



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



LUCY TELLS RICKY A LIE. To cover up the lie, she creates an elaborate scheme filled with more lies. Of course, she needs help, so she drags in the unwilling Ethel. Things get out of hand, so they convince grumpy Fred to join in. Then Ricky finds out! But wait, his career might be impacted if anyone else finds out! He gets involved; the lie gets bigger & more complex! This was an oft-used plot of the classic TV sit-com *I Love Lucy* & many other shows: *The Flintstones*, *Happy Days*, *Three's Company* & more. Eventually, everyone finds out about the lies & we move on to the next episode. In real life, lies have a much greater impact than just everyone shouting, "*Liar, Liar, Pants on Fire!*"

PANTS ON FIRE: Emerson wrote, "*Every violation of truth is not only a sort of suicide in the liar, but is a stab at the health of human society.*" Lying is the breaking of a trust & the highest form of disrespect. The liar relies on that trust, but believes no one is smart enough or savvy enough to know the truth; or that the truth is so well-buried, no one will ever know. This is why Dante reserved the deepest circles of hell for those who committed fraud, treachery & treason. There are small lies & big lies. Mark Twain & Oscar Wilde felt the rules of etiquette, in their era, were small forms of lying; a way for people to cover up what they truly thought & how they really behaved. Small lies can have a big impact. From Tolstoy, "*Every lie is a poison; there are no harmless lies. Only the truth is safe.*" Small lies still break trust. It is often difficult, more likely impossible, to unsee or unhear a lie, or to ever again believe the liar. From Nietzsche, "*I'm not upset that you lied to me, I'm upset that from now on I can't believe you,*" & from Cicero, "*A liar is not believed even though he tells the truth.*" While small lies break a trust & may end a relationship, big lies can destroy nations & civilizations. The tyrannical, dictatorial regimes of the 20th century, the Nazis, socialists & communists, constantly employed the Big Lie. They felt people were more likely to believe big lies than believe small ones. They also knew if the lies were told often enough, the lies would become truth. Any lie requires more lies to support it, hence, a *web of lies*. From Alexander Pope: "*He who tells a lie is not sensible of how great a task he undertakes; for he must be forced to invent twenty more to maintain that one.*" This is why these tyrants must involve the entire political, judicial, industrial & media systems to protect their lies. And while Lucy's web of lies, involving Ethel & Fred, is merely a scheme; the Big Lie is at best, propaganda, & at worst, conspiracy. Government propaganda & conspiracy, like those of these 20th century tyrants, brings down nations. Epictetus wrote, "*Liar is the cause of all the sins & crimes in the world.*" Tyrants lie to gain & keep power, yet the lies always seem to eventually be exposed by the light of truth. British statesman & diplomat Lord Chesterfield wrote, "*I really know nothing more criminal, more mean & more ridiculous than lying. It is the production either of malice, cowardice or vanity; & generally misses its aim in every one of these views; for lies are always detected, sooner or later.*" Yet for some reason, we humans fall prey to these lies. From Noel Coward, "*It is discouraging how many people are shocked by honesty & how few by deceit.*" Constant lies do reshape our brains, a common occurrence in abusive relationships. British author & screenwriter Donald James wrote, "*When a well-packaged web of lies has been sold gradually to the masses over generations, the truth will seem utterly preposterous & its speaker a raving lunatic.*" Perhaps this is the reason humans tend to believe the liars & why H.L. Mencken wrote, "*The men the American people admire most extravagantly are the most daring liars; the men they detest most violently are those who try to tell them the truth.*"

INDUSTRY NEWS: *Acid League* (condiments, beverages) raised \$6.2M led by *InvestEco* & *BrandProject* with *Springdale Ventures* & others involved. *Nurture Brands*, London-based owner of *Myracle Kitchen*, raised £2.5M from undisclosed investors. Japan seafood giant *Maruha Nichiro* invested in USA frozen food startup *Happi Foodi*. *KoRo*, a German natural food company with a wide array of products, raised €50M led by *HV Capital* with *Five Seasons*

