

The dream is dead. Dziobak Larp Studios is halting operations. And it hurts like hell.

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(Photo from the All Company Week of Joy, 2018)

PART ONE: How did this come to pass?

Five years ago, a chance meeting between me and Dračan Dembinski sparked what would become one of the most extraordinary adventures of my life - the creation of College of Wizardry and later Dziobak Larp Studios. What started as an international volunteer-run project became an attempt at living the dream of doing blockbuster larps for larpers and getting a salary while doing so.

Over the course of the last five years, we have run more than fifty spectacular larp events - ranging from the iconic castle larps to a mad road trip across the USA. When we were at our largest, we were almost fifty people on the core team, and I think it's fair to say that we've helped take larp to places where it hadn't gone before.

But beautiful as that dream was, it was never built on a solid foundation. From the beginning, the Dziobak larps didn't make money enough to pay for themselves and we only managed to keep going by having the international larp division subsidized by other parts of the company. As the team grew and ambitions grew with it, we had to run faster and faster to keep the ship afloat. There was light at the end of the tunnel, but it was still dark financially inside it. Still, we believed that if we kept on working hard, we'd one day get to the promised land.

Then in 2017, things started to go seriously wrong. We launched too many events and sold only half of the tickets we'd hoped to sell. What should have been a year that helped pay off our debts only made us sink deeper into them. At the end of the year things were looking grim, but there was still that light beckoning so seductively and it seemed closer than ever. If we could just find a solid cash flow injection, we could get past this and into the sunlight beyond. This is when the Dziobak Angels were born. Those who loaned us money got a good interest rate and helped us at the same time. A win/win deal it seemed, and so it was at that time. We got over the cash flow bump and the future looked bright. We'd make it yet!



(Wendy from Disney Imagineering at College of Wizardry, 2014)

Then, in January 2018, we started a merger with Imagine Nation Collective, the largest American larp company, who (among other things) run the big Dystopia Rising events. Between us, we'd joked about who was the biggest, but we all agreed that if we combined forces we'd settle that argument for good. It seemed like a perfect plan. They'd bring in their knowledge and experience from running a national larp campaign with twenty chapters and we'd bring in the blockbusters and our massive production team. Everyone was thrilled, and we couldn't wait to get out and conquer the world.

Alas, it was not to be. Mergers are hard and while we were great friends and had immense trust in each other, we kept hitting points where we just didn't see eye to eye. Trying to mesh the two companies turned out to be much harder than expected and to make it work we were forced to do something that seemed reasonable at the time, but would later bite us in the backside. We slowed down and launched less larps than we might have, while trying to get our house in order. On top of that, we lost our Administration Chief and our financials turned out to be worse than expected. We kept hoping against hope that we'd find a solution that would make it all work. But in July 2018, by mutual consent, we broke off the merger. I'm glad we did, or both companies would have been dead by now, and while it's bitter enough that the Dziobak adventure is over, I am happy that Imagine Nation lives on and continues to delight post-apocalyptic audiences from all over the US.



(Backstage photo from Convention of Thorns, 2016)



(Wedding picture from Fairweather Manor, 2017)

This meant that we were back on our own, though, and had to face some harsh facts. The economical situation in Dziobak last summer was terrible and there were only two ways to go: borrow more money and tough it out, or shut down and accept that it was all over. Looking back, we should have closed then, but hindsight is always 20/20. It seemed possible that we'd get over this, if we worked like demons and turned the tide. I went out and borrowed more money, this time going to friends and family as well with hat in hand.

It worked. We survived the summer and started looking at next year. The team was slimmed down and harsh measures were taken. We looked to 2019 to help save 2018 and laid plans on how we could make it all work. But here, the slim hope that we had, started crumbling. Internally, trust was frayed to a point where it couldn't be restored. Some people put in their resignation, as they no longer believed there was a way out of this. Others joined them, and suddenly we had a major exodus on our hands.

We'd all invested heavily emotionally in Dziobak. It was more than just a company. It was a family. A group of close friends. And it was a community. So when it started falling apart from the inside, the implosion spread far and wide. There was little money, creditors were banging on the door and the situation was spinning out of control.

At the beginning of the event season, in the fall, we were faced with a horrible choice: either conjure up more money or cancel the nine events we were supposed to run. By then, it was

clear that I was no longer suited to lead us, as trust in me was lacking. I stepped down as CEO and concentrated on getting us money instead. I worked in the b2b sphere, helping bring in money from other projects, but was no longer the face of Dziobak that I'd been since 2014.

As I stepped down Anders took over, helped by good allies. They put together a plan that we all hoped would save us. But not long after, he came to the realisation that it wouldn't work. So at the end of October 2018, we had a long discussion about whether it was possible to save Dziobak or if we should shut down then, before the 2018 fall events. Anders said he didn't believe it was possible, and I insisted it was. We agreed that he would buy himself out, putting in his private money to stabilize the company and then he would leave Dziobak. I took over as sole owner and final decision maker, but we were now a company without a CEO.

Luckily, the old production crew was more than able to run the fall events on their own, so I could spend my energy finding us money to keep afloat, while they were busy in Poland. Somehow, we managed it. I didn't just go around with a hat in my hand this time. I grovelled. Every euro of my own had long since gone into Dziobak and I hadn't been paid in months. Neither had several of our team members, and Phil even put in money of his own to ensure that we survived. And we did. Every event ran as planned, even though there were a few close shaves.



