

The Honorable Thomas T. Glover
Chapter 11
Hearing Location: Seattle
Hearing Time: 9:30 a.m.
Hearing Location: Courtroom 7106
Response Date: January 6, 2009

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

In Re:
GEN CON LLC,

Debtor.

Case No. 08-10844-TTG

RESPONSE TO OBJECTION TO THE
CONFIRMATION OF THE DEBTORS AMENDED
PLAN OF ORGANIZATION

COMES NOW Peter D. Adkison ("Adkison"), member of the above captioned Gen Con, LLC ("Gen Con" or "Debtor") by and through his attorneys of record, Rosen Lewis, PLLC and files this Response ("Response") to the objection filed by Gen Con Acquisition LLC ("Objector") on or about December 30, 2008 ("Objection") to the Confirmation of Gen Con's Amended Plan of Reorganization ("Plan"). In support of this Response, Adkison states as follows:

I. INTRODUCTION

1.1 To enable participation in these proceedings and seek to wrest control of Gen Con, Objector has acquired a minor claim against Debtor (Objection at Preface).

1 2.2 Within the community of Gamers, Mr. Adkison is widely respected as
2 perhaps the most revered community leader. He co-created the most commercially
3 successful hobby game of all time, Magic: The Gathering®; he rescued from
4 imminent demise the most widely known hobby game of all time, Dungeons & Dragons®
5 and actively revitalized that game; and he has poured himself and his resources
6 into growing and keeping Gen Con Indy the most commercially and socially
7 successful Gamer event in the world.

8 2.3 Objector misguidedly perceives that Gen Con's software (Objection at
9 paragraphs 43-46) is one of, if not the, critical element in operating the
10 business. This software and the computers on which it currently operates is a
11 depreciating commodity item.

12 2.4 The strength of Gen Con is in the relationship the show has with its
13 volunteers, attendees, sponsors, and exhibitors on whom the entire value of the
14 Gen Con business relies. Mr. Adkison as the industry's "Gaming Mogul" is the
15 critical connective persona between the show's volunteers, attendees, sponsors,
16 and exhibitors and its commercial viability.

17 2.5 If Gen Con were to lose the services of either Mr. Adkison or its
18 current management team, the overall risk of future viability of the business
19 would increase dramatically. Other industry shows have alienated their
20 exhibitors, volunteers or key participants resulting in permanent or prolonged
21 damage to those events.

22 2.6 While the Gen Con company has struggled, the Gen Con show has
23 prospered and thrived under Mr. Adkison's stewardship.

1 B. Risk and Uncertainty of Offer.

2 2.7 Objector's Offer, which was carefully evaluated by the Creditor's
3 Committee and Gen Con senior management, presents Claimants with a choice between
4 the Scylla and Charybdis, the two sea monsters of Greek mythology laying waste to
5 all those forced to pass through that region.

6 2.8 Objectors have shown no indication that they understand the value of
7 Gen Con is anything more than the sum of equipment such as computers and
8 software. Absent an understanding of the value of the Gen Con brand to Gamers as
9 a lifestyle event, Objectors are exceedingly likely to rapidly lay waste to this
10 asset.

11 2.9 In the best possible circumstance, disposing of Mr. Adkison and the
12 senior management team will likely result in a prolonged diminution of Gen Con's
13 value to consumers. More likely, particularly in light of the current economic
14 climate, it will likely alienate the very Gamers on which it relies, resulting in
15 the rapid demise of the business.

16 2.10 Thus, if the Objector's Offer is adopted, Claimants who understand
17 the value of Gen Con will be forced to choose between receiving only seventy
18 cents on the dollar or an extremely uncertain and risky future at the
19 inexperienced hand of the Objectors.

20
21 C. Offer Seeks to Unjustly Enrich Objector

22 2.11 For an uncertain payment, Objector has managed to purchase a minor
23 claim against Debtor in these proceedings.

24 2.12 For this paltry sum, Objector seeks to divest Mr. Adkison of any
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1 potential equity in the business that Mr. Adkison has created through years of
2 personal and financial commitment. Mr. Adkison has made personal guarantees,
3 mortgaged his home, and personally invested heavily in Gen Con's business.

4 2.13 The goal of these proceedings should be to assure that Gen Con's
5 creditors are made as nearly whole as possible. The goal is not to award select
6 creditors who have bought their way into these proceedings a potential windfall
7 for them to squander.

8 2.14 If Objector's Offer is accepted, the result will be to award any
9 residual value in the Gen Con brand to one relatively minor Claimant. This Court
10 should refuse to be a tool for such misappropriation.

11
12 **D. Objectivity of Creditors Committee**

13 2.15 Objector insinuates at length that the Creditor's Committee appointed
14 by this Court is a mere pawn of Mr. Adkison. (Objection at paragraph 14, 16, and
15 49) The Creditor's Committee is composed of the largest debt holders willing to
16 serve on the committee who did not have a conflict of interest.

17 2.16 It should be noted that two of the members of the Creditor's
18 Committee actually forced Mr. Adkison to provide personal guarantees for their
19 loans, which is much more the action of a commercial lender than a controlled
20 personal associate.

21 2.17 The Creditor's Committee determination of the types of decisions it
22 should be involved in during repayment of Gen Con's obligations was not taken
23 lightly. These "Major Decisions" balance the critical issues of the company
24 being able to actively make decisions in the ordinary course of business without

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1 being unduly delayed or constrained.

2 2.18 The Creditor's Committee carefully and thoroughly analyzed and
3 summarized their consideration of Debtor's assets and liabilities, the Plan,
4 treatment of Creditors under the Plan, the Feasibility of the Plan, and
5 Alternatives as set forth in the Amended Disclosure Statement for Plan of
6 Reorganization dated December 3, 2008.

7 2.19 Accordingly, Objector's insinuation that the Creditor's Committee
8 relationship in this matter has been anything other than a fair and arms-length
9 interaction is disingenuous and inaccurate.

10 2.20 Conversely, Objector seeks to harm and unfairly tarnish Gen Con and
11 Mr. Adkison's reputation. Objector devotes over fifteen percent of the entire
12 Objection to discussion of the unfortunate situation into which Gen Con was
13 thrust with respect to the Make A Wish Foundation. While Gen Con wrestled with
14 chaotic financial issues and a major dispute with its licensor, Gen Con remained
15 committed to making this payment as soon as prudent. This payment has since been
16 made, and Objector's repeated drumming on this now resolved issue (Objection
17 paras. 11, 12, 13, 14, 15, 17, 51, 52, 53, 54, 55, and 72) is merely a gratuitous
18 effort to damage Mr. Adkison and Gen Con.

19
20 **III. CONCLUSIONS**

21 3.1 Gen Con is a lifestyle brand for its consumers. This brand is best
22 managed and nurtured by Mr. Adkison and Gen Con's current management team. This
23 team presents the lowest risk plan for assuring that all Plan Claimants receive
24 full repayment.

