



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



THE CHILDREN IN A LARGE ITALIAN FAMILY, like most rural American families in the early 20th century, could have a 20-year or wider age span. This was certainly true in my family's heritage. In a very small town, this can make for some interesting & intertwining family relationships. Three properties in a row housed members of Mom & Dad's respective families. Dad did indeed marry the *Girl-Next-Door*. Then, when I was 3-years old & my sister was nine, Mom's youngest brother married Dad's niece. Our cousin was suddenly our aunt & our uncle a cousin. Dad's niece was now his sister-in-law & Mom's brother now her nephew. Our family's version of "*I'm My Own Grandpa!*"

THUMBPRINTS: A 1947 novelty song, "*I'm My Own Grandpa,*" written by Dwight Latham & Moe Jaffe & recorded by Lonzo & Oscar, was a favorite in our house, often played on an old 78 RPM record. The singer marries a widow, who has a daughter. The daughter marries the singer's father. Now, by law, he is his father's father: *his own grandpa!* The song only gets more complicated as the two couples have children. While my own family tree did not get this complicated, I often wondered if my uncle & aunt's children were my first & a half cousins or my first cousins half removed. As a kid, having the families close together when we were visiting Pennsylvania was fun. Often, both sides of the family would be visiting at the same time, uncles, aunts & cousins & my dad's nieces & nephews, who all had kids my age. We stayed at my mom's parents' house, my Nono & Nona. Next door lived my Aunt Rose, my dad's oldest sister, & my Uncle Jim, along with my dad's mom. My dad's dad died 25 years before I was born, so Jim was the patriarch on that side of the family. When I woke up in the morning I would race through the crops to the top of the hill to the shanties, animal pens & outhouses. There the two men would be beginning their work day. Being the same age, they were friends, *cumparis (godfather to the other's children)* & bitter rivals. They tried to best each other at everything, especially concerning their crops. Naturally, tomatoes were the most competitive plant. Whose tomato seedlings were ready to plant first, who had the first tomato bloom, the tallest tomato plant, the first ripe tomato & the biggest fruit. But the same held true for every plant: cabbage, corn, beans, garlic, pumpkins, cucumbers, peppers & squash. They shouted Italian insults to each other across the fields, likely comparing the vegetables to each other's body parts. They even competed for me! If I was helping Nono with a chore, Uncle Jim would yell for me to do something for him. Nono wasn't much of a talker. He talked to me about the plants & answered questions about WWI & Italy. He had me spread manure, pick beans & plant lettuce. Jim was a storyteller of very tall tales. Nono would always tell me not to believe a word Jim said. I already knew this, otherwise I would believe Jim's father was 7 ½ feet tall & could chop down a tree with one swing of his machete. Nono also told me not to play *morra* with Jim, because he cheats. I already knew this, seeing for myself the last-minute extension of his pinky finger as he shouted, "*Otto!*" Jim had hunting dogs. Jim would watch as I would run with Queenie & Prince through the brush as they chased rabbits & birds. Nono took me into the woods to pick berries & *funghi*, sitting on a log as he whittled me a slide whistle from a small branch. I was just happy to be accepted into their club; to hear their stories, to follow them around & help them as they worked. These were men, even back then, of a different era. They left their homeland not just for themselves but for their children & their children's children – *for me*. They toiled above the ground on their farms & below the ground in the Pennsylvania coal mines. They fought wars, then sent their sons & grandsons to fight wars. They raised their families through the hardest of times. These were men of *America's Greatness*. They ate hardy, drank in wine & life, argued & laughed passionately. In my small eyes, they were bigger than life itself. From American children's books author Eth Clifford, "*My grandfather was a giant of a man. When he walked, the earth shook. When he laughed, the birds fell out of the trees. His hair caught fire from the sun. His eyes were patches of sky.*" And without trying, they left an impression on me - *my history, my heritage & my values*. Ray Bradbury wrote, "*Grandfather's been dead all these years, but if you lifted my skull, by God, in the convolutions of my brain you'd find the big ridges of his thumbprint.*" Looking back, those summer mornings, outside as the sun rose, working, listening & learning from these two men were magical & today are among some of my happiest childhood memories. From Alex Haley, "*Nobody can do for little children what grandparents do. Grandparents sort of sprinkle stardust over the lives of little children.*"

INDUSTRY NEWS: *Kingdom Supercultures*, natural microbial cultures, raised \$25M led by *Shine Capital*, with participation from *Valor, Tao, Lux, SALT, Reference, Digitalis* & existing investors. *Slate Milk*, ultra-filtered, protein enhanced, lactose-free shelf