(Larp event at EVE Fanfest, 2017)

We succeeded in pulling off what seemed like an impossible stunt, getting through the event season without canceling anything or burning too many bridges. We postponed payments,

made deals with creditors and pulled out our last reserves. The core production team left at the end of the year, with salaries paid and with a successful event season behind them. And then, at the end of the year, we started believing again. We might just get through this. The team was now much smaller, Angels were willing to accept delayed payments and we'd found payment plans with the castles that they were ok with. Now we just needed to sell tickets like mad, and then we could start crawling our way back from the edge.

We started the year with the belief that if we'd done the impossible, then we could make the merely "insanely hard" happen. But the harsh reality is that we didn't manage. Ticket sales dried up almost completely. Confidence in us from the player side was at an all-time low. There were no more loans to get. No more money to find that would buy us the time needed to change. We tried anyway. We did what we could, but at the end of the day it didn't work out.

We have just run College of Wizardry: Nibelungen (the fourth run), and have three more events coming up in the spring. There's no money to pay for them. We owe money to Angels, to castles, to bus companies and to employees. There's no more left to tap into. I've borrowed money from family, from friends and from strangers, so I could lend it to the company. Everything I own has been put into this, with the last thing left being my apartment, which has just been put up for sale. And even with that money, it's not nearly enough.

So here we are. The Dziobak chapter of my life has been full of amazing moments and people, and I am crushed that it has to end like this. The dream is dead. I just hope that some of the dreamers it has inspired keep its memory alive and take something of it with them.



(Victory celebration at College of Wizardry: Nibelungen, 2017)

PART TWO: So what happens now?

We do NOT file for bankruptcy - and here's why not

Tempting as it is, we are not going to do that. To understand why, I'll explain how a bankruptcy works in Denmark. First off, the owners lose all control and a curator (usually a lawyer) would come in and take over. That costs money, just for the curator to get a feel for what's going on. A LOT of money. Then the curator would try to sell assets (everything from minotaur suits to printers) and cut deals with creditors. If there's anything left over from all that, when everything is sold and all debts are settled, the curator gets money. However, in this case, the value of what we have (larp IPs, Czocha school robes and the like) isn't going to cover even a small percentage of the debt, and the odds of a curator finding a buyer for anything at a good price is almost zero. I've been involved in bankruptcies before (on the buying end!) and curators often sell things dirt cheap when they don't understand them. By not going bankrupt, we have a chance to sell our assets at a much higher price, and to people who may do something interesting with them. Fairweather Manor is worth money to a larp company, for example, but not really to a lot of other people. Bottom line: If we can keep out of bankruptcy, there's more money for debtors, plus I also keep the ability to EARN money, that can help pay off more debt. So Dziobak still exists, but only to pay off debt.

Creditor payments get delayed since there's no money - but they're not forgotten

We owe money to a lot of people, and including events to be cancelled, we'll owe even more. Everyone will get their money, but they won't get it on time. We're already reaching out to both individuals and organisations to talk to them about options, but no matter what, it won't be pretty. Every euro will be paid. And when I say every euro, I mean every euro. I am not running from this debt, and will be spending the next many years paying it off with my own income and with the money coming in from royalty deals. I have made my peace with that. But it will take time.

We start selling off assets

We have already found someone to take over the College of Extraordinary Experiences and are in the final stages of landing a deal for College of Wizardry. These won't help with money right now, but are royalty deals that secure income in the years to come - income to help pay off the debt. We'll be looking to do the same with our other stuff. Fairweather Manor, for example, is worth money to the right people. All of the money from this will go directly to creditors. That goes for the royalties that will trickle in during the future, as well. If you're interested in buying something that we own, let us know. You'll never get a better price than now.

All employees are let go

Everyone hired by Dziobak has their contract terminated, effective immediately. Those who are owed back pay join the ranks of creditors. To those still left, there's nothing to say, but these simple words:

"I wish it hadn't ended like this. It couldn't have been done without you. Thank you. Thank you. Thank you."

I will use what I have learned to make money, so debts can be paid

It's easy to look at successful entrepreneurs and be impressed. It's much harder to look at ones who've crashed and realise that just like in the rest of life, failure is a powerful teacher. I have been an entrepreneur since 2006, and the last couple of years have taught me some invaluable lessons. I wish I had a time machine and could back, but life doesn't work that way. However, it does mean that I will be taking all that I have learned and applying it in other projects - and those other projects will help cover the debt.

It's not over as long as the fat, bearded man can still sing

This is one of the most painful things I've done in my life, but that doesn't mean that I'm going to lie down and give up. It's not exactly the 40 year crisis that I'd thought I'd have (I would have preferred buying a speedboat or becoming a Freemason or something like that instead), but if there's one thing I'm not going to do, it's sit in a corner and cry. I have shed my tears and there will no doubt be more, but giving up won't help me, even if it'll feel good for a while, and it sure as hell won't help anyone else.

And the fat man is still singing, even if he's got tears in his eyes...

Claus Raasted, March 5th, 2019

Sole Owner, Former CEO of Dziobak Larp Studios and currently pretty broken

