



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



THE SUN NEVER SETS ON THE BRITISH EMPIRE! This was the description from British diplomat, George Macartney, the First Earl Macartney, after the Treaty of Paris in 1763. The treaty brought an end to the Seven Years War, known in North America as the French & Indian War. The British influence stretched from Europe to North & South America & the Caribbean; to the South Pacific, Australia, Indo-China & India; then into the Middle East & Africa & on to Antarctica! In 1776, against this vast Empire & the most powerful man in the world, George III, one small upstart colony stated their God-given rights & declared that they *"are & of Right ought to be Free & Independent States."*

OF GOOD CONSCIENCE: In 1776, America was largely an agrarian & rural society. And while farmers, large plantation owners, lawyers, doctors, merchants & publishers all took part in the Continental Congress, they represented the people of their states, who by far made their living & sustenance by farming. And while those professional men had gone to universities, like much of America at the time, a vast amount of their learnings were still self-taught. They had read the classics of the great minds of civilization, from Plato & Aristotle to Aquinas, Luther & Descartes, Spinoza & Newton. They were versed in the more 'modern' philosophers of their era, Locke, Hume, Burke & Smith. It was these same types of men, in the same agrarian society, who stepped forward to represent their fellow citizens just 13 years later to pen our USA Constitution. The Constitution ([All Ears!!, Taking Liberty, 7/4/20](#)), was nothing more than a contract with the American people. In this contract, the party of the first part, the government, promises & takes the responsibility to protect our *sacred, inalienable, God-given rights*: Freedom of Speech, Press, Worship & Belief; Self-Protection, Privacy, Property & from the general overreach of a powerful government. But there are two parties to every contract. So what are the responsibilities of the party of the second part, the American people? *To protect the Constitution!* To do so, the Founding Fathers expected men of good conscience to take turns at representing their fellow Americans, each having a short stay in the Federal government. They never expected, or wanted, a full-time legislature. America was a vast, dangerous place to travel & an agrarian society! Men needed to be on their farms, especially at planting & harvest, & winter travel could be near impossible! The Founders expected a short summer legislative session to see to the business of the Nation. They also never expected, & actually feared, a political elite class of lifelong politicians who made a living at politics! This was the kind of tyranny from which they fought to break free! In order to assure this, House Representatives faced election every two years, to reflect changing viewpoints at their local level. While Senators served six years, they were appointed by & served at the pleasure of their state legislatures. They could be changed or recalled at any time by their state's representatives, who were elected by the state's citizens much more frequently. Our founders' concerns went beyond lifelong politicians losing touch with the people they represent; they also were concerned (as de Tocqueville would later point out) that these men would milk the system for personal gain, bribe the citizenry with their own tax money & become mini-tyrants. The election process for Senators changed in 1913 with the passage of the 17th Amendment, Senators are now chosen by popular vote. We are far today from the Founders original intent: 'common' citizens stepping forth from their businesses & farms to serve the country in a time of need. We see our national legislature filled with lawmakers who have held their offices for decades. Men & women of good conscience find it difficult to enter an arena filled with the inertia of decades of self-serving politicians. Yet, there are those who try;

leaving their livelihoods to try to fight their way into that governmental inertia & get, as Newton would say, *get an equal & opposite reaction*. These are the change-makers, the movers & shakers, the difference-makers. And they will step away when their mission is served. King George III called Washington the *Greatest Man of his Generation!* Why? Because Washington led his country in both war & peace? Because he was a noted, influential, agricultural scientist? Because he was a very successful entrepreneur & businessman? No, it was because in 1796, he did what no monarch or tyrant would ever do! He stepped away from power, doing his duty to protect the Constitution for all of us!

INDUSTRY NEWS: *Apeel Sciences* raised \$30M in new funding from the *International Finance Corporation*, *Temasek & Astanor Ventures*. *Hershey* invested an undisclosed amount in snack brand *Quinn*. Alt-protein company *Meati* raised \$28M led by *Acre Ventures*. Denmark's *Kaffe Bueno*, upcycled coffee grounds, raised €1.1M million (\$1.3M) in seed funding from *Paulig Group Venture Capital*, *Vækstfonden & The Yield Lab*. *SmartSweets* sold a majority share to *TPG Growth Fund* for \$360M. *Benson Hill*, crop genetics, raised \$150M by agrifood investor *Wheatsheaf & GV*. *B&G Foods* will acquire the *Crisco* business from *J.M. Smucker* for \$550M, as *Smucker* divests its baking business. *GrubMarket* completed the acquisition of LA-based *Best Fresh Produce*. *Inspire Brands* (*Arby's*, *Buffalo Wild Wings*, *Sonic*, *Jimmy John's*, etc.) is in talks to acquire *Dunkin'* for \$8.8B, which would take the brand private again. Israeli 3D-printed cell-based meat company *Meat-Tech 3D* has started plans for a USA IPO.

Target will add a number of holiday contactless options, more pickup parking spots & in-store shopping reservations. *Uber* has launched grocery delivery in NYC with plans to expand. Online fresh food (local produce) & meal delivery platform *Fresh Midwest* will begin service in northern Chicago. *Hy-Vee* will deploy an automated cleaning system, *Sterile Cart*, that fully cleans & sanitizes shopping carts. *Kroger* will offer customers rapid antibody virus testing at all its 2,200-plus pharmacies. Boston grocery chain *Roche Bros.* will partner with *Forager's* online platform that connects grocers & local suppliers. *Saladworks* will open inside a Pennsylvania *Giant* location. *Aldi* will open its first two stores in Arizona next week with five more to follow soon. *Chowbotics* has added a mobile app for its salad-making robot, *Sally*, with additional menu options. *Guinness* will introduce *O.O.*, a cold filtration version of its stout that removes the alcohol, to be sold in the U.K. & Ireland before further worldwide distribution. *Haribo* will build its first USA production facility, a \$300M investment in Pleasant Prairie, WI. *Lantic* will manufacture sugar using *DouxMatok's* technology & process that reduces sugar use by triggering sweet-taste receptors.

Per *dunnhumby*, consumers selected grocery retailers *Walmart* (34%), *Aldi* (12%) & *Kroger* (9%) as delivering the best value. From *Chicory*, on-line shoppers have increased 18.3% this year, with *Walmart* & *Amazon* losing share, but still the most used. In a study from *Kearny* reported by *Food Dive*, price & health are the top two reasons for consumers to try a new food trend & also not to try.

MARKET NEWS: Markets fell in response to media virus reports. Despite many state governors still mandating economic shutdowns, the economic recovery roared with a 33.1% GDP increase in 3rd QTR. Durable goods rose 1.9%, 5X higher than the experts forecasted. Home sales finished the summer at a high. The Richmond FED manufacturing index rose from 21 in September to 29 in October, its highest reading on record, buoyed by increases in shipments & new orders. Household incomes & spending surpassed the expectations of the experts. Unemployment filings fell slightly.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenjo*

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