



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



A CHILD IS BORN. He is wrapped in rags, then laid in a manger. A manger is a trough, filled with food to feed the barn animals. It is in this manger the child sleeps, his existence so humble that he lies where the smallest lamb will find its food to eat! The child is unaware of a star that shines in the night sky. A star so bright the shepherds awake in fear. A star so intense & before unseen that wise men from far away see it as a sign. The child does not hear the singing of angels, the sheer joy of the heavens. Does the child know of the promise He has brought? The shepherds, the wise men & all of those forgotten do. They know in their hearts; the child has brought the Promise of Peace.

THE PROMISE OF PEACE: Every child is born with a promise. A promise from God or the universe or destiny or just old Mom Nature herself that this unworthy & derelict species will be given one more chance to survive, thrive & perhaps fulfill the promise of everlasting peace & goodwill. Of course, as we look at the world today, it seems this promise has been unfulfilled. In this, the supposed season of peace, we see nations at war, terrorists who attack innocents, criminals who prey on the weak, public & private feuds & domestic leaders who speak & act divisively. In a world so challenged, how can we find the peace of a sleeping newborn? It would seem the easiest way is to turn off the world – the TV, radio & internet – to retreat from the endless supply of misery the world coughs up. But as Virginia Woolf wrote, *"You cannot find peace by avoiding life."* Some will say there can be no peace without justice. But justice for whom, as we constantly see innocents persecuted & evil-doers be free to thrive? Many a philosopher, theologian, social activist & even Albert Einstein will tell us that peace comes through understanding, but understanding is also a two-way street. It would seem, in this current state of the world & society, that the babe in the manger did not fulfill the promise. Or did he? Scripture reminds us that He did not leave us a peaceful world, or leave us in peace, but gave to us His peace. From John 14:27, *"Peace I leave with you; my peace I give you. I do not give to you as the world gives. Do not let your hearts be troubled & do not be afraid."* The Buddha tells us, *"The only way to bring peace to the earth is to learn to make our own life peaceful."* But how can inner peace, a peace in our hearts, bring peace on a wider societal or even international scale? The Dalai Lama shares, *"We can never obtain peace in the outer world until we make peace with ourselves,"* & 19th century English essayist William Hazlitt writes, *"Those who are at war with others are not at peace with themselves."* How does inner peace translate to a more peaceful world? Chinese philosopher Lao Tzu explains, *"If there is to be peace in the world, there must be peace in the nations. If there is to be peace in the nations, there must be peace in the cities. If there is to be peace in the cities, there must be peace between neighbors. If there is to be peace between neighbors, there must be peace in the home. If there is to be peace in the home, there must be peace in the heart."* How can we find an inner peace? How can we fight the daily & endless worries, stress, conflicts to find a true peace in our hearts? Thomas Aquinas, in the *Summa Theologica*, provides some wisdom & guidance. Aquinas reminds us that peace is not found in the outer world, simply because of agreement or understanding between men. Peace comes from understanding the desires of one's own heart, understanding the reality of each desire & finding satisfaction with those desires. Fulfillment, the peace of the heart, comes from knowing which of those desires are most important & seeing them attained. But peace, for Aquinas, of both heart & soul, cannot be found without charity, for it is when man extends himself to others that he is most satisfied. The act of charity can be simple, as Mother Teresa wrote, *"Peace begins with a smile."* Finally, Aquinas tells us that peace, like joy, is not a virtue in itself, but that it is the exercise of a virtue – a peaceful, charitable heart sharing goodwill. Inner peace can also be achieved through faith. The child in the manger did fulfill the promise not by just giving to us His peace. He gave to us his teachings & taught us how to teach, about government, men, freedom, evil, love & understanding. He taught us about forgiveness, not just the forgiveness that opens the gate to Heaven, or the forgiveness of those who transgress against us, but to forgive ourselves for merely being human – fragile, fearful, weak & sometimes petty. He taught us about the sheer power of love. And while He may have slept with the innocence of the lambs, He awoke with the courage of a lion! Then simply through the power of His words & the example he set, he brought the most powerful of wicked doers to their knees & raised the weakest to exultation. He rose again fulfilling the mystery of our faith. In a world ready to discourage you, it takes courage to have a faithful & peaceful heart – the courage to trust in yourself, to know yourself & to have the faith to know you are always doing the best you can – for yourself & for those around you. His example teaches us that a courageous, peaceful & faithful heart can change the world around us – as we believe He did! This world may never be a peaceful place; human nature may never allow for it. But Albert Einstein reminds us what courage can do: *"The world is a dangerous place to live; not because of the people who are evil, but because of the people who don't do anything about it."*

