



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



VALENTINE'S DAY! Hopefully, you spent Valentine's Day just like me, not just with the person you love, but a person you admire, respect, enjoy & find absolutely fearless. For us guys, giving roses is an absolute must – deep red roses, indicating passionate & everlasting love. The floral industry provides a color chart, the color an indication of the type of love being expressed. Yellow roses express platonic friendship, care or remembrance. Orange roses indicate a deep, fierce, perhaps fleeting desire. Pink roses symbolize sweetness & admiration & green means peace & harmony. Often given at weddings & graduations; symbolizing purity, chastity & innocence; is a White Rose.

WHITE ROSE: In 1942, the National Socialist Worker's Party's (the Nazis) master plan was firmly in place. Despite failing to bring England to its knees in the Battle of Britain & some setbacks on the Eastern Front & in the African desert, they were in control of Europe & North Africa. The freedom of the world rested on Britain holding the Suez Canal, the ancient fortress of Malta standing fast & America's manufacturing & military might entering into the fight. Worst of all, the Nazi conference at Wannsee ([ALL EARS!!, 80 YEAR AGO, 01/29/22](#)) determined the fate of 11M people who would be systematically eliminated only because of their religion or ethnicity. In 1942, one professor & several students at the University of Munich began a surreptitious dissent. Some were medical students, forced to do a service rotation on the Eastern Front. They saw what the Nazis were doing to the people of Poland, Estonia, Lithuania, Ukraine & Soviet Union, whether they were Jewish or not. They saw the brutality of the Soviets, fighting for their existence. They returned to Munich determined to do something to save their country & its citizens. They understood how the Nazis had corrupted every aspect of government & society: the media, the courts, the schools, the police, the people themselves. But they were especially upset at how the Nazi regime had corrupted the youth of the nation. Here is a quote from Jürgen Wittenstein, a survivor of this underground movement: *"The government—or rather, the party—controlled everything: the news media, arms, police, the armed forces, the judiciary system, communications, travel, all levels of education from kindergarten to universities, all cultural & religious institutions. Political indoctrination started at a very early age, & continued by means of the Hitler Youth with the ultimate goal of complete mind control. Children were exhorted in school to denounce even their own parents for derogatory remarks about Hitler or Nazi ideology."* The five student leaders (four men & one woman) of this underground movement, White Rose, began to distribute leaflets & write graffiti on the walls around Munich. From their third leaflet, *"Why do you allow these men who are in power to rob you step by step, openly & in secret, of one domain of your rights after another, until one day nothing, nothing at all will be left but a mechanised state system presided over by criminals & drunks? Is your spirit already so crushed by abuse that you forget it is your right—or rather, your moral duty—to eliminate this system?"* They saw the corruption of the children & populace with pseudo-science (Germans are a master race); phony biology (Jewish people have specific traits) & fake history (The German people descended from a mythical race of Aryans from Atlantis), all supported by the prescribed mantras of the lying media, the criminal institutions & a hypocritical intelligentsia. When the Nazis were turned back at Stalingrad in January, 1943, suffering the complete collapse of the German 6th Army, the White Rose initiated in Munich the only public large-scale protest during the Nazi regime. The White Rose leaders were arrested on February 18, 1943, 80 years ago, when a maintenance man at the Munich University main building atrium saw Sophie Scholl release leaflets from the top floor & informed the Gestapo. Three of the leaders were rushed before the *Volksgeschichtshof*, the for-show-only Nazi 'People's Court' with the outcome predetermined. On February 22, three White Rose leaders, Sophie Scholl, her brother Hans, & Christoph Probst were sentenced to death & immediately guillotined. Other leaders were arrested in the days & months that followed, imprisoned & executed. The White Rose stood their ground, because of their ethical & moral foundation. This is why we must never succumb to the bullies, a small but loudly incensed mob, with their tired & worn mantras! Today, speak out against these prescribed mantras - the fake & phony science, biology & history being forced on our children & us - a social media troll takes the offender to trial before their own group of bullies, called followers, for a predetermined sentence! We must be vigilant, stand our ground, protect ourselves & those who cannot protect themselves, by speaking from our hearts, minds & souls, lest the slippery slope we stand upon crumbles. As the guillotine's blade fell, Hans Scholl shouted *"es lebe die freiheit!"* - long live freedom!

INDUSTRY NEWS: *Lemon Perfect* closed a \$36.8M led by *Goat Rodeo*. North Carolina-based *Elo Life Systems* closed a \$24.5M series A round to develop its natural high-intensity sweetener, led by *AccelR8*, *Novo Holdings* & *DCVC Bio*. *Planetarians*, alt-meat for

