



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



A SHAGGYDOG STORY. No, not Tommy Kirk magically transformed into an Old English Sheepdog trying to catch spies! A shaggy dog story is a long-winded repetitive narrative with a flat punchline. Kids love a shaggy dog story. They are given the stage to tell a droll, drawn out joke ending in a silly twist! Like the Purple Flowers story whose moral is: *look both ways before crossing the street!* One shaggy dog story places an Englishman on a train with a large, strange package. He tells another man it is a *MacGuffin*, used for catching lions in the Scottish Highlands. When he is told there are no lions there, he replies, "*Well, then, this must not be a MacGuffin.*"

MACGUFFIN: In the 1930s, Alfred Hitchcock, unlikely familiar with the kids' Purple Flowers joke, used the Scottish Highlands story to describe his use of a meaningless plot device, the MacGuffin. Hitchcock described the MacGuffin as something that drives a story's plot & motivates its characters but is ultimately irrelevant to the audience. Hitchcock is notorious for using MacGuffins, including the uranium ore hidden in wine bottles in his 1946 classic, *Notorious*. The list includes the non-existent spy George Kaplan & microfilm in *North by Northwest*; the missing or hidden bodies in *The Trouble with Harry*, *Rope* & *Rear Window*; the secret codes, plans or formulas in *The 39 Steps*, *The Lady Vanishes* & *Torn Curtain*; the key in *Dial M for Murder*, Frank Fry in *Saboteur* & the nebulous Clause 27 in *Foreign Correspondent*. The characters are motivated by the MacGuffin, but the storyline & plot development are inconsequential of the MacGuffin – it may as well be a device to catch lions in the Scottish Highlands! Perhaps the most notable use of a MacGuffin in literature & movies is in *The Maltese Falcon*. Each characters' actions are motivated by a desire for the jewel encrusted black bird, which the viewer could care less about. And when the black bird turns out to be nothing but a worthless piece of lead, the viewer is only worried about whether Sam will send Brigid to the gallows! Other great movies contain MacGuffins: The letters of transit in *Casablanca*; Marsellus Wallace's briefcase in *Pulp Fiction*; The Ark, the Holy Grail, the Crystal Skull or anything else Indiana Jones is looking for & some would claim the Death Star, Private Ryan & the Heart of the Ocean diamond are all MacGuffins! But over the course of history, there have been some real-not-real MacGuffins, if that makes sense! When the south bombarded Fort Sumter at the mouth of the Charleston Harbor, it was not yet completed or even fully armed. But the South firing on the USA flag was a symbolic gesture that emboldened both sides who were already at political & social odds. Fort Sumter had little tactical value at the time, but it was used as a MacGuffin by both sides to get people to react enthusiastically to entering a war! Just 10 years later, German Chancellor Otto von Bismarck used a MacGuffin to enter war with France, to achieve his goal of reunifying Germany. Bismarck intercepted the report (the Ems Dispatch) of a meeting between King Wilhelm I & the French ambassador concerning Spanish succession. He then edited it, to make the king's polite refusal to see the French ambassador appear to be an insult to the French. He released the letter to the French press. So outraged were the French people & Emperor Napoleon III, that France declared war on Germany. The Ems Dispatch got the French to react exactly as Bismarck wanted, but in truth, in & of itself it was a meaningless report of a possible meeting between the king & an ambassador! Before the end of the 19th century, the USA press used the explosion of the USS Maine in Havana harbor as a catalytic object to drive the United States into war. It was far from clear what caused the Maine to explode or even if Spain was involved. The yellow journalists, led by William Randolph Hearst, went to work & America charged into war & up San Juan Hill. World War I had two MacGuffins! First, there was the assassination of Archduke Ferdinand. The imperialistic nations of Europe, still stuck in the 19th century, were already poised for war. The Archduke himself was of little consequence to the overall