



# ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



**BACK IN MY DAY**, as we are wont to say, students had to memorize the dates of important events. The Magna Carta was signed in 1215. Columbus sailed the ocean blue in 1492. The Pilgrims landed in 1620. And of course, our Nation was founded in 1776. Some years become iconic because of the amazing events that took place, such as 1969 when the USA landed on the moon & the upstart Mets won the World Series. Some years stick in our mind because of tragedy & the subsequent human suffering that followed: the bombing of Pearl Harbor in 1941 & the attack on the Twin Towers in 2001. So what historical significance will this new year bring to us?

**HISTORIC OR NOT?** Great novelists & poets are likely to compare a new year to an oyster, slowly opening to reveal a beautiful pearl... or we may just find the same sand grains that were irritating us the year before! Being neither a great novelist nor a poet, I am more apt to compare the new year to something more fitting to my family & roots: a coal mine! You begin the year 2026 by digging a new shaft, hoping to find a vein of luxurious, beautiful clean coal. Perhaps you will, or maybe you will just keep tunneling through the same hard rock that you did in 2025, maybe you will hit a pocket of methane or natural gas, or perhaps you will just keep laboring, endlessly, wondering when the walls might cave in! A new year is supposed to bring new opportunities, challenges & successes & an improvement from the past. People are supposed to be kinder, nicer, wiser in a new year, learning from the past to better their futures & make it better for all those around them. But does much really change from year to year? Let's look to the past for a few examples of what the new year brought with it.

Without any randomness, let's review 1926 AD, 100 years ago! On January 1, 1926, my mom & dad were children in the coal mining & farming hills of Western Pennsylvania. Dad was the second youngest of seven. Two had already passed away: a sister who passed at age one in 1919 from the Spanish flu & a teenage brother who died from pneumonia in 1923. My mom was the first of five, though an older brother had already passed away as an infant. Their life at that time was much more primitive than life in the big city during the Roaring Twenties, which was starting to look very much like our world today. In those Pennsylvania hills, there was no running water. Water for cooking, washing, cleaning & bathing was gathered at a town well. Houses were heated by a coal-burning stove, cellars were finally dug in the 1940s to add a coal burning furnace. There was no telephone service until the late 1940s. The toilets would remain outside for the next three decades. There was no electricity, & when electricity became available it was just for only a few hours a day until the war, when electricity was needed to keep war production & people working around the clock. So in 1926, there was no radio in their homes, the only news was provided by newspapers, magazines or by word of mouth. Today, it would seem a luxury to have our whole world confined to just a few dozen families in a small hamlet. But a lot was happening in the world in 1926, some of which would alter the future! And as different as the world was 100 years ago, in many ways, many of the problems, issues & troubles were exactly the same.

Let's step back & see what was happening in the world in 1926. Despite World War I ending in 1918, Europe remained in a state of volatility. Belgian & British troops finally pulled out of Cologne after eight years of occupying the Rhineland following the end of the war. I may have lost count, but Greece went through four coup d'etats, dictators & presidents! Portugal & Poland each had two coup d'etats, while several other European states had their governments overthrown once that year! In Spain, Francisco Franco became a general; he would lead the rebellion to overthrow the Second Spanish Republic & remain dictator until his death in 1975. That Spanish Civil War would serve as the proving ground for the German Nazis' land & air military tactics. There were two attempts by the communists to assassinate Italy's fascist dictator Benito Mussolini. Mussolini reestablished the death penalty & had all the communists arrested. (Please Note: Mussolini was a communist until he graduated to become a fascist, because fascists make more money: Fascism is merely communism with a thin veneer of capitalism, meaning the insiders get rich.) The Locarno Treaties were signed by the European powers, establishing the inviolability of their borders. (Sadly, the European Union didn't study its history lessons very well. Interestingly, Britain's first mosque was completed & opened in 1926; 100 years later due to unchecked immigration, traditional English culture has been lost & there are an estimated 2,000 mosques in Britain.) Meanwhile, the German Weimar Republic signed a neutrality & military support pact with the Soviet Union, the first of several that would lead to the Nazis & Soviet Union overrunning Poland to start World War II. Leon Trotsky & Lev Kamenev were thrown out of the Politburo of the Central Committee of the Communist Party of the Soviet Union, losing the power struggle with Josef Stalin; Trotsky was exiled to Mexico & assassinated by Stalinists in 1940. Ireland placed a ban on 'evil' literature. At the beginning of January, Britain had its own Orson Wells' 1938 War of the Worlds broadcast panic. Despite opening announcements that the broadcast was satire, a BBC radio play about a workers revolution caused widespread panic. In fact, it may have led to a year of general workers' strikes, led by the coal miners. The strikes & unrest were not resolved until December when Britain finally ended a yearlong state of emergency!

