



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



THE MCGUFFEY READERS were primers for grades 1 to 6 across the USA from the mid-19th century until the early 20th century. Formally, they were known as the *Eclectic Readers*, the title itself proving how far our educational system has fallen. The *McGuffey Readers* were replaced in 1930 by William S. Gray's series, *Dick & Jane*. The *Dick & Jane* series ran through 1965, hitting the height of popularity & use in the 1950s, when 80% of schools used the readers. My primers were Superman comic books, reading alongside my sister, learning about invulnerability, time travel, the city of Kandor, kryptonite, Lois Lane, Lex Luthor, Truth, Justice, the American Way & *Bizarro World!*

BIZARRO WORLD: On the Bizarro World, the people did everything the opposite of humans. Their motto went something like this: "*Us do opposite of all Earthly things! Us hate beauty! Us love ugliness! Is big crime to make anything perfect on Bizarro World!*" Their world is cube-shaped & the planet's name is Htrae (the opposite of Earth). Everyone on the planet is a black & white skeletal-like version of their Earthly counterpart. On Bizarro World, ugliness, failure, stupidity & incompetence are rewarded. As an example, *Batzarro*, the Batman Bizarro character, is the world's worst detective! Everything on Htrae is backwards, the complete antithesis of human behavior & the opposite of the mid-20th century Truth, Justice & the American Way that Superman epitomized. So, on Htrae, the Border Czarro, the person charged with protecting the borders, would probably be rewarded for allowing 10M to 15M illegal immigrants to enter the country in 3.5 years; allowing 325K children to go missing; releasing 661K people charged with crimes on to the streets; 425K convicted criminals; 16K rapists & 13K murderers! The Border Czarro would fly hundreds of thousands of illegal immigrants directly to small towns to overwhelm the populace & public services. These actions & statistics would be hailed as a great success, perhaps even elevate the Border Czarro to be chosen for the highest office in the land, her incompetence so complete & thorough. Another great achievement on Htrae would be for the Governor of Minnezarro to support rioters who are burning his major city! He would probably be selected to be second in command behind the Border Czarro, who would likewise be hailed for setting up a *GoFundMe* to bail the rioters out of jail! These are major achievements on Htrae. Among their other achievements to qualify them for higher office would be defunding the police; not charging violent people with crimes, allowing criminals out of prison & allowing illegal immigrant gangs to roam the streets & take over cities. No police & many, many criminals on the street, that would be the opposite of what humans would do, wouldn't it? On Htrae, government probably gives their taxpayers' hard-earned money to foreign countries & enemies to fund wars & terrorism & use the FEMA budget to house & feed illegal immigrants, while letting the wildfire victims in Hawazarro & the flood victims in North Carolazarro suffer without help. This makes perfect sense on the Bizzarro World. On Bizarro World, it would make economic sense to ignore the most abundant, efficient & cheapest energy sources in favor of inefficient & costly fuel sources to waste money, bankrupt the economy & deprive the consumers! Such a great accomplishment on Htrae! News & media sources, like the *Daily Htrae*, would be hailed for publishing lies & misinformation! The Bizarro media is applauded for shielding the populace & hiding the truth – about laptops, Russizarro dossiers, Charlottezarro, the Bizarro leader's lack of physical & mental fitness for office. Why would anyone on Htrae seek truth like the ancient human