



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



"THE PRICE OF ANYTHING is the amount of life you exchange for it." This week, **ALL EARS!!** celebrates the 206th birthday of Henry David Thoreau. Thoreau was America's original naturalist, without Euell Gibbons' *Grape-Nuts*' marketing power or Johnny Carson's *Tonight Show* jokes. Thoreau went to Harvard & became a teacher. He became a philosopher & essayist under the patronage of Ralph Waldo Emerson,. He worked in his family's successful pencil-making factory to support his writing & during one restless period, set fire to 300 acres of forest by Walden Pond. On July 4, 1845, Thoreau began a two-year experiment in simple living, going to Walden Pond to get off-the-grid.

THE GRID AND THE GRIND: In today's world, going off-the-grid is not as easy as strolling into the woods like Thoreau or jumping out of an airplane over Washington state with \$200K (\$1.4M in today's inflated dollars) in ransom money like D.B. Cooper did in 1971. And while Cooper disappeared forever, Thoreau really could not truly get off-the-grid. In 1846, not unexpectedly, it was the tax collector who found Thoreau, throwing him in jail because of 6 years of unpaid taxes. Even today, D.B. Cooper would have likely been paid in crypto-currency or NFTs, & he would have been caught (but released without bail to become a media darling & successful podcaster). The omnipresent grid makes it difficult to remove ourselves from the daily grind. No cabin in the woods, no secluded beach hut, no mountain campsite is safe from 5G, 4G, satellites, *Google*, *Apple*, *Samsung*, or the IRS! World governments seek to eliminate cash in favor of cyber currencies to increase their socio-fascist control & tracking of our lives. *Alexa*, *Google* & *Apple* listen to our very words: *"Oh my! I have a hole in my sock...no Google, I don't buy Bombas, I'm a Gold Toe man!"* It will get even harder to get off the grid with AI, which *we all now know is a fancy thing & two letters!* AI is supposed to make our lives easier, by providing us information, direction & answers to our questions, only really serving to make us more dependent on the grid. In truth, AI will only be as good as the views, opinions, politics & motivations of its creators & programmers; no different than any social media or internet search provider; & likely to be another tool for the government to control thought, emotions & speech. Thoreau warned, *"Men have become the tools of their tools."* But in many ways, it is not the grid that is the problem, it is us, the daily grind in each of us. Much of this is only natural – the responsibilities we have as adults living in the real world. We cannot easily leave behind our lives, responsibilities & families to go off-the-grid from jobs, soccer camps, family events & more! There is something inside each of us that drives us to see to the needs & wishes of those we love; to satisfy commitments we have made to ourselves or others; or to stay on a path we believe will attain personal or professional fulfillment. Yet, we all imagine a golden silence without a buzz or a beep, or our thumbs checking on a loved one or answering a question. These are however the current indicators of a busy & fulfilling life – or are they? Thoreau felt *"Our life is frittered away by detail..."* & tells us, *"Simplify your life. Don't waste the years struggling for things that are unimportant. Don't burden yourself with possessions. Keep your needs & wants simple & enjoy what you have. Don't destroy your peace of mind by looking back, worrying about the past. Live in the present."* Many of us are accustomed to looking at the past, allowing the past to shape our present & worrying about the future. From Thoreau, *"What lies behind us & what lies ahead of us are tiny matters compared to what lives within us,"* & *"Never look back unless you are planning to go that way."* Is there a path to uncomplicating our lives? Thoreau suggests, *"It is astonishing as well as sad, how many trivial affairs even the wisest thinks he must attend to in a day; how singular an affair he thinks he must omit. When the mathematician would solve a difficult problem, he first frees the equation of all incumbrances, & reduces it to its simplest terms."* Thoreau believed that in a simple life we can find happiness where we are, not looking, in his words, to a far-off island or fishing for a fish that we did not want to catch: *"It's the beauty within us that makes it possible for us to recognize the beauty around us. The question is not what you look at but what you see."*

INDUSTRY NEWS: *Bobbie*, organic infant formula, raised \$70M led by *PowerPlant Partners*; *Bobbie* acquired *Nature's One* & its important baby formula production facilities. *Nutri Co*, plant-based foodtech, raised \$1M with participation from *MrPink VC*, *White Lions* & others. Non-alcoholic spirits brand *Lyre's* raised over £17M led by *Dsquared* & *Morgan Creek Consumer Fund*. *Simbe Robotics*, the *Tally* inventory robot, raised \$28M, led by *Eclipse*. Traceability company *Oritain*, which uses forensics to verify the origin of ingredient sources, raised \$57M for expansion in a Series C round, led by