Unrest & rebellion was not just limited to Europe. The USA intervened in a rebellion in Nicaragua. In Mexico, the government decided to enforce anti-Catholic measures from their 1917 Constitution that were intended to limit the power of the Catholic Church, causing a rebellion that lasted until 1929. China spent most of the year at war as various warlords & groups attempted to consolidate power. Vietnam's last monarch was crowned in 1926. Hirohito became Emperor of Japan; he would remain the titular head of state through World War II & well beyond, until his death in 1989. The French Navy bombarded Damascus during the Syrian rebellion & riots that were heavily supported by the Druze community. The Muslim/Druze conflicts were already centuries old at that time & a situation that our current Administration is still dealing with today! Across the Middle East & Northern Africa there were rebellions, new kings & shahs. In Australia, there was a short lived secessionist movement.

So the world was far from peaceful in 1926, with many of the same disputes, issues & prejudices existing that we are dealing with today. We can be thankful we have a President who has made peace both a priority & a purpose of his Presidency. Hopefully because of his mission, as we see these geopolitical events unfold in 2026, we won't someday come to find these events were merely preludes to larger, more global conflicts & issues. But back in 1926, it was unlikely that my family in those isolated Appalachian hills in an Italian community knew anything about these global happenings. In fact, my mom's father didn't even learn to read & write in English until my mom attended grade school, learning alongside her.

Besides the geopolitical landscape, there were many other interesting events that took place in 1926, some of which today's social media mavens would have loved! Within a few weeks of each other in early May, both Robert E. Byrd & Roald Amundsen each claimed to have been the first man to fly over the North Pole. Byrd's claim was in dispute, some suggesting he never could have made it to the pole & back to Norway in the time he was gone. (Later investigation revealed a possible oil leak caused his aircraft to turn around 150 miles short of the pole!) Could you have imagined the Twitter (sorry, X) war that would have taken place between the two men today, with followers of Team Dick & Team Roald backing them up? Speaking of X, Robert H. Goddard launched the first liquid-fuel rocket in March 1926. One wonders if he then went looking to buy a social media platform for \$2.79B (the equivalent of \$44B in 2022) to publicize his launch! American Gertrude Ederle was the first woman to swim the English Channel & then tried to financially capitalize on her fame in vaudeville with aquacade performances. She had little success & unfortunately was unable to open an Only Fans account at that time. Imagine today's media, mass & social, dealing with evangelist Aimee Semple McPherson disappearing off a California beach, then appearing a month later claiming to have been kidnapped; or the Queen of All Detective novelists, Agatha Christie, disappearing for more than a week only to be found in a hotel under her husband's mistress's name! Today's media would have had a field day with both these events, with 24/7 news coverage & speculation from a long list of retired cops, FBI agents & district attorneys. But if these two disappearances took place today, each woman's cover would probably have been blown by someone posting a video of Aimee at a *Shake Shack* eating a burger & Agatha picking up tea at a *Starbucks*!

The climate change radicals would have enjoyed 1926. The Berlin International Green Week, a food & agriculture fair, debuted in Germany. Fortunately, there was not one faux-meat, faux-dairy, carbon-capture, soil-fermentation, CEA farm or mushroom-derived paper bag company for investors to invest in & lose billions of dollars. (If there had been, the Great Depression might have started early.) Hurricanes a month apart devastated Miami (100 dead & \$100B in damages in today's dollars) & Cuba (650 dead). A freak hailstorm destroyed the village of Rocquebillier on the French Riviera. And in England, the Council for the Preservation of Rural England was founded to limit urban sprawl. All that was missing was a radicalized teenage girl from Sweden & crazy former Vice President of the USA!

Of course, there are several events from 1926 that are still impacting us today! In Scotland, John Logie Baird demonstrated a mechanical television system for members of the Royal Institution & the London Times. In the USA, a weather map was televised for the first time by the Naval Radio Station in Arlington to the Weather Bureau office in Washington, D.C.; the first panic-inducing TV weatherman appeared a few hours later. Henry Ford introduced the 5-day, 8-hour, 40-hour work week; yet Baby Boomers still work 60 hours a week while Gen Zers seek 30 hours a week for their perfect work/life balance. The USA began numbering roads & America's Mainstreet & Mother Road, Route 66 opened, the thoroughfare for Dust Bowl refugees during the Great Depression. Westinghouse, General Electric & RCA formed the National Broadcasting Company & the NBC Radio Network began operations with 24 stations, ushering in the era of fake news. The United States Congress passed the Air Commerce Act to license pilots & planes while today California, Washington, New York, North Carolina & other liberal run states issue CDLs to illegal aliens who can't read or speak English & then terrorize our highway safety. In 1926, the United States National Bar Association was incorporated & attorneys immediately began the processes of overbilling their clients & creating frivolous lawsuits to make more money. PCP, the dangerous angel dust hallucinogen, was first formulated. Real estate on Wall Street & Broadway hit a record \$7 per square inch & despite screams about the lack of affordability, it took another hundred years for New York City to elect an antisemitic communist mayor who ran his campaign based on affordability! On a happier note, the silent movie *Don Juan* was the first movie using Warner Bros Vitaphone system, with music & sound effects playing on a record alongside the movie. A year later, Warner Bros would release the first talkie, *The Jazz Singer*, starring the legendary Al Jolson. In 1926, the restoration of Colonial Williamsburg began, funded by the Rockefellers. And everyone's childhood got just a bit better in 1926 when A.A. Milne brought us that honey-loving bear, Winnie-the-Pooh!

