



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

Certainly, October is a very vibrant month! There is the autumn crispness of the air, the bright colors of the trees & the last warming rays of the sun! But October offers so much more! There are baseball playoffs, football games, Oktoberfests, the last state fairs, the few remaining harvest vegetables, ghosts, goblins, scary movies, hot cider by warming fires, Halloween, gourds, squash & pumpkin, pumpkin, pumpkin! Did we mention pumpkin? Lucy Maud Montgomery said of October, *"I'm so glad I live in a world where there are Octobers. It would be terrible if we just skipped from September to November, wouldn't it?"*

October: Beyond Miss Montgomery's quote from *Anne of Green Gables*, poets, authors & philosophers for centuries have found their souls stirred by October. Perhaps George Eliot (Mary Ann Evans), said it best, *"Delicious autumn! My very soul is wedded to it & if I were a bird I would fly about the earth seeking the successive autumns."* Even some serious authors & philosophers saw spirit & hope in October, like Albert Camus who thought, *"Autumn is a second spring when every leaf is a flower."* And philosopher Friedrich Nietzsche said, *"What I really want from Music: That it be cheerful & profound like an afternoon in October."* Poet Robert Frost thought October, *"Enchanted the land with amethyst."* Harriet Beecher Stowe also saw October as a jewel, calling October the *"opal month of the year,"* a *"month of glory, of ripeness,"* & the *"picture-month."* She found solace in October as winter approached, seeing October as the positive end to summer, saying *"October is nature's funeral month. Nature glories in death more than in life. The month of departure is more beautiful than the month of coming...May. Every green thing loves to die in bright colors."* Most writers just found beauty & joy in October! Scottish poet Alexander Smith felt that, *"In the entire circle of the year there are no days so delightful as those of a fine October."* American author Nathaniel Hawthorne said, *"There is no season when such pleasant & sunny spots...produce so pleasant an effect on the feelings as now in October."* Oliver Wendell Holmes, Sr. said September was dressed in a *"show of dahlias & splendid marigolds & starry zinnias,"* but that October was *"the extravagant sister, [who] has ordered an immense amount of the most gorgeous forest tapestry for her grand reception."* So whether it's enjoying sports, hikes, tasty autumn soups or relaxing by a fire on a cool evening, here's to a glorious October!

Industry News: *Once Upon a Farm* obtained \$20M from *Cavu Venture Partners* for expansion. *Chef's Cut* announced an earlier in the year \$8M investment from *Cavu & Halen Brands*. *Kraft Heinz* launched *Evolv Ventures*, committing \$100M to invest in emerging food industry technology companies. *Kitchen United*, a virtual restaurant & foodservice concept providing facilities & resources, raised \$10M from *GV*. *Cal-Maine Foods* will acquire *Featherland Egg Farms* (terms not disclosed), gaining egg production facilities for 600K hens as well as feed, production & distribution facilities in Texas. Nutrition group *Glanbia* will acquire *SlimFast* from *Kainos*

Capital in a \$350M deal. Dutch start-up *Meatable*, cell-raised cultured meat, completed a \$3.5M round led by *Blueyard Capital*. *TSG Consumer Partners* took a minority stake in *Dutch Bros Coffee*. *Hu Products* founder Jason Karp is shutting down his *Tourbillon Global Master Fund* & will return his focus to food/beverage & health/wellness.

Walmart will invest \$175M to upgrade its Canadian stores, focusing on grocery & a better omnichannel consumer experience. *Kroger* is starting its nationwide offering of *Home Chef* meal kits in 225 Midwestern stores. *Tops Friendly Markets* started curbside pickup service with *Instacart* in a few markets. Prices are just 0.8% lower at *Whole Foods Market* since the *Amazon* merger, per *Gordon Haskett*. *June* smart oven entered a partnership with *Whole Foods* to integrate its smart cooking technology that will automatically cook thirty 365 *Everyday Value* products. *Uber* plans to expand their *Uber EATS* restaurant delivery business with grocery home delivery to compete with *Instacart* & *Shipt*. *PCC Community Markets* added \$1M to its *PCC Farmland Trust*, as Seattle area growth has raised land prices & pressured local farmers. *Thrive Market* is selling clean wine at *Thrive Market* prices. *Peak Yogurt*, is introducing triple-cream yogurt containing 15% to 17% milk fat & low or no added sugar, a ketogenic offering. *Zoup! Good, Really Good™ Broth* introduced a certified organic chicken both & a certified organic veggie broth.

Nielsen & Rakuten Intelligence report that USA fast moving consumer goods (FMCG) omnichannel sales have surpassed \$1.01T, up 2.6% in a year, with in-store grocery sales 40% of total sales. Also, almost 50% of ecommerce sales are now click & collect at store. Millennials (36%) plan to spend more than last year on holiday groceries, the biggest increase of any demographic. Craft beer sales rose 4.9% in the past year, while overall beer sales fell 1.1%, the fifth straight annual decline. The *National Corn Growers Association* praised the administration's initiative to allow year-round E15 (ethanol) sales, which will now enter a regulatory review. Researchers from *Delft University of Technology* in the Netherlands believe they will be able to create robotic bees to aid pollination by duplicating insect wing patterns.

Market News: Markets fell mid-week with a variety of reasons offered. As underlying economic data remains strong & positive, concerns of a slight downgrade in projected global growth, China's tariff position, profit-taking, cash for earnings season buys, tax payments & the FED's position on rates may have contributed. The September NFIB Small Business Optimism Index marked its third-highest level ever in September, staying near its August record level. The survey also reported spending on capital equipment & inventories rising & small business operators setting a survey record for compensation increases. *Bloomberg* & other sources reported they expect no job or hiring impacts from tariffs.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund – *Tom Malenjo*

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