



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



AS A KID, I honestly believed aliens lived among us. Dad watched *Twilight Zone*, *Outer Limits* & *One Step Beyond*. My sister & I watched George Reeves on TV as *Superman* & read *Superman* comic books. I had plenty of proof! But the clincher were the TV commercials, from the USA government, requiring foreign *aliens* to register at the Post Office on a regular basis. If there are super-intelligent aliens out there, I doubt they would make contact. Whether AI-Biological or godlike creatures, they would find us ungrateful & unappreciative of the bounty this world, & especially this country, have provided. Then, imagine the complete embarrassment when they say, "Take me to your leaders!"

LEADERS: America & the world have been blessed with great leaders. We expect our leaders to have the integrity of Washington, the intelligence of Lincoln, the courage of Teddy Roosevelt, the will of Churchill, the drive of Patton, the compassion of Gandhi, the patience of Ike, the vision of Kennedy & the humor of Reagan. Of course, the world & America have also had terrible leaders with terrible qualities & policies: the weakness of Wilson, appeasement practices of Chamberlain, the perversion of Nero & Caligula, the corruption of Harding, the pandering of LBJ, the economic incompetence of Carter & the genocidal ruthlessness & opposition silencing of Hitler, Stalin, Mao, Pol Pot & many others. Sadly, since January 20, 2021, these terrible qualities & policies are all we have seen from the two so-called leaders at the top of our government. Our leaders since January 2021, have displayed a weakness on the world stage that has led to border encroachment & war; intensified saber-rattling by our longtime enemies; & allowed foreign countries to empty their prison & mental institution inmates into our country through our unprotected borders. Our leaders have appeased our enemies with cash, traded villainess arms dealers for silly sport stars - villains who now openly sell weapons to terrorists to attack our allies & to eventually attack us. Our leaders have infested our government, businesses, schools & societies with perverted biological pseudo-science; allowed women & child to be freely trafficked & molested; promoted reverse racist propaganda; & populated the government with a group of whackos which propriety prevents me from describing. Our leaders have laundered money from foreign entities to enrich themselves & their families, all while covering up the families' crimes & misdoings, citing the catch-all 'disinformation' lie. Our leaders are pandering to their followers, initiating student loan forgiveness (against the SCOTUS ruling) & proposing plans to support only people who meet distinct racial parameters or sexual inclinations. Our leaders have initiated trillions in spending on foreign wars; bolstered foreign economies by placing America Last; allowed illegal immigrants to take jobs from needy Americans all while overwhelming our social security, welfare, FEMA & law enforcement agencies. Our leaders have attacked fossil fuel & funded worthless green projects to drive up the cost of everything, increase personal debt, decrease personal wealth & weaken spending power & wealth creation. By their policies, our leaders have led a genocide against their own American people, allowing the worst criminals – murderers, cop killers, rapists, sexual predators & others – on our streets to incite fear, panic & mayhem. Our leaders support evil regimes that call for genocide, even allowing these evil maniacs to protest on our streets & campuses, shouting Death to America & Death to Israel! Our leaders support abortion on demand, with eight states allowing abortion at birth or after! And finally, our leaders have weaponized the government & media to attack one man, their opponent, & his millions of supporters. Yes, it would be an embarrassment to introduce our visitors from another galaxy to our babbling, incoherent & just plain stupid leaders. Regular readers know that every October 25, **ALL EARS!!** celebrates leadership. We do this because on this date in 1415 Henry V delivered his St. Crispin's Day speech to his *Band of Brothers* at the Battle of Agincourt. It was on this day in 1944 when Commander Ernest E. Evans turned his tin boat Fletcher-class destroyer around to charge an overwhelming Japanese naval armada that intended to destroy the American Army as it was landing on the island of Leyte. Despite losing his ship & his life, Cmdr. Evans' actions caused the Japanese to believe they were at the disadvantage; they departed the battle, saving my father who was among those landing at Leyte. America, this land of opportunity, Greatness & freedom, needs & deserves a leader with integrity, intelligence, courage, will, drive, compassion, patience, vision & humor. America needs a leader, like Henry V, who can move seamlessly among the people to inspire them to Greatness! America needs a leader with the FIGHT, FIGHT, FIGHT of Cmdr. Earnest E. Evans to take on the overwhelming sewer of government & media slime that are constantly on the attack. In just a few short weeks, America can choose to have such a leader or continue to plunge into the dark abyss of this current leadership & their America Last policies. Unfortunately, most people want a leader & government who will quickly hand them a perfect country that meets their very specific concerns. They do not want a leader who will put into action what the people really need, the foundations & mechanics of a small non-bureaucratic self-government led by servant leaders (as our Founding Fathers intended), that allows each individual to rise to his or her own personal greatness. If the American people can see past their hate, bias, bigotry & media-brainwashing, they may not get the government they want, but if they try, they just might find, they will get the government they need!

