



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



BACK TO SCHOOL! As kids, the days got shorter, the nights cooler & we stretched out every last minute under the streetlights. School would start a few days after Labor Day. We were still taught the basics: the three R's, Reading, Writing & 'Rithmetic! Maybe our teachers didn't carry a hickory stick, but they felt free to call us stupid, dumb, lazy & throw chalk & erasers at us to get our attention or shut us up! Today, the three R's are gone; replaced with indoctrination, orientation & deception. Worse, outside of the classroom, from kindergarten to college, students are faced with a host of misinformation & disinformation & carry with them from school one giant misconception!

MISCONCEPTION: Today, the basics of learning are gone. Instead, our schools fill children's heads with many misconceptions! Finding the right answer in math is somehow systematic discrimination! Students are allowed to read well below their grade level. Their heads are filled with lies about American history & its significant events, the climate, current affairs & even religion. In too many schools, sometimes as early as kindergarten, children are exposed & asked to make lifelong decisions about their own sexuality that will impact their physical, mental & emotional well-being forever. (Some states believe in this so strongly, such as Minnesota, that its governor, now vice-presidential candidate, signed a law that soon goes into effect that bans religious believers, who express a belief in heterosexuality, from teaching in public schools!) Children are taught to be victims, that someone else is the cause of their lack of learning, & that the system is against them. There is no prayer, no Pledge of Allegiance, wearing or displaying a flag is forbidden & our Founding Fathers & the founding documents of this Great Nation are dismissed & diminished. As such, those who do graduate from high school or college are ill prepared for the real world. But the biggest misconception schools offer, which is reinforced by mainstream & popular media, is that there are two sides to the political spectrum, left & right. The left is portrayed as a beautiful, John Lennon hand holding world of peace & love, & the right is portrayed as a world of hate. The left is portrayed as a Socialist utopia & the right is portrayed as a Fascist race-hating nightmare. NOTHING COULD BE FURTHER FROM THE TRUTH!! Yes, there are two sides! On the left we have Totalitarianism, in all its ugly forms, & on the right, we have Freedom. All totalitarian philosophies, be it despotism, thugism, socialism, communism, Marxism & fascism, originate from the same single belief: that the person or persons in charge, a ruling class of elites, know better than the individual. And each operates from the same playbook! These societies find something or someone to hate. For the Nazis, it was Jews & Communists; for the Soviets, the rich. For the American left, it is white people, men, Judeo-Christianity, Israel, the police, ICE, coal & oil & supporters of the other guy. Totalitarians bastardize science. The Nazis created a Master Race & *scientifically* proved the inferiority of Jews, Gypsies, homosexuals & the disabled. The American left has climate change, biology, epidemics & vaccines. Speaking of climate change, there must be a crisis. The Nazis had the economy & food shortages & the Soviets & Maoists had famine. Also, the people must be victims. The German people were victims of the Jews & England, France, Poland, America & the Treaty of Versailles that ended WWI. The Russian people were victims of the royalty & Western Capitalism. The American left is the victim of everybody! These governments turn enemies into allies, for certain conveniences! The Nazis & Soviets shared a peace treaty to take Poland before Germany invaded the USSR in June 1941. The Nazis befriended & used Islam for its oil & hatred of Jews. The Soviets had a peace treaty with Japan, whom they feared. The American left makes allies of enemy countries like China & Iran, who actively corrupt this current administration & its members. These societies are fine with thugs roaming the streets, abusing & looting at will! The Nazis had the SA Brownshirts, the Soviets had mass anarchy on the streets & the American left has gangs imported from South America & urban organized crime to destroy retailers. These regimes will do anything to increase their base of followers. The Nazis & Soviets annexed countries with populations that shared their hate & victimhood; the American left opens the borders, giving free phones, gift cards, healthcare, housing & home loans, with carte blanche to commit crimes, murders, abuse; & traffic drugs, women & children. The American left also repays student loans, provides tax incentives to purchase electric vehicles & pours tons of money (that is often wasted or corrupted) into institutions or causes to make their base think they care! Totalitarians need compliant prosecutors & judges, essentially turning over these efforts to state-run police – the Gestapo; the Cheka, GPU, NKVD & KGB; & the FBI & DOJ. The Soviets essentially had no judges, the Nazis corrupted judges & the American left has a host of judges & prosecutors inventing crimes & bastardizing the law to attack one man & his supporters. And justice is applied with a double standard. A citizen exercising their 2nd Amendment rights goes to jail but an illegal immigrant beating, raping & killing a grandmother does not get charged. Only one President gets charged for having classified documents while every other President, including the one in office, has done the same or worse! These regimes censor. The Nazis burned books; the Soviets toppled statues of prior leaders & the American left has Mark Zuckerberg. In these regimes, only the ruling elite get rich. For the Soviets, all wealth belonged to the state & a few oligarchs. The Nazis allowed chosen industrialists & bankers, who did their dirty work, to profit, giving Fascism a 'thin veneer of capitalism' to differ themselves from Communism. The American left has their chosen, big tech & media, while they tax wealth away from everyone else, proposing to allow the Trump tax cuts that created middle class wealth to expire, raise the corporate tax to the highest in the world & tax unrealized gains! Most importantly, these regimes lie, cheat & kill to keep their power, & rely on a compliant media to cover their evil behinds. Germany & the Soviets had state-run propaganda. The American left provides for a 'thin veneer of free speech' by suggesting mainstream & social media are independent. Yet, the media told us a number of things that today people finally know were lies: blocks of Minneapolis burning to the ground was a peaceful protest; people taking photos in the Capitol were violent; the dossier was real; the laptop fake; the election honest; the President healthy; Bidenomics is working; the virus is natural & the vaccine is safe. The media creates lies to change previous comments: she never supported EV mandates; she supports fracking; she supports a border wall; she's been tough on crime & no tax on tips is her idea! In totalitarian societies, life is cheap. Nazis, Soviets & Maoists used genocide & pogroms; the left allows illegal immigrants to rape & murder, drugs proliferate our neighborhoods, homeless in need of help wander our streets, abortion on demand to shirk parenting responsibilities & Dr. Science himself, a modern-day Mengele, to experiment with viruses & vaccines on Americans. Everyone seeking "Joy & Hope" should be appalled to know that the Nazis offered "Strength Through Joy" & the Nazis staged a Reichstag fire to cement their powerbase, probably after some Pelosi-type left the doors open! This is not just an election. This is a concerning choice. The choice is between Totalitarianism in its most evil form & Freedom. It is time to move past the lies & misconceptions. From Ayn Rand, "Ask yourself why totalitarian dictatorships find it necessary to pour money & effort into propaganda for their own helpless, chained, gagged slaves, who have no means of protest or defense. The answer is that even the humblest peasant or the lowest savage would rise in blind rebellion, were he to realize that he is being immolated, not to some incomprehensible noble purpose, but to plain, naked human evil." Hannah Arendt, 20th century German American philosopher who was imprisoned by the Gestapo in 1933 & finally made it to America in 1940, believed thoughtlessness was the essence of

