



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



THIS WEEKEND was the neighborhood holiday changeover; deflating the compressed air jack-o-lanterns, scary clowns & demons; burying the skeletons & zombies & turning off the orange & purple lights. These were replaced with a few giant balloon turkeys & some pretty autumn colored 'Happy Thanksgiving' flags! In several front yards it was suddenly Christmas; with giant inflatable snowmen that won't melt in our Arizona sun & Christmas trees colorfully decorated with either classic white lights or happy red & green lights. But as I walked our faithful dog DJ & observed these decorations, I saw the societal cycle - the struggle for freedom - within these holiday decorations.

SOCIETAL CYCLE: It is likely that every civilization's first ruler was a thug, a despot, an enforcer. This man used terror to rise to his position, encouraging his followers to use violence to attain what they wanted. Together they cheated, lied, killed, propagandized, spoke blasphemy & gaslighted! These ancient tribes needed protection, so the one man who was the strongest, had the most followers & could fight off the enemies always rose to the top. These societies were just forming so there had to be someone to provide the law, make decisions, enforce the rules, keep discipline, hold control & impose their own brand of justice. The man at the top had all the power, made all the decisions & there was little freedom among the inhabitants. And of course, that man at the top & his most faithful & trusted lieutenants surely took advantage of the situation. They took the best society had to offer, either by tribute or by roaming the villages & countryside creating terror & violence to extract their booty! They lived better than everyone else! They gave their people just enough to keep them in line but always kept the best for themselves. Today, we call these rulers totalitarians, thugitarians, tyrants, terrorists – *my that's a lot of T-words* - kings, monarchs, socialists, communists, fascists & Democrats. And Halloween is their holiday! Think about it – give me candy or I will play a trick on you! I will unleash terror! The whole holiday is about terror! Halloween is the gateway to communism! Whether you are deserving or not, you get your treat, using terror if necessary! Halloween has always encompassed all the tactics of the American left – wearing masks & costumes, rioting, burning, looting, cheating & assassination! Unleashing terror until they get the coveted *Reese's Peanut Butter Cup!* They will shut down the government until they get their way. These leaders & their followers use riots & destruction to impose their will on society! They will collect taxes from good, hard working people to transfer it to their faithful followers & supporters who keep them in power. These leaders rag on billionaires, who likely sacrificed a lot to build their businesses, while they themselves fly in private planes & manage their giant illicit stock portfolios. And these leftist leaders constantly wear costumes, pretending to be someone they are not! They claim to have worked their way up from the slums of Houston but instead attended a private suburban girls school. They grew up in a wealthy Westchester County town, where the median income is three times higher than the national average, but claim to have risen from the *caserío público* in Puerto Rico. They claim to have eaten slop with their fingers from a bowl in a third world country when their parents were a college professor & an award winning filmmaker. And finally, they claim to have hustled their way *Straight-Outta-Compton* when their daddy was best friends with J. Paul Getty & managed the Getty family trust fund! Sociofascist despots also try to destroy religion or mark only one religion as acceptable, as during days of the Reformation or as imposed by terrorist religions in the Middle East & their global migrants. Over the centuries, these thugs & their followers have enacted all kinds of terror to destroy or impose a religion - torture, rape, mutilation, beheadings, hangings, genocide, pogroms & holocausts. But what these despots learn – be it Roman emperors, medieval Protestant or Catholic kings, sultans, socialists, communists & Nazis – is that people do not discard their faith without a fight. People will find a way to exercise their faith! They will take to the basements, the barns, the