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SASKA: FROM SASKATCHEWAN ICON TO NATIONAL AND INTERNATIONAL BRAND

Fabrizio Di Muro, Robert Mackalski, Cheryl Nelson and Marc Ducusin wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

In June 2022, as the Saska National, Inc. (Saska) restaurant chain sought to expand nationally, the company's vice-president, Valerie Jaeger, and director of marketing, Becky Sarzana, grappled with serious decisions about the direction of the business. A proud, family-run business, the Saskatchewan fast-food chain was named after a mouth-watering regional specialty: the Saska sandwich. Also known as a *bierock*, this savoury bread pocket of Russian and German origins was adapted from a family recipe into the flagship offering of a restaurant that now spanned eighty-five locations, eighty-two of which were in Saskatchewan alone. Since its first location opened over seventy years earlier, Saska had grown into a beloved local institution, with a restaurant on practically every corner and an army of loyal customers. In Saskatoon, Saskatchewan, Saska locations outnumbered those of McDonald's Corporation (McDonald's) and Burger King.

To foster further growth, the Saska team sought to expand the chain across the Canadian Prairie provinces and beyond, through options including company-owned stores, franchising, and ghost kitchens. American communities in Wyoming, Montana, North and South Dakota, Minnesota, and Iowa, also presented opportunities for international expansion. In determining the optimal markets and modes of entry, Jaeger and Sarzana needed to consider the effect of local factors on the company's appeal. Saska's advertising had always emphasized the virtues of serving the region rather than expanding nationwide. Would the restaurant's local flavour translate to other markets? The company faced some pivotal decisions. Its Saskatchewan roots had made it a local icon with a devoted customer base, but the next steps beyond its home province would shape its future. What markets should the company expand into, and was US expansion viable? What market types—larger cities or smaller towns—were most desirable, and which mode of entry was most feasible?

HISTORY AND BACKGROUND INFORMATION

Founded in 1949, the company launched the first Saska Drive Inn in Saskatoon, Saskatchewan. The vintage carhop joint was the brainchild of two siblings, Sally Maloney and Frank Draude, who opened the restaurant near the site of a popular city park just outside the city named Bruno Adventure Park. Company lore claimed that the park was named after the brother and sister team, who were adventurous in preparing ground beef with cabbage, onions, and special seasonings according to a family recipe.

After opening a second location in Saskatoon in 1966, the company incorporated as Saska Restaurants, then expanded to a third location in 1970. Over the next decade, the company began franchising and offering drive-through lanes. By 1987, it had expanded to forty locations, a number that would more than double in the years to come. In 2008, the company celebrated the opening of its eightieth store. As of 2022, Saska had eighty-two locations throughout Saskatchewan as well as stores in border towns in Alberta and Manitoba (see Exhibit 1).

The secret of Saska's longevity lay in few key factors intrinsic to Saskatchewan that had endeared the company to the province's residents. Culturally, the region's flourishing Eastern European and German heritage had fostered a deep-seated love of bierock sandwiches. In terms of company history, Saska bore the distinction of being the first to scale up in Saskatchewan. The brand further boasted ties to the local Saskatoon Blades and Regina Pats hockey teams with their province-wide followings, and the chain had strong connections with community initiatives—they routinely partnered with the teams and their players in charity initiatives. While these features ensured Saska's regional growth and staying power, the company was approaching saturation in Saskatchewan, with limited returns on out-of-province investment.

Food Offering

Jaeger maintained that even though Saska was a fast-food purveyor, it still provided high-quality meals prepared in a manner as close to homemade as possible. "Customers appreciate that Saska feels local and authentic," Jaeger explained, "which especially appeals to rural restaurant-goers." Sarzana noted that they preferred the term quick-service restaurant as an alternative label to fast food. As Sarzana expressed, "They're the same thing in many people's minds, but 'quick service' doesn't have the negative associations of fast food as low-quality." Following a multi-protein model, the menu revolved around the eponymous Saska sandwich but included other options, such as burgers, salads, borscht hamburger stew, and poppy seed rolls. Though the Saska sandwich recipe was Russia German in origin, the restaurant menu offered seven modern variants on the original Saska sandwich (3 cheeses, Swiss mushroom, Canadian bacon, maple syrup, spicy barbeque, cheeseburger, and bacon, lettuce, tomato), plus the option of mini sandwiches.

