



# ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



LITCHFIELD

**THE VILLAGE ELDER** is the person whose years has brought the knowledge & experience that the community relies upon. Among the ancient native cultures of the South Pacific or the Americas, in the early tribes of Asia & Europe or even in the more highly developed societies of the Greek & Roman Empires, the village elder was the sage person the village turned to for advice & guidance. In Yiddish, there is the term *mensch*, bestowed upon a person of such integrity, nobility, character & compassion, that their mere presence in the community provides guidance & stability. Yes, the old adage may be, *with age comes wisdom*, but as Oscar Wilde said, "*Sometimes, age comes alone.*"

**THE WISDOM OF THE AGED:** The wise old man is a historical & fictional fixture. In history, we have the wisdom of Confucius, Lao Tzu, Socrates, Plato, the Buddha, Abraham & Solomon. In fiction, there is Gandalf, Merlin, Obi-Wan Kenobi & the Hermit Guru at that top of the mountain in Johnny Hart's classic comic strip *B.C.* But age alone does not bring wisdom. Hopefully, if our brains remain active & our eyes remain open, we gather knowledge & observations, which when mixed together creates understanding that then leads to wisdom. Einstein thought, "*Do not grow old, no matter how long you live. Never cease to stand like curious children before the Great Mystery into which we were born... Wisdom is not a product of schooling but of the lifelong attempt to acquire it.*" Wisdom then comes from coupling that knowledge with astute observations of the world & people around us to reach an understanding we lack in youth. Austin O'Malley, 19<sup>th</sup> century aphorist, saw this, "*Knowledge is flour, but wisdom is bread,*" as did his contemporary, humorist Josh Billings, "*Learning sleeps & snores in libraries, but wisdom is everywhere, wide awake, on tiptoe.*" This is why age alone does not determine wisdom, it's what we learn & how we apply it. Henry Ford would agree, "*Anyone who stops learning is old, whether at twenty or eighty. Anyone who keeps learning stays young. The greatest thing in life is to keep your mind young.*" Staying young, not just of mind & body, but with a youthful enthusiasm is an important part of growing old gracefully & wisely. Thoreau wrote, "*None are so old as those who have outlived enthusiasm.*" From American Poet Samuel Ullman, "*Nobody grows old merely by living a number of years. We grow old by deserting our ideals. Years may wrinkle the skin, but to give up enthusiasm wrinkles the soul,*" & American columnist Doug Larson, "*The aging process has you firmly in its grasp if you never get the urge to throw a snowball.*" When do we become wise? Benjamin Franklin thought, "*Life's Tragedy is that we get old too soon & wise too late.*" Plato & Socrates felt wisdom was when we realize how little we do know! But as time passes, we can look back & see the world more clearly & wisely. From Machiavelli, "*The more sand has escaped from the hourglass of our life, the clearer we should see through it,*" & Kierkegaard, "*Life can only be understood backwards; but it must be lived forwards.*" Mark Twain saw wisdom as knowing that, "*The two most important days in your life are the day you are born & the day you find out why.*" And while we wholeheartedly agree with the sage Mr. Twain, Emerson's view of wisdom is both hopeful & heartwarming, "*The invariable mark of wisdom is to see the miraculous in the common.*" True wisdom arises in finding peace within ourselves & with the world. From American author Edwin Percy Whipple: "*True wisdom, indeed, springs from the wide brain which is fed from the deep heart; it is only when age warms its withering conceptions at the memory of its youthful fire, when it makes experience serve aspiration, & knowledge illumine the difficult paths through which thoughts thread their way into facts; it is only then that age becomes broadly & nobly wise.*" From Cicero: "*Wisdom is the only thing which can relieve us from the sway of the passions & the fear of danger; which can teach us to bear the injuries of fortune itself with moderation, & which shows us all the ways which lead to tranquility & peace.*" Yet, whether we achieve wisdom or not, there are some advantages to aging, as Casey Stengel quipped, "*When you are younger you get blamed for crimes you never committed & when you're older you begin to get credit for virtues you never possessed. It evens itself out.*"

**INDUSTRY NEWS:** Israeli cultured meat company *Aleph Farms* raised \$105M led by *L Catterton & DisruptAD*, with *Thai Union, BRF, Strauss Group, Cargill, Skyviews Life Science, VisVires New Protein, Peregrine Ventures & CPT Capital* involved. *Meati Foods*, fungi-meat, raised \$50M led by *BOND & Acre Venture Partners*. Sports performance drink *X2* completed a

