



ALL EARS!!

THE LITCHFIELD FUND WEEKLY NEWSLETTER

"OUR EARS SPAN ALL FIELDS"



THE CROWNED HEADS OF EUROPE. Well into the 20th century, these kings & queens ruled Europe with almost total autonomy. Yes, they had ministers, parliaments & councils, but for centuries their word was law! Many were despots; some were benevolent. Henry VIII married for political convenience, beheaded wives & waged war on the church & everyone else. Or the opulent French court: Louis XIV led France to an Age of Enlightenment, then Louis XVI caused a revolution. Catherine the Great, the Habsburgs & the Ottomans waged war for centuries & the de Medicis poisoned everyone & their brother, literally! But some kings & queens found charity in their hearts.

CHARITY: Charity begins at home. Charity & acts of charity actually began in ancient times. The Bible spoke of tithing for the poor. The Greek tragedy *Prometheus Bound*, written by Aeschylus, first used the word *philanthropy*, the love for mankind. The Greek word *agape* refers to the love shared between mankind & God. It was translated into the Latin word *caritas*, then into Old French as *charité*, with the meaning of a Christian love for others. Plato spoke to the act of voluntarily helping society; the Roman emperor Augustus provided help for the poor; & the Jewish rabbi & philosopher Maimonides wrote of the eight levels of giving in the Mishneh Torah, ranging from one who gives all & freely to those who give, but unwillingly. In the Medieval Age there was little charity beyond the church. But King John I provided help for the poor & even Elizabeth I washed the feet of the poor. Edward III & other English rulers provided poor laws, establishing a process for collecting & distributing alms, providing for former soldiers, building hospitals & offering paths to stay out of debtor's prison. The Scottish kings, including Malcolm III, were very charitable for the times & of course, there was the Czech King Wenceslas, well noted in the annual Christmas carol. The rise of the Bourgeois & a working middle class in the 18th & 19th centuries led to the creation of charitable organizations. When Alexis de Tocqueville came to America in 1831, he was amazed by America's goodness, evidenced by the church & community charitable acts he witnessed. And America remains good. When a crisis occurs almost anywhere in the world, be it a tsunami, flood, earthquake, wildfire, tornado, hurricane or typhoon, it is the US Navy, Air Force & Army who are the first to arrive to help. Then, the hospital ships, with military & civilian doctors, arrive on the scene. Finally, the US Army Corps of Engineers' specialists rebuild & return the infrastructure to what it was & many times, make it better. But large charitable organizations often lead to corruption. Yes, there are great organizations, like *Wounded Warriors*, *Tunnel2Towers* & *Samaritan's Purse*, where almost every dollar given goes where it is needed. But there are other organizations where the donations collected only go to pay high priced executives, consultants & marketing companies. Many charitable organizations, especially NGOs, have become nothing but a money laundering operation for billionaires, politicians, their family & friends; or support hideous & disgusting causes to which no one of sound mind would directly donate! NGOs, non-government organizations, came about & achieved status in Article 71 of the founding documents of the United Nations; granting operational enablement to these types of 'charitable' organizations that were funded mostly by a government. Here in the USA, billionaires, politicians, judges & others establish NGOs only take government money – remember, OUR MONEY - & then distribute it in support of depravity, corruption, stupidity & evil. The good people at DOGE have revealed these causes & they all sound something like this: *A study to understand the effects on the diet of the Middle Eastern indigenous harpsichordian white, pink-nosed, pink-pawed, mouse when listening to Frank Zappa & Taylor Swift music.* Who would donate money to that cause? In truth, these type of projects are simply funneling money to terrorists, industrialists & foreign leaders with kickbacks to the corrupt organizers here in the USA. In this country, people are free to donate their money, time & energy to the charities & causes in which they strongly believe. This is what most of us, the common tax-paying people of this country, do through our churches & synagogues or by giving to causes that have deeply touched our lives & souls. Why should we let, or even want, the government to steal our money & do this for us? The money the government takes from us should be used primarily to protect our country & then to build roads, bridges, airports, schools & keep the electrical grid working, & all in a limited capacity in support of local & private endeavors. Certainly, it would be nice if we were all billionaires & could establish foundations to donate to & support the causes in which we deeply believe. Yet why do so many billionaires seem to support causes that mess with our food system, our health or try to cure problems that don't even exist and won't exist in our future, our children's futures, our children's children's futures & so on? Instead, shallow minded & short-sighted people protest (by vandalizing & burning cars & dealerships) the two billionaires who are trying to stop this & return these monies to the taxpayers, who can then choose if & as they wish to donate that money. 'Charity begins at home' emanates from the Bible, the First Epistle of the apostle Timothy. We are told to take care of those closest to us before we take care of others, then as we can afford to with money, time & energy. Doesn't the American taxpayer deserve this same opportunity? And who has the better judgement to choose how to donate, an individual in stewardship of their own money or the massive & corrupt mechanism of government? From 19th century American physician, educator & abolitionist, Samuel Gridley Howe, "Nowhere is wisdom more necessary than in the guidance of charitable impulses. Meaning well is only half our duty; Thinking right is the other & equally important, half." American suspense novelist Terry Goodkind writes, "Charity, if you have the means, is a personal choice, but charity which is expected or compelled is simply a polite word for slavery." Ralph Waldo Emerson shares this Administration's individual choice & pro-growth ideology: "Give no bounties: make equal laws: secure life & prosperity & you need not give alms." Many religious leaders, statesmen, philosophers, writers & poets speak to the endless reward & heartfelt joy of extending charity toward those in need. But to waste our nation's bounty on those, whether around the world or here at home, who hate us or wish to exploit our way of life is both criminal & sinful. Yet, the government giving charity to those who already hate us is actually efficient & saves time, for as George Orwell pointed out, "A man receiving charity always hates his benefactor - it is a fixed characteristic of human nature."

