



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



LIONEL BART'S musical *Oliver!* premiered in London's West End in 1960. After a record-breaking run, *Oliver!* moved to Broadway in 1963, gathering several Tony awards. *Oliver!* tells the story of everyone's favorite orphaned waif, Charles Dickens' *Oliver Twist*. In 1968, director Carol Reed brought the hit play to the silver screen. The British production was nominated for 11 Academy Awards, winning six Oscars, including best musical score. Several songs from the play became popular standards, including *Consider Yourself*, *As Long as He Needs Me*, *I'd Do Anything, You've Got to Pick a Pocket or Two* & the tribute song, *Food, Glorious Food, Hot Sausage & Mustard!*

HOT SAUSAGE AND MUSTARD! When I began my corporate career at the bank, many of the senior executives had a membership at the Cleveland Athletic Club, a few blocks away. The CAC had racquetball courts, bowling lanes & a restaurant. The execs would play racquetball at lunch, had a Monday night bowling league & used the restaurant for business meetings. On Thursdays we would scour the executive offices, finding out who would not be using their membership at lunch. Borrowing their card, we would head over for the Thursday lunch special: liver & onions! In fact, on one of the first nights in my first house, I stopped at my favorite Italian butcher after work & picked up a liver steak. I put it on the grill, then sautéed it in a pan in butter with onions & mushrooms! But somewhere along the way, organ meats were labeled as bad, causing spikes in cholesterol. My mom & dad would talk about slaughtering a bovine on the farm. They ate every part of the animal – nose, ear, tails. Dad would often come home from the butcher with tongue or pig's feet. Mom would occasionally make him tripe, the tomato sauce filling the little diverticula, a truly inglorious sight. Mom made kidney stew & blood soup for her brothers, meals they grew up on. At Thanksgiving there was always giblet gravy & the neck was fought over as much as a prized turkey drum! Real Food! Think about our human history. Our caveman friend Thuk survived & prospered on mammoth meat. Indigenous tribes stayed healthy & fit on whale blubber & salmon. Great civilizations arose in southeast Asia on fish, fruit & fermented cabbage. England conquered the world sustained by all the bounty of the forest: venison, geese, pheasant, fish & every fruit pie known to man. The Pilgrims started a New World consuming salted fat, fish & waterfowl. The American pioneer & the American cowboy, the truist form of rugged individualism, tamed the West eating salted pork & mesquite beans. And if an army travels on its stomach, America won two world wars, stomachs filled with red meat, milk, eggs, cheese & butter! In the mid-20th century, America's breadbasket could feed the world! But then the war on real food started. The first front was waged by Big Food. Conglomerate farming pushed fertilizers, pesticides, antibiotics & genetic modifications to increase yields. Then, as women entered the workforce, the legacy foods makers capitalized on busy families pressed for time. It was the era of instant everything: heat & serve, meal helpers, tinfoil wrapped instant dinners & microwave ready meals in bowls seeping plastic! Food was laced with preservatives, chemical ingredients & dyes, structured to survive the coming nuclear meltdown, using the same chemicals as in a plastic children's toy & with just as many nutrients! And to increase sales, Big Food over-added sugar & salt to snacks, cereals & meals to the point of addiction, because you couldn't eat just one *Lays* potato chip! A revolt began to bring organic food into the mainstream, introducing products that moved beyond tofu & veggie burgers. But any revolution (think French), leaves a power gap! So in stepped New Food to open a second front, led by the climate radicals, who declared war on real food! It wasn't just that meat & dairy were bad for you, it was that if you ate meat & dairy, you were destroying the world & we were all going to die! So everything had to be plant-based & labeled plant-based, even if it was just a plant to begin with: "Hey, this tomato juice is plant-based! How about that? How shocking! Never occurred to me!" But well beyond just plant-based meat, dairy, seafood & more, the scientists moved in to ferment & spin every kind of protein in a lab to make faux meat & the rich Corinthian leather for your next car! So today, instead of nourishing young men with red meat & dairy to make them fit & ready to save the world, we have soy-infused people hopped up on hemp derivatives & THC beverages trying to prevent law enforcement from removing criminals from the streets – *THAT AIN'T GOOD!* The climate radicals, in an attempt to save the world in 4545 AD when Zager & Evans will be hailed as the new Nostradamus, took the fun & nourishment out of food. So farmland & ranchland were bought up & laid dormant. Livestock herds were reduced & poultry flocks were culled. The vitamins, minerals, protein, microbiomes & every other nutrient you need for a healthy & fit life are not just available in real food, they are available in abundance. Eliminating these foods from a diet deprives the body of needed nutrients, nutrients our physiology has come to depend on for tens of thousands of years. A balanced diet, exercise, fresh air & sleep are the keys to a healthy lifestyle, not lab-concocted meat & GLP-1 drugs! So eat beef, chicken, turkey, pork, salmon, eggs, dairy & cheese & don't forget the broccoli, greens, beans & garlic. And when your stomach needs a treat, there are nuts, nut butters, berries, fruit & yogurt! Let's save the world by being strong & fit, not by building a lab to produce faux-meat! We have all heard the message, but for the last 60 plus years it has fallen on deaf ears: Don't eat anything containing an ingredient you can't pronounce or recognize! Don't eat anything your great-grandmother wouldn't eat! We have a rich & plentiful society filled with all kinds of excess & yet, led by radicals, deprive ourselves of the most basic need for life: REAL FOOD. The message has now changed, led by the common sense of the MAGA/MAHA movement & Secretary Robert F. Kennedy Jr. Let's flip the pyramid & eat Real Food! So as the dinner hour strikes, I will retire to the kitchen, inspired as always but more so tonight, to cook for the one I love! And so inspired, tonight we will be dining on *Applegate* organic chicken sausage & broccoli warmed in butter with garlic, dill & mustard! "*Food, glorious food, hot sausage & mustard... Magical food. Wonderful food. Marvelous food. Fabulous food.*" Real Food! And the best compliment you can pay the cook? "*Please sir, I want some more!*"

