



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



WAYLON JENNINGS WAS BORN ON A FARM in Texas & taught to play guitar by his mom at age eight! He soon began performing. He left school at 16 & headed to Arizona, played in bands & worked as a DJ. He then played bass for Buddy Holly! On that fateful *night the music died*, he gave up his airplane seat to JP Richardson, the Big Bopper, who had the flu! He returned to Scottsdale, AZ where he & the Waylors were the house band at *JD's*. Later in his career he battled & beat a cocaine addiction. In between he led a country music revolution, the Outlaw Movement! The Outlaws were *Lonesome, Or'ny & Mean*, societal outcasts & committed to social distancing!

SOCIAL DISTANCING: By the 1970s, Waylon did not fit the clean-cut image of country icons like Conway Twitty, Porter Wagoner or Ray Price. Having long hair & smoking thin black cigarettes, Waylon was unique! Along with Willie Nelson, Kris Kristofferson, Johnny Cash, Tompall Glaser, David Allan Coe, Jerry Jeff Walker, Waylon's wife Jesse Coulter & others, the Outlaw music was about loners who had no ties, lived by their own rules & moved on. The protagonists in these songs kept themselves at a social distance, the way they were distancing from the traditional *twanging* country music of the previous decades. But were they truly the loners they professed to be? Don Henley & Glenn Frye's *Desperado* came down from his fences & opened the gate! In what might be the best ever match of a singer to a song, through the ages Willie will remember *Blue Eyes Crying in the Rain*. Toy Caldwell wrote that he would stay another year if he saw a teardrop in her eye, simply because he *Heard it in a Love Song!* After Bobby McGee, somewhere near Salinas, slipped away, Kris lamented his freedom by writing what quite possibly is the best lyric ever in music, "*Freedom's just another word for nothing left to lose. And nothing ain't worth nothing, but it's free.*" Stevie Nicks wrote *Leather & Lace* for her fellow Phoenix-area residents Waylon & Jesse! Even Waylon, the original Outlaw, must have yearned for more, because when he walked into Jesse's house, *he knew he'd never want to leave!* And Waylon bemoaned the successful life he & Jesse were living! He knew there were only two things in life that made it worth living: "*guitars that are tuned good*" & what now is *likely-to-be-considered-an-offensive-reference* (which we will allow the reader to investigate)! He wanted to get *Back to the Basics of Love* in Luckenbach, Texas! Clearly, these original social distancers sought out & needed human connection, as Kris pointed out, a friend to help him *Make it Through the Night!* Today, we are wisely urged to practice social distancing! In these unsure times, it is a good & healthy practice. Yet, as humans, we all yearn for warmth, kindness & comfort not only from our immediate family, but also from our extended family, friends & in troubling times, even from mere strangers. Human connection, beyond being what makes us different from the other living residents of this *old spinning blue marble in space*, is what makes us the best that we can be! Right now, social media & technology, though oft maligned, can play an important role. Instead of separating us by exploiting our differences, social media can open up much-needed channels & opportunities! It can make this hopefully brief era of cocooning palatable & productive, allowing us to work from home, while still enabling us to connect & build relationships. (Don't forget to check out [Brandjectory!](#)) Social media can give us what we long for in times like these, the warmth of a kind, *virtual* embrace. Like that *Desperado* coming down from his fences, open that social media gate! Remember, *it may be raining* right now, but *there is a rainbow above all of us*; the love, caring & comfort that we can share with others! So with this 300th **ALL EARS!!**, we wish health & send a big, heartfelt, *virtual social media embrace* to all our readers!

INDUSTRY NEWS: *Impossible Foods* raised \$500M (now having raised \$1.3B in funding) led by *Mirae Asset Global Investments*, with participants *Khosla Ventures*, *Horizons Ventures* & *TemasekFoods*, along with several celebrities. *United Foods*, a *Blue Horizon Group* subsidiary, is now *The Livekindly Co.* following its acquisition of plant-based consumer platform *Livekindly Media*. The media platform joins a portfolio of plant-based startup brands (including *LikeMeat* & *The Fry Family Food Co.*) which raised \$200M in founder led capital. *Basil Street*, pizza vending machines, raised \$10M for a multi-city pilot. *Amara Organics* (baby food) raised \$2M. *Just* raised an undisclosed amount of capital from new distribution partners in South Korea, Thailand, Mexico, Colombia & Germany. *Primo Water* (formerly *Cott Corp.*), bottled water delivery & filtration services, has acquired *Mountain Valley Spring Water* for an undisclosed amount. *Costco* bought third-party last-mile delivery & logistics provider *Innovel Solutions* for \$1B in cash. *US Durum Products*, a couscous manufacturer, acquired the Mediterranean-product *Casbah* from *Hain Celestial*, who also sold *Europe's Best* frozen foods to *Nature's Touch Frozen Foods*. Terms were not disclosed.

With a drop in 4th QTR income & a 83¢ EPS loss 10X larger than forecasts, *New Age Beverages* may begin to divest its portfolio & focus on its larger brands like *Nestea*, *Evian* & *illy*. *Blue Apron* stock is rising amidst a surge in volume. *Dollar General* will double its *DG Fresh* program for fresh & frozen products. Canadian food & drug retailer *Metro* will spend \$429M over 5 years to build an automated distribution center for fresh products, frozen products & enlarge an existing produce & dairy DC. *McKee Foods*, the maker of *Little Debbie Snacks*, will invest \$500M in its Tennessee operations, adding 480 jobs over the next 15 years. *Chipotle* will deliver nationwide with *Uber Eats*. The co-founders of *Harmless Harvest* will debut *Goodfish*, a line of snackable flash-fried salmon skins. *AB InBev* & *Keurig Dr Pepper* are partnering on *Drinkworks*, which offers brew-at-home K-cups for a beer brewing machine. *GNC* does not expect to have enough cash to cover its \$700M year-end debt & has asked for SEC filing extensions. *Tropicana* is being sued with claims that some of their products contain artificial flavors.

Worldwide meat consumption will increase 1.4% per year through 2023, according to *Packaged Facts*. A \$350M bi-partisan House bill streamlines the permit process for fish farming up to 200 miles off-shore in identified specific economic zones, supports R&D to improve broodstock & the development of cost-effective feed, a big benefit for USA farmers. The FDA reported that there is not a food shortage in the USA. USDA-regulated food products can carry a healthy claim if they are mostly mono & polyunsaturated fats or if a serving has at least 10% of the government-set daily value of potassium or vitamin D.

Virus concerns are causing many changes in our industry. Product demand has surged. Retail outlets have seen large crowds of shoppers & shelf shortages. Retailers are changing hours to allow for restocking & creating special hours for older shoppers. Ecommerce purchases have skyrocketed, causing outages, delivery delays & delivery companies extending hours. Foodservice is looking to supply grocery & ecommerce. Grocery, restaurants & CPG companies are focusing on cleanliness, as well as customer & employee safety. They are also increasing benefits for employee sick time & have had massive increases in hiring. Companies are trying to stabilize supply lines & distribution paths. Industry leaders have met with the President to address America's needs. We applaud all our industry's efforts at this time!

MARKET NEWS: Markets continued on a downward plunge. Oil prices fell. Jobless claims rose. Canada, following USA & Mexico, ratified this Administration's historic USMCA.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malengo*

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