INDUSTRY NEWS: Nixie Beverage raised \$27M from undisclosed investors. Wet Hydration raised \$4.5M. Hello Soju, sparkling soju drink, raised \$6.8M led by principals from Kleiner Perkins & Ballistic Ventures. Good Girl Snacks, pickle maker, raised pre-seed funds from Collab Funds & private investors.

Chef Robotics, robotic systems for meal assembly in manufacturing plants, raised \$43.1M led by *Avataar Ventures* & backed by *Construct Capital*, *Bloomberg Beta*, *Promus Ventures*, *MFV Partners*, *Interwoven*, *HCVC*, *MaC Venture Capital*, *Red & Blue Ventures*, *Tau Partners*, *Siddhi Capital* & *BOLD Capital Partners*. *Divert* received a \$90M investment from *Nuveen Energy Infrastructure Credit* to build food waste conversion plants. *Hershey* will acquire snack maker *LesserEvil* for approximately \$750M. *Vandemoortele* made another acquisition with baking company *Délicfrance* from the French grain cooperative *Vivescia Industries*. Milwaukee-based *King Juice* acquired *Mela Water*. *Frutura* acquired Colombian avocado company *Montana Fruits*. *Castillo Hermanos* will acquire *Harvest Hill Beverage* (maker of *Juicy Juice* & *Sunny D*) from PE-firm *Brynwood Partners*. *Marquez Brothers International*, maker of branded Hispanic foods, will acquire *Hato Potero Farms*, the maker of *YoGusto* drinkable yogurt. *Döhler North America* bought *Premier Juices*, a concentrated juice blender, packager & co-manufacturer. Candy maker *Yupi* was acquired by *Affinity Equity Partners* at a \$1.2B valuation. *Taylor Farms & Foodiverse* completed the acquisition of two RTE salad production plants which belonged to *Bonduelle* in Germany. *Eat Well Investment Group* sold its remaining equity stake in *PataFoods*, maker of baby food brand *Amara Organic Foods*, for \$1.25M. *Vertical Cold Storage* acquired *Arctic Logistics* in Canton, MI. In France, *Carrefour* will acquire French convenience retailer *Magne*, which owns 101 stores in the southeast France; *Carrefour* plans to open 400 of its own c-stores this year, compared with the 250 initially planned. Also, *Carrefour* raised its offer by 10% to the shareholders of *Carrefour Brasil* to take the unit private. *Coborn's* acquired two *Kessler's Food* locations in South Dakota. In Montana, family owned, five location *Stokes Markets* will acquire the three *Gary & Leo's Fresh Foods* IGA stores. *DIA Equity Partners* acquired the fast casual chain *Nature's Table* & its 42 locations. *Ardent Mills* will sell its retail pack quinoa facility in Yuba City, CA. *Hearthside Food Solutions* completed its financial restructuring & emerged from Chapter 11 as *Maker's Pride*. Iconic *Hooters* is filing for bankruptcy but will remain open, with the founding partners rumored to be taking over the sports bar. *My Co*, the investment vehicle of the *Paule Family Office*, has taken over Melbourne-based manufacturer *Australian Plant Proteins* out of insolvency. *Siddhi Acquisition*, a new SPAC affiliated with *Siddhi Capital Holdings*, has priced an upsized IPO at \$240M. *Hershey* denied rumors they were preparing to sell *Pirate Booty* back to the original founder.

Conagra had a 6.3% 3rd QTR sales decline & a 17.3% drop in gross profit; *Ardent Mills* produced positive earnings impact. *Lamb Weston* saw its stock price increase on a down day as 3rd QTR numbers beat estimates & the company confirmed full-year guidance. *Sodexo* reported 1st half sales up 3.1% & operating profit up 6.4% with a 10 basis point increase in operating margin. Italian food marketplace *Eataly* saw a 4.3% YOY revenue increase but posted a €13.4M net loss for 2024. *Edible Garden's* gross profit increased 181.3% YOY in 2024 with gross margin increasing from 5.9% to 16.7%.

