



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

All Ears!! pays tribute to its all-time favorite holiday, the Fourth of July! Yes, it should be all about celebrating America’s birthday & that for which She stands, but when it comes to holidays, what could be better? A hot sunny summer day, parades, baseball, barbeques, pools, grass-fed all natural hotdogs, organic watermelon, fireworks, the list of fun goes on & on. But then again, we are *All Ears!!*, and as the saying goes, we should be *knee high on the Fourth of July!* After all, the seeds we planted this spring sprouted into our first investments in June, and we hope to soon see them *as high as an elephant’s eye!*

You’re doin’ fine! On March 31, 1943 the most American of American Musicals, *Oklahoma!* opened on Broadway to unprecedented critical & box-office acclaim. The musical about the romance of Curley & Laurey set in 1906 Oklahoma Territory ran for a then record 2,212 performances! What most people don’t realize is that *Oklahoma!* was the first-ever collaboration of composer Richard Rodgers & librettist Oscar Hammerstein III. Rodgers had worked for decades with Lorenz Hart whose alcoholism had caught up with him by the early 1940s. Hammerstein had worked with a number of composers over two decades, and despite an Oscar for the song “The Last Time I Saw Paris” with Jerome Kern, he could not claim recent successes. One thing that made this collaboration work so well is that it for the first time each composer worked in a way that produced their best work!! Hammerstein liked to write the lyrics then have those lyrics set to music. Rodgers liked to have the words in front of him when he composed. Neither man had been able to work this way with their previous partners! More importantly, *Oklahoma!* set a new standard for musicals, a fully integrated story where the production numbers & songs enhance the plot & story! And Rodgers & Hammerstein became legendary & synonymous with the American Musical!

The Litchfield Fund hopes that our recently announced investments & partnerships with Baltimore-based *B’More Organic* and *Harvest Soul* in Atlanta will produce legendary results! We are excited to collaborate with both of these exceptional young companies and hope to see them *grow elephant-eye-high!* Our young company received quite some attention through the press releases and we have been pleased to develop several new industry contacts & relationships! Perhaps not quite the acclaim *Oklahoma!* received in 1943 (and we know that investing is not like riding in a *Surrey with a Fringe on Top*) but for the briefest of moments do enjoy feeling like *everything’s going our way!*

Earnings news: General Mills (**GIS**) announced flat revenue & a (comparable) EPS increase year- over-year but a \$260M write down of the Green Giant brand resulted in a 30¢ EPS for

their fourth quarter. **GIS** will move resources away from the frozen food & canned vegetable brand. The mixed vegetable & sauces products of Green Giant do not appeal to the younger consumer seeking freshness & transparency. **GIS**'s yogurt products & organic products see continued revenue growth.

ConAgra (**CAG**), with a new CEO in charge & activist investment company JANA Partners in the fold, did as analysts expected and announced that they will find a buyer for their troubled private-label operation purchased only recently from Ralston Corp. Analysts reacted positively, with increased ratings & price targets. **CAG** rose more than 1% this week as quarterly earnings were in line with analyst expectations and showed mild growth despite the underperforming private-label operation.

Portfolio news: Zacks gave Boulder Brands (**BDBD**) a positive growth score with a short term price target of \$10.14 & the most bullish analyst giving a longer term target of \$18. Hain Celestial (**HAIN**) announced that nine of its teas, including Sleepytime Herbal Teas, received Non-GMO Project Verification. United Natural Foods (**UNFI**) has an average BUY rating and a \$72.08 average price from analysts covering the stock. Whitewave Foods (**WWAV**) continues to accumulate BUY ratings & looks to have long-term strength to continue its rally. Bank of America lowered **GNC** to an UNDERPERFORM rating. However, nine analysts give **GNC** an average 1 year target of \$49.22, 10% higher than this week's closing price. Sprouts Farmers Market (**SFM**) may not have reached a bottom but analysts are giving it an oversold status and the company received several BUY & OVERWEIGHT ratings. Analysts also suggest Whole Foods Market (**WFM**) is oversold. **WFM** apologized this week for overcharging its customers for packaged foods.

Market News: The real fireworks this weekend may be in Greece as voters decide whether or not Greece remains in the European Union. While it is hard to understand the politics, a YES result means Greece accepts EU austerity plans and remains in the EU. It also means a no-faith vote for the government in Athens. A NO vote will cut Greece loose to float in the Aegean Sea!

A last thought: Freedom does not always look as we think it should. One individual's rights extend only until they infringe upon another individual's rights. Freedom is fragile & it is not free. Remember those who have died to for this Freedom for as Voltaire said "I do not agree with what you have to say, but I'll defend to the death your right to say it."

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

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