

ANNUAL REPORT 2024



A MESSAGE FROM THE OWNERS

It feels like just yesterday that we left on that fateful trip to Nashville. We packed up the car, put our trusty dog, Chica, in the backseat and embarked on a trip down South that would introduce us to Nashville hot chicken and change the course of our lives forever.

Flash forward to the end of 2024. It's been six years since that trip, but we think it is safe to say that this year has been Chica Chicken's hottest yet. We scored big with a Michelin Bib Gourmand award, grew the family with a new location in Whitby, and weathered some seriously tricky supply chain issues.



MICHELIN KNOWS GOOD CHICKEN

We didn't know it at the time, but 2024 started out with a surprise visit from a Michelin reviewer. They stopped by our Dundas West location while looking for restaurants worthy of their new Bib Gourmand award. Michelin rolled out this prize to recognize all of the great, affordable food that just doesn't fit the bill for their prestigious (and posh) star system.

The visit from Michelin may have been a surprise, but it was no surprise that our hot chicken brought the Bib Gourmand home to roost. We have always been passionate about providing delicious, affordable food to our community, and the Michelin Bib Gourmand award is a vindication of our principled business model.

GROWING THE FLOCK

The grand opening of our Whitby restaurant this November marked a new chapter in the Chica's journey. Thanks to Herman Vinson, our newest franchisee, we are now bringing our signature flavours to Durham Region.

The buzz around our grand opening in Whitby, plus the publicity surrounding our Michelin designation, has made us a must-visit spot for local food influencers. This hatched new partnerships with content creators that helped put our sandwiches in the hands of the GTA's discerning foodies.



A MESSAGE FROM THE OWNERS



LOCAL PARTNERSHIPS ARE GOOD BUSINESS

One thing that has always set Chica's Chicken apart from other restaurants is our commitment to sourcing from local producers. In 2024, restaurants across the country saw their supply chains rocked by the resurgence of H5 bird flus that severely reduced the supply of quality chicken.

Meanwhile at Chica's, we were secure in our partnership with Sargent Farms, our source for premium Ontario chicken. We have always held the belief that we do not need to sacrifice our principles for easy business solutions. Once again, doing the right thing has paid off.



LOOKING BACK ON A GREAT YEAR

2024 had lots in store for our business and for our community. We are coming out of it stronger and more firm in our principles than ever before, and we know that Chica would be proud of what we have accomplished.



Warmly,
Carolyn and Matt



REPORT:

A BRAND BUILT ON GOOD FOOD AND GOOD PEOPLE



The Chica's Chicken brand has been quickly evolving into a major player in the hot chicken restaurant space. The foundation of our brand identity will always be our product; our delicious blend of spices, our famous brined chicken, and our fresh take on comfort food has continued to speak volumes in the noisy world of restaurant marketing.

This year, our brand got an added boost by winning the coveted Michelin Bib Gourmand award. Michelin created this prize to recognize great, affordable food that falls outside of their famous star rating system which is primarily geared to fine-dining.

This win caught the attention of our number one customer segment: young, affluent foodies looking for fast, casual food. These customers are always looking for their next great meal and will travel across the city if it means getting to try something exciting. Michelin's stamp of approval has made our Dundas West location a destination for hot chicken lovers across the GTA.

The buzz around Chica's has been amplified by a growing cohort of Toronto-based food influencers who are anxious to stay up to date on the best food in the city. Accounts like Your City WithIN, Ugly North, MarvedTV, and Coach Chris have advertised Chica's to their hundreds of thousands of followers.

Our most reliable customer segments are also the most online. We are leveraging this popularity with influencers to create content partnerships that are sure to boost sales. Add in the coverage we have been getting in the traditional food blog space and you have a recipe for success.



Meet Herman Vinson, the proud owner of the newest Chica's Chicken franchise. Herman is a Whitby native and a fellow Nashville hot chicken acolyte who spent his college years as a line cook before launching a successful career in corporate sales.

He liked his career, but good food was always his first love. He used to go to Chica's Chicken on his lunch breaks, where, as he puts it, "the chicken was so hot that it rekindled my love for food!"



The next November, Herman was presiding over the grand opening of the first Chica's franchise in the GTA. Throngs of customers spilled out of the store and filled the picnic tables that had been set outside for this special occasion. A DJ kept the mood festive as Herman circulated, checking in with customers and helping out in the kitchen. "It really brought me back to my line cook days," he said.

Franchisees like Herman are the cornerstone of Chica's long term strategy. The brand is riding a wave of popularity spurred by accolades and earned media, and opening new locations across the GTA will be vital for securing staying power in the volatile world of restauranting.

Part of what makes Chica's so appealing to prospective franchisees is its cache in the delivery market. Restaurant Business reports that food delivery still has not slowed down since the pandemic, with Uber Eats reporting its best quarter yet at the end of 2024.

Chica's doesn't skimp on its eat-in dining, but delivery is unquestionably what drives our revenue. With massive growth expected in the coming year, a delivery-focused restaurant just makes sense in a geographically large market like Whitby. "I was really just impressed by the business model", Herman explained. "No other restaurant is putting the same emphasis on the delivery side of things."

But what ultimately made Herman stay was the warmth of the Chica's community. "I can't emphasize enough how easy Matt and Carolyn made the whole process", he gushed. "They brought in the staff from the Dundas West location to train our team and everyone was just so friendly."

Chica's is lucky to have franchisees like Herman. He believes in the brand and in the vision. But most importantly, he believes in the fundamental fact that amazing things can happen when people come together over good food.