Target will close all its stores on Easter Sunday. *T&T Supermarket* will open its 4th USA store in the Bay Area sometime within the next year. *Fareway* will open its first full-sized store in the state of Kansas. *Walmart* captured the most of the Charlotte-area shoppers' grocery dollars, more than local grocers like *Harris Teeter* & *Food Lion*. *Whole Foods* is being targeted by shoplifters who are protesting Jeff Bezos as a member of the oligarchy & changes he made in his *Washington Post* staff to be more inclusive of all points of view. *Kroger* will add 900 on trend private label items. In Chicago, *Tony's Fresh Market* workers voted not to unionize. *Amazon* resumed making drone deliveries in Texas & Arizona which were halted earlier this year to make tech updates to solve for dusty environments. *Walmart* will partner with AI agtech platform *Cropin* to improve forecasting for its fresh produce supply chain. *Uber* & *OpenTable* will partner to join *Uber's* ride hailing & delivery services with *OpenTable's* restaurant network. Grocery operating system *Vori* will partner with *Fujitsu Frontech North America*, self-checkout platform, to offer self-checkout solutions into store operators. *Carbon Robotics* debuted *Carbon AutoTractor*, an AI-powered, autonomous platform designed to fit on & control existing equipment. *ADM* & *Mitsubishi* will form a strategic alliance to potentially collaborate on opportunities across the agriculture value chain. *Earthbound Farm* expanded its organic offerings with new avocado oil dressing salad kits. *Birch Benders* launched its first organic bread & muffin mixes. *Clif Bar* will launch caffeinated energy bars called the *Caffeinated Collection*. *Goodles* launched three new mac & cheese flavors. Chinese startup *CellX*, using GRAS, will launch a morel mushroom mycelium jerky product in the USA under the brand name *Mourish (Mushrooms That Nourish)*. *Pabst Brewing* will launch a crafted light beer to fulfill consumer demand for lower-calorie brews with less alcohol. *Anheuser-Busch* debuted a vodka tea brand called *Skimmers*. Also, *Anheuser-Busch* will cease operations at its New Hampshire craft brewery & shift operations to North Carolina, where it is investing \$1M. *JBS* will invest \$100M to build two Vietnamese facilities. Meat processor *Maximus Meats* recently will build a \$11M plant in Summerdale, AL, creating more than 60 jobs. Alabama poultry company *AlaTrade* will lay off 165 workers. *Kerry* opened a *West Coast Customer Engagement Center* in California for co-creation with food & beverage companies. *Church's Texas Chicken* will enter five new European markets & grow its presence by over 50% by 2029. Utah has banned food dyes from food at schools. A *Hearthside Foods* facility recalled breakfast sandwiches made under the *Lettieri's* brand due to an unnamed allergen. In Tennessee, *Southeastern Provision* reported 80,000 pounds of stolen beef. *Earthbound Farm* was found guilty of not paying \$3.8M to 13 suppliers; the company will now pay with added penalties. *Kroger* counter-sued *C&S* for misconduct & contract breaches in the *Albertsons* deal. *Yum! Brands'* CEO David Gibbs will retire in early 2026. Kevin McDaniel is the new CEO at *Wayne-Sanderson Farms*. Lance Tucker, interim CEO, has been named permanent CEO at *Jack in the Box*.

Wegmans was number six on *Fortune's* great places to work listing & the highest rated retailer. From *Numerator*, 79% of USA consumers shopped at *Dollar Tree* (including the *Family Dollar* banner) in 2024, compared with 60% at *Dollar General*; but spending was higher at *Dollar General*, \$522 to \$290. In a survey, *The National Retail Federation* forecasts that retail sales during 2025 will grow between 2.7% & 3.7% to more than \$5.2T. From data supplied by both *Circana* & *210 Analytics*, bacon continues to grow increasing in dollars (4.4%), units (2.0%) & volume (1.6%). From a survey commissioned by *Westrock Coffee*, more than one-third of consumers want functionality in their coffees & teas, especially younger consumers. In a *Cargill* study, 61% of Americans increased their protein intake in the last year. *Kantor* reports UK grocery inflation rose from 3.3% to 3.5%. In a study published in the *American Journal of Physiology*, a 12-week supplementation of nitrate-rich beetroot extract significantly improved artery stiffness in postmenopausal women. Sugar beet plantings are up 2.5%. Egg prices fell another 9% this week. Wheat acreage is down 49% from its 1981 high & sits near a record low. Tomato prices fell on increased supply.

MARKET NEWS: Stocks ended the week drastically lower as markets overreacted to tariff news. Investors claimed to be surprised by the tariffs, despite the clear & constant messaging. Also, investors took a globalist view of tariffs instead of an America First view. Tariffs & country specific reciprocal tariffs were put in place not just to compensate for the trade deficit & unfair tariff practices but also to address non-tariff trade barriers & exchange rate manipulation. The labor force added 228K jobs in March, well above the 140K expectation. Hourly wages rose 3.8%, YOY. The unemployment rate came in at 4.2%. The labor participation rate rose slightly to 62.5% from March. Initial jobless claims were below estimates. March ADP job numbers came in higher than expected. March auto sales were higher.

SEEDS, SPROUTS, GROW: HARVEST!

THE LITCHFIELD FUND — *Tom Malenka*

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