backrooms, the forests or grow the hedgerows high to worship & study! And even when people have little or nothing, as Viktor Frankl showed us, they can still find meaning, have faith, find the will to endure & to be grateful & thankful. And so we have Thanksgiving, the holiday where we give thanks for what we actually have! Not for what we want or what we hope for, but for the bounty we actually have today, whether it be money & all its trappings, our faith or the love we share with family & friends. When people make the decision to be grateful for what they do have, they begin to realize they do not need government or rulers to make decisions for them! It is not government that will make them happy. They become thankful for what they have earned & achieved themselves, not what has been granted by government. They no longer look to government to tell them what is just or not, what is fair or not, or what defines good versus bad. People realize they have been granted, by God not by Government, the right to live, think & speak freely. To work hard at what they want to do. To worship. To succeed. Society develops into a moral meritocracy. There is a restoration of faith. People realize they can rise on their own merit. They begin to judge people on their character, skills & talents & recognize when people are granted a position they did not earn or deserve. People no longer respond to terror & manipulation. And they begin to believe that people will be judged as they should be, get exactly what they deserve. That some power higher than we mere mortals will decide who gets a gift or who gets a lump of coal! And so we have Christmas! Christmas, as many have said, is when mankind is at its best! Its most giving, most generous, most caring, most faithful, most welcoming & the most self-aware. At its happiest, nicest, kindest. When walls fall & bridges are built. When man seeks peace & harmony. We realize we are rich, not just because of what we have, but because of who we are & the world we share with our loved ones! But like most societies, from the Greeks & Romans forward, largesse leads to destruction. People take what they have – their freedom, their liberty, their wealth, their loved ones - for granted. They ignore the obvious. There is too much excess, too much partying, too much drinking, bad choices & devastating consequences – New Year's Eve – when reputations are crushed & criminal records begin! Think of the athletes, actors, politicians, celebrities, societies & governments that have fallen from simple overindulgence, hubris, greed & excess! And while people may try to hold to a resolution, they just fall back into self-destructive behaviors. When a society or government collapses, it leaves a power gap. Whether in ancient Rome or modern day Africa or South America, a strongman steps in & the societal cycle, the struggle for freedom, begins again! John Adams warned us, "*Remember, democracy never lasts long. It soon wastes, exhausts & murders itself. There never was a democracy yet that did not commit suicide.*" Emerson wrote, "*Society never advances. It recedes as fast on one side as it gains on the other.*" Peter Kropotkin, 19th century Russian anarchist & geographer wrote, "*America is just the country that shows how all the written guarantees in the world for freedom are no protection against tyranny & oppression of the worst kind;*" implying even America could fall to what he referred to as *scum* politicians – exactly what happened in New Jersey, Virginia & New York City this week. A year ago, young men turned out in force to vote for what was in their best interests. They voted for jobs, safety for their now or future families, the protection of women & children! But this week, young women turned out in mass to vote for politicians that will not respect them, advance them or even protect them, but actually place them in danger! Perhaps this happened because of Halloween, the desire for unearned free stuff! Or maybe it was a lack of thankfulness for all they have & have accomplished. It could have been a post-Christmas largesse, a time to do something daring, not caring of the consequences or potential destruction, falling back into those suicidal, self-destructive behaviors! Yet once again, President Ronald Reagan, speaking in 1967, proves to have been sagely & frighteningly correct, "*Freedom is never more than one generation away from extinction.*"