Highland Europe. *Silo Technologies*, food supply chain platform, raised \$32M led by *Koch Disruptive Technologies*, with participation from existing investors *Andreessen Horowitz*, *Haystack Capital*, *Tribe Capital*, *Collate Capital* & *Moore Capital*. Reusable packaging program *Topanga*, a partner of *Grubhub*, *Aramark* & *Sodexo*, raised \$3.6M from *Amasia* & others. *Epallet*, digital wholesale marketplace, raised a \$4.5M seed round led by *Bowery Capital* with *C2 Ventures*, *SilverCircle*, *I2BF Global Ventures* & *Junction Venture Partners* involved. *Foraged*, online marketplace for wild & specialty foods, raised \$2.7M led by *Bessemer Venture Partners*. *Apheo.Bio* raised €70M from *Innovation Industries*, *Gates Foundation* & others to support the growth of *Apheo.Bio's* biologicals business. *FarmTrace* raised \$6.5M led by *Surmount Ventures* & *CNBB Equity Partners* with participation from *Fulcrum Global Capital* & *Stage 1 Ventures* to take its next generation animal farming data & analytics platform international. *Builders VC* took an undisclosed position in precision livestock platform *Performance Livestock Analytics*. *Pano AI* raised \$17M for its wildfire detection & warning system led by *Valor Equity Partners*. Beverage group *Lucas Bols* acquired sparkling liqueur brand *Nuvo* for \$5.7M. India's food delivery giant *Swiggy* acquired retail distribution company *LYNK Logistics* to gain entry to the retail B2B segment. *NCD*, the 4th largest wholesale distributor to the convenience industry, acquired *Colonial Wholesale*, full-line wholesale distributors to c-stores & grocery stores. *Walgreens* acquired the 120 pharmacies of *Brookshire Grocery* in Texas, Louisiana & Arkansas. Smoked meat company *Godshall's* acquired a 53K-square-foot plant in Pennsylvania from *Clemens Food Group*. *Coca-Cola* & eight bottling partners from around the world formed a \$137.7M venture fund, managed by *Greycroft*, focusing on sustainability investments. *Nexus PMG* raised \$50M for waste-to-value projects; an affiliate of *Greenbacker Capital Management* led the round. *AeroFarms*, in Chapter 11, is looking for a buyer. *US Sugar's* purchase of *Imperial Sugar* passed another court challenge. *Monster Beverage* won court approval to acquire *Bang Energy* owner *Vital Pharmaceuticals* out of Chapter 11 for \$362M. *Liquid Death* engaged *Goldman Sachs* to plan for a 2024 IPO. *JBS* will list shares on the NYSE & the São Paulo Stock Exchange in Brazil.

PepsiCo beat 2nd QTR estimates on price hikes & raised guidance. *Arden Mills* reported a strong 4th QTR & record fiscal performance with strong investment returns for *Conagra*; *Conagra* itself reported 4th QTR sales & earnings increases.

Lidl has opened another Virginia store. *Campbell* has launched a line of gluten-free soups. *Nestlé SA* & *APC Microbiome Ireland* are collaborating to research the human microbiome to strengthen *Nestlé's* portfolio of infant & maternal nutrition products. *Zero Carb*, a joint venture startup from *Wiltnik* & *Blue Ocean Xlerator*, announced a strategic partnership with *Grupo Bimbo*. *New Barn Organics* introduced a line of regenerative organic certified almond milk. *Nestlé* will use regenerative agriculture practices across its *DiGiorno* line. *Kraft Heinz* will build one of largest automated CPG distribution centers in North America in Illinois. *Perfect Day* has laid off 15% of its workforce as it exits its consumer-facing business to focus on its B2B ingredient business. *Ayana Bio* opened a new laboratory in Boston for formulating plant cell-cultivated production systems for health, wellness & nutrition ingredients. *McDonald's* will remove baked goods from its menu. *Chipotle* has a new avocado processing robot, *Autocado*, that cuts, cores & peels avocados before hand-mashing by a conventional human. *Donatos* will open a fully autonomous restaurant in Columbus, OH. *Domino's* will be available on *Uber Eats*; *Domino's* had previously refused to use food delivery apps. Alt-meat *Meati* signed a distribution deal with *Dot Foods*. *DoorDash*, *Grubhub* & *Uber Eats* are suing New York City over minimum delivery driver pay hikes. *Prime Energy* may be investigated over its ingredient & nutritional labeling. David C. Bigelow of the family-owned *Bigelow Tea* passed away at age 96.

Food-at-home prices increased in June at a still out-of-control 4.7% annual clip, from the USA Bureau of Labor Statistics. Private label dollar sales across all the USA rose 8.2% to \$108B through June, according to *Circana*; volume dipped slightly but was well ahead of national brand volume. Packaged water sales increased an estimated 12.8% YOY, according to *Mintel*. From *Circana*, 31% of shoppers surveyed have a new grill for summer & 24% have a new or improved outdoor eating area. From *FMI*, food retailers spent more than \$13B on tech investments in 2022. Durum production forecast is down 16% & other spring wheat is down 0.7%.

MARKET NEWS: Markets were higher this week. June inflation was at 3%, still double digit over two years & still double the rate of the previous economic friendly Administration! Core inflation was 4.8%. Ongoing jobless claims rose. The consumer sentiment index was higher than last month.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

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