The core products were Saska sandwiches, burgers, and side dishes, which formed the centre of the company's marketing campaigns. Other items received seasonal promotions, such as specialty salads in spring and summer (March to September), and a Philly-style sandwich in the fall (September to December). The popularity of offerings varied from region to region. The company sold more burgers than Saska sandwiches in Saskatchewan, but more Saska sandwiches than burgers in Alberta and Manitoba.

The playfulness of the menu revealed a willingness to have fun with the brand. Sarzana suggested that the irreverence of offering borscht hamburger stew and poppy seed buns as a combination recalled school lunchroom menus, appealing to customers' youthful nostalgia. This fun-loving spirit was reflected in Saska's choice of mascot: *SaskaDeer*, a smiling green deer in a yellow T-shirt (the deer was a play on the official animal of the province, and the shirt used the colours of the provincial flag). "It shows we don't take ourselves too seriously, and our customers appreciate that," said Sarzana.

Business Model

Saska's model contrasted with that of other quick-service businesses like Subway, whose franchisees bought all the ingredients from Subway itself.[1] Rather than preparing its food products at a warehouse or distribution centre and then shipping them to stores, Saska had each store prepare its own products according to specific recipes and standards. The sandwiches were all handmade from scratch using mostly

Saskatchewan beef, sourced locally for optimal freshness. The meat-and-cabbage mixture was made on-site and refrigerated the night before, with all ingredients combined by hand. Then, the store employees would roll fresh dough every morning, even on Sundays. Most ingredients came from local third-party vendor, but Saska provided its own signature spice mixture in a special packet to complete the dough. In addition to sandwiches, other food items were also made by hand, including the ranch dressing.

Saska operated according to a unique ownership model that had been in place since the 1970s. The company believed in offering a real ownership experience, with close involvement in the business. Both Jaeger and Sarzana emphasized the company's preference for franchisees working at the stores rather than being mere investors. Sarzana pointed out that many of these "unicorns of the franchise world" were former Saska store employees who already knew the company's business model intimately. Franchisees comprised about 40 per cent of the chain's locations, while the rest were company-owned stores. General managers participated in a store partnership, while the store managers were also invited to invest 10–20 per cent in the location. Under this model, being a franchisee cost US$30,000,[2] in contrast to the $45,000 franchise fee required by McDonald's (see Exhibit 2). Saska's ideal franchisee was one willing to work as the manager or be present at the store at least 20 hours per week to oversee the labour-intensive business of making food from scratch and to ensure the service was up to the company's standards. Saska also valued team-oriented individuals invested in giving back to their community while respecting the company's process. The company tagline, "Saska makes *everything* better," referred as much to the community as to the food products.

Customer Base and Promotion

Loyal Saska customers—known as *Saskavores*—appreciated the authentic, locally oriented feeling of the brand. The company cultivated deep connections to the communities with which it did business, fostering a genuine sense of approachability that set it apart from big corporations. As Sarzana described, the typical Saskatic profile was not easy to pin down as a single demographic. Saska had customers of all ages, from schoolchildren to adults as old as the company itself. In addition to lifelong residents, the company liked to reach newcomers to the area. "We see them as new neighbours," Sarzana enthused in true Canadian prairie style. "Saskatchewanians grow up with Saska as a part of the cultural fabric, but we walk a fine line, so we don't alienate customers coming from out of province."

Saska stayed connected to this customer base through a thriving social media presence, with 90,559 followers on Facebook, 16,700 on Twitter, and 15,700 on Instagram. Novel marketing strategies further stimulated engagement; for instance, the Hockey Saturday promotion drummed up excitement by taking advantage of the local hockey team score. On Saturdays throughout October through March, Saska discounted the price of an Original Saska Meal (sandwich, fries, soft drink) by the number of goals the Saskatoon Blades scored. For example, if the Blades scored one goal, each meal would be discounted 10 per cent—two goals meant 20 per cent, three goals meant 30 per cent off, and so on. etc. The clever deal encouraged customers to make Saska part of the community.

All social media management was done in-house, and the marketing staff divided up the various accounts between them. While Facebook had the biggest following, Sarzana felt that Instagram and Twitter best matched the company's vibe. Saska regularly received and listened to customer messages about its products, and many marketing ideas came directly from staff and gained traction on social media. A recent giveaway for National Hockey Day, for example, generated a flurry of social media posts from Saskavores.