INDUSTRY NEWS: *Nine Banded Whiskey*, a producer of whiskeys & bourbons, raised \$10M led by *No Sleep Beverage*. *Algoma Capital*, the lending arm of *Growth Beverage*, closed a seven figure non-dilutive strategic transaction with *Off Hours Bourbon*. *TowerBrook Capital Partners* made a majority equity investment in *Demakes Enterprises*, a manufacturer of more than 250 specialty protein products. Food saving platform for restaurants, bakeries, grocery stores & hotels, *Munch*, raised an undisclosed Series A round led by *Piton Capital* with co-investment by *FJ Labs*, *Fiedler Capital*, *Silicon Gardens*, *STRT Holding* & private investors. USA ag biotech startup *NewLeaf Symbiotics* closed a \$45M Series D led by *Gullspång Re:food*, with participation from *Otter Capital Partners LP*, *S2G Ventures*, *Leaps by Bayer* & others, to continue to develop its crop biologicals. *Deep Agro*, an AI AgTech startup based in Argentina, closed a \$2M seed round led by *Draco Capital* with *Grupo Dacas*, *BYX Ventures*, *Innventure* & *Pampa Start*; *Deep Agro* uses AI to help eliminate weeds to reduce the dependency on agrochemicals. *Solar Foods* & *Ginkgo Bioworks* have been awarded €5.5M from the *European Innovation Council Pathfinder* program to fund *HYDROCOW*: a project to produce whey protein via precision fermentation from microbes fed with carbon dioxide & hydrogen instead of sugars. The EU will invest €50M in 2024 to help startups & small businesses scale up the production of alternative proteins using methods such as precision fermentation. *ADM* will acquire *Revela Foods*, developer & manufacturer of dairy flavor ingredients & systems with \$240M in sales & Dallas-based *Highlander Partners'* holding *Fuerst Day Lawson*, a British global provider of customized specialty ingredients to the food, beverage, fragrance & chemical industries founded in 1884. *GrubMarket* acquired Miami-based *A&B Tropical Produce*. *FirstFruits Farms* acquired *Applewood Orchards* & *Applewood Fresh Growers*. France's *Boncolac* acquired *Cakesmiths*, a provider of sweet & savory snacks to coffee shops; terms not disclosed. *Castle Harlan* purchased bluefin tuna rancher *Baja Aqua-Farms*; terms not disclosed. Investors are pressuring *Corbion* to explore strategic options, including going private. *Springdale Ventures* closed its second fund at \$40M.

General Mills saw revenue slump in 2nd QTR as consumers searched for lower priced goods amid this administration's inflation, earning beat expectations. *Costco* topped all estimates in its 1st QTR report.

Dom's Kitchen & Market will add its fourth store in a suburb northwest of Chicago. *Fairway Market* now offers 30-minute delivery in NYC. *BJ's* will modernize inventory management in a partnership with *Nextuple*. *Costco* is selling 1 ounce gold bars. *Golden Dough Foods* & the *Girl Scouts of America* will launch *Thin Mints* brownies at *Sam's Club* stores nationwide. *Coca-Cola* is adding *Minute Made Spiked*, a new alcohol offering. *General Mills* will introduce *Cherrios Veggie Blends*. *Beyond Meat* will add burger patties to *Costco* stores. *Home Chef* will partner with *Delish* for recipe innovation. *Loveland Products*, an affiliate of *Nutrien Ag Solutions*, will partner with *Ascribe Bioscience* to commercialize two new crop protection products containing *Ascribe's* biofungicide, *Phytalix*. *King's Hawaiian* will invest nearly \$200M to build a new food manufacturing facility in Taylorsville, IN. Utah's *Farmstead Manufacturing* will expand its commercial baking plant to support its wholesale, eCommerce & catering business growth. *Giant Eagle* will move into a new headquarters building in suburban Pittsburgh. *Delivery Hero* closed in hubs in Taiwan & Turkey in a push to cut costs. Twenty-nine workers at a Tennessee cheese factory were sent to the hospital after a leak of anhydrous ammonia. The NY state assembly is entering a bill to force faith-based *Chick-fil-a* to keep certain locations open on Sundays. The French parliament is looking to ban cultivated meat. Celebrity chef Andrew Gruel will no longer add restaurants in California as the state's soft on crime policies impact business & costs.

In a study from the University of Connecticut, dollar stores have decreased sales at independent grocers by 5.7%. From a *Goldman Sachs* report, 21% of c-store retailers will increase the physical space for beverages with a focus on energy drinks & BFY products which are driving sales. *Nissin Foods*, *Hershey*, *Kellogg*, *Campbell Soup* & *Grupo Bimbo* were among the 20 most trustworthy companies per a *Newsweek* & *Statista* survey. *Hormel* was named one of America's Best Run Companies for 2023 by the *Drucker Institute*. From *Achieve*, 59% of USA consumers will spend as much this holiday season as last year, 50% will take on debt to pay for the holidays with 37% said it will take them two or more months to pay their bills. From *NielsenIQ*, holiday food prices are up 7% YOY & 18.5% since Christmas 2021. From *Pilgrim's Pride*, consumers are choosing pork over turkey during the holiday day season due to price & availability. From Ohio State University Researchers, snacks account for about 20% of daily calories in the average diet but 33% of the sugar consumption. In a *Frito Lay* & *Quaker Oats* study, 60% of Americans feel they have less than one hour a day to prepare & eat meals with 35% saying less than 30 minutes. *Natural Grocers* forecasts that lab-grown meats will be rejected by consumers in 2024. *Rabobank* forecasts a 1.5% to 2% growth in 2024 poultry sales.

MARKET NEWS: The pre-Christmas rally paused midweek after the market indexes had a long winning streak but regained momentum later in the week. Core PCE was 3.2% YOY & durable goods costs came in much higher than expected. GDP was revised downward.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

V10issue27.12.23.23

The Litchfield Fund is a family owned & operated limited liability corporation. We do not solicit or accept investment from outside individuals or entities. Opinions contained in *All Ears!!* are ours & should not be considered investment advice or recommendations.