philosophers? And of course, on the Bizarro planet, anyone who speaks the truth would be quickly silenced, for on Htrae, John Keatzarro looked at a Grecian urn but didn't write, "*Beauty is truth, truth beauty, that is all Ye know on earth, & all ye need to know*" It makes perfect sense on Htrae to ignore the truth & the perfection of science & biology. There are probably many, many Bizarro pronouns & big, powerful men are allowed to play in women's sports & even use women's bathrooms & locker rooms. A bigger, stronger, more athletic male, beating a woman or girl who trained all her life to win a sports championship, is thrillingly embraced with trophies & accolades by an adoring public. Unlike in Superman's world, on the Bizarro planet, children are hated. Children are killed before or at birth. Those who survive to school age are probably taught awful things, not the things they need to survive & thrive, but indoctrinated with terrible ideas & false premises. Children are subject to unmentionable, awful abuses that here on Earth we would find intolerable. And on Htrae, if there was someone who wanted to lead the Bizarro World, someone who only wanted to make Htrae safe, strong, wealthy, healthy & great, that someone would be met with lies, false criminal charges & kangaroo courts! That person would even be left unprotected so that those who believe the Bizarro indoctrination are able to plan & carry out assassination attempts. This would only be natural, because it is a crime to make anything perfect, anything great, on Htrae. But these happenings, this philosophy of not striving for or desiring perfection & beauty, of purposely making things wrong & ugly, would only exist on Bizarro World, right? Here on Earth, in America, this Bizarro philosophy - the Bizzarro desire to make things ugly, imperfect, just plain wrong – would never exist, right? None of this would happen here in America, where our Founding Fathers; our parents, grandparents & great grandparents; our military, police, firefighters & first responders; & Superman himself have fought for Truth, Justice & the American Way. Upon reflection, it seems America has lost its way, that we are indeed living in a Bizarro World! And while perfection may never be achieved, why would any country be willing to settle for something so much less than it can achieve? What is this almost psychotic desire to serve the national & societal destruction caused by the broken-soul, evil & violent totalitarian, fascist & communist philosophies? Why would a country want crime, drugs, high taxes, speech restrictions, unhealthy food, inefficient energy sources & the so many other evils & vices that exist in America today? Any country - our Nation - should want to be free, safe, healthy, strong, wealthy & great! Why is it wrong, on any planet, for a country to prioritize its own people, its own economy, its own safety & security before worrying about the rest of the world? Don't be fooled by the words of our current Bizarro World leaders! It is not about what they say, it is about what they do & what they have done to move us deeper into the bizarre. From Mahatma Gandhi, "*It's not just words. Action expresses priorities.*" America will only regain her Greatness & beauty if she is safe, powerful, physically, emotionally & economically healthy, & at peace! This is what matters most, the priorities we held as a Nation not that long ago. From Goethe, "*Things which matter most must never be at the mercy of things which matter least.*" As a Nation, it will be easier to fix all that ails us if we place our Nation & our citizens first. From President Dwight Eisenhower, "*The older I get the more wisdom I find in the ancient rule of taking first things first. A process which often reduces the most complex human problem to a manageable proportion.*"