\$16M raise led by *L Catteron*. *Buddha Brands*, plant-based better-for-you foods, closed on \$3M led by *BDC Capital & Investissement Quebec*. *The Alkaline Water Company* raised \$5M co-led by the company's CEO & Shaquille O'Neal. Online agribusiness marketplace, German startup *Agrando*, raised \$14.3M led by *Yabeo Impact*. *Micropep Technologies*, peptide-based biological inputs for farms, raised €8.5 led by Paris-based *Supernova Invest*. *Equilibrium Capital* closed its 2<sup>nd</sup> indoor agriculture fund at just over \$1B. *Rohlik*, Prague-based eCommerce grocery market & delivery service, raised €100M at a €1B valuation led by *Index Ventures* with *Partech & Quadrille Capital* involved. *Kitopi*, a Dubai-based cloud kitchen & delivery service, raised \$415M led by *SoftBank Vision Fund II*. *Zebra Technologies* will acquire the remaining 95% of *Fetch Robotics* that it does not own, for \$290M, to bolster its robotic network capabilities. *Dawn Foods* expanded its bakery distribution with the acquisition of *Icopa Distribution* in Portugal. The *7-Eleven* acquisition of *Marathon Speedway* will result in hundreds of location divestitures to satisfy FTC concerns. *Satellogic*, satellite imaging, will go public in an \$850M merger with *CF Acquisition Corp. V*, with plans to go from 17 satellites to 300. Swiss drug producer *Lonza*, divested its specialty ingredients business to *Bain Capital & Cinven* for \$4.5B. *Chobani* has filed for a potential \$10B IPO. *Thrive Market* is considering going public in a possible \$2B IPO. Following its merger with *Total Produce*, *Dole* plans an IPO to reenter the public market.

*Walgreens'* sales & comparables rose YOY, beating 3<sup>rd</sup> QTR forecasts, turning a \$1.71B previous year loss to \$1.2B profit. *Sodexo* saw a 19% 3<sup>rd</sup> QTR revenue increase driven by a 17.5% increase in on-site service revenue. Canada's *Organic Garage* reported lower sales & a net loss for 1<sup>st</sup> QTR. *The Alkaline Water Company* reported record annual sales of \$46M.

*Natural Grocers* by *Vitamin Cottage* will launch a new hydroponic *GardenBox* to grow greens onsite in Lakewood, CO. *Fresh Thyme* will open a hyper local concept store in St. Louis with 1K local products & an assortment of *Meijer* offerings. *Costco* will end special shopping hours for seniors. *Dollar General* will add produce to 10K stores. *Save A Lot* will upgrade 1K of its stores in the next few years. *Bashas' Family of Stores* opened its ninth store serving the Navajo Nation. *Kroger* is partnering with logistics firm *Knapp* for warehouse automation. Canadian tech startup *Vegano*, has launched a vegan eCommerce marketplace with plans to soon enter the USA. *Walgreens* has plans for 6 more MFCs for prescription fulfillment & delivery. *DoorDash* will offer *Beyond Meat* grilling kits for the summer in 14 cities. *Grubhub* will bring food delivery to college campuses using *Yandex*, a Russian robotic company. Fast-growing European CPG brand *waterdrop*, cubes to drop in water, opened its first retail location in Miami. *Wendy's* will launch a veggie, black bean-based burger in three test markets. *General Mills* launched snack bar, *Good Measure*, low in sugar & carbs. Following a trend, *Clif* launches a lower sugar cereal. *Nestlé* introduces Middle eastern inspired *Mezeast*, 11 products, including meal kits, seasoning mix sachets, squeeze sauces, spreads & pastes. Brazil-based meat alternative maker, *Future Farm*, will enter the USA market. *Kellogg* signed a 3-year deal to provide plant-based products to *Sodexo*. *Layn Natural Ingredients* is investing \$148M to expand its plant-based, high-intensity natural sweeteners, botanicals & supply chain. With labor costs rising & workers hard to find, *Flower Foods* sees ROIs that make automation worthwhile. *Niagara Bottling*, bottled waters & teas, will invest \$156M to establish a 634K sq. ft. facility in Kansas City, its second in the area. *Lotus Bakeries* will invest approximately \$62M to expand its North Carolina production facility by 111K sq. ft. & add 90 new jobs. *Nestlé USA* is investing \$100M to expand its frozen foods factory in Gaffney, South Carolina. *Seraphina Therapeutics*, fatty-acid powder, a synthesized form of a saturated fatty acid found in butter & whole milk, has obtained GRAS status. *Smithfield Foods* will pay \$83M to settle a price-fixing lawsuit. *Pilgrim's Pride* will pay \$29M to settle wage disputes with employees.

School-age children ate more fruits & vegetables when they were made to sit longer at the lunch table, according to a study published in *JAMA Open Network*. *Inmar Intelligence* reports that 28% of shoppers indicate they will do all their grocery shopping on-line, with 27% more saying they will use a hybrid approach. From *FMI/Hartman Group*, supermarkets as the main choice for consumers purchases fell from 49% of shoppers to 39%, with mass merchandiser reaching 33% & club stores reaching 8%. From *NielsenIQ*, chewing gum sales, which dropped more than 30% after February, 2020, have recovered & are rising. Grocery employment fell by 13K in June. Restaurant & bar employment rose 194K. California strawberries are surviving the heat, with 28.5M lbs. shipped this week, 5M lbs. more than a year ago.

**MARKET NEWS:** Markets fell early in the week as inflation jitters were stoked by the people in Washington DC announcing intentions to pass large tax increases on gasoline, recovering later in the week.

### **SEEDS, SPROUTS, GROW, HARVEST!**

**THE LITCHFIELD FUND** – *Tom Malenga*

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