



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



FOLKLORE, fables, myths & legends are stories that glue a tribe, a clan, even a nation, together.

These are neither true nor false, they simply share history, establish values & teach lessons. A little boy sticks his finger in the dike to save his town from flooding teaches valor & responsibility as well as the importance of the dikes to the Dutch way of life. The woods are a dangerous place! You might get eaten by a big, bad wolf or fattened up then eaten by some old hag living alone in the woods. (A story frighteningly true for children today in our schools & on our streets.) But when a story is an embellished lie that is used as propaganda, it becomes a conspiracy theory!

CONSPIRACY THEORIES: Conspiracy theories have existed for many millennia. There were always suspicious circumstances around the death of pharaohs & emperors. Nero supposedly faked his own death & was in hiding, plotting his return to continue his persecution of Christians. In fact, Nero blamed the Christians for the great Roman fire of 64 AD, but some suggest he started the fire himself so he could have some peace & quiet in the palace to practice his violin. The Jewish people have been subject to two simultaneous conspiracy theories for 5000 years – they are either to be blamed for all the world's ills or for trying to control a variety of industries from banking to entertainment or even the world! (If the latter were true, then I might finally be able to find a decent bagel, bialy or stuffed cabbage here in Phoenix!) For centuries, due to the lack of recorded history & archaeological evidence, there was a conspiracy theory that the popes messed with the calendar to create 300 years of history, The Dark Ages, perhaps to make Christianity appear as if it had been in place for a much longer time. Modern times seem to brew conspiracy theories, perhaps because of mass communication. Like Nero, stories spread of Hitler's death being faked & that he was living in the mountains of Argentina with other Nazi leaders, plotting his return to continue persecuting the Jewish people. (Also, like Nero, Hitler blamed the Communists for burning the Reichstag.) The latter half of the 20th century brought us a variety of conspiracy theories: Roswell, JFK's assassination, Marilyn's death, Paul is Dead, the moon landing, Jim Morrison alive & well & living in Paris, Jimmy Hoffa's whereabouts, the Illuminati & many others. Unlike folklore, fables, myths & legends, whose stories stay consistent to convey an important message, conspiracy theories are almost a living entity. People continue to find reasons to prove or believe the theories, often finding ways to loosely tie together events to try to validate the theory. Conspiracy theories exist for two reasons – to cover up the truth or promote a lie! For most of the last 20 years, & especially over the last ten years, a pattern has developed concerning conspiracy theories. If the mainstream media (*ABC, NBC, CBS, CNN, MSNOWWHAT, the NY Times*, etc.) says a story is true, it is actually a conspiracy theory they invented. If the mainstream media tries to discredit a story by calling it a conspiracy theory, the story is then actually true! Yet, we all like a good conspiracy theory! They are intriguing & interesting. Conspiracy theories get both our rational mind & creative juices flowing. And of course, there is one conspiracy that billions of us take part in every December! We add to it, embellish it, & as much as we want to act like a responsible adult, deep down we will try our best to find a reason to believe the theory. Most conspiracy theories are scary, we wonder if that did happen, could happen, or maybe if it is happening! George Washington, Teddy Roosevelt, Dwight Eisenhower, John F. Kennedy, Henry Kissinger & others have all warned us about a New World Order looking to destroy the USA, requiring everyone's soul to be pledged to a small crowd of powerful elites. William Blum, 20th century American journalist, long warned of a deep state, well before the signs of it actually emerged in our century! We see enough indications to make us wonder, could this be true? Case in point: A powerful billionaire funds the elections of criminal-sympathizing district attorneys; creates American-hating NGOs that engage in vile & perverse global pursuits & who fund & facilitate the entry of illegal immigrants into our Nation who refuse to assimilate to our culture, laws, folklore, fables, myths & legends & way of life; & whose son marries the confidante of a political elite who ran a worldwide half billion dollar scam & has committed numerous criminal & treasonous acts that have gone unpunished. We see little known American hating & criminal politicians rise to become President or powerful lawmakers, while those actually working for America's success are persecuted. So why shouldn't we, when December rolls around, actively engage ourselves in perpetuating a happy, hopeful conspiracy theory? Oh, we all do it! We say to a small child, *"Have you been good? Is Santa coming to your house?"* We ask if they have written a letter to Santa to tell him what they want for Christmas or if they have sat on Santa's knee & whispered in his ear! We also find creative ways to answer an inquiring child's questions. *"Those are all Santa's helpers in every mall & on every street corner. They are his elves; they work for Santa! Santa can deliver all those presents in one night because he is magical. His sleigh is turbo charged like a NASCAR racer or jet-powered like an F-35 Raptor!"* If the child is one of those nerdy or scientific types, we may answer the questions with something like, *"Santa has been able to manipulate the time space continuum with the ability to manifest himself around the world in multiple places at the same time, expanding on the theories set forth by Einstein, Born, Minkowski & others."* Let's be honest, deep down, we all want to believe in a kind, happy old gent who makes sure the deserving souls see their wishes & dreams fulfilled & that the bad people get nothing. We would all like to believe in a miracle, whether on 34th Street or our street; a handsome angel who helps us build our dream; a couple of old Army buddies who show up to save our business & us; a withered Christmas tree that lights the night while our friends & dog gather round; the love of our life standing outside with a boombox expressing their love; someone who cares for us so much they would sell their most prized possession to buy us a meaningful gift; a Christmas grinch's heart growing three sizes in an instant; unrepenting Christmas Eve thieves getting their hair blowtorched or slammed in the face with a hot iron; or an avenging angel dropping from the air ducts to toss the bad guy out the window, even if it costs us a new *Rolex* watch: *"Yippie ki yah, motherf*****!"* We want this conspiracy theory to be true, so we are happy & hopeful participants. Instead of a frightening New World Order ruled by cold, avaricious global elites sucking the very humanity from our souls & a deep state seeking to destroy our amazing President while crushing each of us & everything we value under their bootheel, let's buy in to the conspiracy of an indomitable life force whose heart & soul are filled with the spirit of giving to the deserving. At Christmas time, we don't want a New World Order, we want to put our world in order! We want our past healed, our present merry & bright & our future filled with hope, peace, goodwill & kindness. We want to, if we can afford, to lavish gifts on our loved ones & offer a bright smile & a wish of blessings to those we pass on the street.

