



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



TODAY, OUR PHOTOS

rest on our phones or in the cloud on some social media platform! Long gone are the days of needing rolls of film or disposable cameras; then taking the film to a drug store or one-hour *Fotomat* for development. Our most special photos were framed or given THE place of honor – the refrigerator door. We created photo albums, but most of the photos ended up in a shoebox stored on a closet shelf. We hope that a photo will keep a precious memory from fading, even if the photo itself fades & yellows. Now, with photos stored digitally, precious memories will never fade; they are kept alive in all the heartwarming, inspiring & truly joyful photos of our lives!

PHOTOS OF LIFE: It would be easy to ask *Grok*, *Llama* or *ChatGPT*, "Create a photo of shiny, happy people," & within a few seconds have a photo of shiny, happy people. And while an AI platform can give us a photo, an AI generated photo has no depth & cannot relate any passion or beauty; it cannot capture the essence & depth of the story that a photo of real life presents. Real photography is an art & photographers are artists. A landscape photographer or wildlife photographer may lie in wait for hours to snap the perfect photo, aligning light & shadow & framing the landscape or the animal in the perfect spot to capture an incredible, beautiful, miraculous natural moment. And with no disrespect to Ansel Adams, there is even something more miraculous about the photographer who can capture a real moment as it unfolds. To capture that moment, photographers must understand the importance of the events happening around them - the true nature of what is taking place - then capture that single momentary image that brings the depth of the experience & emotion to life every time we see it. From the trillions of hours of American sports – all the hits, passes, baskets – there are a few iconic photos that capture not just the moment, but return the thrill felt when it happened. Willie Mays, disappearing into the abyss of centerfield at the Polo Grounds, his back to the plate, reaching up at the last moment to catch Vic Wertz' towering fly ball. Muhammed Ali standing over Sonny Liston's slumped body on the canvas, shouting for his opponent to get to his feet & keep fighting, adding to the fight's controversy. The photo shot from the rail at Belmont as superhorse Secretariat outpaced the field by 31 lengths on his way to a Triple Crown. Captured sports moments bring back the thrill of victory or the agony of defeat. Captured images of honest, real-life events evoke a much deeper response in our psyche! Fifty-five years ago this week, a photographer captured the iconic image of the agonizing anguished scream of a 14-year-old girl kneeling next to the body of a fallen protestor on the campus of Kent State University. In 1984, on the cover of *National Geographic*, another iconic photo touched the collective human soul – a young Afghan girl with haunting green eyes, revealing the hollowness, the emptiness, caused by war & religious persecution. (She now lives under the protection of the Italian government.) From 1989, we all remember the image of a lone Chinese dissident, fighting sociofascism, standing defiantly & courageously to block a column of tanks in Tiananmen Square. As America marched across the South Pacific near the end of World War II, the image of the USA flag being raised by a group of Marines on top of Mt. Suribachi will forever capture the desire of people to live free & the goodness of man to fight for others' freedom. The most iconic - & emotional - photo in American history unfolded before us less than a year ago. An American President, attacked & maligned in every way possible for more than nine years, rose from an assassin's bullet, blood streaming across his face. He raised his head above the Secret Service trying to shield him, put his fist into the air & told America to "*Fight! Fight! Fight!