



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

‘Tis the season for that jolly old elf, Santa! But we do worry about Santa’s health.

While *no one* wants to see a *skinny Santa*, we don’t like seeing *his round little belly shake like a bowl full of jelly* when he laughs! Circling the globe at high altitudes in a 24-hour period, wearing just a red fur coat, requires better nutrition than *just* milk & cookies. And those *eight tiny reindeer* must also be expending a huge amount of energy to hit top speed, then stop & land that big sleigh stuffed with toys for boys & girls all over the world on a tiny roof top! So this year, let’s all help Santa & his team eat better, by suggesting some #SuperfoodsForSanta!

#SuperfoodsForSanta: Let’s face it, we all need the right kind of fuel to power us through the season. There are so many healthy foods that can help us, such as fresh fruit & veggies; foods high in good protein, fiber, probiotics & omegas; organic beef & poultry for those of us who partake; ancient grains, nuts, & seeds; the list goes on & on. But we succumb to the treats of the holiday season -- the milk & cookies, chocolates, candy, rich desserts, the snacks laid out at the holiday parties & the big holiday meals! And everyone is so busy during the holiday season, it is important we have healthy, satisfying quick treats to fuel our activities. So this holiday season, join **The Litchfield Fund** by using Twitter & the hashtag **#SuperfoodsForSanta** to share the healthy treats & recipes you will be using to feed all the important ‘Santas’ in your life! We will share information not just about our partnership brands but also about the other foods & meals we are enjoying this holiday season! Why shouldn’t we all enjoy the holidays while still eating healthfully & mindfully!

Brand Update: Speaking of our partnership brands, they have been busy. *Supereats* recently introduced its sachi inchi based chips & puffs in several flavors. *Harvest Soul* has been growing through its shelf presence at *Sprouts Farmers Market*. *Genius* founder Alex Bayer was interviewed by sports casting icon Pat O’Brien for the entrepreneurial focused *Business Rockstars* (<https://www.youtube.com/watch?v=7bj6NxaZ66o&feature=youtu.be>). On Tuesday December 6, Andrew Buerger & *B’More Organic* will be on *The Rachael Ray Show*, one of three finalists out of 900 product entries. The winner gets some coaching assistance from *Shark Tank*’s Barbara Cocroran. Meanwhile, *B’more Organic*’s marketing director Amanda Sains was interviewed for a *Food Marketing Nerds* podcast, discussing B’More’s marketing efforts & social mission (<http://foodmarketingnerds.com/cause-marketing-done-right-amanda-sains/>).

Industry News: *Pilgrim’s Pride* will acquire *GNP* of St. Cloud, Minnesota to enhance its portfolio of poultry products that are certified organic & sourced humanely. The \$350M deal is all cash. *Pilgrim’s Pride*’s management believes *GNP*’s innovative on trend consumer brands will

improve their product offerings for the food conscious consumer. The acquisition will help *Pilgrim's Pride* achieve its 2019 goal of sourcing 25% of its raw materials from antibiotic-free birds. *L Catterton* announced that it has closed another buyout fund that will commit \$60M & \$500M to consumer companies domestically & in Europe. Adding *Caliwater Cactus Water* in 450 of its stores, *CVS* continues to stock healthier beverage products. *Snyder's-Lance* has agreed to sell the *Diamond of California* culinary nut business to *Blue Road Capital*, allowing *Snyder's-Lance* to focus more resources on its core brands. Howard Schultz resigned as CEO of *Starbucks* to focus on the company's next wave of innovation.

Albertson's is rumored to be in talks to acquire *Price Chopper*. *Wegman's* is reducing prices on 247 healthy family-oriented private label SKUs citing deflation as the driver. *Sprouts Farmers Market* is seeking 2,000 non-seasonal hires to support its nationwide growth. *Kroger* 3rd QTR earnings were at or slightly below analyst estimates with revenues & EPS coming in lower than the same quarter last year. Deflation was the attributed reason, though *Kroger* still saw some comparable same-store growth.

Nestle has discovered a way to naturally reduce the sugar in their products while still having just as sweet a taste. The structure of these sugar crystals allows the tongue to perceive a nearly identical sweetness, even though less sugar is used. This research has the potential to reduce total sugar used in *Nestle* products by 40%. The process is being patented but comes from a new way to use a traditional, natural ingredient. The process will be ready in 2018 & helps *Nestle* meet targets for reducing sugar in its products.

General Mills, the Xerces Society, & the USDA announced a 5-year, \$4M partnership to restore & protect pollinator habitat & support U.S. farmers with technical assistance to plant & protect pollinator habitat creating native wildflower field edges & flowering hedgerows. The USDA is projecting lower beef & pork prices & rising poultry prices for 2017. The USDA also indicated lower wheat & corn acreage but higher soybean acreage for 2017. Pork & ham sales continue to grow. Research shows probiotics could be effective in treating symptoms of autism.

Market News: The November jobs report showed a 178K job increase, though 118K of that growth was part-time seasonal employment. Additionally, the labor participation rate dropped as more people just gave up looking for work. For the first time in many years, oil producing nations agreed to supply cuts, driving oil prices up. Most importantly, Consumer Confidence post-election rose to a 9-year high. The markets were mixed for the week.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

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