



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



THE USA HAS MORE THAN 4.2M miles of road. Roadways & the ability to freely travel those roads is essential to civilization! Our roads allow for commerce, community, safety & pleasure, travelling to see sites & visit friends & family. It seems like our roads, & the infrastructure that supports them like bridges & utilities, are under constant repair. It's amazing that the Roman Empire built 250K miles of road (80K paved) with bridges & aqueducts for commerce, to move troops & to connect to & govern its hinterlands! Dozens of those roadways remain intact! Yes, all roads did lead to Rome, providing the Goths & other barbarians easy access to the Eternal City, causing its final fall!

FINAL FALL: The Roman Empire took root in the 6th century BC but did not move beyond the Italian peninsula until the 3rd century BC. By its peak in the 1st & 2nd centuries AD, Rome had conquered or absorbed some 2.3M square miles! (Comparatively, the continental USA is 3.2M square miles.) Rome's reach was across Northern Africa to the Atlantic Ocean; through Spain, Portugal & France; north to Hadrian's wall in England; east across Germany, Austria, Hungary, Romania, Ukraine & around the Black Sea all the way to the Caspian Sea; south through Turkey, Greece, the Middle East & around the Persian Gulf & Red Sea, encompassing modern day Iran, Saudi Arabia & Egypt; then south through the Sudan, Eritria & Ethiopia! The Roman Empire left a legacy across these areas & even to our world today that goes well beyond their engineering prowess! Yes, the Romans brought us public works, buildings, infrastructure & the grid layout for our cities. But from Rome we also have all the Romance Languages, derived from Latin. Much of today's foundation for government, banking & law was laid by the Romans. There are still agricultural practices for soil use, drainage & planting that were used in Rome. Rome made contributions to art, literature, philosophy & natural sciences. And after 313 AD, when Constantine converted to Christianity & issued the Edict of Milan, Rome led the path to Christianity! Rome's initial strength & ability to conquer these vast areas came from its military & once again, Rome left its legacy on military tactics: Flexible mobile units with commanders free to make battlefield decisions; strong central attacks flanked by cavalry (charioteers) & small speedy units; troop rotation to bring rested troops to the battleline; using small seek & destroy units to deal with guerilla warfare; a variety of military tactics & formations; reconnaissance; using the terrain to their advantage; superior siege weapons & advanced fortifications. Rome was a great empire & from Augustus in 27 BC, through Trajan at its peak extent in 117 AD & ending with the death of Marcus Aurelius in 180 AD, Rome enjoyed a Golden Age – *Pax Romana* – Roman Peace. So why did Rome fall? Many of the emperors were corrupt, knew nothing of governing, only looking to keep & enjoy the power, trappings & riches of their position (what everyone finally knows to be true, if you follow the news, of the Clintons, Obamas & Bidens). Perversity, slavery, depravity, alcohol addiction, drug addiction & viewing life as cheap took hold on society (similar to what we see today with drugs on our streets, tolerating men in girls' sports & locker rooms, affirming the mental illness of a man who thinks he is a woman shooting & killing children in a Catholic church, abortion & making slaves of adults & children through sex trafficking). There were plagues that spread among the populace (hmmm). Rome allowed access, through trade, commerce & migration to Rome for all the people of its conquered territories, seriously impacting Roman culture (open borders). Rome appointed inept & corrupt governors in the outlands (New York, California, Illinois, Washington) who left control of cities, towns & local areas to tribal chieftains who were bought off & well paid (Chicago, Portland, Seattle & Los Angeles) but exercised little control, so there were many smaller uprisings & general lawlessness. One of those uprisings occurred in Britain, circa 60 AD. This story has been core to Britain's culture, at least until recently. Prasutagus was the king of the Iceni, a tribe who inhabited what are now the counties of Norfolk, Cambridgeshire, Suffolk & Lincolnshire. Despite an uprising about 47 AD, the Romans had allowed Prasutagus to continue his rule. When he passed in 60 AD, he divided his kingdom between his two daughters & the Roman Emperor Nero. This of course angered the Romans. They absorbed his kingdom into the Roman controlled province of Britannia & pillaged the countryside, recalled loans made to wealthy Iceni citizens, ransacked the king's household & publicly flogged his wife, Queen Boudica (Boudicca) & raped the king's two daughters. The queen was not a woman to be taken lightly! She rallied her people & their allies, explaining to them that while they enjoyed a higher standard of living under Roman rule, they had sacrificed their freedom. These ancient Britons rallied behind Boudica & with an army of 120K men, this queen warrior conquered one Roman settlement after another, killing more than 80K people. The Romans, though badly outnumbered, finally stood ground in a narrow pass, trapping the Britons under an avalanche of javelins & arrows. The Romans killed all of the Britons. Queen Boudica may have died in battle, from sickness or suicide, but legend says she was given a lavish funeral. In fact, this queen's name may not even have been Boudica, meaning '*victorious woman*.' The name may have been bestowed upon her after these events occurred. Why is this story, this legend, important? This week a video circulated of a young adolescent girl in the United Kingdom defending herself, her sister & another young girl from a migrant intent on assault, rape & abuse. This young girl stood defiant, waving a large knife & hatchet, Queen Boudica reborn 20 centuries later! But instead of being celebrated as a heroine, this girl was arrested for defending herself & her sister. Sadly, England & English culture has been lost to corrupt politicians getting kickbacks for allowing open borders & mass migration & the weakness of tolerance for abhorrent cultures that refuse to assimilate to British culture & law. And good men, women & now children are no longer allowed to defend themselves & others. America came close, too close to this same demise! We saw America ravaged by open borders & tolerance to every illegal alien, criminal, non-assimilating culture, low life & mentally ill segment of society. We saw good people persecuted for defending themselves or others in the New York subway, on the streets of Kenosha, at their home in St. Louis & elsewhere. We saw cops persecuted in St. Louis, New York, Minneapolis, Memphis, Louisville & elsewhere for protecting the populace from violent criminals. And even today there are governors & mayors defending criminals, illegal aliens, the mentally ill who need actual help & others instead of helping the federal government clean up their states & cities to protect their citizens. Yes, America came close to a fall, but we now have a President intent on removing from our society criminals, illegal aliens, perversion, weakness & intends to help the mentally ill, all while embracing & renewing our Great American Culture. England & Europe may be close to a fall, one that will shatter the world. When Rome fell, as many of Rome's statesmen & philosophers warned, civilization fell & the Dark Ages rose. Civilization hangs by

