



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



YOU LIKELY KNOW SOMEONE who is over 80 years old. Perhaps it's a parent, grandparent or great grandparent. Maybe it is a favorite teacher or college professor with whom you have stayed in touch. Or one of your first bosses, someone who was both a mentor & friend. Maybe it is someone you wave to as you pass through your neighborhood or that person you see once a week at church or in the synagogue. If that person is nearer to 100, eighty years ago they may have been involved, in some way, in WWII. If that person was still a child in 1942, hopefully they were somewhere safe & warm. If that person has a tattoo on their arm, a series of numbers, they were not safe & warm.

80 YEARS AGO: 80 years is not a long time, especially as people live longer. It was just 87 years (four score & seven) between the signing of the Declaration of Independence & the Battle of Gettysburg. It was just 80 years from the end of the Civil War until the end of WWII. It was 80 years ago, near the end of January, that a group of men met in a small suburb of a major world capital. The meeting had been planned for December, but world events delayed the meeting. In early December, the Japanese bombed Pearl Harbor & the Soviet Union had counterattacked to turn the Nazi (National Socialist Workers' Party) army back near Moscow. These men got together to solve a 'problem' they had been working on for 10 years. They were there to find a 'final solution.' They were among the vilest men to ever walk on God's good earth. These men had power, not just because one man granted them such, but because a nation was suffering from what many learned professionals have called mass psychosis. How did this happen? The people of that nation had suffered greatly: war, inflation, joblessness, starvation, economic & emotional depression. They were told the source of their problems was one group of people & that they should hate these people. It happened because people trusted & believed in the government. It happened because armed thugs were allowed to roam the streets inciting chaos & enforcing the government's mandates. It happened because the police were powerless to protect those who stood up in dissent. It happened because the courts & police were corrupt, told who to prosecute for fake crimes & who to let go because they stood with the government. It happened because dissent was censored. It happened because race & ethnicity were prioritized over character & values. It happened because people did not question lies, from the government or media. It happened because people gave up their freedom, allowing themselves to be tracked & monitored, in return for the mere perception of safety & security. It happened because when people saw their neighbors being persecuted, they were too frightened to help. So now these men had unlimited power. The power to ostracize the people they hated. The power to imprison them in work camps. Just four years before this January meeting, they had circulated a plan to move this entire group of people to Africa to work as slaves to supply the government with Africa's rich resources. On this day, these men – military leaders, government officials & doctors – met to find a 'final solution.' The vilest of these men, Reinhard Heydrich, head of all police & security issues in the Nazi Reich, led the meeting. He spoke for 60 minutes, took questions for 30 minutes. In just 90 minutes, in Wannsee, a suburb of Berlin, these men decided the fate of some 11 million people across Europe, in lands they had captured & lands they planned to capture. They would gather up these people, the Jewish people of Europe, & send them to concentration camps in Poland. There, they would be murdered, coldly & efficiently, with gas. This was decided in just 90 minutes. Just 80 years ago. This is not ancient history, it happened well within the span of many people's lifetimes. It happened because a nation blamed others for their own failings. It happened because a nation clung to the false hope that the government had all the answers & was always right. This small, but important, piece of history is not likely taught in today's curriculum. It should be, because we know, those who do not know history are bound to repeat it. Indian poet Rabindranath Tagore, who died just about 6 months before the Wannsee Conference was held on January 20, 1942, warned of this, "*False hope is clung to with all one's might & main, till a day comes when it has sucked the heart dry & it forcibly breaks through its bonds & departs. After that comes the misery of awakening, & then once again the longing to get back into the maze of the same mistakes.*"

INDUSTRY NEWS: *Chomps*, meat sticks, raised an \$80M minority round from PE firm *Stride Consumer Partners*. Powdered beverage *Athletic Greens* raised \$115M led by *Alpha Wave Global*. *Kencko*, plant-based, blender-free smoothies, raised \$10M for category expansion led by *Siddhi Capital* with *Next View Ventures*, *Riverside Ventures*, *Silas Capital*, *Cheyenne Ventures*, *Shilling Capital*, *Indico Capital*, *Mission Point*, *Gather Ventures* & *Nextblue Ventures* involved. *ChickP* raised \$8M led by *Genisys*