geopolitical situation of Europe. But the assassination of he & his wife by 19-year-old Serbian nationalist Gustave Princip drove the narrative for the Guns of August! Then, with the USA just about to enter the war due to the Germans unrestricted submarine warfare, the Zimmerman telegram appeared. Germany offered Mexico territory to declare war on the USA. The telegram was real, but its public release had helped ready the Americans to declare war when the Lusitania was sunk just six weeks later. Notice the pattern of all these historical events from the Civil War forward – none of them were actually strategic or resultant in the march to war, but they drove emotions, mobilized public opinion & action & reduced a complicated situation into an explainable single narrative to cover deeper issues. Think of how MacGuffins have been used in recent history! Every time the media or public turned against Clinton or Obama, they shot a missile at Libya or Syria, to provide a different narrative to distract from their failings. Bush used weapons of mass destruction as a MacGuffin to move the USA from a retaliatory war against Afghanistan to a prolonged war against Iraq. The worst kind of grifters have used supposed racial incidents (& the arrest & deportation of illegal criminal aliens) as a MacGuffin to hide their graft behind public outrage, creating three word mantras to establish a single narrative. In World War II, there were two real MacGuffins created to cause the Nazis to react & behave a specific way. As the Allies were planning to invade Sicily, the body of Glyndwr Michael, a homeless Welsh man, washed ashore in Spain. M5 had planted personal information identifying him as Captain (Acting Major) William Martin & documents suggesting that the allies would deceptively fake an attack on Sicily & that the real attacks would be on Greece & Sardinia. Hitler shifted his troops & Patton & Montgomery easily overwhelmed the remaining Axis troops on Sicily. As D-Day approached, the Allies (among other deceptions) created an entire fake First Army Group under Patton's command, the general the Nazis most feared. Headquartered near Dover, the First Army was across the English Channel from Pas-de-Calais. The Nazis didn't just move troops to Pas-de-Calais in preparation for an attack, they also held those troops in reserve well after the attacks at Normandy began, fully believing the main attack would be led by Patton at Pas-de-Calais. Both these MacGuffins caused the Nazis to react - it drove their actions & behaviors, no different than the black bird. We just witnessed a masterful use of the MacGuffin! In April of last year, the President issued tariffs under the IEEPA - the MacGuffin. He knew this move was legally vulnerable, but it caused the actions he needed to protect America! First, the Democrats (who oppose anything that does not line their pockets with graft) immediately filed a lawsuit. The Trade Act of 1974 was more complex & would take longer to enact, too long for the Speed of Trump, so the IEEPA MacGuffin put tariffs on immediately, giving the USA leverage. While the Democrats were distracted awaiting a SCOTUS decision, President Trump used the threat of tariffs to sign America First trade deals across the globe, collect billions of dollars in tariff revenues & trick the Supreme Court into tacitly approving the 1974 law. This provided the Administration time to fully develop a tariff structure under the Trade Act, which was ready to go upon the SCOTUS decision! A brilliant use of the MacGuffin to cause the characters to react & behave in a certain way! But sometimes, there is no MacGuffin. It's just a long, sad shaggy dog story with a twist! Imagine an evil regime that has shouted Death to America & Death to Israel for 47 years. A regime that treats its women as slaves. That forces young girls to marry old men. That kills homosexuals. That funds terrorism around the globe. That took 52 Americans hostage for 444 days. That has tried to assassinate our President, twice. That has killed hundreds of thousands, perhaps millions, of their own citizens. That threatens the world with nuclear weapons. This is a story of their violence, their hate, their desire to conquer other nations with their religion to change other nations' laws & culture & their