We want to sit in the glow of a warming fire, our loved ones near, with a sparkling tree brightening the corner. We look to the Christmas season for renewal & relief, free from the responsibilities, difficulties & tribulations of adulthood. We want to believe, so badly, we buy into the conspiracy theory to make it so. Because when we think of Santa, the physical presence & ethereal spirit, we gladden our soul, cloaked in a blanket of peace & goodwill. From Australian novelist Cate Kennedy, *"Kids believe in Santa; adults believe in childhood."*

INDUSTRY NEWS: Ripple raised \$17M from *Material Impact*, *Rich Products Ventures*, *S2G Ventures*, *Prelude Ventures*, *Fall Line Capital*, *Euclidean Capital* & *Tao Capital Partners*. Non-alk maker *Hiyo* received an undisclosed investment from *Live Nation*. *Borough Broth Company* raised £7.5M from *Piper*. Celebrity founded mezcal brand *Dos Hombres* raised \$15M from undisclosed investors. In the UK, faux meat & leather producer *BSF Enterprise* raised £15M from *Blackstone Mercantile Group*. In Chile, *Frankles*, transforming agri-food byproducts into high-value biocompounds, raised \$1M led by *Südlich Capital* with *Veterquímica* & *Carozzi Ventures* involved. *Anheuser-Busch* will pay \$490M for a majority stake in party punch maker *BeatBox*. The deal, expected to close in the first quarter of 2026, gives Anheuser-Busch an 85% stake. Global dairy cooperative *Royal FrieslandCampina* will acquire whey protein isolate producer *Wisconsin Whey Protein*. *ETI Gida*, a Turkish CPG company, acquired snacking company *TRUBAR* valued at \$142M. *Unilever*, as it exits food brands to focus & health & beauty, is selling British snack brand *Graze* to *Katjes International*, owner of gummy sweets *Candy Kittens*, for an undisclosed sum. *Horizon Family Brands* acquired organic dairy company *Maple Hill Creamery*. Swiss dairy company *Emmi Group* acquired *The English Cheesecake Company*. *Finlays*, supplier of tea, coffee, botanical ingredients & beverage solutions, took a minority stake in *NewTree Fruit Company* of Traverse City, MI, whose technology removes sugar from fruit processes. Michigan's *Peterson Brands*, high-quality fruit & vegetable beverages, acquired *Country Pure Foods* of Akron, Ohio. In the Northwest, *Twin River Berries* acquired *Oregon Berry Packing*. *AriZona Beverages*, through its *US Beverage Packers West* subsidiary, acquired *Manna Beverages'* Anaheim, CA, production facility. *Tetra Pak* acquired *Bioreactors.net*, a Latvian company that designs & manufactures bioreactor fermenting systems. In France, *Ynsect* has reached court ordered liquidation. Shuttered *Stockeld Dreamery*, which recently sold some assets to *Planet Dairy*, sold additional assets to *Bettani Farms*. *Nestlé* is actively looking to divest *Blue Bottle Coffee*. *Coca-Cola* thinks the climate may be right for bolt-on M&A.

