



ALL EARS!!

*The Litchfield Fund
Weekly Newsletter*

“We just don’t hear it on the street, we have our ears spread across all the fields!!!!”



Litchfield

It’s Friday afternoon, mid-July, the early 1960s. The kids are in the back of a ‘56 Chevy, no seat belts, of course. Dad is in a hurry to make the 5.5-hour drive (6 with kid stops) ‘home’ before dark. There is no superhighway. This is all back-country roads, barns that read “*Chew Mail Pouch**,” cows, horses & burning rock dumps. The last 20 miles are a stretch of old route 422 named *Devil’s Elbow***, tricky to navigate at night. Upon arriving, *Nono* would be asleep, there is a lot of work to do in the morning. But *Nona* waited up, a coal fire warming the kitchen. The table is laden with her homemade breads, butter, cheeses, & Italian meats!

This is Us, too: This week, *Niman Ranch* announced a new full line of Italian meats – salame, capocollo, soppressata, pepperoni & pancetta. At my grandparents’ house, and next door at my Uncle Jim & Aunt Rose’s, the meats & cheeses hung in the cellar to dry. Along with those above, there was sausage, prosciutto & their version of *jura* (my favorite), all dangling above the barrels of homemade wine. It wasn’t just the food that made this a wonderland for a kid growing up in Collinwood. The asphalt-shingle sided house was right on the road. We would sit on the front porch among the fruit trees. (Jim had grafted apples & pears onto the same tree!) From there you could see the ruins of the old tipple. The coal train still ran right past the house & day or middle of the night we ran to wave at the engineers! Beyond the train was the rock dump, more farmland & the ‘main’ road. Beyond was *Side’s Hill*, covered with trees, crops & barns. (At 90 years of age, my Dad’s mom insisted she was going to walk to the top of that hill she had looked out upon for years & finally did, dragging us grandkids with her.) Indoor plumbing had just arrived, so *Nono* insisted the kids use the outhouse to save water. We would run through tomato plants & corn twice our height, past the cabbages, carrots, pumpkins & cucumbers, to use the toilet. (I preferred Uncle Jim’s as his outhouse had an actual toilet seat & toilet paper!) By the *shanties*, the dogs kept watch on the chickens, doves & rabbits that were raised for food. Jim had a cow or goat for milk, or that he was preparing to take for slaughter to Morris, the butcher. On the way down to the house, we would grab grapes or ripe tomatoes, sometimes just garlic or onion stems to munch on, no pesticides or fertilizers to worry about. My chores were to keep the kitchen coal fire burning on cold days (as I got older *Nono* would wake me up at night to stoke the coal furnace on cold nights), feed the animals, collect huckleberries, mushrooms or burnable coal from the rock dump, or use a coal bucket to bring manure to *Nono*. We worked, we ran, we played, listened to stories of Italy, Depression, World Wars, coal mines & family we would never meet! I will savor each bite of *Niman’s Ranch* new charcuterie, for *this is us, too!*

Industry News: Bill Niman, founder of *Niman Ranch* (now owned by *Perdue*), has sold his current

** I drew a barn in first grade with ‘Chew Mail Pouch’ on the side. Mrs. Wheeler was impressed. Today, I would have been expelled!*

***Devil’s Elbow was flooded for a damn in the early ‘70s & replaced with a new 4-lane U.S. route 422.*

BN Ranch to Blue Apron & will stay on board to develop a grass-fed beef & pasture raised poultry supply chain. It is reported that *Hormel*, post-acquisition of *Justin's & Applegate*, is still looking to acquire. *Drink Maple* completed \$3.9M of an up to \$6M raise. *Albertson's*, backed by *Cerebus Capital Management*, is rumored to be in M&A discussions with *Sprouts Farmers Market*. *General Mills* reported 3rd QTR earnings mostly in-line with analyst projections. But downward trends in quarterly sales (5%) & net income (1.1%) continued. Competition in yogurt & refrigerated baking products were identified as the reasons. However, natural/organic sales showed double digit growth with *Annie's* expected to reach \$1B in sales this year. *ConAgra Brands* reported a 3rd QTR that was down 10% in revenues & 13% in EPS. They look to innovation in their *Healthy Choice & Frontera* lines to push 4th QTR sales upward. *Coco-cola* CEO James Quincey announced leadership changes. *Pepsi* is pulling certain products from shelves in Philadelphia due to the soda tax. *Aldi's* is updating its logo to go along with its store upgrading & expanding fresh food offerings.

Price deflation has had a continuing impact on supermarket profits. This week, *Supermarket News* reported that *Moody's Investor Services* sees an easing in deflation & improved 2nd half 2017 supermarket operating profit. *Moody's* also reported continued growth in the natural/organic segment with more people choosing to prepare at-home healthy meals. Various studies report an across category increase in millennials' frozen food purchases as they are seeking convenient, healthy & innovative international cuisine offerings. High doses of intravenous vitamin C has been shown to fight sepsis. Per a Danish study, fish oil during the last three months of pregnancy can reduce a child's risk of asthma by 33%. A study on mice indicates that low vitamin D aggravates metabolic syndrome which leads to diabetes & heart disease.

Rudi's Organic Bakery is adding two new breads with traceable back to the farm sourcing on the package. *Jarrow Formulas* is entering the plant-based protein mix arena. *Probulin* is introducing a new line of probiotic skincare products that will work with the body's immune system to promote healthier skin. *Navitas Naturals*, a **Litchfield Fund** supplement staple, is rebranding as an organic premium superfood, *Navitas Organics*, with the motto *Live Life Positive*. A research chef's conference in San Juan featured creative uses of pulses! Now that's a conference **The Litchfield Fund** needs to put on its schedule!

Market News: With little economic news this week markets drifted down with a focus on Congressional antics. Slight upward revisions in 1st QTR GDP forecasts & a better than expected showing for February durable goods were among the few tidbits for Wall Street to digest.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

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