desire to export terror & war around the world. It's a story that reveals Carter's military incompetence & geopolitical naïveté. It's a story of self-dealing & America-hating Presidents: The Clintons who generously provided the gift of nuclear weapons; Obama who gave billions of dollars IN CASH & Biden who unlocked billions in frozen funds to use to cause terror & death. Yes, it's a long sad, drawn out for 47 years shaggy dog story. And like the Purple Flowers saga, this shaggy dog story ends with an unexpected twist & moral: *Look both ways before crossing Donald Trump!*

INDUSTRY NEWS: Cactus water hydration brand *Pricklee* raised \$2M. Candy maker *Harken Sweets* raised an undisclosed amount from *Selva Ventures*. *Mezcla* raised \$9.5M led by *Bluestein Ventures*. Stuffed pasta brand *Ripi* secured an undisclosed investment from *Paperboy Ventures*. *Contour Ridge* entered strategic partnership with *Brandjactory* member *Just Date*, maker of low glycemic sweeteners & chocolate. *Unilever Ventures* made an undisclosed investment in longevity brand *NOVOS Labs*. Baby care brand *Freestyle* raised \$10M led by *Silas Capital* with *Mucker Capital*, *Adapt Ventures*, *Superangel* & *ECP Growth* involved. *Beijing Guoke Xinglian Technology*, building human-identical milk proteins, raised \$14.6M led by *Shanghai Zhuiguang Julian*, *Lenovo Capital* & *Changjin Holdings*. In Israel, *AgriPass Robotics*, weeding robots, raised \$7.5M led by *Harbour Venture Consulting* & *E44 Climate Ventures*. In Denmark, *Mycoverse*, crop protection using fungi, raised €2.4M co-led by *Future Food Fund* & *High-Tech Gründerfonds*, with participation from *PINC*. *Bindbridge*, protein degradation technology to produce crop protection products, raised \$3.8M from *Nucleus Capital* & *Speedinvest*. *TARGAN*, an animal health AgTech company, secured \$100M with *Symbiotic Capital*, a private credit fund. *B&G Foods* completed the sale of its *Green Giant USA* frozen vegetable line to *Seneca Foods* for an undisclosed amount; *Seneca Foods* had previously acquired the canned business. *Cal-Maine* acquired shell egg producer *Creighton Brothers* in Warsaw, IN, including its *Crystal Lake* business. *Tilray* acquired struggling brewery *BrewDog* for \$44M. *Nestlé* is reportedly selling the retail arm of *Blue Bottle Coffee* to *Luckin Coffee* owner *Centurium Capital Partners* for \$400M. *Blue Monkey Beverage* acquired *Local Weather*, a coconut water-based sports drink formulated with electrolytes, adaptogens & nootropics. *Phusion Projects*, the owner canned alcohol brand *Four Loko*, is working with investment bank *JPMorgan* on a sale of the brand, possibly valued at \$400M. *Captain Fresh*, an India-based global seafood company, acquired *FRIME*, a Spanish tuna processor & distributor. *Smucker* has added activist investors *Elliot Investment Management* into an improvement engagement & has added two new board representatives. Because of high valuations, *Mondelez* will look to acquisitions offering unique competitive advantages. From the *Good Food Institute*, investment in alt-proteins fell to \$881B in 2025 from \$1.1B the previous year; plant-based investment rose 39%, cell cultured fell 48% & fermented fell 43%.

Revenue missed 4th QTR estimates at *Kroger*, though EPS beat expectations; same store sales & eCommerce sales increased. In 2nd QTR, *Costco* reported sales rising 9.1% & EPS went up almost 14%. *Publix* reported slow growth in 4th QTR with flat earnings. *Target* painted an upbeat going forward projection after 4th QTR earnings beat estimates though revenue fell short. *Grocery Outlet* will close 36 underperforming stores amid disappointing 4th QTR results that saw a \$218M net loss. *BJ's Club* put together an across the board strong showing in 4th QTR. *Hormel* reported a positive 1st QTR as *Jennie-O*, *Planters* & foodservice provided strength. At *Monster* in 4th QTR, earnings were up 63% & revenues more than 16.7%. *Krispy Kreme* reported another net loss in 4th QTR on lower revenue; the company posted a net loss for the fiscal year.

