



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



THE 5,379TH MOST POPULAR BABY NAME is Judas. Not surprising, considered Judas Iscariot is the most infamous traitor in history! In Europe, a traitor is still called a Quisling, after Vidkun Quisling, a Norwegian fascist, a group that share the same ideology as socialists & communists. He was installed by the National Socialist Workers Party, the Nazis, as a puppet leader in Norway. Of course, America's own nefarious turncoat, Benedict Arnold, had the complete trust of General Washington. Bitterly jealous of younger officers, Gen. Arnold sold out to the British, trying to surrender the fort at West Point, a strategic location on the beautiful, panoramic, Hudson River.

RIVERS: The Hudson River valley is considered one of the most scenic in the world. It is often called America's Rhine, for its pastoral settings, small villages, mountains & mansions. It has also played an important role in America's development & history. The first Englishman to sail the river was Henry Hudson. The river served as the boundary for the Dutch settlement that would become New York City. It was an important trade route, the main transportation route for Indians, trappers, hunters & early settlers. The first steamboat, the Clermont, designed by Robert Fulton, transported passengers between NYC & Albany on the Hudson. The river served as the Eastern terminus of the Erie Canal. The first American author of renown, Washington Irving, set his stories within the valley. It was inspiration for *The Hudson River School*, a 19th century American art movement characterized by pastoral settings. The river is famous for its mansions, castles & homes of the rich (Vanderbilt, Gould, Merritt) & famous (FDR, Linus Pauling). The Hudson River was critical in our fight for Independence, with many battles fought along its shores due to its strategic importance. The British could gain access to NYC from Canada, via Lake Champlain & through Saratoga. In 1778, the Continental Army took the high ground on the West Point of an "S-turn," where ships had to slow to navigate. There, a chain was built across the river (to prevent British ships from sailing through) & several *chevaux de frises* (wooden & iron pickets to stop cavalry) were constructed. In 1802, the *United States Military Academy* at West Point was established. Rivers have played a major role in the development of the USA. Charles Kuralt wrote, "*Rivers run through our history & folklore & link us as a people... We are a nation rich in rivers.*" There is the wide, meandering, easy navigation of the Mississippi, Missouri & Ohio rivers; the raging turmoil of the Yellowstone & Snake rivers, the majesty of the Colorado piercing time in the Grand Canyon & the many rivers that feed our farmland & bring us fresh water & wildlife. Rivers inspire the imagination & soul. Rivers teach us that life & time keep moving along. Leonardo da Vinci wrote, "*In rivers, the water that you touch is the last of what has passed & the first of that which comes; as is with present time,*" & Heraclitus tells us, "*No man ever steps in the same river twice, for it's not the same river & he's not the same man.*" Rivers relax us. A.A. Milne said, "*Rivers know this: there is no hurry. We shall get there some day.*" Importantly, rivers remind us we are all part of the same humanity. Marcus Aurelius wrote, "*Time is a kind of river, an irresistible flood sweeping up men & events & carrying them headlong, one after the other, to the great sea of being.*"

INDUSTRY NEWS: *Bulletproof* raised \$13M for product development & expansion led by *Beliv* (an arm of multinational beverage corporation the *CBC Group*) & *Rocana Ventures*; *CAVU Venture Partners* & *Trinity Ventures* were involved. *Brightseed*, AI phytonutrient technology, closed on \$27M led by *Lewis & Clark AgriFood*. Vertical farm *InFarm* raised \$170M led by *LGT Lightstone*, with participation from *Hanaco*,

Bonnier, Haniel, Latitude & others. CAVU founder Clayton Christopher & *Capstar Partners* join together to launching a SPAC for acquisition. *GrubMarket* acquired *Fresh Tex Produce*, fruit & vegetable provider in Texas, New England, the Midwest & other major metropolitan areas. *Litehouse*, maker of refrigerated salad dressings, dips & sauces, acquired *Veggiecraft Farms*, plant-based pastas. A *Peak Rock Capital* affiliate acquired Wales-based *Halo Foods*, manufacturer of health bars & snacks, for an undisclosed amount. *Kraft Heinz* will sell its natural cheese business to *Lactalis* for \$3.2B, including the USA brands *Breakstone's, Knudsen, Polly-O, Athenos, Hoffman's & Cracker Barrel* & others internationally. *GNC* cancelled its bankruptcy auction, with current investor *Harbin* as the final bidder, though there remain some concerns from other bidders & national security issues. Asset based lender *Gerber Finance* will launch *Naturally Gerber Finance*, to work with new clients, its current natural/organic food & beverage brand portfolio & service providers.

Big Y is close to opening a \$40M, 425K square-foot distribution center for fresh & local products, supplied by some 70 farmers who will annually supply Massachusetts & Connecticut *Big Y* stores with some 1,200 types of fruits & vegetables. *Giant* will add 4K workers to meet growing demand as the holiday season approaches. *Amazon* will seek to reduce delivery costs by employing independent contractors who will select products & deliver them. *HEB* will partner with *Swisslog*, a Swiss warehouse automation company, for an unspecified number of micro-fulfillment centers. *Walmart*, after announcing its deal for drone delivery with *Flytrex*, signed a deal with *Zipline* for delivery of select health & wellness products. Popular, family owned NYC *West Side Market* will launch scan & go technology from *Tiliter*. *General Mills* will enter keto-friendly snack bars & yogurts with *Ratio*, formulated for a ketogenic diet with 2 grams of net carbohydrates & 1 gram of sugar. *PepsiCo* launched a functional water called *Driftwell*, combating stress & inducing relaxation, with 200 grams of L-theanine & 10% of the daily value of magnesium. *Beyond Meat* has introduced *Beyond Meatballs*. *Molson Coors* has entered a partnership to brew & distribute *Yuengling*. Finally reaching the Canadian market in March, *Canopy* has the highest dollar share (75%) of Canada's CBD RTD beverages. *Symrise* has launched *Taste for Alternative Protein (TAP)*, a global initiative to develop alternative meat, dairy & nutritional beverage products.

Per *Placer.ai*, in-store grocery traffic has returned to normal at most major chains, with only *Whole Foods* significantly below normal (-22.5%). From *Catalina*, August grocery customer spending rose 6% though store visits fell 11% YOY. *Gallup* ranked grocery, farming & agricultural, healthcare & pharmaceuticals among the most highly regarded by consumers. From *Acosta*, of those eating at home, 25% are tired of cooking more frequently while 35% have discovered a newfound passion for cooking. Fresh & frozen fruit & vegetables showed double digit YOY growth through early September across all categories, per *IRI*. Fresh fruit & vegetable made up 81.3% of sales. Food pricing has eased a bit, but still outpaces the CPI as demand remains high. The USDA forecasts lower corn & soybean harvests, due to August weather, but higher global sugar deliveries.

MARKET NEWS: Markets bounced, ending slightly lower. The New York Fed's business conditions index jumped 13.3 points to 17 in September. Economists had expected the index to rise from last month's 3.7 to just 6.5, according to a survey by *Econoday*. Global economic conditions are also much better than the experts predicted. The FED reiterated their desire to keep rates low in the long term. First time jobless claims continued to improve.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenjo*

V7issue14.09.19.20

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