



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



LITCHFIELD

BUNNIES AND CHICKS. Brightly colored Easter eggs scattered about for an egg hunt. Easter bonnets & Easter parades. Chocolate rabbits & sugary peeps. Baskets of candy. A symbolic seder supper with the important stories. Matzah. An evening vigil & a Sunday sunrise service, beginning somberly, ending in elation & revelation. The Passion. These are, for the Judeo-Christian community, aspects of what many consider the holiest & most spiritual of weeks. Passover & Easter celebrate faith, the fulfillment of God's promise & they celebrate life: saved, renewed, born again. These two holidays also teach us an important lesson - a lesson about fear & persecution.

FEAR AND PERSECUTION: Fear is the reason for persecution. Consider the Hebrews. Enslaved by the Egyptians, the Pharaoh feared their beliefs & their growing number. He ordered the new born son of every Jewish family killed. Moses' Jewish mother hid him in the bulrushes, he was found by the Pharaoh's daughter & raised by the royal family. After killing a slave master who was beating a Hebrew, Moses fled to the desert. God spoke to him through a bush burning but not consumed. Moses returned to Egypt, demanding freedom for the Hebrew people. He set God's plagues upon the Egyptians, the last plague, the death of every first-born child in Egypt. The Hebrew people trusted God's word, & with the blood of a lamb above their door, the Angel of Death passed over the Jewish households. The Jewish people were feared, not just because of their religion, but because of their strong, overwhelming, conviction. About 15 centuries later, another man entered the public arena to free the people, not just from the chains of their Roman rulers, but from the chains on their souls. Late in life, age 30 at that time, He began to preach. But what He really was doing was teaching: about family & children, government & conflict, responsibility & tolerance & most importantly, about the true & awesome power of love - for oneself, for another, for our neighbors & for God. He was strong in his conviction & because of this, He was persecuted. The elders were fearful; the charge was blasphemy, for simply preaching that the way to heaven was through Him, with Him. He was tried in a one-sided, single-view court; the result was already predetermined. Crucified & buried, He rose again, with even more conviction, love & powerful teachings. The world will always fear, then persecute, those who speak with an overwhelming conviction of their beliefs, beliefs different than the accepted norm. Historian, professor & Pulitzer Prize winner Howard Mumford Jones speaks of this: *"Persecution is the first law of society because it is always easier to suppress criticism than to meet it."* We see this today, how those who speak against the norm, point out the hypocrisy of the 'what-must-never-be-challenged' mantras are then persecuted - by society, by media, by the government, by the courts - none of whom seek the truth. Persecution arises when the validity of the 'chosen' mantras is challenged. English secularist, atheist & free thinker Chapman Cohen understood why, *"Persecution is the compliment paid by a threatened lie to a conquering truth."* Persecution arises to protect these lies, from Emerson, *"The history of persecution is a history of endeavors to cheat nature, to make water run uphill, to twist a rope of sand."* The threatened lie must be protected, for even the slightest discussion or investigation will prove its falsehood. From English philosopher Richard Whately, *"Galileo probably would have escaped persecution if his discoveries could have been disproved."* It takes courage, integrity, fortitude & strength of character to challenge today's fanatical mantras & risk persecution. Voltaire could be speaking of today: *"The monster, fanaticism, still exists, & whoever seeks after truth will run the risk of being persecuted."* Eighteenth century Irish novelist Oliver Goldsmith understood the character of those who risk persecution, *"Persecution is a tribute the great must always pay for preeminence,"* as did novelist George Eliot, *"You should read history & look at ostracism, persecution, martyrdom & that kind of thing. They always happen to the best men, you know."* As far back as the 16th century, English bishop Hugh Latimer told us all we need to know about persecution, *"Wherever you observe persecution, there is more than a probability that truth lies on the persecuted side."* Which is why, as society, we should seek the truth, the truth of those persecuted & fight for that truth. From Elie Wiesel, *"Whenever men or women are persecuted because of their race, religion, or political views, that place must - at that moment - become the center of the universe."* From Richard Whately, we must fight for those persecuted, *"Persecution is not wrong because it is cruel; but it is cruel because it is wrong."* Spring, Easter & Passover remind us of the precious opportunity we have in life to begin anew, have another chance. And with that, another chance to seek the truth, expose the lies & challenge the unchallengeable.

INDUSTRY NEWS: The winner of the *Brandjectory \$100,000 Pitch Slam*, *Olyra*, closed on \$4M led by *Bimbo Ventures*. DTC subscription brand *123 Baby* raised \$1.2M from *XRC Labs*, *Sunstone Fund* & *Salt Lake City Angels*. *Aqua Cultured Foods*,