Target is planning 30 new stores this year. *Walmart* added a supercenter in The Villages, Florida. *Aldi* will open its first store in Portland, Maine, later this month. *Ollie's* opened its first store in Minnesota. *Good Earth Natural Foods* will open its third store in San Rafael, CA. *Kroger* deployed *Corvus One for Cold Chain* drones to monitor its ambient & sub-freezing cold chain distribution operations. *Target* is rolling out next day delivery across the country. *Amazon* has launched a grocery delivery partnership with *Cub Markets*. Also, *Amazon* launched 15 minute grocery delivery in some Brazil markets. *Amazon* & *OpenAI* will expand their partnership, which may reach \$140B in execution. *Just Eat Takeaway.com* will close operations in Denmark. *Olive*, the 24-hour chatbot answering phone calls from customers of *Woolworths* in Australia, was deemed overly friendly as users who voiced concern over its tendency to provide fictional details about its life & family. *Kroger* has added 20+ RTE meals to its *Private Selection* label. *Coleman All Natural Meats* will reenter the beef category with the debut of premium ground beef in 80/20 & 90/10 varieties. *Vital Proteins* is launching *Collagen Sparkling Water*. *milkadamia* will debut its DTC-launched *Oat Milk Slices*, sheets to blend oat milk, at *Target* as its first retail exposure. *Oatly* is introducing a popcorn flavored oat milk barista creamers. *Spindrift* will launch its first non-carbonated beverage line, *Spindrift Iced Tea*. *Campbell* is adding a line of zero-sugar energy drinks to its *V8* brand in blueberry raspberry, strawberry lemonade & cherry lime flavors. *Horizon Organic* has added a lowfat single-serve chocolate milk option with no added sugar. *Keurig* is launching its first self-branded product, the *Keurig Coffee Collective*. *Chomps* will add chicken meat sticks to its offerings. *Spam* & *Bachan's* partnered on a limited time mashup. *Actual Veggies* will introduce vegetable dinosaur nuggets. *Jack Link's* is launching an all-new, three-ingredient meat snack line. *PepsiCo's Frito-Lay* has debuted two fiber-forward snacks, *SmartFood FiberPop* & *SunChips Fiber*, as well as protein packed *Doritos*. *Xochitl* will make all its tortilla chip portfolio with avocado oil. *Ferrero* will launch *Famous Amos* oatmeal chocolate chip cookies. *Stauffer's* (a subsidiary of *Meiji America*) is rebranding its iconic *Animal Crackers* as *Stauffer's Simply Animals* with a new look. *Bubbies Fine Foods* is launching a line of shelf-stable pouched pickles. *David* is teasing a release of protein ice cream. *Brown-Forman* will bring its flavored malt beverage portfolio in-house, ending its partnership with *Pabst*. *JBS* will invest \$150M to expand its Cactus, TX, facility. Canada private label producer *Dainty* expects to produce 250M units annually from the new facility in Batavia Township, Ohio. *Puratos* opened its first Canadian bakery school program at a secondary school, which is located near *Puratos'* facility in Mississauga, ONT. Two five-foot high vertical growing units have been placed in the Mayfield High School library (Ohio) for students to learn about indoor farming – *GO WILDCATS!* Technology platform *Olo* launched a consumer-facing digital ordering app that fits between third-party delivery apps like *DoorDash* & first-party ordering solution. At Texas A&M, scientists have successfully grown & harvested chickpeas using simulated moon dirt. *General Mills* has reportedly removed synthetic dyes from food produced for K-12 schools. *Ajinomoto Foods North America* is expanding its recall of frozen, not ready-to-eat chicken & pork products that may be contaminated with the foreign material glass by over 33M pounds. *Brookshire Grocery's* CEO Brad Brookshire will retire & Jerry LeClair will be Interim CEO. *Flowers Foods* named Michelle Lorge as president of *Simple Mills*, taking over from founder Katlin Smith.

From the *Organic Trade Association*, USA sales of certified organic products reached \$76.6B, growing 7%, while the conventional market increased 3.4%; the *OTA* projects organic sales to hit \$100B by 2030. From Illinois Tech researchers, adding one avocado & a cup of mango to your daily routine may help support key markers of cardiovascular health after just 8 weeks, improving blood vessel functioning & lowering blood pressure. USA dairy exports rose 15% in 2025, reaching \$9.51B. Coffee prices are falling as global supply is increasing; prices are expected to fall farther though Vietnam is experiencing crop disruptions.

MARKET NEWS: Markets were lower with investors remaining jittery as oil prices rise. Most economic indicators were positive for the week, though 92K jobs were lost in February. Investors' hopes for an interest rate cut rose with the weak jobs report. Wages & productivity were higher.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – Tom Malenka

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