



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

Here Comes Peter Cottontail was composed in 1949 by songwriters Steve Nelson & Jack Rollins, who later collaborated on *Frosty the Snowman* & *Smokey the Bear’s* theme song. Gene Autry recorded it in 1950, a follow-up to his 1949 smash, Johnny Mercer’s *Rudolph the Red-nosed Reindeer*. When Thomas Burgess wrote *Old Mother West Wind* in 1910, his 4-year old son insisted the rabbit character be named Peter Rabbit (for the Beatrix Potter character he so loved!) In a later story in this series, Peter changes his name to Peter Cottontail, for a short while, feeling the name gave him class *all while avoiding any copyright infringements!**

Rabbit Season: Elmer Fudd sees a sign tacked on a tree & knows he can finally get his arch nemeses, Bugs Bunny! Of course, that *wascally wabbit* was always too clever for poor old Mr. Fudd, or Daffy Duck, Yosemite Sam, Martin the Martian & even the WWII Axis Enemies who tried to best Mr. Bunny, one of the most popular cartoon characters of all time! (Mr. Bunny did, however, get bested by Cecil Turtle in a retelling of the famous Aesop fable.) He became the *spokesrabbit* for Warner Brothers Studio & was such a big star that Warner Brothers demanded & got equal screen time in the Disney blockbuster *Who Framed Roger Rabbit* with Disney mega star Mickey Mouse. The Rabbit & the Mouse appear side by side in their scenes to insure neither star was slighted, which would have been a tabloid nightmare! Mr. Bunny was developed by a series of artists in the late 1930s, making his debut in 1940 in *A Wild Hare*, voiced by the genius of Mel Blanc! It is sometimes thought his character was based on the confident, cocky attitude of actors like Clark Gable, Jimmy Cagney, Spencer Tracy, William Powell & Mickey Rooney. But we prefer to look at actors who were *clearly influenced* by Mr. Bunny’s style & craft, like Steve McQueen as the cocky, in your face pilot jockey, *The Cooler King*, in *The Great Escape* or James Garner in the title roles of *Support your Local Gunfighter* & *Support your Local Sheriff!* Mr. Bunny finally meets the Easter Bunny in 1947’s *Easter Yeggs*, yegg a slang term for a safecracker. A pooped Easter Bunny convinces Mr. Bunny to fill in for him. Our hero runs into trouble at each house, but Mr. Bunny wins the day, getting back at his opponents & the tricky egg-delivery-agent. So do not expect an anthropomorphic smart-alecky rabbit to show up at your house with eggs & ask, “*What’s up Doc?*” This Rabbit Season, the sweet little white cottontail bunny bringing your eggs will be worried about lower demand & tighter margins, as consumers will spend slightly less this year on Easter food & celebrations, down to \$18.2B from \$18.4B in 2017, & egg prices are up from last year. But expect lots of candy, as consumers will spend \$2.6B on sugary treats!

Industry News: *AgShift*, with an app that inspects produce for freshness & USDA compliance throughout the supply chain, raised \$2M in funding. *Farmstead*, delivering fresh, local foods directly from the farm in 60 minutes, attained \$2M in capital, led by *Resolute Ventures* & *Social*

**In reality, copyright laws were much less stringent in the early 1900s.*

Capital. Germany's *Katjesgreenfood* has taken a 5% stake in Sarah Michelle Geller's *Foodstirs Modern Baking*. *Monsanto* invested \$125M in *Pairwise Plants*, a startup with technology for gene-editing corn, soybeans, wheat, cotton, etc.

McCormick's 1st QTR sales & net income, bolstered by acquisition, rose 19% & 39% respectively. *McCormick* will use tax reform savings for employee payouts. *Reed's* posted a positive 4th QTR sales gain, its first in 3 quarters, up 5.7% to \$9.7M. Net loss increased to \$10.9M. *Post Holdings* appears to be on the path for a public offering of its private brand business. *Nestle UK* has introduced *Milkybar Wowsomes*, the first chocolate bar to use *Nestle's* new sugar reduction technique that uses 30% less sugar. *Nestle* has a process to make sugar more porous so that the granules dissolve on the tongue more quickly, giving the product a similar sweetness. After *Tonganoxie, KS* rejected the idea of an economic helpful *Tyson* plant, the chicken processor has been welcomed to *Humboldt, TN*. Deepening its focus on proteins, *Tyson* may be looking to divest its *TNT* pizza crust line. *Walmart* may be exploring a partnership or acquisition of *Humana* healthcare. *BrightFarms*, growing branded produce locally, will build a \$17M, 180,000 sqft. hydroponic greenhouse farm in *Abilene, Texas*.

Whole Foods has made regional layoffs in their efforts to centralize marketing. Per *Reuters*, short quick trips to *Whole Foods* are rising faster in stores that have *Amazon* lockers. *Amazon Prime Now's* prices, on *Whole Foods* items in Cincinnati, is now 2% to 7% less than buying from *Kroger* using *Instacart*, according to *Barclays Capital*. *Fresh Thyme Farmers Market* will partner with *Instacart* for delivery in 55 of the chain's 70 Midwest stores. *Shoprite* will roll out internationally-themed meal kits. As *Tops* reorganizes under Chapter 11, they are in discussions with their union workers around various topics, most importantly, pension funding. Phoenix-based restaurateur *Sam Fox* (*Flower Child, True Food Kitchen*, among many others) will launch a new line of *Flower Child* healthy grain bowl starters & vinaigrettes at *Williams Sonoma*. *Impossible Burger* will be served at *Oakland A's* games this year.

Eighty-five percent of shoppers recently surveyed by *HRC Retail Advisory* said they prefer checking prices at scanners & using in-store technology when they need customer service rather than asking employees for assistance.

Market News: Another bouncy week for stocks as news & strong economic indicators caused market waves. Concerns about the tech giants, including privacy & security threats, took markets down, while an upward revision of 4th QTR GDP to 2.9%, shrinking jobless claims & wage growth helped markets bounce back.

Seeds, Sprouts, Grow, Harvest!

The Litchfield Fund

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