INDUSTRY NEWS: *Blue Stripes*, cacao fruit-based food & beverage, raised \$20M led by *Zintinus* & included *Hershey*, *Whole Foods Market*, *DMG Ventures*, *Hamilton Lane* & *Praesidium*. Baby food brand *Cerebelly* raised \$10.5M from undisclosed investors. *Döhler* invested an undisclosed amount in *Nukoko*, a UK developer of chocolate made from fava beans. *UOBO* raised €500K led by *Enzo Ventures* & will partner with *Cubiq* on egg replacements. *MOMMENPOP*, Napa-based citrus aperitifs, raised \$500K. *Liberation Labs*, fermentation technology, raised \$3.39M, partly with a promissory note from *Agronomics*. *Viridian Renewable Technology*, recycling food waste into animal feed & fertilizer, raised \$2.5M from an Australian government fund backed *Breakthrough Victoria*. Regenerative agriculture systems *AEA* will partner with Turkey-based precision Ag tool provider, *Topraq* to expand regenerative agricultural practices; *Topraq* will also invest in *AEA*. *Agtonomy*, AI-driven agricultural autonomous equipment, raised \$32.8M led by *Autotech Ventures*. In Copenhagen, *Bemakers*, raised €3.5M to enhance its European beverage distribution platform. *Sallea*, cultivated food tech, raised \$2.6M led by *Founderful* with *Kost Capital* participating.

SpartanNash will acquire *Fresh Encounter*, a 49-store grocery chain with locations in Ohio, Indiana & Kentucky. *Hy-Vee* acquired *Webster's Marketplace* in Wisconsin. *Wakefern* acquired the *Di Bruno Bros.* portfolio of specialty products, gourmet cheeses & cured meats distributed nationally. Food processor *OSI Group* acquired *Park 100 Foods*, a privately owned Indiana company that specializes in custom kettle-cooked food manufacturing. *Canna Holdings & KDSA Investment Partners* acquired *The Watkins Company*, spices & seasonings; terms not disclosed. *Almarai* acquired another dairy & cheese company, *Hammoudeh Food Industries*, for \$70M. *Hendler Family Brewing (Jack's Abby)* bought *Night Shift Brewing*. In Australia, *The Aussie Plant Based Co* was acquired out of receivership by Queensland-based *Smart Foods*. *Unilever* will exit Russia with the sale of *Unilever Russia* to *Arnest Group*. Chilean food processor *Carozzi* launched a \$6M fund to invest in agritech, foodtech, supply chain, manufacturing & pet care over the next three years. *Seven & i* investor *Artisan Partners* considers *Alimentation Couche-Tard's* revised bid to be superior to potential results from restructuring & is asking the *7-Eleven* owner to enter due diligence.

Albertsons had 2.5% comparable growth in 2nd QTR; a slight increase in revenue beat estimates as net income fell though adjusted EPS beat forecasts. *Just Eat Takeaway* had a down report on weak North America revenue. After reporting a nine-month sales decline, *Nestlé* has cut its earnings forecast & will reshuffle its geographic organization & leadership. *CVS Health* has lowered its forecast & named David Joyner as the new CEO; the stock dropped on investor concerns.