a thread. If America ever falls, or if Europe falls, darkness will likely descend upon civilization. We need to protect what we have, what we have built & what we have overcome. From G.K. Chesterton: "Many clever men like you have trusted civilization. Many clever Babylonians, many clever Egyptians, many clever men at the end of Rome. Can you tell me, in a world that is flagrant with the failures of civilization, what is there particularly immortal about yours?"

INDUSTRY NEWS: UK-based supplements & food brand *Hunter & Gather* raised £1M from existing investors & strategic angels. Celebrity founded *818 Tequila* & its parent company *Calabazas Beverage Company* received a strategic investment from the owners of its producer, *Grupo Solave*. *NuCicer* raised \$11.5M to expand production of hybrid high-protein chickpea varieties. In India, *Wastelink*, surplus food upscaled to animal feed, raised \$3M from *Avaana Capital*. Also in India, DTC grocer *Anmasa* raised \$1.1M with *Snow Leopard Technology Ventures*, *Veltis Capital*, *Blume Ventures* & *Indigram Lab*. Amsterdam-based startup *Toppi* raised €1M led by *X Investments* with involvement from *Ollie Dapper* & *William van Lith* for its AI foodservice solutions platform. *Vox AI*, AI drive-thru voice response, raised \$8.7M led by *Headline* with participation from *True*, *Simon Capital* & *Souschef Ventures*. *Keurig Dr Pepper* will acquire *JDE Peet's* for \$18.4B then combine *Keurig* & *JDE Peet's* in a spin off into a coffee company with approximately \$16B in sales. *Celsius* will acquire the *Rockstar Energy* brand in the USA & Canada from *PepsiCo* & become *PepsiCo's* strategic energy lead for *Celsius*, *Alani Nu* & *Rockstar Energy Brands*; *PepsiCo* will begin distributing the *Alani Nu* brand & raised its ownership stake in *Celsius Holdings* to approximately 11% by acquiring \$585M of newly issued convertible stock. *Richardson Holdings* (the USA arm of Canadian agribusiness *Richardson International*), will acquire pasta brand *8th Avenue Food & Provisions* from *Post Holdings* for \$375M & absorbing \$80M in liabilities; *Post* had acquired *8th Avenue* just two months ago. *Harding's Friendly Markets* will acquire four *Village Market* locations in Michigan adding to its 30 stores in the state. Poultry processor *Case Farms* will acquire the *Foster Farms'* Farmerville, LA., facilities. *John Deere* acquired *GUSS Automation*, semi-autonomous sprayer for high-value crop categories such as orchards, vineyards & bedded crops like vegetables & melons. In foodservice, *Pepper*, distributor revenue platform, acquired *Kimelo*, a vertical distribution toolset. *Rescale* is shutting down operations less than a year after raising a \$2.3M to fund its platform addressing manufacturing sourcing, negotiating & managing manufacturing partnerships. Reports are *Flow* alkaline water is facing foreclosure. *Beyond Meat* reports it is not planning to file for bankruptcy even as data shows an increase in overdue payments. *Coke* has reportedly hired investment bank *Lazard* to review strategic options for *Costa Coffee* including a sale at a price of £2B; the company was acquired in 2018 for £3.9B. PE-firm *Sycamore Partners* completed its acquisition of *Walgreens Boots Alliance* for \$23.7B.