stable in a can chocolate milk, added \$3.3M to its seed round (now \$5M in total) backed by a number of private & public investors. *Good Good*, no sugar added jams, spreads, keto bars & pancakes & natural sweeteners, raised \$2M in a series A follow-up funding round led by existing investors *Icepharma*, *K2B Investments* & *Aton.JL*. *Agua Bonita* raised \$1M in a pre-seed round from *Convivialite Ventures*, *Cedar Capital* & *Supply Change Capital*. *Cal-Maine Foods* will make a strategic investment in *MeadowCreek Foods*, specialty egg product producer, providing up to \$18.5M in debt & equity financing. *Do Good Foods*, a closed-loop system to collect & convert unsold fruits, vegetables & meats into a nutrient-dense animal feed, received a \$169M investment from asset manager *Nuveen*. *Instacart* acquired *FoodStorm*, an Australia-based catering software company, terms not disclosed. Cloud kitchen, *All Day Kitchens* secured \$65M led by *Lightspeed* with *GIC*, *Andreessen Horowitz*, *Founders Fund*, *Khosla Ventures*, *Base10* & *Tishman Speyer* involved. Also, cloud kitchen *Kitchen United* will enter the New York market by acquiring, for an undisclosed amount, *Zuul*. *Ocado* invested \$13.6M in self-driving technology startup *Wayve* to spur the development of autonomous grocery delivery for complex urban environments. French pasta & sauce preparation robot company *Cala* raised €5.5M from *BACKEDVC*, *Possible Ventures*, *Kima Ventures*, *Quiet Venture* & *Acequia Capital*. England's *Outfield*, drones monitoring fruit orchards, raised £750K led by *Turquoise* & included *Cambridge Agritech*, *Deeptech Labs* & *Amadeus*. *BeeHero* raised \$19M for its pollination tech with *ADM Capital's Cibus Enterprise Fund*, *Rabo Food & Agri Innovation Fund* & others. *Raley's* will acquire *Bashas' Family of Stores*, though *Bashas'* will operate as a separate subsidiary. *Ardent Mills* expands its offerings with the acquisition of *Firebrand Artisan Mills*, gluten free, specialty grain & pulse miller. *Falfurrias Capital Partners* acquired *Local Live Honey*; terms not disclosed. *Bloomberg* reports *AB InBev* is considering a \$1.2B sale of its German beer brands. *Five Seasons Ventures* closes a €180M (\$208M) impact fund focused on foodtech. Agrifood tech investors *SP Ventures* closed its latest agrifood tech fund at \$41.5M. Investment in foodtech startups operating consumer-facing businesses was \$14.9B from January to June, according to *AgFunder* data. *Vito Coco* filed for a \$100M IPO.

Drive-thru only grocery *Opie* has debuted in South Carolina. *Publix* is looking to hire 30K workers. *Kroger* will be looking to add an additional 20K employees. *Meijer* expects to sell more than 500K locally grown pumpkins this fall. Oregon's *Green Zebra* market reopened after an 18-month closure. *Amazon* is working on a smart home refrigerator to order & arrange delivery for products. *Home Depot* is *Walmart GoLocal's* first customer for same & next-day delivery for a wide range of home improvement products. *Jokr* is delivering alcohol in NYC. *Instacart* is adding *Sunbasket* meals. USA & Japan based snack subscription service *Bokksu* is launching *Bokksu Grocery*, an online market for authentic Asian food products. C-store solutions partner *KRS* will resell & distribute 500-plus remote-controlled sidewalk delivery vehicles from *Tortoise* for its customer to expand delivery options. *Standard AI* will outfit c-stores with frictionless checkout tech at its own expense for a pilot. *PepsiCo* launches *Pepviz*, a platform that offers retailers analytics to improve product mix & drive sales in-store & on-line. *PepsiCo* will hike their prices, possible several times into 2022, to pass along inflation to the end consumer. *KeHE* will open a new distribution center in Goodyear, AZ, creating 270 new jobs. *Tyson* will spend \$61M to upgrade a Mississippi poultry facility. *IFF* has designed a plant-based stabilizer for non-dairy whipped products that works well with coconut fat. *Full Wrap*, a gluten-free tortilla made from sprouted legumes, won the *Future Food-Tech / Kraft Heinz* innovation challenge. *Mondelēz* will roll out a *Cadbury Plant Bar*, a plant-based vegan alternative. *Clara Foods* has rebranded as the *EVERY* company & will launch an animal free egg protein. *Garden Gourmet vEGGie*, an alt-egg product & *Garden Gourmet Vrimp*, an alt-shrimp product. *Hormel's* venture arm, *199 Ventures*, entered into an exclusive partnership with *The Better Meat Co.* to develop new meat alternative products & bring them to market. *Burger King* will test *Impossible Nuggets*. *Nestlé* will add new plant-based products in Europe for consumer testing. *Karma Culture* will launch a CBD water with adaptogens & vitamins using its push cap technology, in partnership *Canopy Growth*. California legalized CBD in food, beverage & supplements. Supply chain issues are also getting impacted by Big Food labor unions taking advantage of the labor shortage to seek gains for their employees & their organizations.

Supermarket News Center Store Trends reports that 40% of grocers expect unit sales in center store in 2021 to increase more than 5%. From *Foodmix Marketing Communications*, more than half of consumers find it important to shop specific brands in the produce department vs. non-branded products; 68% are willing to spend more. From cannabis research firm *BDS Analytics*, USA cannabis sales are forecast to pass \$24B in 2021. *The Food Institute* reports 60% of Americans drink coffee every day. The *FAO* reports world food prices are at a 10 year high. From *Agtools*, avocado volume is rising but prices are up 350%.

MARKET NEWS: Markets were slightly higher. Despite across sector labor shortages, a disastrous job report revealed almost non-existent new job creation with elevated first-time unemployment claims. Oil prices reached a 7 year high after reaching a 23 year low in 2020. The GDP is crashing with June reported at an abysmal 1%. The people in Washington DC recklessly approved an extension of the debt ceiling, thus continuing to fuel inflation through unchecked spending & government waste.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenjo*

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