



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



LITCHFIELD

ZENO OF CITIUM WAS THE FIRST STOIC. Stoics believe that logic & ethics lead to personal virtue. For Stoics, living in the moment brings happiness by controlling one's desires, fears & worry. They try to understand the world & nature as they exist & to treat others fairly & justly. Seneca, Epictetus & Roman emperor Marcus Aurelius were Stoics. Marcus was one of what Machiavelli described as the 'Good Emperors' & the last ruler of *Pax Romana*, Rome's relative era of peace. Marcus, oft-quoted in *ALL EARS!!* because of his realism yet positivity, said, "*When you arise in the morning, think of what a precious privilege it is to be alive...to breathe, to think, to enjoy, to love.*"

MARCUS AND FRIENDS: Marcus Aurelius was born April 26, 121 AD. Though among the ancients, many of the *Philosopher King's* quotations are meaningful today, especially to keep us in this present moment & not worrying about the future. Among his quotes, "*Give yourself a gift: the present moment,*" & "*Never let the future disturb you. You will meet it, if you have to, with the same weapons of reason which today arm you against the present.*" His reasons make incredible, logical sense, adding, "*If you are distressed by anything external, the pain is not due to the thing itself, but to your estimate of it... this you have the power to revoke at any moment.*" Marcus believed, "*The happiness of your life depends upon the quality of your thoughts.*" He provided sage advice on how to do this, pointing out, "*It never ceases to amaze me: we all love ourselves more than other people, but care more about their opinions than our own,*" & "*Everything we hear is an opinion, not a fact. Everything we see is a perspective, not the truth.*" We admire Marcus for being rooted on the ground, yet he clearly believes in living life to its fullest, dreaming & thinking big, reminding us, "*Your days are numbered. Use them to throw open the windows of your soul to the sun. If you do not, the sun will soon set & you with it,*" & telling us to "*Dwell on the beauty of life. Watch the stars & see yourself running with them.*" Surprisingly, others born on April 26th may have been, knowingly or not, Stoics! For example, when it comes to personal ethics & virtues, mid-19th century Cleveland author Artemus Ward (Charles Farrar Browne), a humorist considered to be America's first standup comedian, said, "*I am not a politician & my other habits are good, also.*" Mr. Ward had a stoical view of the future, remarking, "*Trouble will come soon enough & when he does come receive him as pleasantly as possible. The more amiably you greet him, the sooner he will go away.*" Perhaps all comedians born on April 26th are all Stoics, as Carol Burnett said, "*Before you go to bed, write down three gratefuls for the day & three 'did wells' - the results can be amazing!*" She was stoical about others' opinions, too, saying, "*If someone tells you that you cannot do something & you believe it, they are right!*" As for dreaming, she reminds us, "*When you have a dream, you've got to grab it & never let go!*" But maybe it's all April 26th celebrants who are Stoics! Architect I.M. Pei stoically said, "*Stop worrying about missed opportunities & start looking for new ones.*" Stoics believe that wealth, material things & pleasure are not in themselves bad, as long as they are used to create virtue! Author, playwright & the first Hollywood female staff writer, Anita Loos, believed in living life to its fullest! She wrote, "*I've always loved high style in low company!*" Marcus likely agrees with this comment from the author of the somewhat autobiographical *Harper's Bizarre* series, *Gentlemen Prefer Blondes*, "*Today there are no fairy tales for us to believe in & this is possibly a reason for the universal prevalence of mental crack-up.*" The emperor himself remarked, "*The object of life is not to be on the side of the majority, but to escape finding oneself in the ranks of the insane.*" Happy Birthday to all these thoughtful Stoics & all the other April 26th birthday babies!

INDUSTRY NEWS: *Danone Manifesto Ventures* invested \$10M in *Laird Superfood*. *Fat Snax* raised \$4.5M from *Boulder Food Group* & *BIGR*. The FTC approved *PepsiCo* acquisition of *Rockstar Energy*. *SunOpta* completed \$60M in financing with *Oaktree Capital Management* & *Engaged Capital*. *Hershey's* plans to divest *KRAVE* jerky & chocolate brands *Scharffen Berger* & *Dagoba* after a poor 1st QTR performance.

Companies are reporting earnings that are impacted by consumer demand changes, though sales may be starting to stabilize. *Coca-Cola* saw a 1% revenue drop in 1st QTR as away from home sales fell, but reported a 51¢ EPS, an increase of 7¢. As mentioned above, *Hershey's* 1st QTR net sales grew 1% while net income fell 11%. *Target* saw 4th QTR revenue rise 1.8% & adjusted net EPS rise 10.6% on solid ecommerce activity, which is growing in 1st QTR. *Chipotle* saw 1st QTR income fall 13.6% & revenue rise 7.6%. *Danone* reported a revenue increase of 1.7% in 1st QTR, but withdrew full year guidance. *Metro*, with nearly a 10% increase in comparables, had a 1st QTR sales increase of 7.8% & a 20% earnings jump.

Albertsons is committing \$50M to fight hunger in its footprint. *Publix* is buying more than 150k pounds of surplus Florida-grown fruits & vegetables for donation to *Feeding America*. *Meijer* will buy meals from local restaurants to feed its store & distribution center employees. *BJ's Wholesale Club* held an appreciation hour for first responders & healthcare workers, letting them shop at all 218 locations without a membership. *7-Eleven* opened its first-ever hospital pop-up store at Children's Medical Center Dallas, giving healthcare workers access to food & other products. *FreshDirect* will carry a selection of prepared meals in a partnership with *Restaurant Associates*. *Califormulations* will convert some of its beverage production to produce hand sanitizer with ingredients donated by *Symrise*. *HEB* will reduce product restrictions & extend hours that were recently shortened. *Walmart* will require all USA employees to cover their faces while at work. Colorado's governor followed Nevada's lead, appearing to be closing health food & nutrition stores. *Tyson* reopened its pork processing plant in Columbus Junction, Iowa after a two-week shutdown over health concerns. *Hormel* closed two manufacturing plants, one in Kansas & one in Illinois. *Conagra* closed a frozen food manufacturing plant in Missouri due to health concerns. *BevNET* & *NOSH* canceled their June conferences. *Ancient Nutrition* is restructuring management & initiating some layoffs. *Sysco* will offer groceries on-line in Canada. *Shake Shack* returned funds they received through the PPP & SBA programs. *Land O'Lakes* is removing the Indian maiden from their label. William White will move from *Target* to *Walmart* to be CMO.

With a 460% increase, *App Annie*, *Walmart's* grocery app, now has more downloads than *Amazon*, which grew just 20%. *Innova Market Insights* reports baby snacks have grown 33% since 2015, fruit, desserts & yogurt for babies grew 21% & baby milk & formula grew 13%. The USDA announced a \$19B relief package for the USA agriculture industry to help food producers.

MARKET NEWS: Markets ended down on the economic fallout from the state lockdowns. Congress; clearly not understanding why Lt. Arthur MacArthur grabbed a fallen company flag & rushed Missionary Ridge shouting "*On Wisconsin,*" why young WWI Lieutenants were the first *over-the-top* & out of the trenches, why Marines are the *first to fight*, landing in hostile areas to establish bases for the Navy & Army, why U.S. Army Rangers *Lead the Way* or why NYPD Police Officers & Firefighters rushed into a burning, crumbling skyscraper; chose to lead America from the safety & comfort of their family room sofas to finally pass a \$484B renewal of programs to support American workers & small businesses, *with non-essential pork*.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenjo*

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