*," an image that will forever capture America's courage, goodness, righteousness, determination, patriotism & spirit. Most of us just try to grab a photo of a happy event – a baby's smile, a cute dog, a fun time with friends, a birthday party. But perhaps the most iconic photo of elation & happiness was captured on VJ (Victory in Japan) Day, 1945 by *Life Magazine* photographer Alfred Eisenstaedt. In Times Square, a sailor grabs a pretty nurse & plants one - plants a kiss the way men did in 1945 & the way pre-Frieden women wanted men to kiss & expected men to kiss – as happy people celebrate in the street! As we celebrate VE (Victory in Europe) Day this week, 80 years after the war's end, it is hard to imagine the collective elation of the Nation that day, certainly much like that iconic photo captured three months later on VJ Day! The Nation had been at war since December 1941. But for more than two years before America entered the war, America was preparing for war. The draft began in 1940 & young men left home & hearth, many for the first time, with the expectation that they would serve for just 12 months. Industry began producing supplies – planes, ships, vehicles, weapons, ammo, clothes & more – under a variety of initiatives to give the Allies assistance while still maintaining USA neutrality. Hollywood began producing movies to demonstrate what was happening in Europe & what America was about to face – *The Mortal Storm*, *Confessions of a Nazi Spy*, *Foreign Correspondent*, *Saboteur*, *The Great Dictator*, *Night Train to Munich* & many more. American ships carrying supplies were under attack in the Atlantic from Nazi submarine wolfpacks. Meanwhile, news trickled in of Japan's mounting aggression in the South Pacific, a war the USA would eventually fight, essentially alone. Most Americans probably realized the inevitable & were worried that our young boys & men would soon be fighting a foreign war. For the duration of America's involvement every ounce of energy of every American, every factory, every piece of land, every business, every movie, every radio show was working toward one goal - *winning the war!* The collective sigh of relief, the rush of elation, happiness, joy & perhaps melancholy for what & who was lost, must have been overwhelming. We would never dare put ourselves in the mindset of the young men who went to war & came home in 1945, but they must have had an image in their minds, a photo of what they expected in a postwar America. That photo probably included a home & family, wife & children, & growing old with that someone special. In that image the world was probably a safe place to live, free from all the totalitarianism, religious intolerance, violence & hate they had fought to destroy. Eighty years later, this collective human race has been a poor steward of the photo these young men had in their imagination. We placed the photo in a box in the closet, out of our mind & it has faded, & the memory of their effort, their heroic fight, has faded. Religious intolerance once again has a stranglehold on Europe & has found its way to our college campuses. America's & Europe's borders have once again been invaded & gangs roam the cities. Radical sociofascist judges, appointed by the opposition party, block the President's efforts to correct these faults in our Nation & lead the world peacefully in the correct direction. From photographer Elliott Erwitt, whose Jewish family fled Europe for the USA in 1939, "*The whole point of taking pictures is so that you don't have to explain things with words.*" That iconic photo, that kiss, tells us a story. It tells us in a way that mere words cannot - the elation & emotion of winning a six-year epic war against evil. From early 20th century Luxembourg photographer, Edward Steichen, "*Photography records the gamut of feelings written on the human face, the beauty of the earth & skies that man has inherited, & the wealth & confusion man has created. It is a major force in explaining man to man.*" We inherited a better world from those boys who went to war; boys that included my dad, my uncle & my cousins. There's a story in that iconic photo of a kiss – a story of what man did to man & what it took for good men to repair the world. While we all remember seeing that photo, that kiss, at one time in our life, we have forgotten, or worse, chosen to ignore, the story frozen in that image. Alfred Eisenstaedt said, "*I will be remembered when I'm in heaven. People won't remember my name, but they will know the photographer who took that picture of that nurse being kissed by the sailor at the end of World War II. Everybody remembers that.*" We remember the photo, but more than ever, we need to remember & understand the story it tells.

