



# 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 medieval royal courts, a small slight** could bring about a joust, or worse, war. Treaties between fiefdoms were broken at the merest insult. If an arranged courtship between a prince & princess of different families went sour, nations rose to battle! Rumors & gossip ran wild! Then there were the parties! The lavish eating of fruit & wild game (certainly organic in those days), the endless drink, the music, revelry & perhaps some debauchery! While we take no credit for the phrase *All Ears!!* has often used, ‘*there is nothing new under the sun*’, these medieval themes seem very apropos for this week’s newsletter!

**Days of Yore:** We know the Medieval Era was not all *Once & Future King, The Adventures of Robin Hood*, Errol Flynn & Olivia de Havilland! Human rights were violated, wars were bloody, disease was rampant. *But alas*, it is all part of our human history & experience. From the squalor of feudal life to the bold first step of the Magna Carta! From the lavish excess of the French Kings to the brilliance of the Italian Renaissance courts! So let’s indulge ourselves with the romanticism of *yore* for just a few minutes!

**Rumors:** The *Isle of FED’s* handmaidens & jesters were out in full force Friday morning, sending loud whispers around the *Kingdom of Wall Street* that Queen Janet would be looking to raise interest rates sooner rather than later. Markets reacted, the S&P & Nasdaq plunging 2.5%. Oil prices fell more than 4% for the day. We believe the Queen was pleased.

**Romance & War:** When the *Kingdom of Hershey* spurned the romantic interests of the *Mondelezian Empire*, *Mondelezia* declared war on *Hershey*! As we speak, *Mondelezia* is preparing to send more of its special *Green & Black’s Organic’s* forces & *Cadbury* regiments into lands now controlled by *Hershey*!

**Uneasy Treaties:** The King’s minions continue to wage war on non-GMO. A proposed labeling treaty is hardly a truce & can easily be circumvented, without proper certification. We yearn for the wise counsel of *Good King Ronald* & his sage directive, “*Trust, but verify!*”

**Parties (sans the debauchery):** Our own little Andorran Principality, **The Litchfield Fund**, headed by Prince Tom & Princess Susan, will host two parties this week, to which all of the kingdoms are invited! Join us Tuesday, September 13, at 7 PM EST with *B’more Organic* ([www.bmoreorganic.com](http://www.bmoreorganic.com)) to discuss the benefits of protein & skyr! On Thursday, September 15, at 7 PM EST we will chat about chewing, nutrition & probiotics with *Harvest Soul* ([www.harvestsoul.com](http://www.harvestsoul.com)) & *Chef Megan* ([www.healthyeating101.com](http://www.healthyeating101.com)). Both parties will be held in the Kingdom of Twitter at the Castle of **#LFNDchat**!

Join #LFNDchat as @LitchfieldFund hosts:

**B'more Organic: Protein & the benefits of skyr!**  
Tuesday, 9/13 7 PM EST

**Harvest Soul: Nutrition, Chewing & Probiotics**  
Thursday, 9/15 7 PM EST

Chat & win great prizes, too!

**Industry News:** *Sprouts Farmers Market* announced a lower target for 2016 full year earnings, looking toward an EPS of between 83¢ & 86¢. Analysts had expected a full year EPS of 94¢. *Sprouts* cited deflationary price pressure, promotions on conventional products & lower foot traffic as the cause. *Sprouts* expects 3<sup>rd</sup> QTR earnings to be flat. *Kroger* reported some of the same reasons for weak 2<sup>nd</sup> QTR sales. Sales rose just 1.7% for the quarter; analysts expected 2.6%. *Kroger* reported a 40¢ EPS as opposed to an expected 45¢ EPS. In the same quarter last year, *Kroger* reported a 44¢ EPS. *Flower Foods*, facing class-action suits from its drivers over independent carrier classifications, has seen falling sales in its mainstream brands. However, recent acquisitions of *Dave's Killer Bread* & Mesa-based *Alpine* have seen great sales growth riding on the overall growth of organic bread!

*Whole Foods Market* hired 3 new global VPs for Marketing, Communications & Team Member Services. We must admit that the backgrounds of these new hires adds to our confusion around *Whole Foods'* strategy, which we expressed last week. We thought *Whole Foods* wanted to distinguish itself based on a perceived value. That would mean, to us, separating itself from retailers like *Walmart* & *Starbucks*. *Hormel* announced that its well-respected CEO Jeffery Ettinger will retire but remain Chairman. Longtime company veteran, James Snee, current President & COO, will take over as CEO. *Watts* purchased the Chilean operation of *Danone* for \$21M. The companies will work together in the Chilean market. Rumors of a Chinese takeover of *GNC Holdings* were whispered around Wall Street. *Hain Celestial* received a Nasdaq delisting notice due to its earnings reporting delay. The *BIGR* leadership team of industry veterans Duane Primozich, Carole Buyers & Bill Weiland announced the closing of a \$55M raise. *BIGR*, *Boulder Investment Group Reprise*, seeks to supply growth capital to companies with revenues of \$1M to \$15M. *BIGR* had an initial \$18M raise completed in January of this year. *SPINS* is partnering with *Demeter USA* to bolster biodynamic product certification. (Certification - Good King Ronald would be pleased!) Organic industry growth in Denmark is reported at 27%.

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

**The Litchfield Fund**

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