



# ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

**"OUR EARS SPAN ALL FIELDS"**



**IN 1930, PINE TOWNSHIP**, Pennsylvania had nine villages & a total population of 2600. Heilwood (founded as Possum Glory) was the big town with the high school & mine company headquarters! The other unincorporated hamlets were each just a clump of houses & a few hundred people. So backwoods, the bishop only came every few years to perform the Rite of Confirmation. We have a photo of the 1934 confirmation class, with both my 14-year old dad & 9-year old mom, who was born 100 years ago today. Their families lived next to each other. At the time, most people met their spouse through family, so it did not take nine TV seasons to explain *"How I met your mother!"*

**ISOLATED MEETING:** For most of mankind's history, mere survival was always questionable. Survival required a strong family unit & a cohesive community, banning together to do the work & provide protection. Whether it was a prehistoric encampment, a medieval village, or a town on the American frontier, travel outside the village was limited & dangerous. So it's not at all surprising that most people married someone they met through their family, community, neighborhood or church. Under these circumstances, it was very likely your spouse shared your beliefs, values, heritage, experiences & more. There is a chart that has been floating around the internet that shows how couples met from 1930 to 2024. In 1930, most people met their spouse through family, then school, friends, neighbors & church. More than 85% of couples met through these channels; less than 4% met at college & meeting someone at work was miniscule! This chart provides many insights into the socioeconomic & cultural changes that have taken place in our society over the past 95 years. The Great Depression brought social upheaval. Marriage & birth rates fell to all-time lows as people were unsure of the future & their ability to raise a family. Route 66 was open for business & dust bowl families migrated to the west coast for jobs in factories & on farms. Men & some women migrated to northern & east coast cities looking for work. By 1940, meeting through friends overtook school for second place on this list & bars & restaurants replaced church in the top five spots. Our society was transitioning from a family unit orientation to a society that was more transitory with single people having more social options. By 1943, friends overtook family as the #1 way people met their spouse, certainly understandable as young men left home to go to war & women left home to find jobs in factories & businesses to support the war effort. As much as we like to think of the 1950s as the idyllic nuclear family setting (à la *Happy Days*, *Leave it to Beaver* & *Father Knows Best*), the share of people meeting through family shrunk rapidly! The number of people that met through friends, school, bars & co-workers continued to increase due to the shift in our culture as more women entered college & the workforce. These channels would continue to grow through the end of the century. Meeting through friends (28%), at college (8%) & through co-workers (15%) peaked just after the millennium. From a social standpoint, school & careers were very important during the last 20 years of the 20<sup>th</sup> century. There were yuppies (young upwardly mobile professionals) & DINKs (dual income no kids) while *The Bell Curve* focused on societal classes separating based on intelligence & economic potential. In the 1990s, meeting a spouse online began to appear, an indication of the coming isolation of America's younger generations. Since the millennium, there has been a rapid & phenomenal change in how people meet their spouse! By 2012, online meetings surpassed friends as the #1 channel for people to meet! By 2017, online meetings had a greater share than friends, co-workers & bars combined as the channels of college, family & church continued to shrink. In 2024, the chart shows more than 60% of couples met online! The traditional ways people met – family, neighbors, school, church – totaled just 11% of all couples! Not surprisingly, less than 1% of all couples now meet at college! Think of what has taken place over the last two decades, as technology has caused people to feel isolated from other humans. The internet brought a constant barrage of information, misinformation, lies, propaganda & more. Media, one political party, & schools & colleges promoted identity politics; segregation by class, race & gender; & victimhood. They also targeted masculinity, disparaged the Judeo-Christian religions & beliefs & demonized our American history & culture, claiming these to be the sources of all problems. They elevated & glorified the causes of individuals & groups demonstrating criminal, evil & depraved inclinations. They promoted selfishness & self-absorption – the idea that an individual's problems, desires & supposed uniqueness matter the most – while giving nothing but superficial lip service to the self-absorption & then only when it is a community of like-minded people. The atmosphere & teachings at colleges & universities became abhorrent to many males; women now outnumber men on campus almost 3:2! From socioeconomic philosopher Thomas Sowell, *"Too much of what is called 'education' is little more than an expensive isolation from reality."* Without cohesive family units; no long-time neighbors with a true community spirit; low attendance at churches & synagogues; non-inclusive school environments; a lack of close intimate friends; an ever increasing number of remote workers & gig workers; & increased job movement due to fewer career goals, it's no wonder that the feelings of isolation & loneliness continue to overwhelm those of marrying age & increase their self-absorptive attitudes! From the Dalai Lama, *"Too much self-centered attitude brings isolation. The result is loneliness, fear & anger. The extreme self-centered attitude is the source of suffering."* Yet, the human condition thrives on connection. From singer-songwriter Annie Lennox, *"The worst thing someone gets is isolated. Isolation is the darkest part of any condition."* People realize they need the human connection; from *Back to the Future* & *Forrest Gump* director & producer Robert Zemeckis, *"We don't function well as human beings when we're in isolation."* We can see what has occurred in our society, with a report this week citing the increase in the number of young people (especially young women) claiming a mental illness! Unable to turn to family, friends, church or a reliable network of college & school friends, the only choice for finding a soul mate that shares values, experiences & beliefs becomes technology, which ironically is the source of the isolation! We all seek to find, through a chance isolated meeting, that one special, unique person who will be at our side & fight with us for mankind when technology takes over the world & the robots rise against their human creators. This week, my so-much-better-than-me-other-half & I celebrated our 27<sup>th</sup> year together, so trust me when I say that these words from GK Chesterton could not be truer: *"There are no words to express the abyss between isolation & having just one ally. It may be conceded to the mathematician that four is twice two. But two is not twice one; two is two thousand times one."*