INDUSTRY NEWS: *Trip*, which raised \$40M just months ago, received additional funding from *Taste Tomorrow Ventures*. UK BFY soda brand *Dalston* raised £850K from *Sorven Capital*. *SpikedAde*, sports drink style vodka RTD cocktails, raised \$10M. In Finland, *Mö Foods* raised €2.4M led by *Nordic Foodtech VC* for its oat-based faux-cheese alternatives. *GrazeMate*, AI-enhanced drones to move cattle, raised \$1.2M led by *Y Combinator*, with participation from *Antler & NextGen Ventures*. In Germany, *SenseUP*, biopesticides featuring double-stranded RNA to selectively zap plant pests via RNA interference, raised €3M led by *Capnamic* with *Simon Capital*, *Rockstart*, *CHECK24 Impact* & *HBG Ventures* involved. In Paris, *Spore.Bio*, AI-based microbiology testing technology, secured multi-million-euro funding from the *Google.Org Fund for AI in Science*. *Old World Provisions*, a family-owned value-added meat processor founded in 1942 in New York, received a strategic investment from *Pacific General* & South Korean meat product manufacturer, *S Food*; *OWP* specializes in high-quality pastrami, roast beef, specialty smoked meats, poultry & other deli products. *Good Crisp Company* was acquired by *Kroger's* investment group *MPearlRock*. *Chameleon Cold Brew* was acquired by brand aggregator *Next In Natural*. *Juggernaut Capital Partners* sold seed snacks brand *Go Raw* to Indian bank *USK Capital* for an undisclosed amount. Canadian sports nutrition company *Cizzle Brands* purchased *Flow Water* for \$60.6M. *Fresh Del Monte Produce* will acquire *Del Monte Foods Corporation* for \$285M, bringing *Del Monte* under single ownership for the first time in 40+ years. *Mission Produce* will acquire *Calavo Growers* for \$430M. *Fiesta Holdings* will acquire *Pinata Foods*, doing business as *Festa Food*, manufacturing clean-label frozen & fresh Mexican-style food products, including tortillas. *Unilever Indonesia* will sell its Indonesian tea business to a subsidiary of *Djarum Group* for approximately \$89.42M. *Grupo Bimbo* will acquire Morocco's *Joy Food International*. *ProMach*, packaging & processing solution brands, acquired three packaging solutions providers, *American Holt*, *DMA Solution* & *Pride Engineering* (collectively, *AmHolt*) from *Arcline Investment Management* for an undisclosed amount. *Ahold Delhaize* secured \$475M from *Blackstone Credit & Insurance* to construct a \$860M distribution center in North Carolina. *BASF* will acquire *AgBiTech*, biological insect control solutions. Cooking oil *Chefs Life* shut down after 4.5 years of business. *DayDayCook* will exit its USA operations with no details on the future of *Nona Lim*, *Yai's Thai* & *Omsom*. *Future Biome* ceased operations. Faux seafood maker *Hooked Foods* filed for bankruptcy. *Stoli* has declared its US division, as well as the *Kentucky Owl American* whiskey business, as bankrupt, ending a year-long battle to save the company. *Coca-Cola* ended its discussion with *TDR & Bain* for the sale of *Costa Coffee*; the brand posted a \$13.2M loss on £1.2B in revenue for the prior year. *SEMCAP* closed its inaugural *Food & Nutrition* fund at \$125M.

