



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



BELIEVE IT OR NOT, THERE IS SOME GOOD VIEWING on traditional, old-fashioned, cable TV. But for this viewer, most of it was originally aired before 1970, no surprise to our regular readers! Early television tried to recreate what worked well on radio (Jack Benny, Bob Hope), movies (Abbott & Costello) & vaudeville (George Burns). As a kid, Saturday mornings were special, watching old movies with my Dad (*Blondie*, *Tarzan*, westerns, *Abbott & Costello*, Basil Rathbone as *Sherlock Holmes*) & cartoons! Our local cartoon show host was also a newscaster, Linn Sheldon, playing the boater wearing elf *Barnaby*, airing both *Popeye* & *Looney Tunes*, with my favorite, *Bugs Bunny*!

BOLD AND BRASH: This week, a cable channel started airing old Bugs Bunny cartoons early in the morning. It made me think about why I still love Bugs so much. The answer was easy, because he characterizes that bold, brash, confident America & American that I know. Bugs was supposedly modeled after characters played by Clark Gable, but those characters were also portrayed by Spencer Tracy & John Wayne. These characters exemplified the men of my father's generation, who survived a depression, conquered fascism & religious intolerance, fought communism & landed on the moon. They characterized the generations before them, that built cities, bridges, & factories; dug oil wells & coal mines; farmed the Great Plains & raised enough cattle to literally feed the world. Carl Sandburg described this American era so well in his description of Chicago, the '*city of the big shoulders*' & '*hog-butcher of the world.*' Steve McQueen portrayed the classic brash, bold & cocky WWII flyboy in the based on a true story adaption of *The Great Escape*. As Hiltz, he says to Kommandant Von Luger, "*I haven't seen Berlin yet, from the ground or from the air, & I plan on doing both before the war is over.*" When Von Luger asks, "*Are all American officers so ill-mannered?*"; Hiltz responds with a smirk, "*Yeah, about 99 percent.*" It should also be no surprise that my all-time favorite TV show is *Hogan's Heroes*! A brash, bold & cocky group of young men scheme to take down the greatest evil ever known, the National Socialist German Workers' Party, the Nazis! Hogan's plans are big, elaborate & dangerous, but they face it all in a brotherhood of comradery & humor, the way young men (at least of that era) are known to do! A childhood icon & idol, known for his boldness & brashness, Muhammad Ali said, "*It ain't bragging if you can back it up.*" Interestingly, Walt Whitman ("*If you've done it, it's not bragging*") & Gashouse Gang Hall-of-Famer Dizzy Dean ("*It ain't bragging if you can do it*") felt exactly the same! Sports icon Curt Flood, the first free agent, sets it straight, saying, "*There is no such thing as bragging. You're either lying or telling the truth.*" Live boldly, live brashly! From Goethe, "*Boldness has genius, power & magic in it. Begin it now!*" And from American industrialist Henry Kaiser, "*Live daringly, boldly, fearlessly. Taste the relish [in] having put forth the best within you.*"

INDUSTRY NEWS: *LIVEKINDLY Collective*, alt-protein parent, acquired UK-based *No Meat*, previously owned by a UK supermarket chain. *New Wave Food*, plant-based alt-seafood, raised \$18M for its upcoming shrimp launch led by *New Enterprise Associates* & *Evolution VC Partners*. *Partake Foods*, allergen-free snacks, raised \$4.8M from *Marcy Venture Partners*, *FF2032* & *CircleUp Growth Partners*. Plant-based meal-kit delivery company *Thistle* raised \$10.3M led by *PowerPlant Ventures*, with *Siddhi Capital*, *Alumni Ventures Group* & *Rich Products'* venture arm involved. *Mondelēz International* acquired chocolate maker *Hu*, in which they had a minority stake, in a deal reportedly valued at \$340M. *Saladworks'* parent company

