



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

As a kid on Cleveland’s east side there was an *IGA* on the corner of Lakeshore Rd. & we would walk there with Mom in late afternoon to pick up groceries for dinner. This was not today’s glossy stainless-steel supermarket! Wood floors, counters, high unreachable shelves, noisy old freezers & refrigerators. A caring owner spoke with the patrons & helped as they selected their items. In the summer, this little 3-year old always wore a baseball uniform my baseball-loving uncle had given me, along with a kid-size glove, a ball cap & a rubber baseball! When the grocery’s owner asked my name, I answered “*Mickey Mantle!*”

(The Litchfield Fund is, like Willie Nelson, on the road again! This week’s newsletter was pre-written.)

Past, Present, Future: If this *IGA* sounds a bit old-fashion & behind the times for even the 1960s, it was nothing compared to the ‘grocery’ in my parents’ little Pennsylvania hometown during the same era. Morris Gillo’s store was basically a general store! It was also the gas & service station & the post office! When my parents were married after WW2, they lived in the little apartment above the store & garage until they moved to Cleveland in 1951! Morris still had products on his shelves that his customers wanted, like *Mum Deodorant* & *Chipso*! Behind the meat counter in this mostly Italian immigrant village hung smoked meats & blocks of cheese turning green, the ones my grandfather, my Nono, said were just ripe enough to eat! The store smelled of garlic, fennel & fresh bread! And Morris was a lot more than grocer, butcher, pump jockey & postmaster – he also ran the slaughterhouse! He had the biggest house in this little village!

The best thing about Morris’s was when my grandmother, my *Nona*, would hand me some cash to run down to Morris’s for something she needed for dinner, or more likely, something she ran out of with a house full of grandkids. Now I could have taken the road, weaving down the hillside past my other Nona’s house, my Uncle Jim’s & Aunt Rose’s, my Uncle Sam’s & past the Abate & the Veltri House (*I said it was a small town*), crossing the railroad track on the switchback road, through the fields & farms to Morris’s. But what 6-year old boy would do that?

I was out of the kitchen in a flash & past the front of the house before the screen door slammed shut! Across the stony road & down the hill, picking my way through the rubble of the ancient tipple, like a G.I. at Monte Casino! Down the hill & across the railroad track so quickly, just like a member of the French underground! Then scaling the rock dump, the ‘dirty’ coal, mixed with rock & unlikely to burn, like a Marine on the black sands of Iwo Jima! Across the fields & through the woods, a paratrooper at Normandy! Yes, my imagination went along with the stories I had heard from my father & other WW2 vets, & those movies that we loved to watch!

Catching my breath, I would walk up on the backside of Morris's! They all knew who I was, but I believe none knew my actual name. There, in that store, I was *Leo's kid* or *Lucy's son*. Maybe I was Mrs. Tonelli's grandson, or something else that was mumbled in Italian with a laugh! I would find my quarry on my own or tell Morris what my Nona needed, which all went into a paper bag to run back up the hill! Sometimes, due to a busy telephone party line, I had to run down to Domingo's, the bar right next to Morris's, owned by his son-in-law, to tell my Dad it was time for dinner. There the men, who had lived through the depression, survived the war & now worked their farms or toiled in the coal mines, told their stories!

But back to supermarkets & groceries. Regular readers of *All Ears!!* know we carefully watch the retail outlet environment. We defer from predicting or forecasting at the beginning of the year; likewise, we are too prudent to take even a shot across the bow at the future of the retail environment. We know the product drivers – convenient, healthy, fresh, functional, artisan, international, clean, snacking, etc. – but how will it all play out? C-store or ecommerce? Supercenter or small market? Club or supermarket? Meal kit or prepared? Restaurant or at-home? Center store or perimeter? Fresh delivery or chosen personally? Totally organic or just non-GMO? Transparent or clean or really, really clean? We imagine that Newton, Spinoza, Locke & Hume would rather tackle the chicken/egg or Maryann/Ginger dilemma (Jennifer/Angelina for anyone under forty) before taking on this conundrum. *Or maybe they would just play bridge?*

It is certainly easy enough to just look at the trends, not taking into account all the variables & change occurring. Yes, C-store growth outpaces G-store growth & perimeter & fresh are winning over center store & processed. But satisfaction lacks on fresh delivery & quality of meal-kit ingredients is questioned. For meal kits, is 30-minute prep fast enough or is 20-minute or less prep required. Cold delivery remains an unresolved avenue. Consumers have varying perceptions of what clean, transparent, raw, natural, organic, humanely-raised, etc., actually mean. Supermarkets are entering the meal kit arena, every retailer delivers, some will stock your fridge & food services are pushing into prepared, snacking & C-stores! Will alternative meats have a growing market? Is *AMAZON* (shake your tablet or laptop for effect) buying *Whole Foods* earth shattering? There are so many questions, even before we talk about pricing, farming, weather, supply chain, regulation, foreign trade, investment, etc. *I bid two spades.*

About 10 years ago I drove past the *IGA* in Collinwood. It was hard to pick out where it had been among the few proprietors & boarded-up store fronts. In my parents' hometown, a post office was finally built, Morris stopped fixing cars & pumping gas & subsequent generations closed the store. But those memories of childhood remain strong.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

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