



# 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**

**In parts of the USA, at least those** not covered by snow, farmers are beginning to plant! Farmers & ranchers are among our hardest working Americans! Not only do they grow our food, they share responsibility for soil & water conservation, animal welfare & food safety. Few jobs require so much skill & knowledge! They have to be a botanist, horticulturist biologist, chemist, mechanic, engineer, architect, carpenter, veterinarian, businessman, marketer & if an unfortunate accident occurs, medic! This week we celebrated National Ag Day & Ag Week! So, enjoy a nice fresh, crisp salad & give thanks for our American farmers!

**To Everything...:** *There is a season! Turn! Turn! Turn!* And with spring upon us, the folk song reminds us that there is "*a time to plant, a time to reap that which is planted!*" The song reached #1 in 1965 when recorded by Roger McGuinn (who *had a 12-string guitar, it was like nothing I ever heard*), David Crosby & the Byrds. The song, which was written in the '50s by folk music legend Pete Seeger, is one of the few rock/pop songs whose lyrics come directly from the Bible, chapter 3 of Ecclesiastics. While the lyrics speak to there being a moment in life for every emotion & action -- a time for work, a time for play, a time for joy, a time to mourn & so on -- the simple addition of six words at the end of the verse... "*a time of peace, I swear it's not too late*"... made the song a 1960s anti-war anthem. But the passage & song remind us to weather everything the Universe throws at us, as it is all part of *the cycle of life*... the turn, turn, turn of the world. Of course, in hard times, it is difficult to recognize that this too shall pass, that there is indeed "*a time to every purpose.*" American author Og Mandino felt that we should "*always seek out the seed of triumph in every adversity.*" Author Robert Louis Stevenson reminds us, "*Don't judge each day by the harvest you reap but by the seeds that you plant.*" So in this season of Spring, let's plant our seeds! *It's certainly not too late!*

**Industry News:** *HelloFresh*, riding on improved 4<sup>th</sup> QTR margins, a 60% revenue jump & a 69% overall increase in active customers (with USA active customers & orders more than doubling), announced that they will acquire organic meal-kit maker *Green Chef*. *New Barn* (almond milks & almond-based ice cream) raised \$3.75M led by *New Food SPV* (special purpose vehicle), an investment company created by *New Barn* CEO/chairman Ted Robb, thereby giving him control of the board of directors. The stock prices for *Target* & *Kroger* both jumped on Friday morning, but later moderated, as rumors of ongoing merger talks were tamped down. But the surrounding noise may be an indication of the pressure that *Amazon*, with *Whole Foods* in tow, is putting on the retailing industry.

*ConAgra*, with a 61¢ EPS beat analyst 3<sup>rd</sup> QTR forecasts of 55¢, up 27% from last year. Revenue narrowly missed but *ConAgra* raised their target performance. While *General Mills* saw an

increase in 3<sup>rd</sup> QTR revenue & adjusted income, rising commodity & freight costs caused the company to lower forecasts while it attempts to broaden alternative transportation options.

Shoppers will be able to buy small brands' food & wellness products through a digital platform provided by *Albertsons*. *Lidl* is releasing new ads targeting their competitors' high prices & failing client shopping experience. *Shipt* will begin delivery for *Weis Markets*, *Price Chopper*, *Save Mart* & *Brookshire* in several regions across the country. *Supermarket News* reported that *Kroger's* recent labor deal was impacted by tax reform, the result a richer deal for *Kroger* workers while still in line with *Kroger's* restock plan, which includes investment in their associates. *Rouses* is introducing meal-kits that feed two adults. *Wegmans*, perhaps feeling price pressure from *Aldi* & *Walmart*, will reduce prices on many store brands. Investment firm *Blackwells Capital* is battling *SuperValu*, wanting the wholesaler to spin off its retail operations & look to sell itself. *Blackwells* wants to add industry veterans to the *SuperValu* board.

Rutgers University research reveals a fiber-rich diet may help control blood sugar for those with Type 2 diabetes. A probiotic feta cheese has the same taste & texture as regular feta cheese, per a study by Greek researchers published in *Food Microbiology*. A *Journal of Food Science & Nutrition* study showed that grass fed milk is more nutrient-rich than conventional milk. Grass-fed whole milk has 147% more omega-3 fatty acids & a better balance of omega-6 to omega-3. Per the *National Coffee Association*, coffee consumption continues to grow as consumers seek various channels & product offerings for their daily joe. The biggest barrier to shopping online, per *RichRelevance*, remains that shoppers (53.7%) don't trust others to pick the best or freshest items & 44.3% don't want to pay for delivery. While 68% like the convenience, only 9.4% shop online weekly & 36% of consumers shop at multiple online sites. Cocoa commodity prices are rebounding as investors recognize tighter supplies. RTD coffee sales were \$3.3B in 2017, rising 14%, while RTD tea sales rose 4% to \$10.3B, according to *Beverage Marketing DrinkTell* database.

**Partnership Update:** The **Litchfield Fund's** partnership brand *Genius Juice*, the wonderful, refreshing whole coconut organic smoothie, has entered a distribution agreement with *Rainforest Distribution!* Consumers will soon be able to find *Genius* on the east coast, especially in the New York & New Jersey areas! We would love to hear your thoughts after you have had a chance to taste it, after all, we think *It's Pure Genius!*

**Market News:** While the FED indicated that the economy was growing stronger than previously expected & inflation was in check, an interest rate hike, tariff talk & an *ominous* omnibus congressional spending bill dampened investors' spirits.

**Seeds, Sprouts, Grow, Harvest!**

The Litchfield Fund

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