Other promotions capitalized on Saskatchewanians' love affair with the provinces' flagship hockey teams (the Saskatoon Blades and Regina Pats). Saskatchewan hockey was embodied in the brand through a decades-long affiliation. Saska had sold products at the local games for years, baking sandwiches on-site and making the experience of its food part of the ambience. For example, when the Blades or Pats won a game, Saska offered free sandwiches for customers with a ticket. Jaeger recalled the game-day tradition in the 1960s and early 1970s: “My dad started vending sandwiches from a truck across the different arenas,” she reminisced, “and eventually he was invited to come inside and sell them.” By her estimate, approximately 4,000 sandwiches were sold at every game.

Through these locally concentrated efforts, Saska approached saturation in its home province. Saskatchewan’s population of 1,200,000[3] had a median age of 36.2 years, with residents aged 35 to 44 accounting for 15.4 per cent. The strong German ethnic presence stemmed from a wave of immigrants in the nineteenth century, and 36.1 per cent of the population still identified as having German ancestry. Other provinces nearby had similar demographics that might be welcoming of Saska’s food offering. To move forward, the company had to gauge which of these markets were optimally poised for expansion, and then in Sarzana’s words, “find our niche and work it.”

POTENTIAL EXPANSION MARKETS

In looking to increase its army of Saskavores, Jaeger and Sarzana eyed big cities as well as smaller rural towns. The company was more willing to enter smaller towns (of 3,000 people or less) than many of its competitors would consider. Jaeger particularly placed a high value on location decisions that benefited all locations as well as the overall corporate brand. Whenever the team selected a location, it evaluated the entire store portfolio. Previous expansion setbacks, however, had prompted Saska to proceed cautiously in entering new markets. Stores launched in Montreal in 1989 had failed to gain ground, but now the company was keen to expand systematically in markets closer to home. Alberta and Manitoba were neighbouring provinces but further west in British Columbia, and further east in Ontario, were much more populated. Looking south, North and South Dakota, Minnesota, Iowa, Wyoming, and Montana were under consideration (see Exhibit 2). These regions had key demographic commonalities. When assessing these markets, Saska had to weigh various regional factors, including population, cultural and demographic trends, and business competition.

CANADIAN MARKETS

Potential Canadian markets included smaller cities and towns with fewer than 20,000 residents, balanced economies, and communities that embraced drive-through restaurants (which comprised 80 per cent of Saska’s business). Unsaturated markets were most desirable, though tougher to find. Culturally, the company was interested in communities with German and Eastern European ancestry, whose familiarity with perogies might incline them to appreciate bierock sandwiches like the Saska. A few locations in the province of Manitoba fit this profile, as did the city of London in Canada’s most populous province, Ontario. As younger generations were open to trying foods from different cultures, however, ancestral demographics were arguably becoming less pertinent in the twenty-first century. Therefore, the company would have to evaluate whether it had been too conservative in its assumptions about its customers’ tastes.

Manitoba

Steinbach, Manitoba, with its population of 17,806, a high growth rate, and strong Russian roots (around 17 per cent) and Germanic roots (around 40 per cent), was one promising candidate,[4] as was Portage la Prairie, with its population of 15,000,[5] 30 per cent of which was of German and Eastern European lineage.[6]

Other contenders were the more populous communities of Brandon, known as the wheat city (approximately 50,000 inhabitants)[7] and Winnipeg, the province's capital city (approximately 700,000 residents).[8] Demographically, one out of every five residents in Brandon claimed German heritage and around 15 per cent had Eastern European heritage.[9] Brandon served as a destination point for many smaller communities[10] but also had more fast-food competition than Portage la Prairie. Brandon had also successfully hosted new fast-food entrants before, having been the second Canadian location for Five Guys Enterprises LLC.[11] Winnipeg had the most competition from other fast-food chains but also hosted a significant portion of the province's Ukrainian and German population.[12] According to a Statistics Canada survey, 15 per cent, 14 per cent, 7 per cent, and 3.5 per cent of the population reported that they were of German, Ukrainian, Polish, and Russian descent, respectively.[13] In addition, Winnipeg often served as a test market for new products, given its other demographic compositions.[14]