INDUSTRY NEWS: *Wonder* raised \$600M (at a more than \$7B valuation) led by *New Enterprise Associates*, *Accel*, *Google Ventures* & *Forerunner*, with additional participation from *Amex Ventures*. Sports nutrition brand *Don't Quit* raised \$15M led by *Solyco Capital*. In Indonesia, *Flash Coffee* raised \$3M led by *TA Ventures* with *White Star Capital* involved. *Good & Proper Tea* Raised £850K from new & existing investors. *Xochitl* received a celebrity investment. In what may be the definition of good money going after bad, *Ahisma Foundation's Unprocessed Foods* will provide \$100M in debt financing in exchange for the right to purchase up to 12.5% of *Beyond Meat's* stock.

In Iceland, salmon farmer *Laxey* raised €130M in equity & debt. *Gardin*, optical photosynthesis sensors that measure crop photosynthesis in real-time, raised \$4.5M from *Novus Ventures*. *Hoofprint Biome*, probiotics & enzymes to support cattle health, raised \$15M led by *SOSV*, with participation from *Amazon*, *Breakthrough Energy*, *Alexandria Venture Investments*, *AgriZeroNZ*, *Twynam*, *Good Growth Capital* & *Ponderosa Ventures*. *Uviquity*, next-gen UVC disinfection tech, emerged from stealth with \$6.6M in funding from *Emerald Development Managers*, *AgFunder* & filtration specialist *MANN+HUMMEL*. *Coffeeco Upcycle*, technology to extract usable fibers from coffee waste for skincare products, raised €715K led by *VDK Capital*. *S2G Investments*, *Ocean 14 Capital Fund* & Colombian insect producer *Enthos Circular Feed Technologies* entered into a joint investment agreement. TSG Consumer Partners purchased a minority stake in *Crumbl* cookie at a nearly \$2B valuation. *DoorDash* finalized the deal to acquire *Deliveroo* for \$3.9B & also acquired *SevenRooms*, an NYC hospitality commerce platform. *Mary's Gone Crackers* was sold to *Rosseau Inc.*, a USA subsidiary of Canada's *Dare Foods*. *Actus Nutrition*, a portfolio company of *Butterfly Equity*, acquired a Sparta, WI whey protein processing facility from *Foremost Farms*. Dairy group *Winder Farms* was reacquired by its family founders through a group of investors led by managing partner James Winder. *Lactalis* will acquire Portuguese cheese manufacturer *Queijos Tavares* from *Crest Capital Partners*. UK fresh food producer *Bakkavor* sold its China business to *Lihoo's Food Industry Group* for £50M. *High-Basin Brands* acquired espresso martini maker *Can-Tini*. *FS Investors* acquired nine company-owned bakeries in the San Diego market from *Nothing Bundt Cakes* will build 16 additional bakeries in the San Diego area as *Nothing Bundt Cakes* is looking to expand on its current footprint. *Syngenta* acquired *Intrinsyx Bio* to expand its farm crop biologicals & nutrient products. *ICL*, plant nutrition specialist, acquired *Lavie Bio*, microbial-based agricultural solutions. In Canada, ag-insect company *Aspire* will seek court-supervised buyout. *Weight Watchers* filed for Chapter 11 bankruptcy. *Rite Aid* is preparing its second bankruptcy filing in two years & is seeking a buyer. *Meati*, which raised \$450M in outside capital, is slated to sell for \$4M.

Ahold Delhaize reported global growth & growth in the USA in 1st QTR with increases in sales & comparables. *Grocery Outlet* surpassed 1st QTR estimates amid its restructuring efforts. *Natural Grocers by Vitamin Cottage* beat all of last year's 2nd QTR results, with impressive performance across revenue, earnings & comparables. Sales & comparables were higher but income was lower in *Weis Markets'* 1st QTR. Profits & revenues shrunk in 1st QTR for *Ingles Market* as the grocer is still recovering from last year's hurricane. *DoorDash* reported a positive 1st QTR with gains in most categories. *WK Kellogg* saw a down 1st QTR & cut its full year performance on softening sales. Sales fell 3.5% in 1st QTR for *Treehouse Foods* as its net loss widened to \$31.7M, although adjusted EBITDA was higher YOY. *J&J Snacks* saw a large dip in 1st QTR income & a slight dip in revenue; lower movie theater traffic impacted results. *Hain Celestial* will initiate a strategic review following a wide 3rd QTR miss of EPS & revenue; CEO Wendy Davidson left the company after just two years. *Tyson* saw growth during 2nd QTR, its fourth straight quarter of strong earnings; after years of focusing on its manufacturing operations, the company will look to drive efficiency in its logistics network. *Maple Leaf Foods'* operating income jumped 81% in 1st QTR on an 8.2% revenue increase. *Oatly* reduced its loss in 1st QTR on a marginal revenue decrease; the company is forecasting profitable growth in 2025. *Molson Coors* widely missed 1st QTR targets; the company ridiculously blamed tariffs, though the reporting period ended March 31 & tariffs did not go in place until April 5. *Black Rifle Coffee* surpassed its targets in 1st QTR despite lower revenue; its new energy drink was off to a strong start grabbing market share. *Celsius* missed both revenue & earnings in 1st QTR, the stock price slid. *Monster* saw net sales dip but beat 1st QTR EPS estimates. *Beyond Meat* reduced their full-year revenue forecast after reporting a dismal 1st QTR. *Krispy Kreme* suffered a net loss in 1st QTR & posted a loss; the company will pause its donut rollout to *McDonald's* locations. Net sales increased 1% in *Ingredion's* 1st QTR & adjusted income rose 43%; the company raised full-year guidance. Profits & sales were in-line for *MGP Ingredients* in 1st QTR, the company maintained its full year forecasts despite 1st QTR pressures. A pullback in AG Services & oilseed crush impacted *ADM* in 1st QTR as net earnings fell to \$295M from \$729M & revenue dipped 8%; the company confirmed the lower end of its full year forecast.

