



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



AESOP WAS A FABULIST. Indeed, he was a fabulous fabulist! Living in 6th & 5th century BC Greece, Aesop is credited with more than 300 fables. His fables usually feature anamorphic animals – turtles, hares, foxes, wolves, birds, lions, mice & more – to teach morality & life lessons. From the *Boy Who Cried Wolf* we learn the value of always being truthful. *The Tortoise & the Hare* imparts the value of hard work & striving to complete the task at hand. Ancient Greece was a dangerous place, perhaps much like today's world, so while Aesop's fables offered lessons about honesty, friendship & vanity, they also warned of the dangers of being naïve, too trusting & overly curious.

HOLY CURIOSITY: Aesop's fables were short but amazingly multifaceted. A tortoise is curious about the birds' ability to fly & a bit envious. Two of his bird friends have an idea. They offer him a stick to grasp in his strong jaws. They clutch the stick in their claws & take flight with the tortoise in tow. The flight is exhilarating until a crow exclaims, "You're flying, you must be the King of Tortoises!" The tortoise proudly answers, "Why, yes, I must be," losing his grip & falling to his death; his curiosity, jealousy & vanity leading to his downfall. Then there is the story of the hare & the fox, natural enemies. The hare is curious about the fox, wants to know more about him & feels perhaps if he understands the fox, they can be friends. The hare approaches the fox to make his appeal. The fox welcomes the hare into his den to see how he spends his evening & for dinner. We can all see where this ends, right? Fables, nursery rhymes & even the Bible all appear to warn children of the dangers of being curious. The woods are dark & scary, there are wolves & goblins, beware of apples, snakes & houses made of gingerbread. And of course, curiosity killed the cat! Today, helicoptering parents & organized play are stifling the natural curiosity of children, which leads to non-curious adults. In today's world, we are curious where Taylor Swift watched the Chiefs game, who got a rose or who was voted off a talent show! Without curiosity, humans succumb to the obvious - becoming complacent with media headlines, well-worn mantras & even indoctrination-based education. From Albert Einstein, "It is a miracle that curiosity survives formal education," & psychiatrist Smiley Blanton, "A sense of curiosity is nature's original school of education." Take a headline from last week – the economy added 336K jobs! Good news! But if we are curious, we quickly learn that some 800K full-time jobs were lost & about 1.2M part-time jobs were added... & a record number of Americans are working more than one job. *Bad news!* If a geopolitical atrocity takes place, the headlines may tell us the reason. A curious person might more fully explore both the history & the most recent economic & foreign policies that will offer a more precise understanding as to the causes & blame. From 19th century German naturalist Alexander von Humboldt, "People often say that I'm curious about too many things at once. But can you really forbid a man from harboring a desire to know & embrace everything that surrounds him?" With more than 2500 years of recorded human history & archeological, anthropologic, geologic & scientific data that leads back millions & millions of years more, why are people not curious to know more? Instead, we seem absorbed with the latest social media influencer on Tik Tok & one more installment of the Kardashians. From Oscar Wilde, "The public has an insatiable curiosity to know everything, except what is worth knowing." Edmund Burke thought "The first & simplest emotion which we discover in the human mind is curiosity," yet it seems as a society we have become less curious than those who explored unknown waters, made a path through dark wilderness, broke gravity to reach outer space or simply contemplated & sought to explain the natural world around them. Samuel Johnson believed, "Curiosity is the thirst of the soul," & Thomas Hobbes felt, "Curiosity is the lust of the mind." Curiosity should lead us to deeper understanding & being more fully aware of ourselves & the world, from Goethe, "Mere curiosity adds wings to every step." Samuel Johnson also felt, "Curiosity is one of the most permanent & certain characteristics of a vigorous intellect," to which Einstein would agree, "I am neither especially clever nor especially gifted. I am only very, very curious." It is the curiosity of the philosopher, the scientist, the mathematician, the explorer, the inventor & the entrepreneur that has kept this human existence thriving & moving forward. Eleanor Roosevelt reminds us "Life was meant to be lived & curiosity must be kept alive!" We must not lose our innate emotion to be curious, to understand, to learn. From Albert Einstein, "The important thing is not to stop questioning. Curiosity has its own reason for existing. One cannot help but be in awe when he contemplates the mysteries of eternity, of life, of the marvelous structure of reality. It is enough if one tries merely to comprehend a little of this mystery every day. Never lose a holy curiosity."

INDUSTRY NEWS: *InvestBev* completed an undisclosed strategic investment in ready-to-drink cocktail brand *Thomas Ashbourne Craft Spirits*. Spain's *Incapto*, specialty coffee subscription, closed on €6M for expansion led by *P101*. *BlueNalu*, cell-based seafood, secured \$33.5M from new & existing investors. *Wanda Fish Technologies*, cultivated fish, secured \$7M in a seed