totalitarianism, & that the misconceptions & lies were to confuse the uncommitted, to no longer be able to see truth from lies & to react by feelings, not facts. Like Rand, she saw why these regimes require propaganda: "Only the mob & the elite can be attracted by the momentum of totalitarianism itself. The masses have to be won by propaganda" Anyone who casts a vote based on a feeling - race, gender or mean tweets - needs to realize they are not just a sheep, they are a useful pawn in their evil game. This election & its outcome will determine our freedom! From Orwell, "If you want a vision of the future, imagine a boot stamping on a human face - forever." So as you cut, feed & water your grass this weekend, remember this analogy from journalist & academic Michael Pollan: "A lawn is nature under totalitarian rule." You may get food & water, but you will never grow, always be confined & regularly be cut down to size!

INDUSTRY NEWS: *Zilks*, producer of cheese, pesto & artichoke dips, raised \$1.3M from undisclosed investors. *Little Sesame*, maker of organic hummus & tahini, raised an undisclosed amount of funding from *Santatera Capital*. *DayDayCook* secured \$1.7M in a private placement & retired existing debt. In Ireland, protein bar *All Real Nutrition* raised €2M for expansion to the USA. *Brother's Bond Bourbon* raised \$4.9M from undisclosed investors. *ZBiotics*, genetically engineered probiotics, raised a \$12M Series A round led by *Spring Tide Capital* with *Access Capital*, *Seamless Capital*, *Goat Rodeo Capital* & *Seaside Ventures* involved. *New School Foods*, plant-based whole-cut alt seafood, raised \$6M from *Inter IKEA Group*, *Good Startup*, *NewTree Capital* & *Hatch*. *Nordic SeaFarm* raised €2.1M led by *EIT InnoEnergy* & *Inter IKEA Group* to advance R&D & European expansion of its seaweed cultivation. *The Better Meat Co.* received a \$1.4M federal grant to commercialize mycoprotein *Rhiza* as the government continues to influence Americans' eating choices. In Australia, *Inform Ag*, farm management platforms addressing irrigation automation, data management & vehicle tracking, sold of 43% stake in the business for \$7M to *Rural Funds Group*. *Mad Markets*, a regenerative agriculture platform, acquired *Timeless Seeds*, a lentil & chickpea processor. *Campbell* sold *Pop Secret* to *Our Home*, parent of *Pop Chips*, *Food Should Taste Good* & other brands. In France, the *Boudelle Group* will seek to sell several assets, including the acquisition of its French packaged salad to *LSDH's Les Crudettes* & its German packaged salad business to *Taylor Farms*. *GrubMarket* acquired of *FreshGoGo*, North American Asian grocery & specialty food eCommerce platform. *Mount Franklin Foods*, manufacturer of contract & private label confectionery, nuts, snacks & foodservice products, acquired filled-marshmallow maker *Stuffed Puffs* of Bethlehem, PA. In India, *Bikaji Foods International* acquired a 55% stake in Indian peer *Ariba Foods* for \$7.2M. Australia's *Kimberly Meat Co.* was bought out of administration by Canada's *Alberta Investment Management*. In Sweden, *Naplasol* acquired mycoprotein company *Mycorena* to its mycoprotein production. *Inspired Pet Nutrition* acquired *Butcher's Pet Care*, maker of high-quality wet pet food products. Chicago-based Mediterranean fast casual chain *Roti*, 19 Midwest locations, filed Chapter 11. *Delivery Hero* is planning an IPO of Middle East operations.