hospitality outlets, raised \$6M led by *Mindrock* with participation from *Traction Fund*, *Techstars* & others. *BlueTrace*, traceability solutions for seafood through the supply, delivery & sales chain, raised \$3.2M in seed funding led by *York IE*, *Maine Venture Fund* & *Coastal Enterprise Ventures*, with participation from angel investors. Aquaponic produce farm *Springworks Farm* secured \$22M in a round led by *Blue Highway Capital*. Australia's *SwarmFarm* raised a \$8.3M series A round for its autonomous farming platform led by *Conexus Venture Capital's Emmertech*; *Tribe Global Ventures*, *Access Capital*, *Tenacious Ventures* & *GrainInnovate* also participated. Morocco's *Terra* raised \$1.5M for its B2B logistics platform connecting farmers to urban markets, the round was led by *FoodLabs*; *UMP6 Ventures*, *DFS Lab*, *Musha Ventures* & *Outlierz Ventures* participated. *GrainChain*, Agtech financing platform, raised \$29M from *Overstock*, *Pelion Venture Partners*, *BYU Cougar Capital* & others. *Brigad* raised €33M to connect restaurant & hospitality industry gig workers to short-term jobs; *Balderton Capital* led the round; *Wendel Group*, *Serena Capital* & *Square Capital* participated. Canada's homemade food delivery marketplace *Cookin* raised C\$17M for USA expansion, the round was led by *Relay Ventures* with *Mistral Ventures* involved. *Azolla Ventures* led a \$4M raise for *Funga*, technology to speed reforestation. *Conn's* will sign a licensing deal with *Mikesell's* to make potato chips at *Mikesell's* Zanesville, OH, plant. Dutch poultry company *Plukon* took a 51% stake in poultry meat processor *JA ter Maten Holding* for an undisclosed sum. *Nirvana Water Sciences* purchased spring water *Alder Creek Beverages* for an undisclosed amount. *Apax Partners*-backed *Europe Snacks* bought *Burts* snacks, a UK-based snack brand, for an undisclosed amount. Tofu maker *Morinaga Nutritional Foods* acquired the plant-based *Tofurky* & *Moocho* brands for an undisclosed sum. Activist investor *Third Point* has taken a \$240M stake in *IFF*, which is having trouble integrating its acquisition of *Dupont's Bioscience & Nutrition* division. *Subway* is officially for sale. After a strong quarter & 2022, *Kellogg's* will not seek a sale of its *Morningstar* brand. *Kainos Capital* raised its 3rd fund with \$1B in commitments. *Yerbae* raised \$8.8M in a public offering on the Toronto exchange.

Ahold Delhaize had strong across the board 4th QTR numbers, with USA comparable stores sales (excluding gasoline) up 9.3%. Price increases helped *Kraft Heinz* top 4th QTR estimates; the company will pause price hikes & issued soft income projections for 2023. *Kellogg's* reported 4th QTR sales & income above estimates, snacks drove results. Sales rose 22% in 4th QTR for *Treehouse Foods* as EPS rose 426%. At *Flower Foods*, 4th QTR sales & income were higher; the company adjusted 2023 full year projections to account for potential headwinds. Net income dropped 62% on a 11% sales growth for *PepsiCo* in 4th QTR. Inflation, geopolitical issues & currency headwinds produce mixed results for *Coca-Cola* in 4th QTR; revenue up, income down. In the 4th QTR, *Krispy Kreme* reported a net loss on a 9% revenue increase.

Reuters reports that the *Albertsons/Kroger* merger will result in 250 to 300 divestitures. *Amazon* leadership is still interested in developing a workable retail format & expanding in 2023. *Heinen's* will end its relationship with *Instacart*. *Walmart* will consolidate its tech hubs, closing its Austin, Portland, & Carlsbad centers. *Trader Joe's* is building a Tennessee distribution center. *Lidl* is planning a warehouse in Pennsylvania & also announced a 20% staff cut at its USA HQ. *Doordash* promoted their grocery delivery in a Super Bowl commercial. Canada-based *Lucknow District Co-operative* announced it is opening a factory for processing cheese. *Palermo Pizza* will open a new facility in Wisconsin, creating 200 jobs. *AeroFarms* opened an R&D farm in Dubai. *SunOpta* has opened a \$125M plant-based beverage manufacturing plant in Midlothian, Texas. *Chick-fil-a* will test a cauliflower sandwich. *Chipotle* will test a new restaurant concept in Santa Monica, *Farmesa*, serving customizable bowls featuring a protein & a green or grain. *McDonald's* is debuting plant-based *McNuggets* in Germany. *Krispy Kreme* plans to enter 5 to 7 new countries this year. Start-up *Mewery* claims to have the world's first cultivated meat made from microalgae cells. Perris, CA has passed a law preventing stores from selling products that the city deems unhealthy in the checkout aisle, a clear violation of free marketplace principles. *Flashfood* appointed former *Giant* president Nicholas Bertram as President/COO. Miyoko Schinner was removed as CEO by the board of the company she founded, *Miyoko's Creamery*.

HEB was #5 on *Forbes 500 Best Places to Work* list; *Trader Joe's* & *Costco* were the other grocers making the top 25. USA online grocery sales were down 1.2% YOY, with ship-to-home down 15%, according *Brick Meets Click/Mercatus*. Mass merchants, such as *Target* & *Walmart*, saw the largest increase in online engagement. However, per *Chicory*, more customers are engaging online for groceries, with 74% of consumers citing convenience as the reason. Consumers rated supermarkets as providing the worst in-store experience of any retail format, due to lack of speed, lack of convenience & rising costs, from a survey by *Theatro*. Global sales of no & low-alcohol category sales topped \$11B billion in 2022, up 7%, according to data from *IWSR*. Food at-home prices rose 11.3% in January, up 18.8% since January 2021. The ongoing cold desert temperatures are continuing to impact lettuce harvesting.

MARKET NEWS: Markets were generally lower this week as inflation remains high. January inflation came in above expectations; prices rose an economy breaking 14% since January 2021! Core PPI was up 6% YOY.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

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