Dollar General again exceeded expectations, posting a 3rd QTR net sales increase of 5.1% YOY to \$10.7B & an operating profit increase of 8.3% to \$595.4M; same-store sales jumped 2.8% with a 1.5% increase in customer traffic & a 1.2% increase in average transaction amount. *Smucker* posted a net loss of \$43.9M in 1st QTR with overall YOY sales falling; the sweet baked snacks segment led the decline. Costs pressured *Hormel's* 3rd QTR report, which showed slight increases in sales & EPS. Frozen bakery sales drove YOY 4th QTR revenue higher at the *Marzetti Co.*, but EPS was lower due to impairment charges & costs of closing processing locations.

HEB opened its 11th *Joe V's* in Houston. *Bu-gee's* opened up a location on the Texas A&M University campus. *Big Y* opened in Westborough, Massachusetts, the first of two planned in the state. *Kroger* announced locations of 39 stores that are set to be closed to improve efficiency; the grocer will lay off nearly 1000 corporate staff. *BJ's Wholesale Club* reports reaching 8M members; a new store is set to open in Warner Robins, GA. *Dollar General* & *Family Dollar* will add delivery from 9,000 stores through the *Uber Eats*. *Wakefern* will partner with *NielsenIQ* to provide suppliers with data analysis & insights. *Tops Market* is investing \$2M to bring contactless payments to its fuel stations. *HEB* will invest \$20M in a 139K sq. ft. distribution hub in Fort Worth. *Target* will realign its in-store fulfillment practice to focus on locations where fulfillment works best. *Ahold Delhaize USA* is now using *Instacart's FoodStorm* order management system for catering. *Vallarta Supermarkets* implemented *Logile Fresh Item Management's* suite across the chain for automation & operations. Food waste-fighting app *Too Good To Go* expanded into more than 30 cities this year with recent additions of Albany, Syracuse, Buffalo, Rochester, Milwaukee, Madison, Wisconsin, Las Vegas, & Indianapolis. *Pepsi* announced they will end some 30 soda flavors across their portfolio. *Kellanova* unveiled four new flavor innovations to be added to its *Pringles* & *Pringles Mingles* offerings. *Giant Food* will partner with *BrightFarms* to bring customers ready-to-eat greens under its private-label *Nature's Promise* label. *Kellanova* introduced three new flavors to its *Eggo* protein lineup: buttermilk vanilla waffles, vanilla pancakes & blueberry pancakes. *Maple Hill* added 11 organic dairy farms in Ohio to its network. *Wyandot Snacks* will invest \$7.7M to modernize its manufacturing plant in Marion, OH. *J&J Snack Foods* will close its *Country Home Bakers* frozen dough plant in Atlanta. *Danone* will reduce its geographic regions from five to three to streamline operations & administration. Also, *Danone* will invest to expand its Minster, OH, yogurt facility. *Hormel Foods* will lay off 135 people at its Tucker, GA, bacon facility. *General Mills* will invest \$54M in its *James Ford Bell (JFB) Tech & Innovation Center*. *Lineage* opened its first customs bonded warehouse in partnership with the Port of New Orleans. *Walmart* fired a Global Tech VP who was allegedly taking \$30K to \$120K in daily kickbacks from staffing agencies to discriminate against American workers & instead hire Indian H-1B visa contractors; 1,200 contractors were released. *Cracker Barrel*, after spending \$70M on a rebrand & losing \$140M in market value, brought back its original logo but the company seems to be wavering at removing many failed & outdated corporate policies; a top investor in the company had warned the CEO last year the rebranding would be a failure & the original co-founder called out the diner's actions. *Corbion* & *Brain Biotech AG* will partner to develop biobased antimicrobial compounds & derivatives to deliver preservation capabilities based on natural ingredients to food manufacturers. *Niman Ranch* is celebrating its 30th anniversary. Registration opened for the collegiate *Farm Robotics Challenge*, the only collegiate agricultural robotics competition of its kind. The USDA is inspecting *Boar's Head's* problematic Virginia facility. *Smucker* initiated a recall for select lots of *Hostess Ding Dongs* due to mold. A bill was introduced in the House of Representative to increase pork & poultry line speeds for efficiency & cost. A Pennsylvania judge threw out a case that claimed big food companies create UPFs that are addictive in nature & heavily marketed to children. *Albertsons* appointed a new CEO of its Global Tech hub in India instead of bringing these functions back to the USA where all its stores are located. *Save A Lot's* COO Bill Mayo will take over as current CEO Fred Boehler is stepping away. Bob Gelser, CEO of *Once Again Nut Butter* (an **ALL EARS!!** favorite) for almost 20 years, will retire.

CoBank reports demand for beef keeps growing even as prices rise due to low supply. A late heatwave on the west coast will shorten the shelf life of berries & vegetables. Plentiful supply has lowered prices on bell peppers.

MARKET NEWS: Markets hit records this week, with the DOW & S&P 500 closing Thursday at record highs. The PCE came in as expected at 2.6% but CPG companies are still shamefully using inflation as an excuse to raise prices instead of working on being cost effective. New home sales grew more than expected & home prices went down. Initial jobless claims were lower than expected. GDP was higher on second read & inflation was lowered! Consumer confidence rose.

SEEDS, SPROUTS, GROW, HARVEST!

THE LITCHFIELD FUND – *Tom Malenka*

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