The Fresh Market opened its 172nd store in Mount Pleasant, SC. *Heinen's* will open its fifth Illinois store in Naperville later this year. *Weis Markets* has three new stores planned for 2025 & one for next year. *Uber Eats* will now deliver from over 5,000 *Family Dollar* stores. *Albertsons* will roll out its business eCommerce ordering platform across all of its banners, giving businesses of all sizes the ability to order food & breakroom & cleaning supplies. *Instacart* launched *Fizz*, an alcohol delivery eCommerce application. *Fresh Direct* is restarting service around the Philadelphia & Delaware area. *Gopuff* launched *GoXL* which offers over 300 bulk-sized essentials & multipacks with low per-unit pricing to be delivered in as fast as 15 minutes. *Keurig* will offer a price lock to help consumers combat rising coffee prices. *Amylu Foods* launched organic chicken sausages in four flavors. *Jeni's Ice Cream* has introduced ice cream bars on a stick. *Kellanova* & *Palmero Villa* launched *Cheez-It* branded frozen pizzas. *T. Hasegawa* has developed *Plantreact*, an ingredient which supposedly replicates animal protein flavor profiles in plant-based foods. *Atlantic Sea Farms* will cease its CPG efforts to focus exclusively on its kelp ingredient supplies & research. Due to sales growth, *Archer* will open a second production site in Los Angeles. *Bush Brothers Provision* opened a new state-of-the-art headquarters & distribution facility in Royal Palm Beach, FL. *Bunge* is investing \$484M to build a soy protein facility in Morristown, IN. *Divert* will open a North Carolina facility to process food waste. *Liberation Labs* will partner Dutch startup *Vivici* to produce its *Vivitei* whey protein at its biomanufacturing facility in Richmond, IN. *Grubhub* will partner with *Nash*, a digital infrastructure platform for delivery orchestration & automation. *Mercatus* launched *DXPro*, a digital experience platform designed to help grocers grow sales, deepen customer loyalty & streamline operations. A Florida grower issued a tomato recall for salmonella across 14 regional states. *FAT Brands* promoted chief development officer Taylor Wiederhorn to co-CEO. *Instacart* CEO Fidji Simo will leave to become CEO of *OpenAI Applications*. A fourth generation of *Tyson* family members have been added to the board of directors of the meat company.

Per the *IGD Global Convenience Trends Report 2025*, convenience channel sales are projected to exceed \$1T by 2029, growing annually at 4.1%, but slightly losing market share. According to *FMI*, 60% of consumers want produce departments to carry more locally grown items, with 43% of respondents indicating that knowing where the produce was grown can be a purchase priority. From a *Danone* study performed by *KRC Research*, 41% of consumers do not understand the effect of microbiome gut health on overall health although a wide majority understand it is important. Delivering on the President's promise of a smaller bureaucracy, the USDA has reportedly lost 15K employees on its way to reach a 30K goal in employee reduction. The President's trade deal with the United Kingdom reduced tariffs & significantly opens up beef exports for USA cattle ranchers & opportunities for ethanol exports! Beginning with the UK, Agriculture Secretary Brooke Rollins will be visiting the USA's top agricultural trading partners to open up markets & secure trade concessions. Whole wheat production as a portion of the total wheat market fell slightly in 1st QTR from the previous year. Lettuce & leafy green supply is outpacing demand, driving prices lower.

MARKET NEWS: Markets were lower for the week. The President announced a significant trade deal with one of the USA's top trading partners, the United Kingdom. The FED left rates unchanged. S&P 500 earnings are up almost 14% YOY. The clueless media continues to blame the sins of the world on tariffs as the USA & China plan a sit down in Switzerland this weekend. After last week's "Oh my God, jobless claims are higher than expected; the economy is crashing, the new President is terrible!" media instilled panic, ongoing jobless claims & initial jobless claims came in lower than expected this week! Not surprisingly, no one said, "Whoops, we were wrong."

SEEDS, SPROUTS, GROW, HARVEST!
THE LITCHFIELD FUND – Tom Malanga
V11issue47.05.10.25

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.