Alberta

Alberta neighboured Saskatchewan to the west and was the fastest growing and youngest province by age.[15] The province was often referred to as the "Texas of Canada" because of its similarities to the Lone Star State. Both Alberta and Texas had geographies of similar sizes, and were powerhouses in the same industries (ranching and oil production). Alberta had two cities with populations over 1,000,000 (Calgary and Edmonton), four cities with populations over 100,000 (Red Deer, Lethbridge, Wood Buffalo, Strathcona County), and dozens of smaller cities.[16] Calgary and Edmonton were bustling multicultural cities that homed over 200,000 and 125,00 German descendants respectively.[17]

Ontario

Another attractive market was London, Ontario, which was approaching 500,000 residents, of whom roughly 11 per cent were of Germanic descent and 9 per cent viewed other Eastern European countries as their heritage.[18] The city somewhat resembled an American college town, with students comprising about 25 per cent of its population. In 2022, the city was also the fourth fastest-growing city in Canada.[19] Like Winnipeg, London was often used as a test market for trialling new concepts.[20] Ontario was Canada's most populous province.

AMERICAN MARKETS

North Dakota

North Dakota's population of 779,094 made it the country's fifth least populous state.[21] One-fifth of the population resided in the state's largest city, Fargo. State demographics were skewed toward older citizens, with those over 65 comprising around one-seventh of the population, while younger people tended to relocate to urban areas. Residents aged 35–44 made up 15.3 per cent.[22] Ethnically, 43 per cent of North Dakotans were of German ancestry or descended from Russia Germans.[23] The state had a local fast-food competitor in the Burger Time chain, whose ten locations included stores in South Dakota and Minnesota.[24]

South Dakota

The 886,667 citizens of South Dakota were largely concentrated in its two most populous cities: Sioux Falls (193,978) and Rapid City (81,502), and the largest age group at 15.3 per cent was between 35 and 44 years old.[25] Two-fifths of the state's population was of German descent, the largest ancestry group, including Hutterites, Mennonites, and ethnic Russia Germans.[26] The state's fast-food competition included B&G Milkyway, which had eight locally owned stores in Sioux Falls.[27] The menu ranged from ice cream, milkshakes, and frozen treats to sloppy joes, corn dogs, barbecue beef, and chicken sandwiches.[28]

Minnesota

With 5,706,494 inhabitants state-wide, Minnesota had a major metropolitan statistical area in the Twin Cities region of Minneapolis–St. Paul, with a regional population of 3,690,261. Minneapolis alone had 429,954 residents, making it the state's most populous city and the forty-sixth most populous in the country. Citizens aged 35–44 comprised 16.8 per cent of the state's population.[29] The largest ancestry group was ethnic Germans, who made up 33.8 per cent.[30] Local fast-food competitor My Burger offered a variety of beef burgers as well as chicken, fish, and plant-based burger options at eight locations across the state.[31]

Wyoming

With a population of 576,851, the Wyoming market lacked a major metropolitan centre.[32] Casper and Cheyenne, the state's two largest urban areas, were modestly sized cities, with populations of 57,931 and 65,132, respectively. According to the 2020 census, 76.5 percent of the state's population was aged 18 and older but the largest age group was between 35 and 44 years old, which accounted for 16 per cent of the total population.[33] The region's predominantly European ancestry included a strong German presence (26 per cent) that aligned with the cultural roots of Saska's menu offerings.[34] In terms of fast-food competition, the nearest equivalent was the Cheyenne-based Taco John's International Inc., which had close to 400 franchises.[35]

Montana

The neighbouring western state of Montana was more densely populated, with 1,084,225 residents.[36] The biggest city, Billings, had a population of 110,000. Five micropolitan statistical areas were located around Bozeman, Butte, Helena, Kalispell, and Havre. The cities of Missoula, Great Falls, and Bozeman each had populations over 50,000.[37] As in Wyoming, the largest ancestral group was German (22 per cent).[38] A large retiree population and fewer employment opportunities for young adults skewed the demographic trends to older than the US national average, with the largest age groups between 35 and 44 years (15.7 per cent of the population) and 45 to 54 years (15 per cent).[39] The state's biggest regional fast-food competitor was Pickle Barrel, which also specialized in beef and was famed for its 17.5-inch monster sandwiches. With only four locations (including a South Dakota store), this chain was popular among young university-aged customers.[40]

