



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

The Litchfield Fund, like many others, is concerned with the honeybee population. As well we should be! Honeybees are necessary for pollinating, with estimates that up to 90% of crops are dependent on a healthy bee population. As with any issue, especially one where money is involved, there are many differing opinions & facts. But we appreciate that many companies, like Cascadian Farms, are doing what they can to promote bee health & safety. For without those bees, there would be no honey. And without ‘hunny,’ the sweet little bear in Hundred Acre Wood would need to look for something else to fill his hunny pot!

Pooh Bear: It was 90 years ago this week that A.A. Milne gave to us the characters of Hundred Acre Wood, most all created from the stuffed toys on the shelf of the nursery of his son, Christopher Robin. Milne was already a writer of note & an editor of the popular magazine *Punch*. He was a pacifist, but found & wrote about his just cause for service in both world wars. The stuffed bear on his son’s toy shelf was named for the bear ‘Winnie’ at the London Zoo & a swan named ‘Pooh’. Upon Mr. Milne’s death in 1956, his wife sold her portion of interest in the Pooh stories. Eventually all the interests ended up in the hands of Walt Disney. Disney brought to all of us Mr. Milne’s gift: Winnie-the-Pooh & the simple childhood lessons of love, kindness & gratitude that seem to be almost lost in today’s world.

We could fill pages with the simple wisdom of this little bear: *Rivers know not to rush; we will all get there someday. Simple words are best, like “what’s for lunch?” If someone isn’t listening, they may just have a small piece of fluff in their ear! Weeds are flowers too, once you get to know them. You are braver than you believe, stronger than you seem, & smarter than you think. Love is taking a few steps back to give way to the happiness of the person you love. The smallest things take up the most room in our hearts. Some people care too much, I think it’s called love. Keep me in your heart, I will be there forever.* These lessons seem needed more today than ever before!

In this world that rushes by us, filled with constant media blitzes & on-line connection, it would be wonderful to spend a day doing nothing or starting the day off with a nap in the Hundred Acre Wood. Perhaps a bit more Pooh in our lives would fill our small hearts not just with gratitude but also compassion, patience, care & understanding. And maybe create some real human connection. So what about the bee population & the many varied data points that suggest for us to worry, or perhaps not to worry, about our ecosystem? Maybe just for today we won’t be *bothered*, for as Pooh said, “*You never can tell with bees!*”

Industry News: Industry sources suggest *Pepsi* will be acquiring *Kevita*. *Pepsi* has maintained an ongoing interest in *Kevita*. *Kevita* is estimated to have \$80M to \$100M in revenue. The acquisition price may be in the \$400M to \$500M range. Analysts suggest *ConAgra* may consider *Pinnacle Foods* as a takeover target. *ConAgra's* spin-off of *Lamb Weston* is scheduled for November 9. Reports are that *Albertson's* may be once again delaying its IPO. *Kellogg*, looking for the growth its U.S. cereal business is not experiencing, will buy Brazil's *Parati Group* for \$430M. *Parati Group* makes biscuits, pastas & powdered beverages. *Tyson Foods* announced an investment in *Beyond Meat*, acquiring a 5% stake. *The Nutrition Capital Network* announced a 6% increase in transaction activity for the nutritional/health/wellness space for the first 6 months of 2016.

Walmart indicated they will continue to seek sales growth for fresh produce & products. *Amazon* is planning brick & mortar C-stores selling fresh products. The stores will also include online ordering & pickup. *Whole Foods Market* has opened a new store in the Englewood neighborhood of Chicago, a low-income, grocery store deficient area.

Gerber is introducing probiotics to its baby formula. *Green Valley Organics* announced a new organic first-to-the-market lactose-free butter. *Bakery on Main* will be introducing a line of certified organic products. *Perdue* completed a more than 10-year effort to remove antibiotics from its chicken supply. *Perdue* does use vaccines. If a chicken needs antibiotics they will be administered but the chicken will be removed from *Perdue's* regular supply & sold as a lower cost alternative. *Natural Vitality* is introducing *Calmful Sleep* that uses its product *Natural Calm* but adds sleep helpful ingredients such as magnesium glycinate, a patented form of the amino acid L-theanine, GABA & melatonin. The vegan, gluten & GMO-free powder comes in wildberry flavor. *Natural Grocers by Vitamin Cottage* is introducing its own free range egg. Outdoor wear maker *Patagonia* will add 29 food SKUs including soups, bars & cereals to its offerings. Energy drink *Celsius* will distribute through the U.S. Military Exchange Services across the globe.

Market News: There was little news this week as the market awaits several data points that will be released next week. The markets rallied a bit on Friday, but not enough to make the markets positive for the week. The small rally may have been the result of comments from Janet Yellen which traders took to indicate low interest rates may be around for a while longer. Crude oil fell for the week but stayed above \$50 per barrel.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

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