INDUSTRY NEWS: *Cove Soda* raised \$15M led by *Vanterra Ventures* with participation from *Palm Tree Crew*, *RiverPark Ventures*, *Simple Food Ventures*, *Dipla*, *Kygo* & others. Sorghum snack *Cob* raised \$5M with Novak Djokovic as a co-founder & lead investor supported by *Bullish*, *Blanck Capital*, *Daxos*, *Furthermore* & *Venrex*. Fruit snack *Oddball* raised \$2M led by *Springdale Ventures*. Faux protein & egg brand *The Every Company* raised another \$55M led by *McWin Capital* with *Main Sequence*, *TO.VC*,

Bloom8, SOSV, Minerva Foods, Grosvenor Food & Ag, New Agrarian & others. Source.ag, AI management for greenhouses, raised \$17.5M led by Astanor. Faux seafood manufacturing Atlantic Fish Co. raised \$1.2M from Katapult Ocean, Alwyn Capital, DMV Capital, the Georgetown Angel Investment Network & others. In Iceland, First Water raised €24M to expand its land-based salmon farming. In Australia, Nbryo, genetics platform for cattle, raised \$10M co-led by Tenacious Ventures with AgriZeroNZ, QIC & Mandalay Venture Partners involved. Insect farmer nextProtein raised €18M co-led by Swen Capital's Blue Ocean Fund & British International Investment; the round includes €4M in debt financing. Ceres AI, agtech data intelligence, raised \$13M led by Remus Capital. Robotic kitchen startup Appetronix raised \$6M led by Donatos Pizza founder Jim Grote & family & AlleyCorp; Appetronix launched an automated pizza kitchen at Columbus International Airport with Donatos. Paine Schwartz Partner's portfolio company Urban Farmer, a contract manufacturer of plant-based specialty dough products, acquired Caulipower. PE-firm Cotton Creek Capital acquired Ne-Mo's Bakery, a producer of cakes, cookies, cinnamon rolls & other sweet baked goods. In Kansas City, Balls Food Stores acquired Schulte's Fresh Foods in Jefferson City, MO, who will continue to operate under the Schulte's banner. Taylor Farms acquired Natures Way Foods, a UK fresh prepared food manufacturer. Xceed Foodservice Group, a portfolio company of SF Equity Partners, acquired a majority stake in Stillwater Provisions, a Virginia-based food broker. Produce distributor FDP Group acquired Yen Bros. Food Service, a foodservice distributor based in Vancouver, BC. In Scotland, chocolate brand Made Uncommon purchased luxury chocolate brand Love Cocoa. Spanish cracker & biscuit co-manufacturer Cerealto acquired Fresca Foods in Colorado to gain a foothold in the USA. Mennel Milling Co. has completed the acquisition of the Toledo, Ohio, flour mill of Mondelez International. Utz Brands will expand its presence in California buying direct store delivery from Insignia International for an undisclosed amount. Silo Technologies acquired Pet Tiger, a Fresno based agricultural software company specializing in labor & field cost tracking for growers, packers & shippers. Denny's will be acquired by a group comprising TGI Fridays-owner TriArtisan Capital Advisors, Treville Capital & restaurant-operator Yadav Enterprises in a \$620 million deal, including debt. Alimentation Couche-Tard is looking to sell 26 Circle K convenience stores across 14 states. YUM! Brands is exploring a sale of Pizza Hut. Molson Coors will seek to use its cost savings from restructuring to acquire presence in the non-alcohol space. In Denmark, insect farmtech ENORM declared bankruptcy after restructuring failed; investors lost €50M. The Unilever demerger of its Magnum Ice Cream business is now scheduled for December 6. The founder of Miyoko's Creamery is seeking to buy the company out of liquidation, as it was unable to pay its debts.

Publix reported \$15.4B in 3rd QTR sales, a 5.2% YOY increase; comparable-store sales rose 3.4% & net income rose 7.8%. Comps & sales were higher at Weis Market in 3rd QTR, but net income fell. Grocery Outlet saw modest gains in the 3rd QTR but cut its full-year outlook. Sales fell at B&G Foods & the snack maker reported a net loss; net earnings grew slightly & beat Wall Street estimates. Barry Callebaut reported a mixed 4th QTR with shrinking margins projected to continue into future years. Marzetti posted increased revenue (6%) in 1st QTR with a miss on earnings due to restructuring costs on a plant closure; frozen bread helped drive results. Seaboard reported 3rd QTR revenue growth across all segments with income jumping to \$26M from \$6M. Monster Beverage beat 3rd QTR revenue & earnings targets. Celsius overwhelmed year ago results & 3rd QTR estimates, but the stock fell on concerns about the Alani Nu acquisition & the Pepsi distribution network. At Black Rifle, 3rd QTR revenue rose 3% & management reaffirmed full-year guidance of at least \$395M in revenue, a 35% gross margin & \$20M in adjusted EBITDA. McDonald's beat 3rd QTR growth projections but revenue & earnings recorded a slight miss to analyst projections; the company warned of low-income diners pulling back on buying. Cava reported 3rd QTR numbers essentially in line with projections but lowered full year guidance as younger & low income buyers reduce visits. Bloomin' Brands reported lower 3rd QTR sales & a net loss; the company has closed 21 Outback Steakhouse, Bonafish Grill & Carrabba's Italian Grill locations & will not renew 22 other leases as it seeks to turnaround its business. ADM lowered full year expectations as 3rd QTR margins were pressured; revenue was higher but income was impacted by impairment & restructuring charges. Ingredion's net income in 3rd QTR fell 9% & net sales were down 3% on lower demand. For Bunge in 3rd QTR, both net sales & EBITDA rose in its first report since its merger with Viterra. MGPI had a 9% improvement in 3rd QTR revenue but operating income took a hit due to equipment issues. Tate & Lyle reported disappointing first half results but saw strength from its CP Kelco acquisition completed last year.

