

A MANAGEMENT CRISIS

Written by Charles Jay
Monday, 23 December 2002 18:00

The 7th Round

You know, we've heard so much claptrap from John McCain & Co. about the possible conflicts of interest that exist when the same entity is promoting both contestants in a fight. It's a conflict of interest that arguably doesn't even exist, but it's a barb directed toward Don King nonetheless.

I'm continually hearing about how evil it is when a promoter also has a managerial interest in a fighter, or vice versa. There is even a specific provision addressing it in the Ali Act. Although it can apply to a number of different situations, it's quite obviously aimed at King - and the professional relationship he's had through the years with his son, Carl. I can't say that I disagree with the principle involved. The dynamic between manager and promoter should be one of negotiation, not coercion.

The fact is, while enforcement is certainly another question entirely, there would seem to be at least a recognition of the problem of these conflicts.

While I was doing a little research for Chapter 51 of "Operation Cleanup", which dealt with John Ruiz' dispute with King, I happened upon something I consider to be quite remarkable.

I was trying to make the point that fighters who shared the same manager were not allowed to compete against each other because of the obvious conflicts of interest; however, when fighters shared a promoter, there was nothing wrong with them facing off, because the promoter-fighter relationship was not one of a "fiduciary" nature.

Unfortunately, I was unsuccessful in trying to make that point. Want to know why?

Because no matter where I looked, I couldn't find a state that expressly forbade a manager from having two fighters in the same bout.

And believe me, I looked through so many sets of rules that my eyes started to blur. And unless I'm missing something very important and very obvious, there's no prohibition addressing this in either of the major federal laws in effect - the Professional Boxer Safety Act or the Muhammad Ali Boxing Reform Act, or, for that matter, the bills that have been proposed - the United States Boxing Amendments Act and the National Boxing Commission Act.

Suffice to say that the vast majority of jurisdictions- if any - have not created the mechanism to deal with the issue.

It's somewhat amazing. And let me explain it to you, if it is not obvious enough.

First, as we mentioned, the manager has this FIDUCIARY relationship with the fighter. What

A MANAGEMENT CRISIS

Written by Charles Jay
Monday, 23 December 2002 18:00

that means is that the manager has been placed in a position of TRUST and CONFIDENCE by the fighter; he is charged with the responsibility of acting in the fighter's best interests. The fighter is more or less putting his career in the manager's hands, with the expectation that the manager will work FOR him, and not AGAINST him.

In some states, the manager actually has limited power of attorney, in which he can sign contracts and make deals on behalf of the fighter. In Florida, for example, we dealt with a standardized contract, issued by the commission, which not only empowered the manager with this kind of authority, but also prescribed that the manager could be paid by the promoter, then turn around and pay the fighter his agreed-upon percentage.

The point here is, unlike the promoter, the manager negotiates FOR the fighter, not WITH the fighter.

Different people have slightly different perspectives on what the manager's overall "credo" should be, in terms of what he does for the fighter.

I like the one offered up by the late Jimmy Jacobs, and expounded upon by a few others - "least risk, most reward". The idea of the "risk vs. reward" philosophy would be to maximize financial opportunities, while at the same time creating the atmosphere that is most conducive to career advancement.

Whatever variations you want to use on that theme, the term "best interests of the fighter" is always a good operative phrase to use.

But you can probably throw all that out the window if the manager has two of his guys fighting EACH OTHER.

It goes without saying that a manager commonly has to have an agenda, a purpose, for putting one of his charges into a fight.

It follows logically that if he's got both fighters in a match, there couldn't possibly be two agendas at work without some kind of conflict existing between them, unless it is in the most extraneous of circumstances.

I simply don't know if a manager can be acting in the best interests of both fighters simultaneously; by definition, you can't be following the "risk vs. reward" philosophy by doing that, because one of the fighters has to suffer a defeat, and therefore reduced status in the general marketplace.

You have to figure if the manager is putting both guys into a virtual "toss-up" fight, surely he's acting contrary to some course of action that would be a preferable alternative. If he's doing what is done in most cases, which is to put one of the fighters in there to serve as a stepping stone for the other, an "opponent", which will, in effect, work out to the advantage of one fighter over the other, then how could he claim, with any degree of credibility, that he is acting in the best interests of both fighters as would be expected by the nature of such a manager-fighter

A MANAGEMENT CRISIS

Written by Charles Jay
Monday, 23 December 2002 18:00

relationship?

I don't really care - and I don't think regulators should care - if both fighters have agreed to such a match. The inevitable result is one where one of the fighters will receive a benefit, while the other will suffer a detriment. There is no plausible way a manager can represent both contestants if he knows one of them will not benefit. In simple terms, a manager should be rooting for his fighter - but there's no way he could root for both, is there?

And I haven't even gotten to the questions of legitimacy a fight like that would bring up. I know that if I saw a match where both fighters were of the same "stable", I'd be wondering what kind of "arrangements" were made. And why shouldn't I?

Invariably, one fighter is on the way up, and the other is on the way down. And a guy doesn't need a nudge from his manager to continue a downward slide.

Admittedly, this is not a problem that appears to be widespread; indeed, if it happens it's probably more prevalent in some of the "backwoods" areas of boxing - those that don't have a whole lot of efficient regulation. Still, like many things, it's not a problem to be dealt with until someone catches it occurring, so it's best to have something in place to correct it, right?

I would consider this to be a glaring oversight on the part of boxing commissions; one that deserves to be dealt with.

Do you think commissions can somehow "manage" that?

fightpage@totalaction.com

Copyright 2002 Total Action Inc.