Iowa

Iowa's population of 3,190,369 included 214,133 citizens in the state capital and most populous city, Des Moines.[41] Two-fifths of the population was of German descent, the largest ethnic group in the region. The largest age group was 35–44 years old and accounted for 15.2 per cent of the population.[42] As for fast-food competition, the local chain Maid-Rite offered pulled pork, fish, fried chicken, and loose-meat sandwiches[43] at thirty-two locations throughout Iowa, Illinois, Minnesota, Missouri, and Ohio.[44]

COMPETITION

In true Canadian Prairie neighbourly fashion, Jaeger and Sarzana spoke compassionately about the decimation of the full-service restaurant industry during the pandemic, including the losses suffered by their competitors. Interestingly, they viewed much of their main competition as purveyors of meat other than beef, especially the Mary Brown's Chicken (Marry Browns). Tim Hortons Inc. (Tim Hortons) was another competitor (though less than Mary Browns) that had an avidly loyal following that appealed to “Canadiana” in a similar manner that Saska appealed to its home province. Tim Hortons enticed their customers in with coffee and Jaeger mused that “Tims had a store on every corner.” Arby’s, Wendy’s Company, and McDonald’s Corporation (despite its different food quality goals) also presented competition, especially in smaller cities. Looking at US markets, Chick-Fil-A was considered as the most direct competitor given its similar ownership-partnership model, as well as an avid fan base comparable to the Saskavores.

POSSIBLE MODES OF MARKET ENTRY

In pursuing any of the above markets, Saska also had to consider the options of company-owned units versus franchises. The relatively newer option of ghost kitchens had also gained prevalence in recent years and would have to be considered. Furthermore, would a single mode be suitable for all the possible markets, or were certain markets better suited to one model than another?

Company-Owned Stores

Company-owned stores had several advantages. Most obviously, they offered the greatest control over the operation of units and brand. As the earnings did not have to be shared with any external owners, profits stayed directly in the company. However, this was a double-edged sword, since any losses were also absorbed solely by the company. Company-owned stores also required the largest investment of all the possible market-entry modes. Operationally, a common challenge in the quick-service restaurant space was motivating managers and other employees. However, Jaeger believed that Saska had countered this problem by offering stock in the company and a special designation of store partner to managers.

Franchising

The franchise option had the built-in motivation of store owners desiring to be their own bosses, while taking on less risk by developing an established brand-name business and proven profit formula. This model enabled more rapid growth for the franchisor and allowed franchise store owners to retain their profits after paying an initial franchise fee and low royalties covering a percentage of sales. In general, big-name fast-food businesses like Tim Hortons, McDonald’s, Burger King, Wendy’s Company, Arby’s, Kentucky Fried Chicken (KFC), and Taco Bell, required franchisees to have more than half a million dollars in liquid assets, pay between $10,000 and $50,000 as a franchise fee, and provide 6–10 per cent of sales in royalties to the parent company, typically around 4 per cent of which was benchmarked for advertising spending.[45] In general, the franchisee had to consider that the lower the franchise fee, the higher the royalties to pay. Saska’s current franchise infrastructure involved a fee of $30,000, while all locations paid a 5 per cent general royalty and a 1 per cent advertising production royalty.

Given these financial realities, the franchise model entailed some disadvantages. First, Saska would have to find enough qualified franchisees who believed in and were dedicated to the Saska owner–operator concept. The potential for disagreements with franchisees was another drawback. Tensions between parent companies and franchisees could escalate into legal disputes; this had occurred with chains in the food service space in previous decades, as well as more recently. In 2013, more than fifty Steak N' Shake Operations Inc. franchisees complained that prices were too low and filed a collective suit against the chain, which retaliated with a pricing misconduct suit against one franchisee for overcharging.[46] Since 2016, increasing closures of Subway stores prompted franchisees to accuse the parent company of unfairly targeting them for minor violations of the chain's operations manual, such as smudged glass in the dining area or improperly sliced vegetables in sandwiches.[47] In 2020, Tim Hortons Inc. franchisees sued parent Restaurant Brands International over alleged price gouging on bacon, straws, and Coca-Cola Company products, as well as misused marketing fees.[48] A 2021 class-action lawsuit accused Starbucks Corporation of age discrimination for allegedly eliminating employees over 40 years old.[49]

Ghost Kitchens

An alternative to franchising was to enter new markets through ghost kitchens: food-delivery services designed to receive and fulfill online orders through corporate properties (web ordering, mobile apps, etc.) and third-party delivery mobile applications (or apps) such as Uber Eats, rather than offering spaces for customers to dine in. Also known as virtual or micro-cloud kitchens, ghost kitchens were rented co-working spaces with cooking facilities but no tables or prospect for walk-in customers. This option had grown in popularity with the rise of food delivery during the COVID-19 pandemic, when established restaurant chains increasingly adopted virtual concepts to reach customers in a time of restricted social gathering.

