



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



BUSINESSES RUN ON DATA. And so do our lives! All that data we try desperately to protect online yet so readily part with for convenience, access & information. Somewhere in the ethersphere resides our name, address, phone number, birth date, social security number, bank accounts, credit cards, shoe size, health records, boxers or briefs, most frequented websites & restaurants & a host of other personal predilections & preferences. When Armageddon arrives & God taps the great delete key to delete this human race, much like Dromio's kitchen wench covered in grease, it will take one week longer just to burn & delete the accumulated data that we humans have stored by doomsday.

DOOMSDAY OR DOMESDAY: William, Duke of Normandy, conquered England in 1066 & for the first time in centuries, England from Scotland to Wales to Normandy was united under one king. England was a vast & rich country. Even though William was king, there were many powerful nobles & land holders. The Church & its archbishops controlled vast swatches of land & resources. Of course, William was known as The Conqueror, but he was also a very capable ruler, understanding the political situation & organizing his government for success. In 1085, to fully understand the vastness of his empire, William issued a Great Survey. This was more than just a census. Censuses had been conducted since ancient times, for tax purposes. (We all know the story of Mary & Joseph returning to the City of David because Augustus had ordered a census.) But William wanted more than a census. William's shire-by-shire survey included all people, all land & ownership history, resources including machinery & animals, farm output, businesses, business income & more. William's reason for the survey was more than just taxation. If William went to war, he wanted to know the resources available: horses, wagons, tools, weapons, supplies & men. If he went to war with one of his nobles, he wanted to be aware of the resources they would have available to wage the war. He also wanted to understand business & trade. The compiled manuscript was stored in the Royal Treasury in Winchester. There was another use for the book - in the courts. If there were property or land ownership disputes, the book was consulted. In this time before the Magna Carta, not all men were equal. If someone was found guilty of a crime & had to repay the victim or society, the book was consulted to determine the victim's worth & the culprit's fine & punishment! This book, because it was considered the Last Judgement, became known as the *Domesday (Doomsday) Book*. The *Domesday Book* was a leap forward, continuing to civilize England. It created a process for titling land, fairly conducting business & commerce, preparing for war & settling legal disputes & criminal punishments. But it is also an example of government overreach & autocracy. William was playing with the unseen hand on a giant chessboard of England, tracking some 2M people, from nobles (Knights, Rooks & Bishops) to peons & slaves (Pawns) around England. William understood that this data, the knowledge & control he gained from it, would help him retain his power. Like William, all totalitarian sociofascist regimes understand this. That is why the Nazis, Soviets, Maoists & other despotic regimes amassed so much information & tracked people so diligently. They limited movement with checkpoints requiring 'papers' to pass & setting curfews. They maintained massive amounts of note cards tracking everyone & everything about them. They wanted total control over the people, thus able to cow them, blackmail them & use them. Today, the internet, social media platforms, retailers & the government track everything we do through our phones & IP addresses. We are no longer surprised when we step into *Sprouts* & our phone buzzes with this week's deals. It is not surprising to pull into a parking lot & have our phone buzz that six friends have checked in at *Red Lobster* even though we are headed to *Walgreens*. A quick search for tennis shoes on *Amazon* suddenly litters every subsequent website with *Allbirds* ads. If *Google* has access to all this information, it should not surprise us that the government has the same information & so much more! We file our personal & business taxes; incomes, interest earned, stock transactions & dividends are all reported to the government. The government seeks to control us through taxes & regulations, making it difficult to create wealth - disincentivizing wealth creation & incentivizing government dependency! They limit access to cheap energy, gas-powered vehicles & entry-level jobs, to limit our freedom of movement even though we can always be tracked through our phones & our cars. They seek to regulate the amounts of energy & water we use, personally & in our businesses. They prioritize illegal immigrants (& even criminals) over USA citizens, taxing our hard-earned money to transfer wealth to these people to cement their own power base & followers! While there may be one despot on top of a totalitarian regime, the despot is not alone in doing this! It's the philosophy & policies of all the people in power, all knowing their roles. Today, these people are playing the American chessboard the way William played chess with England; we are merely the pawns to be sacrificed! The Soviets, Maoists & other sociofascist regimes retained power because their philosophy allowed them to move from one despot to another in stride. The actual person at the top does not matter, if those in the government maintain the philosophy & policies. Today, people have become aware of what many already had seen, the person at the top is not fit or capable enough to have made this current mess alone - it's the governing party's philosophy making the decisions, policy & pulling the strings. That is why they now seem to embrace moving from one horse to another midstream, admitting the person at the top is a non-entity! The rider is interchangeable, as long as the party, its power & philosophy, survive. Today, there is no need for a *Domesday Book*, it exists in the cloud. Our technology dependency, now coupled with AI, will just make it easier for despots, fueled by party philosophy, to stay in power, scam & cow the masses for their own wealth & power. Twentieth century nuclear physicist & academic Herbert York, who worked alongside Oppenheimer at Oak Ridge & later in the Eisenhower administration, seemed to foretell a President controlled by party philosophy & the coming doomsday, "We seem to be heading for a state of affairs in which the determination of whether or not Domsday has arrived will be made either by an automatic device or by a pre-programmed President who, whether he knows it or not, will be carrying out orders written years before by some operations analyst." But it will still take an extra week to delete all the data!