Kroger saw a slight revenue bump driven by eCommerce, but 3rd QTR earnings missed estimated targets; *Kroger* lowered full year guidance. In 1st QTR, *Village Supermarkets* saw a gain in revenue but a drop in income. *Dollar General's* 3rd QTR net sales grew 4.6% to \$10.6B with an increase in grocery share; store sales & customer traffic increased 2.5%, average transaction amount was flat, income jumped 43.8% & management raised guidance. *Dollar Tree* saw 3rd QTR gains in sales & revenues; traffic was flat, but average transaction amount rose. *Grocery Outlet* lowered its 4th QTR earnings targets. *UNFI* saw 1st QTR EPS jump on flat revenue. *Hormel* posted a loss in 4th QTR as input costs rose; sales were up slightly.

BJ's Wholesale Club will open three new clubs this December, in Massachusetts, South Carolina & Florida. *Walmart*, partnering with *Wing*, will offer ultra-fast drone delivery in metro Atlantic. *Kroger* will pay *Ocado* \$350M as it ends plans for future fulfillment center. As a pilot, *Amazon* will deliver essentials & groceries in 30 minutes to parts of Seattle & Philadelphia. *Lidl* is offering to feed 12 at Christmas for under \$50. *Albertsons* will add a conversational AI shopping assistant, designed to make grocery shopping faster, smarter & more personalized for the customer from recipe to check-out. *Keurig Dr Pepper* will launch the first marketing campaign for *RC Cola* in more than 40 years! *Tractor Beverage* will launch its first canned drink, vinegar-based sparkling tonic, *Haymaker*, at *Sprouts Farmers Market* next year. *Hershey* will offer a Dubai chocolate confectionery through *Gopuff*. *RIND Snacks* will offer granola squares. *Campbell* will expand its *Goldfish* brand with a seasoned pretzels line offered in honey mustard & hot Buffalo flavors. *Coca-Cola* is anticipating dairy product innovation when its new *fairlife* facility comes online. *Wendy's*, amidst closing up to 300 stores, is reevaluating its menu options & breakfast strategy. *Reboot Brands* relaunched the iconic breath mint, *Certs*. *Walmart* opened its second milk processing facility, a \$350M plant in Georgia that covers 300K sq. ft. Meat processor *Creekstone Farms* & automation company *Marble* will develop meat industry AI processing capability to *Creekstone Farms'* Kansas plant. *House of Raeford* halted its cooked product operations at its South Carolina plant as it deals with construction & maintenance issues; 216 people will be temporarily laid off. *Bimbo* is opening a museum on company history in Mexico. *Pecorino Romano* products were recalled over possible listeria contamination. *Genvor* entered a partnership with Tuskegee University to accelerate peptide-based agricultural technologies with joint research, biological manufacturing & testing of next-generation crop protection solutions. HPAI was detected in a commercial turkey flock in Iowa, the ninth outbreak in the state this year. *Costco*, demonstrating their lack of knowledge of our USA Constitution, is suing the Trump Administration for the tariffs they have paid, instead of doing the right thing & sourcing in the USA to create jobs & capital efficiencies & reduce dependency on foreign countries & extended supply lines! Several states are suing the government over changes in SNAP benefits instead of lower taxes, encouraging business investment & creating jobs to reduce dependency. *Modelo* & *Corona* are blaming the crackdown on illegal immigration for a slowdown in sales instead of building a business model that does not depend on people entering the USA illegally. San Francisco is suing big food for pushing ultra processed foods. *Instacart* is suing New York City citing grocery delivery worker laws that govern minimum pay & tipping violate federal & state statutes. The USDA will withhold SNAP benefits from states that do not share their recipient list to assure only USA citizens who are of need receive benefits. *Just Eat Takeaway.com* CEO Jitse Groen will be succeeded by Roberto Gandolfo.

Circana lowered its 2026 retail food & beverage sales outlook to 2% to 4% from the 3% to 5% the company published in August. From *IFIC*, 75% of consumers are trying to reduce sugar intake. From the *Haas Avocado Board*, the USA avocado market will surpass three billion pounds. It is probably a conspiracy theory, but after just 30 days since a trade deal framework was agreed upon, media reports say China will fall short of the required 3-year soybean purchase requirement.

MARKET NEWS: Markets were higher for the week. Inflation came in at or below estimates, raising odds for a rate cut at the next Fed meeting. Private jobs declined but unemployment claims, both initial & ongoing, were below expectations. Consumer sentiment was higher. Online sales over the Thanksgiving weekend reached record highs. President Trump reduced Biden era fuel economy standards, a giant boost for the American consumer & American business.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

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