fermented plant-based seafood, raised \$5.5M led by *Stray Dog Capital*. Israeli cell-cultured human & animal milk & components developer, *Wilk Technologies*, closed a strategic investment round led by *Danone*. *SHICKEN Foods*, plant-based Indian cuisine, raised over £2M from *Veg Capital*. *Zero Cow Factory*, animal free casein, raised \$4M led by *Green Frontier Capital*, *GVFL* & *pi Ventures*. Saudi's *SIIG* will invest \$70M in fermented protein company *Unibio*. *Hardee Fresh* secured \$56M to build & run a 340K sq. ft vertical farm; the round was led by *X-Caliber Rural Capital*. USA's *Babylon Micro-Farms*, remotely-managed vertical farming, raised \$8M led by *Venture South* with *Virginia Venture Partners*, *Hull Street Capital* & *New Theory Ventures* among those involved. Spain's *VICIO*, burger delivery, raised €17M led by *IRIS Ventures*. *Flyby Robotics* closed on \$4M for its drone delivery program for foodservice brands, led by *MaC Venture Capital*. Grocery delivery company *Good Eggs* closed on \$7M from *Glade Brook Capital Partners*. Britain's *Pastoral* raised £205K to expand its livestock management platform to the USA; *SFC Capital* led the round. *Swiss Agrinom*, quality risk management in the fresh produce value chain, raised an undisclosed large round led by *QBIT Capital* with *SICTIC* involved. *NextFoods* (*Good Belly's* owner) acquired tart cherry beverage *Cheribundi* for an undisclosed amount. *Dr. Oetker* will expand its frozen pizza snack market by acquiring of *Galileo Lebensmittel*. PE firm *Endless* acquired poultry processor *Smithfield Murray*, terms not disclosed. Washington State brands *Yonder Cider* & *The Source Cider* are merging. Fitness-focused energy drink company *X2 Performance* merged with protein drink brand *Don't Quit*. *Stifel* reports that *Monster* is a likely buyer for bankrupt *Bang*. Australian meal delivery marketplace *CoLab*, which recently scored \$3M in funding, will be sold by administrators. *Boxed* has declared bankruptcy, will wind down its retail business & seek a buyer for its software. *Kalera* has filed for bankruptcy. *Instacart* raised its valuation 18% after a strong financial report. *S2G Ventures* closed a \$300M fund providing flexible financing in agriculture, energy & oceans.

Costco reported its lowest monthly sales gain in three years. *Conagra* raised guidance after a large increase in 3rd QTR earnings & sales, driven by price hikes. Net sales & revenue jumped at *Lamb Weston* in 3rd QTR. Sales volume was down 2.9% & net profit rose 4.2% at *Barry Callebaut* in their first half. *Monde Nissin (Quorn)* took a non-cash impairment charge of \$370M in 2022 & a loss for the year; the company will restructure its *USA Quorn* business. *Nissan's Top Ramen* grew sales 41% in its 4th QTR. France's *Sodexo SA* posted organic revenue growth of 13.4% while its North American unit grew 16.4% organically in the first half of its 2023 fiscal year.

Natural Grocers will add to its private label offerings. *Stop & Shop* will continue to roll out its *FlashFood* program. A2 has introduced grass-fed options. By 2026, *Walmart* will try to have 65% of its stores serviced by automation & 55% of its fulfillment center automated creating a 20% cost improvement. *DoorDash's DashMart* now has *Blue Apron's Heat & Eat* line available in 11 markets. *ADM & Brightseed* will partner on gut supporting products & ingredients. *R.W. Knudsen* launched low sugar juice beverages, formulated without sucralose or high-fructose syrup. Consumer pushback has led to *Chick-fil-a* to not remove side salads from its menu. *Diageo* will close its 5-year-old Maryland *Guinness* facility & cut about 100 jobs. *KeHE* will partner with the *Rodale Institute* to jointly support the advancement of organic & regenerative farming & products. *Frito-Lay & Quaker* partner will open *The Greenhouse Learning R&D Center* to research biodegradable packaging. *Anheuser Busch* is facing consumer & sponsorship pushback over a recent controversial *Bud Lite* marketing promotion many found offensive. California will require half of all trucks sold by 2035 to be electric, causing further supply chain issues & consumer price impacts.

Publix topped the *Newsweek* most trusted grocery list. Per a *Bank of America* study, *Walmart* & *Aldi* prices are lower than *Dollar General* on food & other necessities. Fortune's 100 best places to work list included *Wegmans* (#4), *Target* (#26), *Sheetz* (#58) & *Publix* (#91); *Wegmans* & *Publix* have been on the list for 26 straight years. Research from the *Global Alliance for Improved Nutrition* reveals the 'save-the-planet' *EAT-Lancet* diet mantra does not provide the animal sourced nutrients for a healthy diet. From a study published in *Food & Function*, blueberries benefit postmenopausal women with high blood pressure. A USDA study suggests that eating fresh greens boosts cognitive capabilities. From ingredients provider *Ofi*, 67% of consumers seek plant-based dairy items, but 33% find plant-based dairy unsatisfying. From analytics provider *YouGov*, 73% of consumers are concerned about shrinkflation; 41% are very concerned & 32% fairly concerned. From *Rabobank*, egg prices will remain high through 2023; high feed prices, avian flu & government overreach with regulations impacting production & policies decreasing consumer spending power are the cause. Easter spending is projected to be \$24B this year, with 85% of consumers celebrating & 50% buying candy, per *Numerator*. The USDA projects beet planting to be 4.2% lower this year & wheat plantings to be the lowest since 1972. Also, beef production will be lower; pork, chicken & turkey will be higher.

MARKET NEWS: Markets were mixed this week. This administration continues to oversee the destruction of the USA economy on both the domestic & international stage, as the USD was replaced by the INR for international trade by 18 countries & OPEC is reducing oil output by 500K barrels per month!

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenga*

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