



# 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**

**Believe it or not the big news this week** was not the inauguration of our 45<sup>th</sup> President but a mysterious red substance found covering an icy road in Wisconsin! What was it & how did it get there? Was it the cause for the water in the drainage ditches to be running purple? What was that smell? Did the EPA HazMat team need to be called in? Was this sticky substance on the road a new *ice melt*? Was it a strange sort of fan support for *Wisconsin Badger basketball*? Or could this have been left by *space aliens*? Twitter was ablaze with speculation! Fortunately, a practical-minded sheriff solved this puzzling mystery!

**I Love a Mystery:** *I Love a Mystery* was the name of a popular radio program that began in 1939 & aired for five years. Its advertisers included *Fleischmann’s Yeast & Proctor & Gamble*. While the adventures of these 3 friends that ran a detective agency was well before this writer’s era, the title applies, *I do love a mystery*. Growing up reading Queen, Gardner, Hammett, Chandler, Doyle, MacDonald, Christie, Sayer & Marsh, among others, mysteries remain my favorite genre today! As a young boy, it was easy to imagine myself solving mysteries cerebrally along with Ellery, Mason, or Holmes or taking much needed action like Spade, Marlowe or Archer! Or perhaps I could pursue the criminals in a more genteel fashion while channeling my inner Hercule Poirot, Lord Wimsey or Roderick Alleyn!

As for our sheriff in Wisconsin? His approach was definitely Holmesian! He used his *nose!* The smell told him that hundreds of thousands red – and *unmarked* – *Skittles* were lying on the road. These *Skittles* were not hijacked from the factory to be sold nefariously on the underground *Skittle* market! No, their intended use was much more diabolic, can we dare say – quite evil? It appears the *Skittles* were factory rejects that fell from a cattle feed truck & were intended to be used to feed cattle! The horrifying part of this mystery is that rejected candy like this has been used for years to add quick carbs to cattle feed! That means a product you might never eat yourself just ends up in the beef you eat anyway! On a good note though, when county services was called in to clean the roadway they did believe the substance had improved traction on the icy road! This is probably a better use for the candy than entering our food system as cattle feed!

**Industry News:** Healthy fats continue to get support for their benefits as studies show that even a fatty Mediterranean diet is better than a Western diet. Studies show Omega-3s can help heal the heart muscle after a heart attack. Studies suggest a diet heavy with nuts reduces inflammation. Functional supplement usage in food & beverage continues to expand, with cinnamon having been shown to make mice smarter! Sweet Potato crops are increasing! We are personally big consumers of the healthy tuber known for its high fiber & hormone balancing

properties. Our favorite way to enjoy them? Diced & roasted in a bit of olive oil with onions, celery, & poblano peppers & seasoned with garlic & oregano. Sweet potato pie is a great treat!

To fund its growth, *Barnana* completed a \$5.3M equity investment with *Trently Advisors* & included investment by *Blueberry Ventures*, *Boulder Food Group*, & *Finn Capital Partners*. *Hain Celestial* has entered into a joint venture to manufacture & distribute its brands in India. *301 Inc* led a \$6M round for *Rhythm Superfoods*, in which Hain had made a previous investment. *San Francisco Equity Partners* acquired a majority stake in *Red Monkey Foods*, a maker of organic spices & seasonings for private label & under their own *Good Flavors* brand. European pea protein producer *Roquette* will invest \$300M to build a pea protein plant in Canada.

*Albertson's* & *Ahold* reported weak quarterly earnings with continuing deflation & disappointing same store sales growth as the reasons. *Whole Foods Market* announced a new 365 store to open in Brooklyn. *Whole Foods* veteran Elly Truesdell has been appointed Global Senior Director of Local Brands, Innovation & Development. Bob Nakasone is leaving *Kevita* to join *First Beverage Group* as managing director. *Kellogg's* is laying off 250 people as part of an efficiency effort.

*Primal Kitchen*, following *Amy's Kitchen's* path, will look to establish franchised fast casual restaurants based on their brands. They plan to carefully select other brands to include in their franchises. *CVS* is planning to expand its better for you brands to all 2900 stores. *Cold Brew Secret Squirrel* is expanding through *Target*. *Ganeden BC30* achieved FDA GRAS certification for use in infant formula. *Pure Genius Provisions'* gluten free vegan desserts are rebranding as *Rule Breaker Snacks*. *Campbell Soup's* C-fresh division has a new yogurt spread & dressing, *Maio*, in 3 flavors. To appeal to lower price point conventional markets, *Tio Gazpacho* is dropping its organic certification & reducing its bottle size.

Several large food companies have joined together to form FReSH, the Food Reform for Sustainability & Health program. This program is designed to speed global food system changes, ensure healthy diets & produce food responsibly. Also, former Georgia Governor Sonny Perdue, who grew up on a farm & earned a veterinarian medicine doctorate has been nominated to head the USDA. Perhaps together they can address the *Skittles* issue?

**Market News:** Markets seemed to slide sideways or slightly down in a shortened week of trading. All eyes were focused on the inauguration & anticipation of the future economy with the change in Presidential leadership.

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

**The Litchfield Fund**

V3issue31.01.21.17

**The Litchfield Fund** is a family owned & operated joint venture. We do not solicit or accept investment from outside individuals or entities. Opinions contained in *All Ears!!* are ours and should not be considered investment advice or recommendations.