INDUSTRY NEWS: Athletic Brewing Company raised \$50M led by General Atlantic at a reported \$800M valuation. Lotus Foods, heirloom, organic & regenerative rice cultivation & rice-based noodles, raised \$22.5M from Grounded Capital. Mark Wahlberg joined Free Rein Coffee Company as an investor & brand ambassador. Alliance Consumer Growth closed its fifth fund at \$160M & announced investment in skincare brand iNNEBEAUTY Project

& *Momofuku Goods*. In France, *The VERY Food Co.*, functional plant-based food ingredients, raised €850K from *Apok Invest*, *Bpifrance* & angels. *Cartken*, delivery robots, raised \$10M led by *468 Capital*, with participation from *Incubate Fund*, *LDV Partners*, *Vela Partners*, *Magna International*, *Mitsubishi Electric*, *Shell Ventures* & *Voalex*. *Clean Crop* received a \$1.2M grant funding through the *Massachusetts Manufacturing Innovation Initiative* for its cold-plasma seed decontamination technology. In Chile, *ByBug*, black soldier fly proteins, raised \$1.4M from *Südtlich Capital*, *Arpeggio VC*, *GRIDX*, *Halcyon Venture Partners* & *Atento Capital*. *NovoNutrients*, microbe carbon fermentation for protein, raised \$18M led by *Woodside Energy* & *CM Venture Capital*. Restaurant software provider *alIO* raised \$5M led by *20VC*, with participation from *Keen Venture Partners*, *NL Startup Fund*, *20Product*, *20Growth* & high-profile investors. In Sweden, *FirstVet*, online pet health provider, raised €20M led by *TELUS Global Ventures* & existing investors. In New Zealand, investment firm *Masthead Limited*, acquired Manuka honey producer *Wedderspoon Organic*. *Carlsberg* acquired soft drinks maker *Britvic* for £3.3B to expand its bottling for *PepsiCo* & UK operations; *Carlsberg* also took a minority stake in brewery *Brasserie du Pays Flamand*. Beverage company *Casa Redondo* acquired fruit flavored liqueur brand *Safari* from *Diageo*. Swiss dairy producer *Emmi* is seeking to acquire French dessert firm *Mademoiselle Desserts* for €900M. *Nestlé's* sold its French baby food assets (*NaturNes*, *Babicao*, *Babivanille* & the *P'tit* franchises) to *FNB Private Equity*. *1-800 Flowers* purchased *Scharffen Berger Chocolate*. German investment group *E3 Holding* bought a 74% majority stake in local rye bread producer *Pema*. *Vertical Cold Storage* will purchase a frozen distribution center from *Dothan Warehouse* in Dothan, AL. *Legacy Bakehouse* acquired the former *Angelic Bakehouse* facility in Wisconsin for \$5.5M; *Lancaster Colony* discontinued the brand earlier in the year. *Gathered Foods*, maker of *Good Catch* plant-based seafood, sold a production facility in Heath, Ohio, to *Ahimsa Companies*, a *Gathered Foods* stakeholder. *Tyson Foods* will sell its Vienna, GA., poultry complex to *House of Raeford Farms*; terms not disclosed. *GlacierPoint*, ice cream distributor & subsidiary of *Mill Point Capital*, bought *Joe & Ross*, a DSD distributor; terms not disclosed. *GrubMarket* acquired *Brothers Produce*, three foodservice fruit & vegetable distribution centers across Texas that service 6,000 locations in the south-central USA. *William H. Kopke Jr.*, fresh fruit distributor, acquired *R B Sandrini Cold Storage* (Delano, CA) & *Safco of America* (Visalia, CA). *Seaweed Bath*, natural beauty brand, acquired *Andalou Naturals* & *Mineral Fusion* from Australia's *BWX Ltd*; terms not disclosed. Grocery tech company *Upshop* acquired *Invafresh*, a merger to provide solutions for food supply chain availability, affordability & waste. *Maple Leaf Foods* will spin off its pork business, retaining a minority stake & a pork supply agreement. The list of *Kroger/Albertsons* locations to be divested to C&S was released. *Flagship Pioneering*, bioplatfrom innovation, raised a \$3.6B fund for breakthrough companies in human health & sustainability.