INDUSTRY NEWS: *Lucky Energy* raised \$11.75M led by *Brand Foundry* with *Imaginary Ventures*, *Sapphire Sport* & *Sugar Capital* involved. In Kenya, *African Originals* raised \$2M led by *Phoenix Beverages*. *Spicewell*, nutrient-based Ayurvedic salt & pepper, raised \$1M from *Path Ahead Ventures*, *Joyance Partners*, *Entrepreneur Ventures* & others. *Foreverland*, a carob-based chocolate alternative, raised €3.4M from *Grey Silo Ventures*, *Eatable Adventure*,

Kost Capital, CDP Venture, Exor Ventures, 2100 Ventures, Ulixes Capital Partners, Newland Syndicate & Moonstone. In Germany, vegan faux-pork startup *The Raging Pig Company*, looking to enter the mycelium faux meat market, raised an undisclosed investment from *Sprout & About Ventures, Livian, Solvable Syndicate & others.* In Canada, *Entosystem*, Black Soldier Fly proteins for animal nutrition & organic fertilizers, raised \$58M led by *Idealist Capital, Sanimax & Fondation. AgroSpheres*, biopesticides, closed on \$37M led by *Zebra Impact Ventures & Mirabaud Asset Management*, the round included *Lewis & Clark AgriFood, Ospraie Ag Science Ventures, FMC Ventures, BIDRA Ventures & Cavallo Ventures.* Malaysian startup *Qarbotech* secured \$1.5M with *500 Global, Better Bite Ventures, ID Capital, EQT Foundation & Epic Angels Limited* for its photosynthesis enhancement tech. *HungryPanda* raised \$55M led by *Mars Growth Capital* with *Perwyn, Kinnevik, 83North & Felix* involved. In Japan, mobile restaurant *app Dinii*, raised \$48M led by *Bessemer Venture Partners & Hillhouse Investment Management* with participation from *Eclectic & Flight Deck Capital.* In Sweden, research center *PAN Sweden & Lantmännen* received a €3.54M grant to develop plant-based proteins. *Mondelēz's* VC arm acquired a minority stake in healthy UK-based doughnut brand *Urban Legend.* CapV-owned Spanish chocolate company, *Natra*, acquired *Gudrun*, Belgian chocolates & truffles. *PepsiCo* will acquire tortilla-chip maker *Siete Foods* for \$1.2B. *CDPQ*, already owning a small stake *Saputo*, purchased an additional \$378M stake in the dairy processor. *LaSalle Capital* acquired coffee roaster *Cascade Coffee* from *Westward Partners.* Dairy cooperative *Prairie Farms* acquired dairy manufacturer *SmithFoods.* *Atalanta* acquired *Big Picture Foods*, maker of fermented organic olives, peppers & capers. *Authum & PAC* purchased 47% of the Indian snack foods company *Prataap* for \$101M. In Australia, *Nissin Foods* has acquired dumpling maker *ABC Pastry* for AUD33.7M. *FX Matt brewery* acquired *Ohza*, RTD mimosas & sangrias. *Lallemand* acquired ingredients business *CerealTech.* *Grain Craft* acquired *Central Milling*, one of the largest USA suppliers of organic flour. *Once Again* acquired *Big Tree Organic Farms'* Turlock, CA, almond facility. The Brazilian government gave additional approval of *Minerva Foods'* acquisition of 13 facilities from *Marfrig Global Food.* *Conagra* may look to reshape its portfolio through divestiture & acquisition. *Kaho Partners*, an investment building companies through organic & acquisitions growth, has formed *Global Flavors Group* platform to acquire food manufacturers focused on international cuisine.

UNFI reversed a downward trend in 4th QTR with a 10% revenue increase but reporting a \$37M loss. *McCormick* posted 3rd QTR net income of \$223M, up 31% YOY on a slight sales drop. *Conagra* saw an increase in 1st QTR net income due to an income tax adjustment, but adjusted EPS dropped 20% & missed target; revenue was down 3.8% due to *Hebrew National* production disruptions & *Ardent Mills'* weak performance.

