



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



WITH HIS HAND ON HIS CHIN & an exasperated side glance, comedian Jack Benny was always on the receiving end of a zinger from one of his many foils: announcer Don Wilson, singer Dennis Day, bandleader Phil Harris, wife Mary Livingstone or his aide-de-camp Eddie Anderson! The joke might be about his tightness with money, his perennial age of 39 or his *talent* on the violin. Of course, Mr. Benny didn't mind making himself the butt of his own jokes, willingly screeching his violin or responding "I'm thinking, I'm thinking," when a robber asks, "Your money or your life!" During most of his career a running joke was one of his movie flops, *The Horn Blows at Midnight*.

MIDNIGHT GUMBALLS: *The Horn Blows at Midnight* (1945) is actually not a bad movie. Unfortunately, it was released in the days following the death of President Franklin Delano Roosevelt. The plot of this comedy probably did not seem funny to audiences in April, 1945, with the President's passing & war still raging! Mr. Benny, the third trumpet player in a radio band, falls asleep during the sponsor's commercial: *Paradise Coffee; It's Heavenly!* Mr. Benny dreams he is a junior angel, Athanael, a trumpeter in heaven's orchestra. He is given the job of going to a small planet designated 339001 (Earth), a planet whose inhabitants have become worrisome, to blow his trumpet at midnight to destroy the planet! Reaching Earth, Athanael gets involved with crooks, a woman, two fallen angels who are enjoying their hedonistic ways & his helpful girlfriend! The trumpet gets stolen, the chase ensues & Mr. Benny wakes up before his dream ends! For years, Mr. Benny got laughs with remarks about this movie, such as asking the gate guard at *Fox Movie Studios* if he had seen *The Horn Blows at Midnight*. The guard (played by Mel Blanc) responds, "Seen it? I directed it!" Of course, with New Year's Eve coming upon us, midnight takes on even more significance. Mid-20th century columnist & pundit Bill Vaughn quipped, "An optimist stays up until midnight to see the new year in. A pessimist stays up to make sure the old year leaves." And while that pessimist may only see an Edgar Allen Poe midnight dreary, every midnight ushers in a new day! American icon John Wayne said, "Tomorrow is the most important thing in life. Comes into us at midnight very clean. It's perfect when it arrives & it puts itself in our hands. It hopes we've learned something from yesterday." As we wait, like Wilson Pickett, for the midnight hour on New Year's Eve, most of us will look back on the year. We may review the plusses & minuses of the year, measure the joy & happiness against the sadness & grief, to decide if it was a good year or a bad year. But why? Let's opt to be the Mr. Vaughn's optimist! Each & every midnight brings the promise of a new day with new opportunities & new adventures. The New Year brings 365 new chances for fun, excitement & new experiences. In the 1976 comedy classic *Gumball Rally*, Raul Julia, playing an Italian race car driver, offers advice on car racing & life! He rips the rearview mirror from the windshield, tosses it out of his sports car, saying, "Whatsa behind me is not important!"

*May the New Year bring you New
Blessings & Happiness! Let the race begin!
Gumball!*

INDUSTRY NEWS: Fresh baby food option *Yumi* gathered \$8M from several investors, its total capital raise now stands at over \$12M. College campus order-ahead food app *Snackpass* raised \$21M in a round led by *Andreessen Horowitz* with participation from *First Round*, *General Catalyst*, *YCombinator* & *Inspired Capital*. *Humm*, a wearable patch that provides electrical stimulation to brain, closed a \$2.6M round led by *Blueyard Capital*. Israeli startup *Sufresca*, an edible coating that extends the shelf life of fruits & vegetables, raised \$500k from *Rimonim Agro*. *FoodMaven*, a start-up connecting farmers & foodies to fight food waste, raised \$15.3M led by *Tao Capital*. *Shoptalk* & *Groceryshop*, two of the major grocery, retail & CPG conferences, were acquired by *Hyve Group* for \$145M. *Nestlé* has entered a joint venture with *Casa Tarradellas*, Barcelona, to divest 60% of its *Herta* charcuterie & dough business to the joint venture. *JAB* will merge two of its large coffee holdings, *Peet's Coffee* & *Jacobs Douwe Egberts (JDE)* to form *JDE Peet's*, with an eye to a possible IPO. The FTC is challenging *Post Holdings* purchase of *TreeHouse Foods'* private label ready-to-eat cereal business for \$110M on anti-trust grounds.

UNFI workers ended their walkout & will return to the job while negotiating a new labor contract. *H-E-B* has upgraded its mobile ordering app with many new features. *Starbucks* will focus less on food, more on beverages & will have fewer limited time offers. *McDonald's* U.K. will offer its first vegan meal. *Canopy Growth* is introducing new CBD-infused drinks & chocolates as Canada legalizes CBD edible sales. *Koia* will introduce a coffee line at *Whole Foods* in 2020. Italian fast-casual chain *Fazoli* will offer spaghetti dishes featuring an *Impossible Foods* plant-based meat sauce. *Hippeas* will now offer chips in 3 flavors. *Noosa Yoghurt* will introduce a new high-protein, low-sugar line called *HiLo* with 12g of protein & 12g of sugar. Post-acquisition, *Siggi's* will offer plant-based yogurts. As beer sales slide, *Molson Coors Brewing* & *La Colombe* will test a low-alcohol content hard cold brew in select markets. *PepsiCo* has blended Arabica coffee & *Pepsi* cola in a new offering, *Pepsi Café*. The California DMV will allow testing of light-duty autonomous delivery vehicles (less than 10K lbs.) on public roads. *FMI* surveyed 39 retail outlets with 20K stores & found that 90% of the respondents have health & wellness programs, which is a 2-year increase in health & wellness programs of 86%.

PARTNERSHIP UPDATE: *Genius Juice*, the organic whole coconut smoothie & **LITCHFIELD FUND** partner, is raising capital on crowdfunding site *Wefunder* (<https://wefunder.com/genius>).

MARKET NEWS: *ALL EARS!!* closes off 2019 with just 2 trading days remaining for the year. The markets once again hit multiple records during the week, with the Nasdaq moving past 9000. *Deutsche Bank* reported that the world markets created \$17T of global wealth in 2019. Holiday spending set new records. Jobless claims fell once again. China will cut tariffs on 850 imported products beginning January 1st. The FED reiterated that the likelihood of a recession remains low! More people of all races & walks of life are employed in America than ever before in our great history. It is not just that wages are rising faster than they have in decades, wages for low-income workers are rising *the fastest!* Consumer optimism is at all-time highs. This is an economic model that has worked many times in the past. Reduce the burden of taxes & regulations on business & even the playing field with competitors. Present equal opportunity to workers & trust each & every individual to spend their money, time & effort as they see fit to support themselves & their families, not how the government sees fit! This is what American capitalism is all about, putting trust & faith in each individual in the only country on Planet 339001 whose Constitution values the rights & power of the individual above the rights & reach of their government!

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenjo*

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