round led by *Aqua-Spark*. Italian aquaponic agricultural company *The Circle* raised €2.1M led by *Opes Italia & Sparviero Holding*. *Bon Vivant* raised \$15.9M for its animal-free fermented dairy protein led by *Sofinnova Partners & Sparkfood*. *Symrise AG* made a second investment in *Kobo Products*, beauty products, increasing its share to 49%. *Zumex*, fruit & vegetable juicing technologies, will partner with lower *Columna Capital* to accelerate growth & market expansion. Philippines' *Kita* raised \$3M for its 'Farm to Business' e-commerce platform co-led by *Gentree Fund & Altara Ventures*. Brazil's *Yooga*, a restaurant management platform, raised \$2.3M led by *SaaSholic* with participation from *Gilgamesh, Apex Partners & others*. *Recycap Technologies* raised €155K for its coffee capsule recycling process provided by Spain's *National Innovation Company & Veos Ventures*. *Cibo Vita*, BFY snacks, sold a majority stake in the business to *Citation Capital*. *VFC Foods*, vegan chicken, acquired *Clive's Purely Plants*, pies, quiches, tarts & sausage rolls. *Post* acquired *Perfection Pet Foods* for \$235M for its private label & co-manufacturing capabilities. Nutrition & supplements company *Fit Life Brands* purchased the assets of supplements brand *MusclePharm* for \$18.5M. *Pritzker Private Capital* purchased *Sugar Foods Corporation*, a foodservice company & producer of toppings, croutons & beverage ingredients; terms not disclosed. *Promise Confections Group* acquired chocolate snack company *Edward Marc Brands*; terms not disclosed. *SK Capital Partners* acquired *J&K Ingredients*, food & beverage manufacturer of natural, organic & clean label products. *Tempo Group* acquired BFY snack brand *Nourish* from receivership. Finland's *Oddlygood*, the plant-based dairy company majority-owned by *Valio*, acquired Sweden-based vegan brand *Planti* from Norway's *Kavli Holding*. *Roxo Brands* bought *Vegas Baby Vodka*, ultra-premium vodka made with fresh mountain water & non-GMO, gluten-free corn; terms not disclosed. *Rite Aid* is facing a possible NYSE delisting. *Molson Coors* will step up its stock buybacks as its business benefits from the *Bud Lite* boycott. Shareholders approved the *Bunge-Viterra* merger.

Metro, Loblaws, Sobey's, Walmart & Costco will attempt to keep prices stable in response to the Canadian government's threats. *Lowes Food* will open its first store in Georgia. *The Fresh Market* will partner with *DoorDash* for delivery. *Amazon Fresh* delivery will be free to *Prime* members on orders over \$100. *Sprouts Farmers Market* opened a SoCal distribution center. *Ahold Delhaize* has launched a new streamlined shopping app. *Hy-Vee* will develop up to 20 micro-fulfillment centers using *Takeoff Technologies* solutions. *Walgreens* pharmacists walked off the job this week, citing poor working conditions impacting employees & customers. *Walmart* will invest \$350M to open a fully-owned & operated milk processing facility in Valdosta, GA., by 2025. *PepsiCo* will add 30% capacity to its Brazilian snack manufacturing line. *SunOpta* added a new fruit snack production line to its Washington state facility. *Smithfield Foods* will close its pork processing plant in Charlotte, NC, & transfer production to its Tar Heel, NC, facility. *Ruiz Food Products*, prepared frozen foods manufacturer, will add 150K sq. ft. to its facility in Vernon, CA. *Eden Green* added two greenhouses in Cleburne, TX & plans to build a network of 20 greenhouses over the next five years. *Gotham Greens* opened a 210K sq. ft. greenhouse in Monroe, GA. Aquaculture platform *eFishery* will expand commercial operations to India. *Giant Eagle* is relaunching its *Nature's Basket* private label with more focus on transparency & sustainability. *Home Chef* has added microwaveable meals. *Coca-Cola* will cut distribution of *Aha* sparkling water due to declining sales & focus on growing its premium brand *Topo Chico*. *Hain Celestial* will place an emphasis on growing its snack, baby & children's food, & beverage brands in several developed markets. *Meati Foods* launched a mycelium-based jerky line. *Quaker Oats* will offer a breakfast cereal. *Amy's Kitchen* is adding family size entrees. *BrightFarms* is adding salad kits & plans to quadruple capacity increase next year. Seattle-based *Atomo Coffee* will begin producing beanless espresso coffee ground in 2024 made from upcycled date pits. *Apeel* launched *RipeTrack*, a suite of measurement tools & monitoring software to help suppliers & retailers ensure quality. Robotics company *Mycionics* & farm equipment company *Christiaens Group* will partner on robots for mushroom harvesting. The court ordered *Bang Energy* to pay additional penalties to *Monster*, making the total penalties to *Bang* \$336M. After January 1, 2027, products containing brominated vegetable oil, potassium bromate, propyl paraben or Red Dye No. 3 cannot be sold in California. *Trader Joe's* sued a cryptocurrency platform using the same name for trademark infringement.

From *Siegel+Gale*, consumers rank *Whole Foods, Trader Joe's & Lidl* the highest on brand clarity, transparency & effectiveness. Online grocery sales dropped 3.1% YOY in September, to \$7.5B, primarily due to a decline in order frequency, per *Brick Meets Click/Mercatus*. UK grocery inflation eased to its lowest level (still a whopping 11%) since July 2022 per *Kantar*. The price of turkey is down 22 cents per pound YOY, & may stay lower for Thanksgiving, according to the *American Farm Bureau Federation*. USA pea protein producers are being undercut by cheap Chinese imports as this administration places other country's interests above America's. From the Bureau of Labor Statistics, food & beverage retailers added just 700 jobs last month while restaurants added 61K jobs. Low volume is keeping grape prices high while raspberry prices are falling as volume increases.

MARKET NEWS: Markets were mixed this week with horrific geopolitical headlines. Not surprisingly, wholesale price & core PPI came in well above expectations for September. Consumer Prices rose 3.7%.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

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