Food Lion will invest \$484M to remodel 153 Charlotte area stores. Stop & Shop is offering a Thanksgiving dinner deal at less than \$40 for 10 people. Save Mart added two FoodMaxx banners after taking over two former Lucky locations in California. Whole Foods Market is piloting a store with a 10K sq. ft. automated micro-fulfillment center that provides name-brand groceries & household essentials sold on Amazon; shoppers can scan QR codes for the products as they traverse the aisles. A Kroger Marketplace opened in North Fort Worth, Texas. Kroger & Sprouts Farmers Market will pioneer Instacart's new AI Cart Assistant that allows shoppers to build baskets by conversing with an AI chatbot. Target is offering Thanksgiving dinner for four for less than \$20. Coca-Cola will reintroduce Mr. Pibb with more caffeine & a spicy aftertaste. Food For Life Baking launched an organic sprouted flourless pita bread as part of its Ezekiel 4:9 bread line. Saffron Road will introduce Saffron Road Frozen Entrees that are certified by the Seed Oil Free Alliance. Barry Callebaut announced a long-term partnership with Planet A Foods, to innovate faux cocoa-free chocolate alternatives. Hormel will cut 250 jobs as part of its restructuring efforts. Primo Brands will build a new 200K sq. ft. Mountain Valley bottling facility in Hot Springs, Arkansas. Poultry processing solutions company Meyn will invest \$65 million in a new 58-acre campus in Westminster, SC. Ardent Mills is closing two flour mills as well as a garbanzo bean processing/packing plant; each mill is more than a century old. PepsiCo is closing a pair of Frito-Lay facilities in Orlando, FL, terminating 500 positions as snack sales slump. Once again, failing faux meat provider Meati failed to meet payroll, resulting in layoffs. Wendy's will close 300 locations beginning this year; 140 locations closed last year. Cargill will lay off 80 employees at its Minnesota headquarters. Also, Cargill introduced a four-legged Boston Dynamics' robot named Spot to its Amsterdam crush & refinery plant that can inspect equipment, sense malfunctions & more. Afresh launched a new platform addition called Fresh Buying to modernize grocery distribution centers' management of perishable products. Sensient Natural Ingredients, a business unit of Sensient Technologies, has been renamed Sensient Agricultural Ingredients to distinguish the business unit from the synthetic color activities of Sensient's other food & pharmaceutical units. Magnum Ice Cream, which will be the spinoff of Unilever's ice cream business, has filed with the SEC that radical Ben & Jerry's chair & board no longer meets the criteria to serve. The USDA warned grocers not to offer SNAP recipients, whose payments Democrats have refused to fund, special offers not available to all customers. More than 7000 truckers who can not speak or write English have been removed from the roads to help ensure the safety of our roads & supply chain. Believer Meats secured USDA approval to launch its faux cultivated chicken. Listeria in prepared pasta meals from Nate's Fine Foods has killed six & hospitalized 25; a variety of meals were sold across the USA in retailers including Sprouts, Giant Eagle, Kroger, Albertson's & Trader Joe's. Black Rifle Coffee & tactical clothing & gear supplier Born Primitive are teaming up to pay \$25M in medical debt held by USA veterans. Sobeys' parent Empire Company appointed Pierre St-Laurent as president/CEO succeeding retiring Michael Medline. Alejandro Rodriguez Bas takes over as CEO at Grupo Bimbo as the current CEO steps aside due to health concerns. At California Dairies, Rob Vandenheuvel is the new CEO.

From the National Turkey Federation, 87% of families plan to include turkey as part of their holiday meal & 74% plan to serve a whole bird; most gatherings (71%) will include three to 10 guests. From Cypress Research, an overwhelming number of dairy processors are confident about 2026 business & plan to increase capital spending above 2025 levels. A study in Sleep Health showed that people who daily consume five or more fruits & vegetables servings could see a 16% improvement in sleep quality. China will import more than 120K tonnes of soft wheat, spring wheat & sorghum. Arizona, considered the capital of USA winter lettuce, celebrates Arizona Leafy Green Month every November. Meanwhile the Salinas Valley lettuce harvest comes to a close with a low yield & higher prices. Reuters reported that global world food commodity prices fell due to oversupply – wait, weren't we all supposed to starve due to climate change?

MARKET NEWS: Markets crashed this week on SCOTUS tariff concerns, the continuation of the Democrat led government shutdown, earnings reports & AI concerns.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – Tom Maloney

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