Ventures & Partech involved. Colorado-based *MycoTechnology*, mushroom fermentation tech, raised \$85M led by the *Oman Investment Authority*, with participation from *Nourish Ventures, Alphacy Investment, Rage Capital, Siddhi Capital, Tyson Ventures, Continental Grain, Bunge Ventures, Maple Leaf Foods, S2G Ventures, Evolution VC Partners, & Gaingels*. Tokyo-based *Ajinomoto* is entering a strategic partnership & investment in Israeli *SuperMeat*, to commercialize cultivated meat by combining *SuperMeat's* technology with *Ajinomoto's* R&D capabilities. *OK Capsule*, personalized supplements, raised \$9.5M led by *Mucker Capital & Next Ventures* with *DSM Venturing & Findaway Adventures* involved. *Arzeda*, enzymes for food, personal & homecare products, raised \$33M led by *Conti Ventures*. *Better & Better*, vitamin infused foods, raised \$4M led by *Fifth Quarter Ventures* with *Dreamer's Fund, Azure Capital & Alpaca Ventures*. *Yami*, delivery of Asian food, skincare & household products to USA consumers, raised \$50M; *Altos Ventures & Balsam Bay Partners* co-lead the round. Israeli robotic beehive startup *Beewise* raised \$80M led by *Insight Partners*. *Koidra*, AgTech data intelligence technology, raised \$4.5M in a seed-round led by *Ospraie Ag Science*, with *Cavallo Ventures, Armitram Holdings & Foothill Ventures* involved. Led by *S2G Ventures, Leaf Agriculture* closed on \$5M for its data unification software. *Plant Cartridge*, based in Kuala Lumpur, raised \$3M for its controlled environment AgTech, led by *500 Global*. *Tate & Lyle* will buy dietary fiber company *Quantum* in a \$237M deal. Chilean *Subsole*, the largest exporter of table grapes to the USA, will be bought by *Frutera*. *Diageo* acquired fruit-flavored infused tequila *21Seeds*. Private-label coffee & tea producer *FreshBrew* sold its vending division to *Compass Group North America*. *Save Mart* was acquired by PE firm *Kingswood Capital Management LP*, who also owns *Cost Plus World Market*; terms were not disclosed. PE-firm *The Riverside Co.* acquired *ESHA Research*; a software company focused on nutrition analysis & regulatory compliance. From *Barron's*, analysts are suggesting to sell *Beyond Meat* stock as competition increases & markets shrink.

Foxtrot is expanding its DC presence into Maryland & Northern Virginia. *Walmart* will allow stores to make individual decisions on selling cigarettes. *Meijer* will open supercenters in Brunswick & Canton, OH. *BJ's* will be the first club store on *DoorDash*. *BJ's* will also offer limited same-day delivery to club members with an upfront fee. *Foagal*, a meal-planning app developed by nutritionists, chefs & doctors to address diet protocols, will be integrated into *Kroger's* eCommerce. *BP & UberEats* will partner on delivery, offering a wide array of products including fresh & prepared foods, in the USA & globally. Funding challenges will cause *Gopuff* to lay off 3% of its global workforce. Russian dark store delivery company *Yandex* appears to be exiting the Paris & London markets due to poor performance. A *RoboBurger* vending machine dispenses freshly grilled burgers in 6 minutes (for \$6.99) at a New Jersey mall. *Gotham Greens* is building & expanding capacity across the country. *Nexira* invested \$10M in its Normandy, France, facility to expand its natural ingredients & botanical extracts capacity by 20%. *Barry Callebaut* opened a chocolate factory in Australia. French insect protein company *Ynsect* will begin producing in Nebraska with *Jord Producers*, making mealworm protein for human & animal food. *AB InBev* will invest \$50M in a St. Louis brewery to boost seltzer production. Food tech provider *Innit* is expanding its *Google Cloud* partnership to deliver personalized nutrition services to consumers. *CP Kelco* will partner with food tech startup *Shiru* to develop plant-based solutions for common ingredients. Israeli food tech startup *Wanda Fish Technologies* has signed agreements with *Tufts University* to explore the emerging field of cultivated seafood. *Noosa* will introduce frozen yogurt gelato. Singapore-based *Karana's* jackfruit-based meat substitutes will appear in some San Francisco restaurants. *Doolies* is a new fruit & fiber snack for young kids from *General Mills' G-Works* venture studio. Poultry stocks are being depleted as cases of Highly Pathogenic Avian Influenza are higher than previous years. *Molson Coors* will pay *Stone Brewing* \$56M in a trademark dispute, from its 2017 rebrand of its *Keystone* brew as *Stone*. A proxy fight appears to be in the offing for the *Lifeway* family founders. Chris Hall has stepped down as CEO of *Talking Rain*.

The *National Retail Federation*, working with *Kantar*, found *Walmart* is the world's largest retailer, followed by *Amazon.com, Schwarz Group (Lidl, Kaufland), Aldi & Costco*, who moved up one position to number five. *Placer.ai* reports grocery store foot traffic is falling as a result of prices rising.

MARKET NEWS: Markets meandered this week on a mixed jobs report.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

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