



ALL EARS!!

The Litchfield Fund Weekly Newsletter

“We just don’t hear it on the street, we have our ears spread across all the fields!!!!”



Litchfield

The month of June & the start of summer. Those who grew up in the Midwest, & especially its farmers, know well the daily weather pattern. Warm mornings, but the humidity begins to rise & the temperature heats up. After lunch, the sky begins to haze & clouds roll in – then the sudden flash of lightening & a ground-shaking clasp of thunder. Often it is just the much welcomed rain; but not if it falls in bursts so engulfing that rivers flood. Worse, is the super-sized hail that destroys a crop in minutes, or for those living in the Great Plain states, the force of a deadly tornado crushing everything in its violent path!

Just a bit Keynesian: Investing is much like awaiting the daily storm. Economist John Maynard Keynes once said, “The [object] of skilled investment should be to defeat the dark forces of time and ignorance the envelope our future.” **The Litchfield Fund** certainly keeps this Keynesian thought in mind as it looks at its own investment opportunities. June has been an active month for us, much like the Midwest weather pattern we know so well. This past week **The Litchfield Fund** announced its second equity placement this month! For both investment opportunities, we completed a thorough review of the companies, the products, the market, & the people. While we trust the numbers, as importantly, we trust our *properly-probiotic’d* gut!! We are excited about these opportunities & the chance to participate in them with some great entrepreneurs! But like any investment there will always be ups, downs, concerns, & potentially, reward! So perhaps to keep our sense of humor and perspective as we weather those dark thunderstorms, we should look to a more light-hearted economist than the dour Keynes -- John Kenneth Galbraith! One of **The Litchfield Fund’s** favorite & oft-recalled quotes is Dr. Galbraith’s: “If all else fails, immortality can always be assured by spectacular error!”

Chew you Juice! This week, **The Litchfield Fund** announced the completion of an equity investment in Atlanta-based Harvest Soul. Harvest Soul has introduced a line of organic Chewable Juices that combine perfectly sized, easy-to-chew bits of nuts, seeds & berries, with amazingly healthy juices from nutritious leafy greens & antioxidant rich fruits & veggies to deliver satisfyingly delicious beverages filled with lots of fiber and protein. This is a unique product, which has enormous potential to disrupt the juice market & create an entirely new segment, Chewable Juices! Harvest soul is made 100% from all organic ingredients! It is HPP Fressurized™, high in fiber, a great source of protein & has no added sugar. Harvest Soul is both USDA Organic certified & Non-GMO Project verified! HPP processing retains so many important nutrients & chewing bits of berries & nuts releases enzymes that help in digestion.



The Litchfield Fund is thrilled to be part of the Chewtrition™ Revolution that Harvest Soul (www.harvestsoul.com) is starting! Also, Harvest Soul announced just this week its plans to launch its juice on the west coast!

Market news: With the U.S. focused on societal redesign, Europe wrestled with the Greek problem & surprising end of week developments. Rejecting its creditors' plans, Greek voters face another austerity referendum, all while a bank run continues!

Portfolio news: Boulder Brands (**BDBD**) received a BUY rating from SunTrust & an OUTPERFORM rating from Imperial Capital. As ConAgra's (**CAG**) 4th QTR earnings announcement approaches (6/30) analysts are wondering what JANA Partners has in mind for the company. Many suspect a breakup of the Ralston acquisition while others are suggesting JANA may just take its time to produce better performance. General Mills (**GIS**) continues the makeover of both its products & operations with the announcement of another round of layoffs targeted chiefly at its international segment. United Natural Food (**UNFI**) received an upgrade from Wedbush & the stock made Wedbush' 'best ideas list'. **UNFI** is indicating thoughts about continuing to expand through acquisition.

Sensible Organics' line of bath & body care, *Nourish Organics*, announced these products have been expanded to shelves on all 4,000 **GNC** stores. Whitewave Foods (**WWAV**) continues to amass BUY ratings from analysts & positive price targets. Lifeway Foods (**LWAY**) remains non-compliant with NASDAQ rules for timely filings. **LWAY** has had previous delays in filing reports.

Whole Foods Market (**WFM**) again faces charges for overcharging/mislabeling packaged foods. Also, **WFM** recalled its raw macadamia nuts due to possible salmonella poisoning. Despite strong projected future growth, Sprouts Farmers Market's (**SFM**) stock does not seem to be gaining any momentum, stuck near all time lows. Given growth opportunity, and despite increased competition, the stock appears to have value at this lower multiple. However, Zack's issued a SELL rating on the stock.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

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