wrote his immortal beloved, Kahlo wrote Rivera, O'Keefe wrote Stieglitz, Ronnie wrote Nancy & Founding Father John Adams exchanged many a letter with the lovely Abigail! Adams & Thomas Jefferson, men of two very different personalities, became great friends through their correspondence. Early on, their letters covered mostly this fledgling Republic, politics & national affairs. But after Jefferson won the presidency from Adams, the two had a falling out! They did not resume their letter writing for more than a decade! But then they *righted* their relationship by *writing* letters, which continued until both passed within hours on July 4, 1826. Their letters covered politics, policy, philosophy, family, science & the mundane routines of their day, the words they wrote helping to rebuild their relationship! Choosing the right words when writing business letters or emails, creating business presentations & other communications is essential to forging strong business relationships! These communications are created in the solitude of your own mind (Dickinson & Byron), allowing for the time & opportunity to assure you are not mistakenly interpreted! Samuel Johnson wrote, *"In a man's letters... his soul lies naked, his letters are only the mirror of his breast, whatever passes within him is shown undisguised in its natural process. Nothing is inverted, nothing distorted, you see systems in their elements, you discover actions in their motives."*

INDUSTRY NEWS: Greek yogurt, *Ellenos*, raised \$18M from *Equilibra Partners Management*, the family office of *Kind Snacks* founder Daniel Lubetzky. *BlueNalu*, cell-based seafood, secured \$20M from *Stray Dog Capital*, *CPT Capital*, *New Crop Capital* & *Clear Current Capital* to support its production pilot. *Van Leeuwen Ice Cream* closed \$18.7M led by *NextWorld* with *Blue Scorpion Investments* & *M3* involved. *Vistar* has taken a minority ownership stake in *Yerbae*. *Verlinvest* & *JamJar* have taken a minority share in *Tony's Chocolonely*. *NewLeaf Symbiotics*, proprietary microbes used to increase crop yields, raised \$20M from *Koch Agronomic Holdings*, *Leaps by Bayer*, *Otter Capital*, *S2G Ventures* & *RockPort Capital*. *Evolv Ventures* has invested in tech robotic fulfillment company *Fabric*. *PepsiCo* will buy *Be & Cheery*, Chinese on-line snack company, for \$705M. *Mondelez* will acquire a majority interest in *Give & Go*, sweet baked goods, with about \$500M in revenue. *Cedar's Foods* acquired RTD dairy free overnight oats, *brekki*. *Sara Lee Frozen Bakery* will acquire Spokane, WA based pie maker *Cyrus O'Leary's Pies*. *Hormel Foods* acquired *Sadler's Smokehouse*, premium & pit-smoked meats for retail & food service. *Walmart* is in discussions to sell its majority stake in U.K. supermarket *Asda*.

Sprouts Farmers Market posted 8% sales growth in 4th QTR with a diluted EPS of 27¢, 17¢ higher than last year. Comparables grew 1.5%. *B&G Foods* had a 4th QTR sales increase of 2.6% & a 20% decrease in adjusted net income. *Danone* missed 4th QTR & full-year expectations as it focused on long term growth initiatives. *Smucker's* saw 3rd QTR income leap 54% (on a 2% sales drop) due to lower green coffee prices & increased *Uncrustable* sales, which offset weakness in its pet food sector.

Giant Food Stores is changing its name to *The Giant Company* & updating its logo. *7-Eleven* is expanding its *Evolution Store* test concept to additional cities including Washington DC & San Diego. *Walmart* will consolidate its digital & in-store buying teams into one merchandising organization. Per *eMarketer*, *Amazon* remains far & away the largest ecommerce provider, with *Walmart* in second place & *Target* number 8. *Skipcart* will end its delivery relationship with *Walmart*. *Shipt* launched a new program, called *Shipt 4 Work*, allowing employees from 10 participating companies to access same-day delivery for grocery & household orders. *Krispy Kreme* now offers delivery nationwide. *Keurig Dr Pepper* has entered into a long-term agreement to manufacture & distribute *Starbucks* branded K-Cup pods in the USA & Canada for *Nestlé*. *B&G Foods* will introduce *Green Giant* cauliflower hash browns, cauliflower crust pizza, cauliflower gnocchi & cauliflower breadsticks. *Coca-Cola* & *Minute Maid* will create a lower sugar kombucha drink, *Cidewinder*. To settle the debate over a hard or soft 'g', *Smucker's Jif* brand & GIF-sharing site *Giphy* created a specially labeled *Gif jar*. *Sheila G's Brownie Brittle* will launch *Brownie Brittle Keto* & *Brownie Brittle Protein*. *Barilla* has reformulated its *Protein+* line of pastas with 100% plant-based ingredients. *Atomo* is a new cell-derived coffee that does not include coffee beans. *Disney* is offering plant-based food options across all its theme parks this year. *Cargill* will make private label plant-based patties & ground products. *Independent Natural Food Retailers Association's (INFRA)* founder & president/CEO Corinne Shindelar will step down.

MARKET NEWS: The market fell on over-hyped virus concerns, algorithmic selling & supply chain disruption fears. Per the CDC, only 61 cases of CVD-19 have been confirmed in the USA (0.000018% of the USA population), all travel or locality-based. Several large CPG companies warned that the coronavirus is impacting China sales, although *Starbucks* has reopened its China stores as fewer coronavirus cases have been reported. Home prices rose for a 5th consecutive month. China lifted tariffs on many USA farm goods.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malengo*

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