



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

March 32nd! What? It’s on March 32nd that the fox in Geoffrey Chaucer’s *Canterbury Tales* fools the vain cock, Chauntecleer. The cock foresees his own demise in a dream. He then comes upon the sly fox, who had lured Chauntecleer’s own father to his death. The fox asks the cock to crow like his famous father! As the cock puffs his chest & proudly bellows, the fox grabs him by the neck. But the fox is then subdued *by his own vanity!* As he races off with the cock, the fox proudly taunts the barnyard. But that allows the cock to escape & the fox becomes the fool! Now, we celebrate March 32nd, make that April 1st, as April Fools’ Day!

April Fools’ Day: Alexander Pope told us “*Fools rush in where angels fear to tread,*” but it took Johnny Mercer & Rube Bloom to set it to music in 1940 to make it a hit record for Ray Eberle & Glenn Miller, Frank Sinatra & Tommy Dorsey, Ricky Nelson & Elvis Presley. Years later Anthony Newley bravely & insightfully asked, “*What Kind of Fool am I?*” (I wonder how many people responded?) *The Doobie Brothers* wondered, “*What a Fool Believes?*” & *The Who* insisted they “*Won’t be Fooled Again!*” It does seem that April Fools’ Day plays into the most basic of human weaknesses such as our vanity, self-doubts & a desire to be flattered & accepted. But many writers & philosophers see humans as fools! Mark Twain thought, “*The first of April is the day we remember what we are the other 364 days of the year.*” American philosopher Elbert Hubbard thought, “*Every man is a damn fool for at least five minutes every day; wisdom consists in not exceeding the limit.*” And of course, Shakespeare, in a *Mid-summer Night’s Dream*, wrote, “*What fools these mortals be!*” While both Twain & Lincoln warned against speaking & being seen as a fool, it is the ancient Latin writer Publilius Syrus who said, “*Let a fool hold his tongue & he will pass for a sage.*” Playwright Wilson Mizner understood people’s self-doubt, saying, “*A fellow who is always declaring that he’s no fool, usually has his suspicions,*” as did French monk François Rabelais, writing, “*If you wish to avoid seeing a fool, you must first break your mirror!*” Dostoevsky, like these others, thought recognizing the fool in ourselves was important. “*The cleverest of all, in my opinion, is the man who calls himself a fool at least once a month.*” So let’s accept the pranks & jokes we see this April Fools’ Day in stride & see the enjoyment we provide the merry prankster, for as Will Rogers said, “*Everything is funny, as long as it’s happening to somebody else.*” So with deep introspection, this writer closes with apologies to American poet Joyce Kilmer, “*All Ears!! is made by a fool like me, but only God can make a tree.*”

Industry News: *Corbion* will acquire *Granotec do Brazil*, a manufacturer of functional blends for the Brazilian bakery industry, for \$45M. *New Crop Capital*, *AccelFoods* & *Stray Dog Ventures* were investors in a \$7M round for *Alpha Foods*, plant-based frozen foods. It is being reported by *CNBC* that the final bid for *Kellogg’s Keebler*, *Famous Amos* & other fruit snack brands from *Hostess* & *Ferraro* is \$1.5B. *Kellogg’s* paid almost \$4B for the brands in 2000. *District Ventures Capital* made an equity investment in *OHi Food*. *Evans Properties*, *The Jeremy* & *Hannelore Grantham Environmental Trust* & a group of Florida agricultural family offices invested \$20M in *TerVida*, a USA company planting protein packed pongomia trees in Florida & Hawaii. Crowdfunding platform *PieShell* may shut down due to a lack of available funding.

Mars has publicly disclosed its cocoa suppliers to demonstrate its transparency. *Mondelez* will partner with non-profit *The Hatchery Chicago* to enhance innovation initiatives in the snacking space by working with local start-ups to innovate & accelerate. *Conagra* will push to expand the markets of *Birds Eye*, *Duncan Hines* & *Wish-Bone*. *DuPont Nutrition & Health* has completed construction of a new probiotics fermentation facility in Rochester as part of \$100M plan to increase its probiotics production by 70%. *QFC (Kroger)* will stop offering single-use plastic bags at all of its stores. In a study from *CNBC*, *Aldi* had the lowest priced organic offerings. *Walmart* will close 8 of its 700 small format stores. Jim Donald, CEO of *Albertsons* will move to the chairman's office & be replaced by *PepsiCo* executive Vivek Sankaran. *IGA* plans to promote its private label brands & has hired the former *Fresh Thyme* private brand director, Robin VanDenabeele. *UNFI* will sell Washington, D.C. & Baltimore area *Shoppers Food & Pharmacy* stores. *Lidl* opened a 1K sq. ft. *Lidl Express* at its Arlington, VA headquarters. *Price Rite Marketplace* will open 5 new stores in Connecticut that are rebranded with an updated product set & a new layout. *Grocery Outlet* (300 locations, \$2B in sales) will file for an IPO. Florida, California & Texas led grocery store expansion in 2018 per the *JLL USA Grocery Tracker*, with the nation's grocery space increasing 17M sq. ft. (29.4%) overall. *Ahold Delhaize* will employ an AI-solution from *Relex Technologies* to manage inventory, speed supplier orders, maintain in-stock levels & assure freshness for shoppers & on-line orders. *Instacart*, in partnership with tech company *Stripe*, is offering *Instant Cashout*, a new feature that allows its contract workers to get paid immediately instead of waiting for a direct deposit. *Ingredion* has introduced an organic pea protein isolate, *Vitesse Pulse 1803*, for use in many applications. *Annabella Buffalo Creamery*, Colombia-based maker of water buffalo cheese, will use a surplus of water buffalo milk to introduce five varieties of yogurt into the USA. *Edge by Ascential* reports that *Amazon* pet food sales reached an estimated \$1B in sales in 2018, up 20% from 2017. Nebraska farmers may delay planting of soybeans & corn due to historic flooding, reducing yields this year.

A Northwestern University study illustrated that eating eggs increases the risk of cardiovascular & stroke related incidents. Eating mushrooms reduces the risk of developing Mild Cognitive Impairment (MCI) by 50% per a study published in the *Journal of Alzheimer's Disease*. Prescribing healthy food to patients could prevent as many as 3.28M medical conditions such as heart attacks & strokes, saving more than \$100B, according to a Tufts University study reported in *PLOS Medicine*. Per *Information Resources*, dry pasta sales fell 0.5% in the last 52-weeks. In the *FMI's The Power of Seafood* report, 21% of consumers eat seafood twice a week or more & 35% eat seafood once a month. Frequent seafood eaters spend almost 25% more a week on groceries.

Partnership Update: Read about *Genius Juice*, the whole organic coconut smoothie, in [this article from Beverage Daily!](#)

Market News: Markets were volatile but rose this week as investors continue to review domestic & geopolitical developments & economic news. The S&P posted its best 1st QTR of the year since 1998. The last 2 QTRs GDP were revised to 3.4% & 2.2%. The trade deficit was 15% lower in January. The CCI was lower on a variety of factors.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund – *Tom Malanga*

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