JM Smucker beat 1st QTR earnings but reduced full year guidance. *Campbell* beat 4th QTR estimates but lowered future guidance. *Hain Celestial* beat 4th QTR earning & revenue estimates & forecasted a strong 2025. *Dollar General's* stock crashed as the retailer missed targets & lowered forecasts citing financially strapped consumers & crime. Fast-casual restaurant *Cava* raised guidance after beating 2nd QTR estimates as traffic soared 10%; the stock price took a hit as executives sold stock.

Sprouts Farmers Market announced 10 store openings. *Publix* opened its 11th store in Kentucky. *Amazon Fresh* opened four stores in Northern California, Illinois, New Jersey & Pennsylvania. *H-E-B* launched *H-E-B Now* which allows customers to get up to 15 grocery items in 45 minutes or less through the *Favor* app. *Costco* is changing the packaging on its rotisserie chicken. *Stop & Shop* will stop selling cigarettes & tobacco products & offer a tobacco buyback program to encourage healthy living. In Illinois, Walmart installed a humanoid robot beverage maker, *ADAM*, from *Richtech Robotics*. California enacted shoplifting laws in an attempt to prevent voters from passing an even more stringent law to crack down on shoplifting in November (Prop 36). In Washington DC, some Giant locations are banning unaccompanied minors after 6 PM to curb shoplifting. In exciting news, RFK, Jr, joined the Trump campaign. Among the issues he will address as part of a Trump administration is the quality & purity of our food & its impact on chronic & childhood diseases. Trump & RFK Jr. will work together to eliminate harmful pesticides, chemicals, artificial ingredients, seed oils & more from our food to make America healthy again! *FreshRealm* will expand & renovate its distribution facility in Montezuma, GA. *Idaho Milk Products* will build a 183K sq. ft. ice cream production facility in Jerome, ID. In Iowa, *Friedrichsen Meat* will add capacity to double its beef & triple its pork processing capacity. *Ardent Mills* will expand its Commerce City, CO mill. The UK Government invests £15M to establish an alternative protein innovation center. *Shake Shack* will close 9 underperforming locations in California, Ohio & Texas. *Red Lobster* added 23 more closings amid bankruptcy & replaced their CEO. *Smithfield Foods* separated its European operations to accelerate growth. Bugs, mold & mildew were found in the *Boar's Head* plant linked to the deadly listeria outbreak. *Walmart* recalled apple juice sold in 25 states. The lawsuits trying to stop the *Kroger/Albertsons* merger, if successful, could result in the closure of *Albertsons*, who may not be able to compete against the mega grocers. Curt Calaway, Tyson's interim CFO who replaced the arrested Tyson heir, will assume CFO duties permanently.

From *84.51°*, 69% of consumers are uncomfortable with grocery prices; 60% shop at value-based grocers, half seek out deals & 84% are loyal to brands they feel offer value. Per *FMI*, 70% of consumers are very or extremely concerned about retail food inflation & 68% reported concerns that prices will rise for foods they prefer. From *Kearney*, just 2% of consumers see private label products as inferior & private label brands will take 7% of the market share from national brands by 2030. From *Circana*, food & beverage unit growth will be flat while dollar volume grows on inflation. Also from *Circana*, 86% of all eating occasions are in-home, with consumers eating 116 more meals at home over the past year than they did before the government mandated lockdowns. From *Brand Finance*, *Nestlé* ranked as the most valuable food brand followed by *Lay's*. From Texas, dinner sausage sales are increasing, which has historically been an indication of a coming recession. Columbia's avocado exports to the USA are 3X higher in 2024 Grain commodity prices are at their lowest level in 14 years compared to other commodities. Organic wheat supplies are higher.

MARKET NEWS: Markets were mixed for the week with the DOW higher & the S&P & NASDAQ lower. Nvidia's guidance underwhelmed investors & weighed on chipmakers. Core PCE for July was 2.6%. Housing prices rose 6.5% in June.

SEEDS, SPROUTS, GROW. HARVEST!

THE LITCHFIELD FUND - *Tom McElroy*

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