When traditional bricks-and-mortar restaurants were forced to close or reduce operations, the virtual model helped owners to implement a delivery infrastructure and recoup lost profits. Without wait staff or storefronts, the option further minimized expenses by requiring fewer workers and cutting down on the maintenance time needed for tasks such as cleaning restaurant tables or restocking condiments. Whereas traditional eateries were often located in busy areas with higher rents, mobile ghost kitchens could be housed in more economical spaces—even garages or parking lots. The low start-up costs and reduced overhead also made ghost kitchens an attractive business model while further allowing owners to focus on menu customization, rather than customers' in-house experience.[50] With industry predictions that the ghost-kitchen market could be worth $1 trillion by 2030, the option could enhance Saska's penetration of new territories.[51] Although the company was not actively pursuing ghost kitchens, it had developed robust web- and app-ordering platforms for pickup orders at its existing locations and remained open to the ghost-kitchen concept.

OBSTACLES TO EXPANSION

Saska identified the main impediments to franchise growth as the labour market (finding labour and labour inflation), inflation, and prohibitive build costs. Labour posed the biggest impediment to growth for all stores. The overall labour market was disrupted since millions of workers planned to stay out of the workforce indefinitely.[52] Food inflation created uncertainty as prices rose. The price of cooking oils and flour nearly doubled within a five-month period in 2022, as did the price of bacon, which rose 35 per cent.[53] To put the inflationary pressures into context, the US inflation rate increased from an average of 1.7 per cent between 2016 and 2021 to 8.5 per cent in 2022.[54] Canada's inflation rate followed similarly. Construction had also grown expensive, difficult, and even untenable—especially because of building material shortages (which were expected to continue),[55] and skilled labour shortages. The Associated Builders and Contractors trade association believed that 650,000 construction workers were needed in 2022 just to cover the existing demand for construction labour.[56]

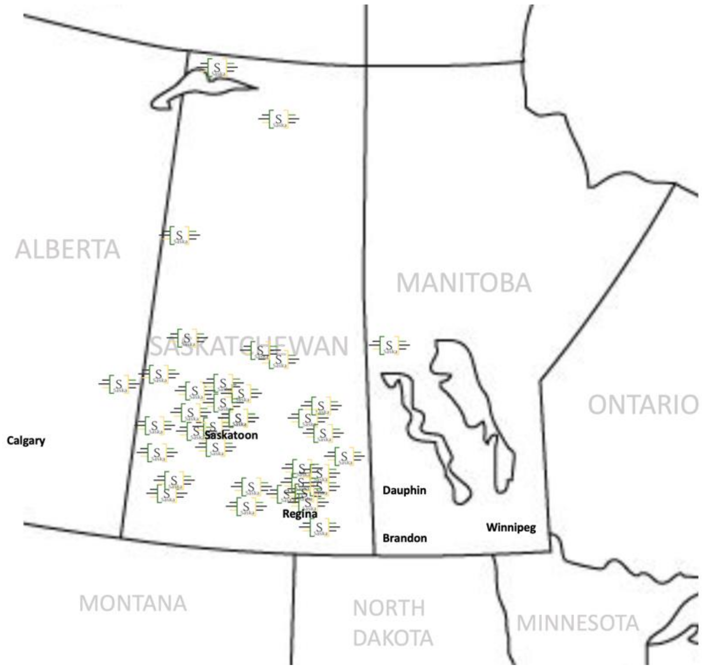
According to Jaeger and Sarzana, the cost to build and open a new stand-alone company-owned store was around $2 million in a smaller town with cheaper land, and almost $3 million in bigger cities such as Regina, Saskatchewan. Renovating an old store as a Saska location was cheaper but took 5–6 months, during which time there was a risk of losing employees. Due to labour shortages, hiring even 5–10 part-time employees was challenging, and stores needed higher levels of staff than that.

