



ALL EARS!!

The Litchfield Fund Weekly Newsletter

“We just don’t hear it on the street, we have our ears spread across all the fields!!!!”



Litchfield

It’s January & across corporate America division executives are running around like chickens on our grandmas’ farms whose heads are cut off! Why? The CEO has just asked for a new 5-year strategic plan to replace the failed 5-year strategic plan *developed just 12 months earlier!* Two of the 20th century’s greatest leaders, Winston Churchill & Dwight D. Eisenhower, must have worked in corporate America! Neither were fond of plans but both agreed on the value of *planning*. They knew how *planning* was different than a plan! In Sir Winston’s words, “Plans are of little importance, but planning is essential.”

Preparedness, not a plan: Churchill & Ike were certainly students of Sun Tzu’s wisdom on *preparedness*. “Plans are nothing; planning is everything,” was how it was expressed by Ike. *Operation Overlord*, the invasion of Europe at Normandy, as a plan was, to a degree, a failure. The untested 29th Infantry Division barely got a foothold at Omaha Beach, Sainte-Mère-Église was a near disaster, and weeks were spent crossing the hedgerow. But meanwhile troops & supplies were continually brought to shore, counter intelligence confused the enemy, and the RAF & USAAF overhead provided protection & firepower. In truth, the 29th Infantry could have been pushed back to the sea & D-Day would have failed, if they had not been supported by nine companies of the best *prepared* fighting men on Earth, the U.S. Rangers! More than 2 years of preparing went into D-Day; the war ended just 11 months later. Interestingly, Ike’s ratio was similar to Lincoln’s, who would sharpen his ax for 4 hours to chop a tree for 2 hours!

Corporations focus on, *and desperately want*, plans – sales plans, financial plans, marketing plans, project plans, etc. – instead of just properly preparing. All this effort despite the overwhelming evidence to the futility of plans! Barbara Tuchman, in *The Guns of August*, her Pulitzer Prize winning history of the first month of WW1, states “... plans, prove fallible in the presence of those ingredients that are missing in maneuvers - danger, death, and live ammunition.” Perhaps corporations should heed the eloquence of boxer Mike Tyson: “Everyone has a plan ‘till they get punched in the mouth.” At **The Litchfield Fund** we will focus on our *preparedness* for 2015. While we may not foresee every opportunity or every roadblock, we will be ready for whatever comes our way! As J.R.R. Tolkien said in *The Hobbit*, “It does not do to leave a live dragon out of your calculations, if you live near him.”

So at **The Litchfield Fund** we will approach 2015 with our eye on preparedness & leave the multi-page plans to the Fortune 500 CEOs!

Performance: On December 31, 2014, **The Litchfield Fund** closed its books on 2014, our first year in business. Our balance sheet is strong. Our portfolio returned more than twice the Dow

& S&P and outpaced the NASDAQ by 30%. As we took no capital gains, we reported a small loss against dividend & interest income. In all, a successful first calendar year, with eyes toward growth & opportunity in 2014!

A crazy thing happened on the way to the...White Castle: In news that shocked the Natural & Organic world & literally stopped the industry dead in its tracks, *White Castle* announced that it will be introducing a Veggie Slider! While **The Litchfield Fund** wholly supports any & all attempts for healthy and more natural foods in our diets –*Is nothing sacred?* Somewhere there should be a place for the greasy nickel burger founded in 1921 that got America eating beef again after Upton Sinclair scared the public in 1906 with *The Jungle!* *White Castle* created the hamburger bun, the concept of fast food, and efficient kitchen techniques in its clean, white porcelain, often copied restaurants. It appears the slider is headed toward oblivion, like searchlights, D(uck)A(ss) haircuts, and Muscle Cars!*

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

v1issue29.01.03.15

*There will be no Veggie Sliders in Mudville. White Castle closed its five remaining Northeast Ohio stores on Christmas Eve 2014!