Capital Private with *Growthwell Foods & Temasek Holdings* involved. *Redefine Meat*, 3D printed plant-based steaks, raised \$135M led by *Hanaco Ventures & Synthesis Capital*. *Black Sheep Foods*, plant-based wild game & lamb, raised \$5.25M from *AgFunder, Bessemer Venture Partners, New Crop Capital & Siddhi Capital*. *VFC Foods*, vegan fried chicken, raised a £7.5 million seed round led by *Veg Capital*. Indian food delivery platform *Swiggy* closed a \$700M round led by USA asset manager *Invesco*. New York/Tokyo-based Japanese snack subscription & e-grocer *Bokksu* raised \$22M led by *Valor Siren Ventures*, with participation from *Company Ventures, St Cousair, World Innovation Lab, Headline Asia & Gaingels*. Latin America-based grocery delivery startup *Calii* raised \$22.5M co-led by *Dalus Capital & JAM Fund*, with participation from *Forerunner Ventures, Streamlined Ventures, Y Combinator & Base10 Partners*. *Deliverect*, online ordering tech for more than 20K users in a variety of segments, raised \$150M led by *Coatue & Alkeon Capital* with *OMERS Ventures, DST Global, Redpoint Ventures, Newion & Smartfin* involved. *Greenlabs* raised \$140M for its technology to monitor the produce production & supply chain, from *BRV Capital Management; Skylake Incuvest & SK Square*. *Kula Bio*, biological fertilizer, raised \$50M led by *Lowercarbon Capital* with participation from *Collaborative Fund, Grantham Environmental Trust, iSelect Fund, Pillar VC, Embark Ventures & BOPU*. *PlantPlus Foods* acquired *Sol Cuisine*, plant-based protein; terms were not disclosed. Cultivated meat company *Upside Foods* (formerly *Memphis Meats*) acquired *Cultured Decadence*, a cell-based agriculture company. *Planting Hope Company* acquired *Betterer Foods (RightRice)* for \$7M in cash. *Gorillas* plans to acquire *Frichti*, a French startup that delivers both ready-to-eat meals & groceries. *Utz Brands* will acquire two direct-store delivery (DSD) distributors of *Utz's* products; *Clem Snacks & J&D Snacks*, for an undisclosed amount. *Viterra* will acquire assets of Omaha, Nebraska, *Gavilon* for \$1.125B, who originates, stores & distributes grains, oilseeds & food ingredients worldwide. Two California organic farms merged, *Capay Organic & Creekside Organics*. *Mars* bought *NomNomNow*, seller of fresh food, treats & supplements for dogs & cats, for \$1B. Reportedly, *Unilever* will stop pursuing a deal for *Glaxo's* consumer healthcare business. As a result, activist investor *Trian Fund* has taken a stake in *Unilever*. Alt-protein-focused venture capital firm *Unovis* closed an oversubscribed \$166M investment fund. SPAC *AXIOS Sustainable Growth Acquisition* will file for a \$125M IPO, to invest in agtech.

Albertsons will add *Afresh's* technology to the fresh departments in all of its stores after a pilot test last year. *Amazon Go* will open stores in suburban locations, beginning in Mill Creek just outside Seattle. *Kroger* will open a second spoke *Ocado* eCommerce-only fulfillment center in Kentucky. *Metro* reported flat 1st QTR sales with income increasing 11%. *BJ's* will acquire 4 refrigerated DCs from *Burriss Logistics* to expand its cold supply chain. *Walmart* invested in & formed a partnership with *Plenty Unlimited*, indoor vertical farm, who will begin to supply *Walmart* stores. *Smart & Final* stores in Arizona, California & Nevada will partner with *Uber & Uber Eats* for delivery, with plans to onboard all of *Smart & Final's* 254 locations. *Jokr & Gorillas* will partner with *Too Good to Go* to sell their surplus food at a discounted price. *Kraft Heinz* will raise prices in March on dozens of products, including *Oscar Mayer* cold cuts, hot dogs, sausages, bacon, *Velveeta* cheese, *Maxwell House* coffee, *TGIF* frozen chicken wings, *Kool-Aid & Capri Sun* drinks to deal with inflation. *Procter Gamble* will also raise prices. *Unilever* will restructure its organization into five business units — Beauty & Wellbeing, Home Care, Ice Cream, Nutrition & Personal Care — that will result in the layoffs of approximately 1,500 management-level employees globally. *Tyson* will cut 200 jobs at its Robards, Kentucky chicken plant as its product mix shifts to more prepared chicken products manufactured in other locations. Snack food maker *Leclerc Foods* acquired a 790K sq. ft. plant in Brockville, Ont., for cookies & bars production, with plans to invest more than \$100M over the next 5 years. *Kerry* opened its largest plant in the Middle East in Saudi Arabia. *Fifth Season* will build its second robotic farm, 180K sq. ft. *Molson Coors* in its partnership with *Coca-Cola* will introduce *Simply Spiked* this summer, an alcoholic version of *Coca-Cola's* *Simply* brand. Plant-based food company *Above Food* & France's food tech company, *Umiami*, will partner on whole-cut, plant-based meat & fish analogues. *Atlast Food*, maker of whole-cut plant-based meat alternatives, has changed its name to *MyForest Foods*. *Conagra's* *Duncan Hines* will partner with Dolly Parton on southern style cake & frosting mixes based on her favorite recipes. California courts delayed implementation of Proposition 12 which could severely impact the pork industry.

Per the *Organic Produce Network*, organic fresh produce sales grew 5.5% (faster than conventional produce growth) in 2021 & topped \$9B for the first time. The number of new product introductions by private label brands outpaced those from national CPG brands according to the intelligence firm *Catalina*. From *Harris* for *Mondelez*, 64% of Americans are eating small meals, with consumers looking to snacks for convenience (91%), freshness (90%), indulgence (85%), healthiness (84%), energy (82%) & unique (74%). *Lincoln Park Strategies* reports that consumers are very unclear about the definitions of portion size & serving size, & who is responsible for setting standards.

MARKET NEWS: Markets were volatile this week as the economic & geopolitical situations remain unstable.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND — *Tom Malenka*

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