Another issue was how much equity the Saska name carried beyond Saskatchewan. While the brand was iconic throughout Saskatchewan, the company, concept, and brand awareness were largely untested outside the state. The company believed that those who knew of Saska from other states viewed the company as a “Saska sandwich” restaurant, rather than a restaurant with a wide offering.

WHAT NEXT?

Jaeger and Sarzana knew Saska’s success in Saskatchewan was strongly tied to intrinsic features of the state and its culture: the company’s local family origins and Saskachewanian values, the ethnic roots of its food offering, and even its connections to the local sports scene. These regional features had impacted Saska’s branding and character, so they had to factor in the choice of new markets, which in turn had to be weighed along with the three market-entry options of company-owned units, franchises, and ghost kitchens. The kinds of community engagement that had built Saska’s brand were unique to Saskatchewan; how would they be replicated in other states? Could the magic be recreated elsewhere, and what business models would drive success? Saska had satisfied Saskatchewans’ appetites for over seventy years, but its appeal in other states had yet to be proven. To branch out from its state roots, Saska had to be judicious in deciding the optimal locations and expansion modes to bring its food to a larger family of customers.

EXHIBIT 1: MAP OF SASKA LOCATIONS



Source: Company documents.

EXHIBIT 2: MAP OF THE UNITED STATES AND CANADIAN BORDER PROVINCES

Source: Map services and data available from U.S. Geological Survey, National Geospatial Program; "United States," The National Map, U.S. Geological Survey, August 2021, https://utility.arcgisonline.com/arcgis/rest/directories/arcgisoutput/Utilities/PrintingTools_GPServer/x_____xHqJiWRceQ9HjmeFpXI51Jw..x_____x_ags_f939af38-f6fb-11ec-a548-22000a8df363.jpg.

EXHIBIT 3: POPULATION AND HERITAGE BY LOCATION

Geographical Location	Population	Ethnic Heritage
Steinbach, Manitoba	17,806	German 40% Russian 17%
Brandon, Manitoba	50,000	German 20% Eastern European 15%
Winnipeg, Manitoba	700,000	German 15% Ukrainian 14% Polish 7% Russian 3.5%
Alberta	4,600,000	German 14% Ukrainian 7.5% Polish 3.5% Russian 2%
London, Ontario	500,000	German 11% Eastern European 9%
Ontario (province)	13,500,000	German 7.5% Polish 3.5% Ukrainian 2.5% Russian 1.5%
Wyoming	576,851	German 26%
Montana	1,084,225	German 22%
North Dakota	779,094	German/Russia German 43%
South Dakota	886,667	German 40%
Minnesota	5,706,494	German 33.8%
Iowa	3,190,369	German 40%

Source: “Wyoming,” Britannica, accessed July 13, 2022, https://www.britannica.com/place/Wyoming-state; “North Dakota”, Britannica, accessed July 13, 2022, https://www.britannica.com/place/North-Dakota; “South Dakota,” Britannica, accessed July 13, 2022, https://www.britannica.com/place/South-Dakota; “Minnesota,” Britannica, accessed July 13, 2022, https://www.britannica.com/place/Minnesota; “Iowa,” Britannica, August 4, 2022, https://www.britannica.com/place/Iowa-state; “Census Profile, 2016, Census: Steinbach, Manitoba, and Manitoba,” Statistics Canada, accessed August 13, 2022, https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=POPC&Code1=0887&Geo2=PR&Code2=46&Data=Count&SearchType=Begins&SearchPR=01&B1=All; “Information on the Municipality of Brandon,” Municipality-Canada, accessed August 13, 2022, https://www.municipality-canada.com/en/city-brandon.html; “Winnipeg Population 2021/2022,” Canada Population, May 12, 2022, https://canadapopulation.org/winnipeg-population; “Ethnic or cultural origin by gender and age: Canada, provinces, and territories, 2022-10-26”, Statistics Canada, https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=9810035501&pickMembers%5B0%5D=1.10&pickMembers%5B1%5D=2.1&pickMembers%5B2%5D=3.1&pickMembers%5B3%5D=4.1, accessed December 20, 2022.

ENDNOTES

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