Aldi will add 18 stores, focusing on entering Colorado & opening stores & distribution centers in South & Southwest markets. *Grocery Outlet* will enter its 16th state with a store opening in Falls Church, Virginia. *Sprouts Farmers Market* opened its first store in New York state with a location in Centereach, Long Island. *BJ's Wholesale Club* will open its eleventh North Carolina store in Selma. *Vallarta Supermarkets* celebrated the grand opening of its first Arizona store in Glendale. *Food Lion* will open four new Carolina-area stores. *Amazon* is planning a new store concept, a 229K sq. ft. store near Chicago that will sell groceries alongside general merchandise. *Aldi* denied rumors that it will exit France. *Stater Bros. Markets* will expand its *Afresh* partnership to additional fresh departments. *Kroger* will make the *Uber Eats*, *Uber* & *Postmates* apps available across its footprint. *Wing & Walmart* will expand their drone delivery service to an additional 270 *Walmart* stores in the USA over the next year, servicing more than 40M Americans. *Grocery Outlet* will integrate its merchandising & purchasing operations. *Kroger & Walmart* will expand partnerships with *Google Cloud* for their personal shopping assistant. *Horizon* will now offer a line of dairy creamers. *Lifeway* will offer a line of probiotic kefir butter. *ButcherBox* will enter 1400 *Target* locations. *Vita Coco* will return to its sports & fitness roots. *Factor*, prepared meal delivery service, will enter retail with four refrigerated meals at *Target*. *Impossible Foods* entered a licensing agreement with bread & pasta maker *Equii* to create products that pair with *Impossible's* offerings. *Pepperidge Farm* will launch three new *Chessman* varieties & one new *Milano* option. *Beyond Meat* will launch an LTO eCommerce protein drink *Beyond Immerse*. As everyone does, *Koia* will add a protein soda line. *Dairy Farmers of America* will debut *Alta Dena Protein* in whole milk & 2% varieties. *Magic Spoon* will debut a line of *Protein Pastries* at *Target*. *Dunkin'* added protein milk, *Protein Lattes Protein Refreshers*, fruit-flavored green tea drinks, to its menu. *Playa Bowls* has added protein bowls & smoothies to its menu. *Tropical Smoothie Cafe* will add three protein smoothies. *Papa John's* will test a protein crust. Following the protein in everything trend, Elon Musk will introduce the *P Model*, a *Tesla* made totally from plant-based protein & runs entirely on plant-based protein! *Danone* will spend \$4M to expand its yogurt facility in Fort Worth, Texas, to meet demand. Sourdough bread specialist *Izzio* artisan bakery opened a second baking plant in Thornton, CO. *ADM Milling* will cease flour milling operations at its Lincoln, NE. *ADM* will invest \$26M in its USA flavor facility in Erlanger, KY. *SAP & Syngenta* will partner to accelerate AI-assisted innovation across *Syngenta's* data analytics platform for manufacturing, supply chain, ag tools & services. The New World Screwworm was detected 215 miles south of the Texas border. *Nestlé* is facing its biggest recall ever over its *SMA* infant formula. *ZOA Energy* agreed to pay \$3M to settle a lawsuit over their claims of zero preservatives. *Save A Lot* will remove artificial food dyes from all private label products. Virginia is the third state, along with California & Maryland, to mandate baby food needs to be tested for heavy metals. The *American Bakers Association* issued a pledge to voluntarily phase out the use of potassium bromate. The *American Bakers Association & Retail Bakers of America* are in discussion to begin a formal affiliation. *The Rockefeller Foundation & Builders Vision* launched the *Food is Medicine Impact Fund* to promote the adoption of effective, high-quality *Food is Medicine* programs nationwide. *The Physicians Committee for Responsible Medicine* called for the dietary recommendations to be rescinded, since by following them people will get healthy & no longer need their services or the drugs they push! The President signed the Whole Milk for Healthy Kids act, restoring whole milk & 2% milk to schools, reversing Obama-era restrictions. *Ben & Jerry's* filed a lawsuit to establish independence from *Magnum Ice Cream* to continue to promote its radical & antisemitic activities. *Lidl* has been called out by *Ahold Delhaize* for deceptive comparison pricing advertisements & industry watchdogs; *Lidl* will revise its ads. *Del Monte Fresh Produce* appointed Mohammed Abbas to President & COO. *Heineken* CEO & Chairman Dolf van den Brink will leave as the company announced an expansive reorganization plan. At *Olymel*, Daniel Rivest will assume the CEO role from Yanick Gervais in July 2026.

Aldi was named the cheapest grocery store in the UK. Foot traffic increased across all grocery store formats in 2025, according to *Placer.ai*, with fresh format grocers seeing the largest gains, ending with 10.5% YOY growth in 4th QTR. A survey from the *National Frozen & Refrigerated Foods Association* showed consumers overwhelmingly favor naturally protein-rich foods as their primary protein sources, with meat as the choice for 70% of respondents, followed by eggs (58%) & dairy products (42%). Americans' total caloric consumption will continue to flatten over the next decade after reaching its peak calorie consumption, per *L.E.K. Consulting*; caloric intake rose at a 0.7% CAGR for the past 25 years & is projected to be neutral going forward. In December, fresh fruits & vegetables posted 0.3% YOY price inflation, egg prices retreated 20.6% from the prior year! USA exports to Mexico hit a record high in October. Corn yields are well surpassing estimates. Wheat stocks were up 7% YOY.

MARKET NEWS: Markets were lower on the week, except for the Russell 2000, which hit an all-time high. The CPI came in at a tame 2.7%, but the PPI rose 3.0% year over year, providing the Fed cover to keep rates unchanged. Initial jobless were below expectations. New & existing home sales were above expectations. Wages rose. The USA signed a trade deal with Taiwan that includes production of more chips in the USA.

SEEDS, SPROUTS, GROW, HARVEST!
THE LITCHFIELD FUND – *Tom Maloney*
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