**INDUSTRY NEWS:** *InvestBev* is a new investor in *Lucky Energy*. *NuTrail*, granola & snacks, raised an undisclosed amount from *EagleTree Capital*. Sour candy maker *Joyride* (AKA *Project 7*) raised a \$30M round. *Wellness Holding* acquired a 49% stake in Italian mineral water *Acqua Filette*. In the UK, hydration company *Humantra* raised an undisclosed amount from *JamJar Investments*. *Mondelez's Sustainable Futures* fund made investments in *eAgronom* (soil health), *ZIRO* (merchant financing) & *Pack2Earth* (compostable packing). In India, B2B distribution management app *Udaan* raised \$114M led by *M&G Investments* & *Lightspeed*. In the UK, supply chain insights platform *Treefera* raised \$30M led by *Notion Capital* with *Albion VC*, *Triple Point*, *Twin Path Ventures* & *Endeit Capital* involved. In Japan, *Wada FoodTech* raised \$5M co-led by *MindWorks ETEC Fund* & *Golden Resources Development International*; *Wada's* technology

delivers hot meals remotely through a self-serve kiosk vending machine. In France, *Kumulus Water* raised €3.1M from several VCs, family offices & private investors for its technology to remotely make water from air. *Post Holdings* raised its 60.5% ownership stake in *8th Avenue Food & Provisions* to 100% in a \$880M deal. *Conagra* will sell its *Van de Kamp's* & *Mrs. Paul's* seafood brands to seafood producer *High Liner Foods* for \$55M. *Misfits Market* acquired *The Rounds*, a New York-based startup restocking recurring essentials in reusable packaging. *Sartori* acquired organic cheese & butter producer *Rumiano* & *Masters Gallery Foods* acquired *Rumiano's* converting & distribution division in Willows, CA. Kombucha & soda maker *Rowdy Mermaid* was acquired by PE-firm *Next in Natural*. Private equity firm *Swander Pace Capital* has acquired family-owned, private label donut maker *Maple Donuts*, founded in 1946 by the Burnside family in York, PA. Upcycled bean snack *Remix Snacks* was acquired by its co-packer *AM Ingredients*. In Australia, *Cargill* purchased 100% of Australian beef processor *Teys Investments*. Brazilian dairy company *Piracanjuba* acquired *Natulact's* cheese production facility in northeastern Brazil. *Nestlé* acquired a minority stake in Indian pet food brand *Drools*. In Canada, *Village Farms International* will privatize its fresh produce business to focus totally on its hemp business. *General Mills* will complete the sale of its USA yogurt business to *Lactalis* following approval from the DOJ. *Cal-Maine Foods* completed the acquisition of breakfast foods maker *Echo Lake Foods* in a \$258M cash transaction. *Dave's Hot Chicken* was acquired by private equity firm *Roark Capital* for \$1B. *Harvest Group* acquired *Next Step Club Solutions*, a boutique *Costco* brokerage firm specializing in club retail expertise. *Circana* completed its acquisition of the advertising effectiveness platform *NCSolutions*. *Pyx Health*, a health care engagement company, has acquired *FarmboxRx*, which delivers fresh fruits & vegetables as a covered healthcare benefit. *Farm Credit Canada* has committed to invest \$2B into Canadian agriculture concerns by 2030. In Austria, *Arkeon Bio*, technology to convert carbon dioxide to protein, has filed for insolvency. Popular Phoenix bread company *Noble Bread*, sold at groceries, its own eatery & featured at many of the area's best restaurants, has filed for Chapter 11 bankruptcy protection. *Nordic Foodtech VC* had the first close of its second fund at €40M, on its way to an €80M target.

Both *Dollar General* & *Ollie's Bargain Markets* widely surpassed 1<sup>st</sup> QTR estimates; *Dollar General* cited a decrease in theft & shrinkage, certainly an outcome of this Administration's efforts to remove criminals. *Dollar Tree* cited an expanded product set for solid 1<sup>st</sup> QTR performance across key metrics. *Campbell* reported 3<sup>rd</sup> QTR earnings that beat estimates, though EPS was slightly lower YOY; changing consumer preferences are pressuring the *Campbell's* snacks segment. *Brown-Forman*, maker of *Jack Daniel's*, missed on 4<sup>th</sup> QTR targets & the stock price fell 15%; the company reported future earnings to be impacted by weight-loss drugs & legalized cannabis competition.

