



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



JOANNA, HER HUSBAND AND 2 GIRLS move from Manhattan to a small community in Connecticut. Her husband joins a prestigious men's club, against Joanna's wishes. Joanna meets the town's women; all dedicated housewives & moms, with no outside interests, jobs or intellectual pursuits. They dress, act, speak & believe the same way. The few who do not, soon seem to succumb to pressure. In a fight, Joanna stabs one lady, only to realize she does not bleed. She tries to escape the town, but her children are being held captive at the men's club! She races to get them, but waiting for her is the town's mastermind, with an empty, soulless android that looks like Joanna!

STEPFORDIAN DYSTOPIA: We often hear the phrase, "*a community of like-minded people.*" But is that really a community? Does everyone in a community think, act, believe & love the same way? Should we be able to choose who joins our community, who lives near us, shops at the stores, attends the churches or synagogues? Should the people in a community all be exactly alike, in every way, thought & belief? If it is that way, we should probably check our driver's license, we might be living in Joanna's Stepford, Connecticut, dystopia! Communities are built around disparate individuals that come from different backgrounds; who look, believe, think & speak differently. They join together to move their community forward. This has happened around the world, but especially here in America, where we have welcomed all people who wanted to be Americans. Yes, at times it is difficult to accept all into a community, but no community can be perfect. Creating perfect societies, perfect communities, has been tried in the past. Most infamously, in 1930s Germany, where the *National Socialist German Workers Party*, better known as the Nazis, rested control of the government in an attempt to create their perfect community. In the German Reich's perfect community, the leaders & media told everyone what to think, what to believe, who to welcome into their community & who to hate & ostracize. They labeled those ostracized groups by religion, ethnicity, race, political views & even by whom they chose to love. They did not allow them to be part of the community, destroying their businesses, schools & places of worship. Dissenters were shouted down, muted & eventually eliminated. Ostracized groups were isolated, enslaved, tortured & executed. All this happened less than 100 years ago. Among the dissenters, those who spoke out against this regime, was to this writer, one of the most courageous men to ever live, Pastor Dietrich Bonhoeffer. From a prominent family, his schooling took him to the USA to further his theological studies. There he heard Adam Clayton Powell, Sr., preach on social injustice, which influenced his thoughts about fighting for the oppressed. At age 26, two days after Hitler took power, Bonhoeffer preached on German radio against the despot. He fought a rigged church election that the Nazis forced upon the churches of Germany to elect only pro-Nazi church officials & eliminate all non-Aryans from the churches. Pastor Bonhoeffer founded the Confessing Church, based on his own theological beliefs. He was ordered not to preach, print or publish. Yet, he held underground seminaries & sermons, staying constantly on the run from town to town, just one step ahead of the Gestapo. Eventually, he actually joined German military intelligence, the Abwehr. As a double agent, working with men who were trying to assassinate Hitler, Bonhoeffer used his cover as an Abwehr agent to run messages between German resistance & the Allies. Bonhoeffer was eventually arrested & imprisoned. He continued to preach in the concentration camp & smuggled out messages through sympathetic guards. In the last months of the war, at age 39, he was executed for knowing about the assassination attempts on Hitler. Despite all efforts to silence him, he spoke loudly, publicly against a regime that sought to create their vision of a perfect society, ridding it of those deemed undesirable. Bonhoeffer felt, "*We are not to simply bandage the wounds of victims beneath the wheels of injustice, we are to drive a spoke into the wheel itself.*" The pastor forebodes the evil of creating a perfect, like-minded community, saying "*The person who's in love with their vision of community will destroy community. But the person who loves the people around them will create community everywhere they go.*"