Target has plans to open stores in nine states in October. *Ollie's* will open 10 stores in Texas in former *99 Cents Only* stores. *Natural Grocers* plans to close its downtown Denver location due to security & theft concerns. *Associated Food Stores* debuts an 1800 sq. ft. store at Utah Tech to cater to student life. *Lidl* opened a store in the Bronx. *Giant Eagle* will expand its *FlyBuy* partnership to reduce wait times for delivery drivers. *Walmart* will use *Symbiotic* technology to automate regional distribution centers in Buckeye, AZ, & Searcy, AR. *Save A Lot* will use *ReposiTrak* for supply chain & food traceability across its franchises. *Albertsons* is the first customer to test *Afresh's* new forecasting solution, using it at 17 distribution centers. Procurement processing application *Procurant* launched *Price Watch*, an AI solution to provide buyers comprehensive monitoring of internal fresh produce buying trends. *Serve Robotics*, robot sidewalk delivery & drone delivery provider *Wing Aviation* will partner to expand autonomous food delivery. In Israel, *Kinoko-Tech* has struck a deal with *Hela's Metaphor Foods* to produce minimally processed fungi-fermented foods for the Asian/Pacific market. *CVS Health* will eliminate about 2,900 jobs to lower costs. Weak market conditions, particularly in QSR, have led *Lamb Weston* to close a processing facility, curtail manufacturing in North America & reduce its global workforce by 4%. *AB InBev's Anheuser-Busch* will invest \$16M to expand its Los Angeles brewery for its newer canned beverages. *Kellanova* will invest £75M to boost production at its cereal plant in North Wales. *Ferrero* opened a *Kinder Bueno* plant in Illinois, creating 200 new jobs. *Batory Foods* added a 16K sq. ft. innovation center in Wilmington, IL. *The Mart Group* opened a \$65M, 100K sq. ft. facility in Idaho to support its frozen baked potato brand *OH!Tatoes.* *Corbion* will expand its research & production capacity in Mexico. *Belgian Boys* launched a variety of *Grab & Go* breakfast options. *Stryve Foods* will enter the pet snack space. *Every Body Eat* released clean-label, allergen-friendly *Cookie Bites*, with three SKUs, free from the top 14 allergens. *DEUX* released a *Maple Glazed & Pumpkin Spice Donut Holes* for fall. *Milkadamia* launched *Organic Oat Milk* sheets, printed by a giant 2D printer; the consumer tears off a portion of a sheet, adds water & blends for under a minute or soaks it overnight to make oat milk. *Hormel* will offer oven ready bacon. *Otis Spunkmeyer* launched a *Birthday Cake Cookie*, individually wrapped & suited for c-stores & vending. *McDonald's* will offer a chicken *Big Mac.* *BrightFresh Microgreens* will expand in *Walmart*, doubling its volume. *The EVERY Company* secured a patent for its eggless ovalbumin produced via precision fermentation. **ALL EARS!!** favorite fast, healthy salad stop, *Salad & Go*, will launch *Salad & Go Charities* to promote healthy food choices & education in areas of need. Pittsburgh's iconic *Primanti Brothers*, 44 locations, is under boycott pressure after refusing entry & service to Vice-Presidential candidate JD Vance despite previously allowing Kamala Harris to hold an event. *Sweetgreen* debuted in North Carolina. *Starbucks* is buying coffee plantations. The USDA's Farm Service Agency will make \$58M available to organic dairy producers for marketing assistance, continuing to add to the deficit & attempting to buy votes. California banned six synthetic dyes in school-served food starting in 2027. California will require package dates to be "BEST if Used By" to communicate peak quality & "Use By" to communicate product safety. *Breyers* settled a \$9M lawsuit over misadvertising its *Natural Vanilla* ice cream. In the UK, advertising regulators have banned another *Huel* ad for misleading claims, the second time in two months. California *CVS* workers have authorized a strike. The Eastern & Gulf Coast port strike began; more than 300 trade groups urged this failed & clueless administration to step in to prevent supply chain disruption & shortages & another round of policy induced inflation; the strike was tentatively settled on Thursday with workers getting a whopping 62% raise with negotiations to be completed by January 15. In a remarkably idiotic article, *Business Insider* claimed the war against organized retail theft was absurd, as most criminals are homeless or mentally ill; providing exoneration from theft, property destruction & terrorizing customers & employees without answering how they get the cars & vans to roll up in & get away, & if they are so ill or destitute how are they smart enough to organize & attack?

R.R. Donnelley & Sons reported 88% of consumers are frustrated with high prices & only 55% remain loyal shoppers as 45% are willing to find alternatives. *Coresight Research* predicts that the \$1.5T USA retail grocery market will expand just 1.1% this year, compared to 3.9% in 2023; inflation is driving the growth as unit volume contracted. From *Brick Meets Click/Mercatus*, *Walmart* has increased in penetration with higher income families due to its online marketing. Food options make a difference as *Wawa* topped the *American Customer Satisfaction Index Convenience Store Study 2024.* According to a *VTEX* survey, 69% of consumers purchase groceries online in some channel.

MARKET NEWS: Markets were higher for the week. The ten-year treasury yield rose significantly. September saw 254K jobs added with the unemployment rate at 4.1%. The government (government, healthcare, social services) amounted to 113K or 44.5% as the government continues to suffer from IBS. Some good news, food & restaurant jobs rose by 69K. Jobless claims were higher than expected. Job openings increased. Foreign born employment is up by 1.27M in the last 12 months while native born American employment is down 1.2M! ISM manufacturing index contracted as did the Services PMI.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

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