Save A Lot will collaborate with *Leavers Supermarkets* to develop new Hispanic grocery format. *Fox trot* opened its 3rd Chicago area store & restarted its eCommerce delivery. *Trader Joe's* will open two new stores in Sparks, NV, & Mt. Pleasant, SC. *Aldi* is promising a Thanksgiving meal feeding 10 people for \$47. Also, *Aldi* is planning 4 new stores in Florida. *Gelson's* opened its premium c-store banner, *ReCharge*. *The Pickle Factory*, a store focused on fermented foods, will open Jacksonville, FL. *Amazon* is piloting micro-fulfillment robotics technology from *Khosla Ventures*-backed startup *Fulfil* at a *Whole Foods* supermarket. *Fareway* will launch a new premium grocery brand, *Truly Yours*, that includes truffles, caramels, mini pies & sandwich cookies. Following shrinkflation complaints, *PepsiCo* will add chips to bags. *Farm Rich* has added four new frozen snacks to the company's lineup. *Sauz* will bring a new flavor to 1825 *Target* stores. *Bonduelle* launched fresh *Bistro Loaded Bowl* salads. *Butterball* is launching a new frozen whole turkey offering. Plant-based frozen dairy treats *GoodPop* will now offer organic dairy ice cream sandwiches. *Coleman All Natural Meats* will add a turkey bacon offering. *Daily Pure* launched shelf-stable, RTD milk in aseptic packaging. *Subway* introduced a ghost pepper habanero & paprika-seasoned bread choice. In Korea, *McDonald's* will serve tomato-less burgers due to crop shortage. *Umiami Foods* is changing its name to *Swap* as it prepares for expansion. *Burcon NutraScience* launched the *Puratein* canola protein isolate, to be used as an egg replacer in bakery applications. *Diageo* has introduced *Everpour*, an on-site auto-bottle fill from a reusable larger keg. In Europe, *Starship Technologies* (robotics) & *Bolt* (delivery tech) will partner to expand robotic delivery. *Serve Robotics* will debut 250 faster & larger robots in Los Angeles in 1st QTR 2025 as part of its *Uber Eats* deal. *Walgreens* upped the number of store closings from 300 to 1200. *Amy's Kitchen* will lay off about 300 employees to improve processing efficiency amid labor disputes. European pork processor *Danish Crown* will lay off 500 employees to provide an annual cost reduction of around \$73M. *Shamrock Farms* will invest in a \$59M expansion of its Virginia facility. *Les Aliments Dainty Foods (Dainty Rice)*, owned by the *Marbour Group*, will invest \$20M to add ready-to-heat rice production lines to its Windsor, Canada facility. *Voyage Foods* opened a \$25M USDA-backed facility to produce 10k metric tons of cocoa-free chocolate annually. There was a protest at *Kellogg's* headquarters concerning the use of food dyes & additives, something being addressed by the *MAGA/MAHA* movement. *Bayer & Dollar General* will continue to partner to improve access to fresh produce for K-12 students & their families. *BetterBrand* continues to swirl in social media rumors. A cocoa agreement was reached between *Hershey* & its co-ops in Côte d'Ivoire. *Giant Eagle* is being sued for removing their parking lot security in the Cleveland area by a young mother who was stabbed & her 3-year-old child murdered in the parking lot. The *BrucePac* recall is growing & includes *Amazon, Costco & Walmart*. In Nebraska, one of the nation's only two combined fish & vegetable farms has been burned beyond repair, killing 80K salmon along with crops. Roger Wheeler has been promoted to president of *Stop & Shop*. *Wayne-Sanderson Farms* announced Kevin McDaniel will become CEO in April 2025. The *Consumer Brands Association (CBA)* named Melissa Hockstad president & CEO beginning in 2025.

RaboResearch projects USA private-label groceries will hit 25-30% market share in next 10 years. Grocery sales rose 2.5% in September, hitting \$75.3B. From *Placer.ai*, *Sprouts Farmers Market* & *Trader Joe's* had exceptional foot traffic growth in the past quarter (8.1% & 8.7% respectively); *Sprouts'* wider selection of products resulted in 20% private label share of sales, with private label sales at *Trader Joe's* accounting for an 80% share of sales. From *Swiftly*, 75% of consumers believe that the outcome of the Presidential election will directly affect everyday prices; 68% say grocery costs & inflation are major factors when voting with 70% of consumers reporting that are struggling to afford their groceries. The benchmark for world food commodity prices saw its fastest increase in 18 months in September, with quotations up for all covered commodity groups, per the FAO. *Per Bain & Company*, holiday spending will not grow as fast as in 2022 & 2023 as more consumers are worried about the economy & their financial stability than a year ago. The *International Bottled Water Association* reported that 89% of Americans said water is among their most preferred beverages, up 6% over the last 2 years; 69% cited bottled water was their favorite, up 4% in the same time frame. *Circana* reported that plant-based beverage consumption in 2023 fell 6.6% to 337.7M, a second straight year of declines & the lowest consumption since 2019. Also, from *Circana*, while alt-meat sales slide, frozen alt-meat sales are showing resilience. Wine sales declined 8% in August, with premium wines over \$100 down 12.5%, per the *Wine & Spirits Wholesalers of America*. Big chocolate producers are pushing gummies & other candy to offset inflation & supply issues with the cocoa crop. Per *Attest*, less people are buying cheaper food as they see inflation increasing at a lower rate but still increasing. A study from *YouGov* sadly shows GenZ is more concerned about climate-friendly & mission orientation than the actual taste, quality & functionality of food. Peruvian citrus exports hit a record level so far in 2024.

MARKET NEWS: Markets hit records during the week. Credit card delinquencies are at a two year high, per *Deloitte*; *Deloitte* is forecasting the slowest holiday growth in 6 years. The Small Business Administration's disaster loan fund is out of money.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND — *Tom Malengo*

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