In 2nd QTR, *PepsiCo* beat earnings, but sales dropped as consumers pulled back due to higher prices; snack sales weakened. *Conagra* beat profit estimates but missed on 4th QTR revenue; the company warned on 2025 earnings & the stock declined. With cocoa prices at record highs, *Barry Callebaut* registered a sales volume gain of 0.4% with a revenue gain of 23% over the last nine months, but added debt due to the high cocoa bean prices. *Big Lots* recently reported a net loss of \$205M in 1st QTR with net sales down 10.2%; the retailer will close 30 to 40 stores this year.

Costco plans to increase their membership fees. *Sam's Club* will institute a \$50 minimum for free shipping. *Stop & Shop* will close 32 underperforming locations by year end. *Doud's Market* on Mackinac Island, America's oldest grocery store, celebrated 140 years in business. *Walmart* plans to open three more high-tech perishable distribution centers. *Hy-Vee* will use electronic shelf labels from *VusionGroup* at more than 230 stores. The Sacramento District Attorney has told a *Target* store that they will be charged with criminal nuisance if they continue to call police when people steal from the store! *J.M. Smucker* will expand its relationship with *Acosta Group* to provide a full suite of sales & marketing solutions for *Smucker's* brands across USA grocery & mass retail. *Chobani* introduced a shelf-stable low-fat dairy milk, *SuperMilk*, not available at retail but to be donated during natural disasters. *BelGioioso* is introducing a fresh mozzarella designed for baking. *Bunge* launched *Beleaf PlantBetter*, a butter substitute ingredient, in North America following its 2023 launch in Europe. *Ardent Mills* launched a chickpea-based 1-for-1 egg substitute, *Egg Replace*. *Revyve* created a yeast-based alternative egg replacement ingredient for plant-based burgers. *Tate & Lyle* launched a new stevia composition with a taste profile closer to sugar at a lower cost than other premium sweeteners. *McConnell's* & *Gopuff* created an exclusive LTO PB & J ice cream flavor. From the *Daring Foods* founder comes *Cadence*, salt-based hydration with 500mg of sodium & electrolytes; the beverage was soft-launched in the UK & is now available in the USA. *Big Idea Ventures* launched *Bayou Best Foods*, plant-based seafood, utilizing IP from defunct alt-shrimp startup *New Wave Foods*. *Ferrara* will move operations from its *Jelly Belly* plant in north Chicago to another facility. A new 160K sq. ft. facility at North Dakota State University will conduct agricultural & food science research & laboratories & train students. *Maple Hill Creamery* added 14 small family farms in central Pennsylvania & the Lancaster County area. *Umami Bioworks* will partner with India's *IKP Knowledge Park* to boost R&D & reach commercial-scale production. *Roquette* & *Bonumose* will partner to scale tagatose, a low-glycemic, tooth-friendly sugar with 92% of the sweetness but only 38% of the calories. *Wendy's* will expand with franchisees in Ireland & Romania. *Beyond Orange Chicken* will return to *Panda Express*. As many retailers pull back from self-checkout, *RBR Data Services* reports a record year with 217K terminals delivered globally, up 12% YOY. The FDA banned the use of brominated vegetable oil (BVO) in foods & beverages, effective in 13 months. *Amazon* could face charges in the United Kingdom over its business dealings with its suppliers.

From *Circana* & the *Private Label Manufacturers Association*, private label unit market & dollar share hit record highs, 22.9% & 20.4%, respectively. Also, store brand dollar sales growth was twice national brand grand & units were up 2.5% while national brand units fell 0.8%. From *Curious Plot*, consumers are very curious about new ways to prepare vegetables (71%), new snack ideas & products (69%), global/cultural flavors (65%), ways to prepare small meals due to inflation (63%) & fruits (59%). A multi-researcher project reported in *The Journal of Clinical Endocrinology & Metabolism* shows that Vitamin D supplements can help children, pregnant women, the elderly & prediabetics. USA beef exports set a record in May, topping \$900M; pork exports declined 4%. In June, organic mushrooms outperformed the entire organic produce category with a 12% increase in volume sales. The USDA upped the corn harvest forecasts, but forecasts are still lower than last year; soybean & wheat forecasts are positive.

MARKET NEWS: Markets were higher this week, with records set during the week. June inflation added another 3.0% YOY; core CPI was 3.3%. Inflation was driven down by cheap Chinese imports & this administration dumping strategic oil reserves into the market prior to the coming election, while inflation in services & housing remain historically high. The Producers Price Index came in hotter than estimated, up 2.6% YOY. Inflation is up 19.2% since January 20, 2021. The University of Michigan Consumer Sentiment Index dropped again in July as consumers realize only a November change will improve the economic outlook.

SEEDS, SPROUTS, GROW, HARVEST!
THE LITCHFIELD FUND — *Tom Malanga*
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