The year 1926 gave birth to many historical figures who would have an impact on history & culture. Elizabeth II was born in 1926 & would become England's longest serving monarch. Also born that year were writers Harper Lee & Allen Ginsburg; jazz greats Miles Davis & John Coltrane; space pioneer Gus Grissom; IKEA founder Ingvar Kamprad; civil rights leader Ralph Abernathy; Beatles producer Sir George Martin; Cuban dictator Fidel Castro; TV game show host Peter Marshall; everybody's favorite housekeeper Ann B. Davis & a list of iconic names, including Hugh Hefner, Marilyn Monroe, Jerry Lewis, Don Rickles, Andy Griffith, Mel Brooks, Tony Bennett & Chuck Berry. Think of how different our world today would be & in many cases, how severely lacking our history & culture would be, without these people! (Though we certainly could have done without the Cuban despot!)

There are estimated to be about one million centenarians in the world today, about 100,000 living in the USA. Think of what these people have seen in their lifetime. Their earliest memories are filled with economic depression & war. They have seen technology develop at a mind boggling pace after being born in a world of rudimentary mechanical & electrical advances. They have seen diseases eliminated from the Earth, other diseases, including man-made diseases, arise. They have seen man break into outer space & go far beyond, as Voyager 1 is still sending images to Earth from 15B miles away, the equivalent of one light day! They have seen more war & many an uneasy peace. And if they were born in one of those remote or rural areas like my parents, they may have gone from little awareness about the world during their childhood to having everything known to man available in an instant on a phone in their hand. Writing this on this New Year's morning, a bit bleary-eyed from a later than normal bedtime, we can't help wondering, as we all do, about what this year will bring. Will a child be born who will one day change the world, hopefully for the much, much better? Will some small seemingly insignificant event set the stage for a much larger, more impactful event in the future? Will the world, & even just our little world, find a lasting peace? So we will keep tunneling through that same hard rock, do all we can to keep the walls from caving in & crushing us under its weight by propping up the tunnel's walls with our faith, spirit, desires & gumption, & keep digging for our beautiful clean coal - our marvel, our miracle, our light, our own amazing history at the end of the tunnel!

**INDUSTRY AND MARKET NEWS:** *Lemon Perfect* reportedly raised \$9.7M. *Melt&Marble*, fermented yeast strain fat, raised €7.3M led by *Industrifonden* with participation from the *EIC*, *Beiersdorf*, *Chalmers Ventures* & *Catalyze Capital*. *Lantmännen Unibake* will acquire Italian par-baked & frozen bread maker *Panificio San Francesco*. *Brothers International Food Holdings*, a subsidiary of *Benford Capital Partners*, acquired *Food Partners*, a supplier of citrus, juice & fruit ingredients. *Wholesaler Granite State Fruit Company* filed for Chapter 7 bankruptcy. *Sprinkles Cupcakes* closed all its retail locations & cupcakes ATMs without notice on December 31. *Weis Markets* will implement *VoCoVo's* communication solutions to equip associates in stores across Pennsylvania, Maryland, Delaware, New Jersey, New York, West Virginia & Virginia with headsets & keypads for seamless real-time communication. Seven months after its acquisition by *Chobani*, smoothie & meal brand *Daily Harvest* is relaunching its DTC business. *Vital Farms* forecasts \$2B in sales by 2030. *Post* will eliminate 71 jobs as part of a decision to cease production of some products at its plant in Michigan, including *Honeycombs*, peanut butter & granola. Food manufacturer *Sugar Foods* added a 617K sq. ft. production & distribution facility in Whiteland, IN. *Mountain West Food Group* is recalling nearly 3,000 pounds of product due to E. coli risk. *Grupo Bimbo* is suing the USA for refunds of payments on tariffs they claim are unlawful, though the Constitution explicitly allows for tariffs. *Sweetgreen* co-founder Nathaniel Ru will retire from his role as Chief Brand Officer. *dunnhumby* named *Costco* as Canada's top grocery retailer. For the first time in five years, fluid milk consumption rose in the past year. Asparagus prices are falling on larger volumes. Rain has slowed the California strawberry harvest. Markets were lower for the week. Final returns for the year show the DOW rising 13.4%, the S&P 500 up 16.4%, the Nasdaq up 20.4% & the Russell 2000 rose 11.3%. Small business optimism was reported higher for November. Initial jobless claims were below expectations.

## SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malaga*

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