acquired *Garbanzo Mediterranean Fresh* (Mediterranean fast casual chain) & *Frutta Bowls* (superfood bowls, fresh fruit smoothies & oatmeal bowls). A new parent holding company has been formed, *WOWorks*. *McCormick* acquired *FONA International*, flavor manufacturer for food, beverage & nutrition products, for \$710M in cash. *Air Protein*, fermentation to make alt-meat from elements in the air, raised \$32M led by *ADM Ventures*, *Barclays* & *GV*. Autonomous vehicle company *Nuro* (piloting with *Kroger* & *Walmart*) acquired self-driving truck firm *Ike. Tractor Zoom*, auction marketing & equipment pricing, raised \$3M for its pricing/analytics offering, *Iron Comps*, from *Innova Memphis*, *Hyde Park Angels*, *Iowa Corn Opportunities*, *ISA Ventures*, *Ag Ventures Alliance* & *Ag Startup Engine*. Retail solutions provider *NCR Corp.* acquired grocery e-commerce company *Freshop*. *Peak Rock Capital* completed the acquisition of *Shipley Franchise Company* & *Shipley Do-nuts*. *AB InBev* sold a 49.9% stake in its USA metal container plants for about \$3B to *Apollo Global Management* & other investors, with proceeds going to pay down debt from its *SABMiller* purchase. *Credit Suisse* lowered its ratings for *B&G Foods* & *Conagra Brands* to underperform with lower price targets; analysts are indicating the same for other big food companies. Reports suggest plant-based milk maker *Oatly* will do an IPO this year that could raise as much as \$1B.

Hy-Vee launched a new, virtual dietitian services platform, *Healthie*. Because of *Operation Warp Speed*, *Publix*, *Hy-Vee* & *HEB* were able to start providing vaccines to their frontline workers. *Save A Lot* sold 51 stores in Tampa, Florida, to *Fresh Encounter*, an Ohio-based grocery operator. The stores will remain under the *Save A Lot* banner. *Giant Food* will invest \$800M in its employees & their pension plans. *Albertsons* will begin using 3rd parties for delivery in SoCal & other regions & begin to test automated kiosk pickup. *Nestlé USA* will expand in Jonesboro, AR frozen food facility by 90K sq. ft. with a \$100M investment. *Venice Brands* will launch a CBD marketplace, *Arrive Market*. Ecommerce retailer *goPuff* added a better-for-you category to its digital offerings including healthy foods, snacks, vitamins, home & beauty products. *Seven Sundays* announced a sunflower cereal, made from seeds & sunflower oil by products. *Beyond the Equator* announced the launch of sunflower seed flour. *Chipotle* will offer cauliflower rice. *The Vitamin Shoppe* & *WW (Weight Watchers)* will partner & co-brand on nutritional supplements, *WW* snacks & protein boosters & *WW* memberships through *The Vitamin Shoppe*. *Daily Harvest*, subscription-based, plant-centric meal company, launched *Mylk*, a frozen wedge containing ground almonds, pink sea salt, vanilla bean powder & prepared by blending with water. *Tyson's Jimmy Dean* brand will debut two new sandwiches featuring plant-based patties. For the second time, *Impossible Foods* slashed foodservice prices by 15% in an attempt to drive market share. Developer & operator of large greenhouse formats, *AppHarvest*, has hired *Impossible Foods'* CFO David Lee to be its president.

Nielsen data shows a significant increase in buying across all retail channels, increased price comparison & indications that shopping increases are permanent. Non-alcoholic beverage sales softened as the year ended, growing just 6.7% YOY, lower than the 12-week average of 11.3%. All-channel sales were still higher over the 52-week period, growing 9.4%. *Raydiant* reports 46% of respondents if given the choice, prefer to shop in person rather than online. Per the *National Restaurant Association*, 87% of full-service restaurants, including chains, franchises & independents, reported an average revenue decline of 36%, with 83% expecting an even worse decline in the next three months. Tight tomato volume from Florida & Mexico are causing price increases.

MARKET NEWS: Markets ended higher despite data.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenjo*

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