INDUSTRY NEWS: *Vestar Capital Partners* made a majority growth investment in *Dr. Praeger's Sensible Foods*. Sports nutrition brand *Gainful* raised \$7.5M, co-led by *BrandProject & Courtside Ventures*, with participation from *AF Ventures, Round13 Capital & Barrel Ventures*. The parent of *Lavva* gained an investment from *S2G Ventures & Australia's Health & Plant Protein Group*. *Imperfect Foods*, sustainable grocery delivery, announced a \$95M raise led by *Insight Partners & Norwest Venture Partners*. *Killer Creamery* raised \$1.5M for its low-carb, MCT enhanced ice cream. *Open Farm*, pet food, raised \$65M led by *General Atlantic*. Alt-seafood producer *BlueNalu* closed on \$60M led by *Rage Capital* with *Agronomics, Lewis & Clark AgriFood, McWin & Siddhi Capital* involved. Europe delivery company, *Deliveroo*, raised \$180M at a \$7B valuation co-led by USA firms *Fidelity Management & Durable Capital Partners*. Autonomous tractor company, *Bear Flag Robotics*, closed a \$7.9M seed round extension led by *True Ventures*. *AgriWebb*, Australian provider of livestock management software, raised \$23.3M led by *Tellus Ventures* with a \$77.7M valuation. *CashRent*, a dual-sided online marketplace for leasing farmland that also enables landowners to better calculate land value based on different data metrics, raised \$750K from farmers & landowners in the Midwest. Denmark's *Too Good to Go*, which sells a low-cost surprise bag of food to be discarded, raised \$31M led by *Blisce*. *WM Partners* acquired matcha tea maker *Jade Leaf*. *Barilla* will acquire *Pasta Evangelists* from *Guinness EIS*; reports suggest the purchase price is approximately €40M. Two Italian cheese companies, *Agriform & Parmareggio* will merge to create a \$730M cheese company. *Hain Celestial* sold its UK fruit business, *Orchard House*, & its associated brands to private equity firm *Elagmore*. Following disappointing earnings, *Bluebell Capital Partners* is pressuring *Danone* to make organizational changes. *Southeastern Grocers* will offer 8.9M shares at a price of \$14 to \$16 per share, in an IPO to raise over \$160M. *Petco* raised \$864M in its IPO.

Costco is testing curbside pickup in New Mexico. *Kroger* is piloting *KroGO*, smart carts from *Caper* that scan & weigh products, provide a running total on a digital screen & allow shoppers to check out using a payment pad on the cart. *Instacart* is laying off workers as more retailers are now offering their own services. *Ingles Markets* has added to its online grocery capabilities & launched curbside pickup. The *UFCW* is suggesting unionized workers are being targeted for layoffs. The *Specialty Food Association* has launched a transactional marketplace that connects retailers with specialty manufacturers & facilitates shipping directly to stores. *Meijer* will hold a virtual supplier pitch for local suppliers to pitch their products to company buyers, on April 1. *Whole Foods* will enter Wyoming with the purchase of *Jackson Whole Grocer*, a family-owned natural foods store. *Campbell* will close a 94-year-old snack plant in Georgia. *Godiva* will close their North American retail locations. *Schnucks* will offer a restaurant quality line of prepared meals targeted to the on-the-go & health-conscious consumer. *Subway* will bring branded products to retail. *Remedy Organics* will offer a line of immunity shots. *Kellogg* will offer *Kashi GO Keto-Friendly Cereal*, the brand's first keto-friendly offering. *Highkey* has expanded its portfolio of low-carb products with the introduction of 10 baked snacks & confections. *Hidden Valley* will offer dairy-free, egg-free & gluten-free *Hidden Valley Plant Powered Ranch Dressing*. *Kind* will offer 15-minute dietician consultations. Both *Coco-Cola & PepsiCo* will forego Super Bowl commercials worried over cost & viewership. *Tyson* settled price fixing charges with a \$221.5M settlement. The *Upcycled Food Association* has created the *Upcycled Certification Standard* setting requirements for certification of upcycled products & ingredients.

Organic produce sales rose 14.2% in 2020, a \$1B increase to \$8.5B, per *Organic Produce Network & Category Partners*; led by herbs & spices, potatoes, packaged salads, berries & apples, with only organic grapes declining among the top 10 items. Conventional produce sales rose 10.7%. Per the *National Retail Federation*, holiday sales rose 8.3% as online & other non-stores sales rose 23.9%. Per research firm *Hunter*, 71% of USA consumers will continue to cook at home with saving money (67%), healthier eating (56%) & feeling good (56%) as the motivators.

MARKET NEWS: Markets stayed near record highs despite new economic policies that will reduce American energy independence, increase oil prices & cause layoffs; shift American taxpayer money to foreign governments & reduce job opportunities & wages for lower income American workers.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

V7issue32.01.23.21

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