



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

1942. The most critical year in U.S. history, outside of the Revolution & the Civil War! And, no doubt, the most critical year in the course of human history! Hitler had control from Spain to Greece to Moscow to Norway. Britain was barely maintaining a foothold in North Africa, protecting the Suez Canal. The ancient fortress at Malta was all that hindered Italian control of the Mediterranean Sea. Japan had destroyed the U.S. fleet at Pearl Harbor & everything between India, the Aleutians, & Australia was theirs. The Wannsee Conference had issued Hitler’s Final Solution for the extermination of all Jews.

Remember: Memorial Day always leads us here at **The Litchfield Fund** to remember those who sacrificed to protect the freedom we hold so dearly. In May, 1942 that freedom was in serious jeopardy. The axis powers controlled Europe & Asia. German U-boat wolfpacks were destroying the US ships supplying arms & goods to our allies, often directly off the coast of New Jersey & Florida. Burning ships could be seen from shore. America’s industrial power was still being ramped up. And far off places with names nobody had ever heard of were falling into the hands of evil invaders.

This changed just a bit in early May, 1942 when the US Navy encountered the Japanese Imperial Fleet at the Battle of the Coral Sea. The US Navy turned back the advancing Japanese for the first time, scuttling Japanese plans to take Port Moresby. For the US, the victory opened up the possibility for the invasion of Guadalcanal & New Guinea later in 1942. But this victory came at a heavy cost. The US fleet carrier *Lexington* was sunk, the carrier *Yorktown* was damaged, and more than half their aircraft was lost.

The US knew Japan was planning another invasion, but did not know where. Unknown to the Japanese, the US had access to their radio transmissions. The invasion was planned at somewhere designated AF. Where was AF? In the first of many gambles, a far off post was instructed to send an open air message that the Japanese would hear. The post announced their ‘not secret’ message, that their water treatment plant was not functioning. Soon the US intercepted a Japanese communication. AF needs water. The Japanese were going to attack at Midway.

In today’s parlance, Admiral Chester Nimitz went ‘all in’. Hastily, the *Yorktown*, barely repaired, joined the USS *Enterprise* & *Hornet*. PBY Catalinas, B-17 & Avenger bombers, and other assorted, out-dated, & already obsolete aircraft for this type of warfare were assembled on the 2.4 square mile Midway Atoll. Nimitz ignored the Japanese diversion toward the Aleutians, and

despite heavy losses, the Japanese fleet was stopped through the heroics of the US Navy & its pilots.

But from this point forward, the United States had one serviceable fleet carrier in the entire Pacific Theatre. It is hard to imagine this in today's world, when the US can park 7 acres of sovereign US territory off a coast line and precision bomb targets 700 miles in land, that well into 1943 one, and only one, US aircraft carrier, commissioned in 1936, stood in the way of a Japanese invasion of the US homeland. The 'Big E', the USS *Enterprise* (CV-6), was alone against the Japanese. She fought battles, sunk battleships, and shot down planes, all while *Seabees* (Navy Construction Battalions --CBs) worked on her decks, fixed her flight elevators & repaired her waterline. These were not the regular repair personnel, the *Seabees* were employed due to a shortage of repair personnel, who were busy with repairs on other US ships. Legend or truth, one *enterprising* sailor placed a sign on the ship: The Enterprise vs. Japan. The 'Big E' was the only US ship to engage in all 20 of the major US seabattles during WWII in the South Pacific.

After the war, one airman from the USS *Enterprise* went back to St. Louis and went to work in a Cadillac dealership, rising to be its sales manager. In 1957, he took a paycut, put his own money at stake, bought 8 cars and started to lease them to customers of the dealership while their cars were in for repairs. Like Admiral Nimitz, this entrepreneur went 'all-in'.

Today, most people don't know names like John Waldron or Lofton Henderson, what these men did & why they died at Midway. They think that flying through Midway airport in Chicago is just easier than flying through O'Hare, and they don't realize why either of those airports carry their respective names. And when they stop to rent a car to safely drive to their destination, whether it be to enjoy the freedom of a family vacation, or to work in a profession they were free to choose, that the airman who started the rental car company, Jack C. Taylor, named his company for the ship he served. And those people really don't know what she, the USS *Enterprise*, stood for & stood against in 1942!

Portfolio News: News for stocks in **The Litchfield Fund** portfolio was incredibly scant this past week. ConAgra (**CAG**) agreed to an \$11.2M settlement from the Peter Pan salmonella case.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

v1issue49.05.23.15