*Sprouts* reported plans for 120 new stores with 85 leases signed; this week a new Philadelphia location opened. *Publix* opened its second store in Lexington, KY. *Wawa* opened its first store in Indiana. *Target* is drawing praise for its traditional American month of June merchandising, very different from previous years. *Costco* kept its banana prices flat despite tariff concerns. *Amazon Fresh* is reportedly lowering prices. In the first quarter of 2025, USA purchases of *Amazon's* everyday groceries & household essentials grew more than twice as fast as all other categories, comprising 33% of all orders. *Aldi* will reduce prices on 400 products for the summer. Also, *Aldi* now has 600 stores in Australia. *DeCicco & Sons* will deploy *Simbe's* store intelligence platform. In the UK, *Morrisons* will once again supply the *London Vegetable Orchestra*, a group of classically trained musicians using instruments made entirely from fresh vegetables including carrots, courgettes, potatoes, swedes, pumpkins & aubergines. *Gopuff* will launch an organic vegan *GOAT* gummy line with Tom Brady. *Teton Waters Ranch* will add three new grass-fed beef products to the six *Whole Foods Market* already carries: classic hot dog, frozen burger patties & breakfast sausage patties. *Tyson Foods' Wright Brand* debuted three new premium sausage link SKUs. *Kind* will launch grain-filled energy bars made with oats, millet, buckwheat, amaranth & quinoa. *Alec's Ice Cream* has launched a line of probiotic snack cups. *Nestlé's DiGiorno* launched a *Wood Fired Style Crust Pizza*. *Little Spoon* has introduced meals in pouches. *Purely Elizabeth* launched a protein oatmeal line with 10 grams of plant-based protein, a variety of grains & dried fruit. *Mush* added to its overnight oats offerings with *Protein Overnight Oats*. As if that is not enough protein, *RXBAR* has launched a protein line. *Haribo* recalled its *Cola Candy* in the Netherlands after cannabis was found in the product. *Amyris & Ingredion* will end their *RealSweet* joint venture; *Ingredion* will take over commercializing the *RebM* fermented sweetener. *Meala FoodTech & DSM-Firmenich* will partner on creating a pea-based protein for fake meat. *Bel Group* will discontinue its plant-based cheese brand *Nurishh* & shut down its French production site. *Cargill* will invest \$90M to modernize its Fort Morgan, CO, beef facility. *Mastronardi Produce* will add 48 acres of greenhouse space to two facilities located in Minnesota & Iowa. *Darigold* opened a new facility in Pasco, WA, to manufacture butter & powdered milk products capable of processing 8M tons per day. For the first time in its history of *Tillamook*, the dairy cooperative is operating a production site outside of Oregon with a new ice cream plant in Decatur, IL. *Grillo's Pickles* will build a \$54M In Indiana. *Momence Packing*, owned by *Johnsonville*, will close its Illinois facility resulting in the layoff of 274 employees. *Seviroli Foods*, frozen pasta maker, will close its manufacturing facility in Bellmawr, NJ & move production to other facilities. *Big Idea Ventures*, *Mars Petcare*, *AAK*, *Bühler* & *Givaudan* will launch its 2025 *Global Pet Food Innovation Program*. Biomanufacturer *Liberation Labs* has rebranded as *Liberation Bioindustries*. *Kubota North America & Agtonomy* will partner to add autonomy capabilities to *Kubota* tractors. USA dairy interests are lobbying to return whole milk & 2% milk to schools; the proposal passed in the Senate. Texas joins 30 states with laws requiring labels on products containing certain dyes & chemicals that are not safe for human consumption. *Grocery Outlet* is being sued by the state of Oregon over deceptive pricing claims. *DoorDash*, *Grubhub* & *UberEats* settled their lawsuit with New York City over minimum wages & fee caps. *Chobani* won a lawsuit that allulose is not a sugar in its *Zero Sugar* yogurt. *David Bar* has been sued over its *Epogee* acquisition by companies who will no longer have access to their supplier.

From *Brick Meets Click/Mercatus*, online grocery purchases will grow at 8.9% annually while in-store purchases will grow at 1.7%; online grocery sales will be 17% of sales by 2029. *Aldi* was named the cheapest supermarket in the UK, according to *Which? Research*. Peruvian mandarin exports increased 126% in April. Meat prices are higher, prices for eggs, sugar & energy continue to fall; sugar is at a four-year low.

**MARKET NEWS:** The S&P 500, DOW & Nasdaq all rose this week, rallying on a strong job report & an uptick in hourly wages; wages are now growing faster than inflation! Government job losses were the highest in more than 20 years, meaning there are less bureaucrats to make your life miserable! Job openings rose to 7.4M as companies seek American workers. Continuing jobless claims were lower & weekly jobless claims were slightly higher than expected. Recession fears (unnecessary to begin with) subsided as the economic data for May became available. Government agencies are reporting that producers & sellers are raising prices on non-tariffed goods but claiming tariffs as the reason! The FED continues to play politics to the detriment of Americans as they keep interest rates artificially high (4.5%) while their own models point to a 3.5% rate.

**SEEDS, SPROUTS, GROW, HARVEST!**

THE LITCHFIELD FUND – *Tom Malenka*

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