

WHO SHOULD TRAINERS BE WORKING FOR?

Written by Charles Jay

Saturday, 11 January 2003 18:00

The 18th Round

Just recently, trainer Buddy McGirt signed a contract to work for Main Events, under a set of parameters which, in the words of the press release, "allows McGirt to train non-Main Events promoted boxers, but only if given clearance by Main Events", indicating there is at least a hint of exclusivity.

I'm more than a little uncomfortable with these kinds of arrangements, and with good reason. Perhaps it wouldn't be overly surprising that Max Kellerman, who has brought his public access shtick over to ESPN, trumpeted this as a tremendous hire; he doesn't really grasp the issues at hand here. But I think it's unconscionable that Teddy Atlas, who's supposed to be an advocate of fighters, and therefore should know better, didn't speak up when it was being discussed.

The question before us - should promoters be hiring and paying the people who train the fighters they have under contract?

To answer this question honestly, you simply can't avoid finding the elements of a conflict of interest that result from that kind of relationship.

When you look on the surface, of course, it seems like a positive on all sides - the promoter wants a top-notch trainer for the fighters it is ultimately looking to cash in with. And I guess you can't blame a fighter who feels he's found a trainer who represents an opportunity for improvement.

For all I know, the Main Events-McGirt deal is completely well-intentioned.

My concern, though, is, what happens in those cases where it is NOT so well-intentioned, or when the parties involved in such a deal haven't foreseen situations where a conflict could manifest itself.

I don't want to single out McGirt, because there are similar scenarios elsewhere. Don King, for example, has trainers on his payroll. So do other promoters. Hell, Main Events already had two other trainers in its employ - Mark Breland and Ronnie Shields.

In fact, when I first got into boxing full-time, the promoter I worked for, Phil Alessi, had hired a trainer named Jimmy Williams to run his gym and work with all the fighters. A second trainer, Henry Grooms, was later added.

I was always a little uneasy with that concept, but at 24 years of age, what the hell was I going to say?

Naturally, over the course of time it became obvious to me that the ultimate responsibility the

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trainer felt was not to the fighter he was working with, but to the guy who was signing the paycheck. And that was the promoter. There wasn't even a question about his loyalty. And you know what? That's human nature.

There are two parties in a boxing relationship who are supposed to be employees of the fighter - the manager and the trainer. As it has been traditionally established, the fighter pays his manager a commission up to a legal limit (in most places) of 33-1/3% of his purses, while the trainer gets paid 10%.

That means that if the fighter makes \$3000, the trainer is supposed to get \$300. If the purse is \$100,000, the trainer would get \$10,000. We're speaking generally, of course - all kinds of alternate arrangements can be made, depending on what level of purses the fighter is getting. And sometimes the manager pays the trainer a salary, which means that the trainer is an employee of both the manager AND the fighter.

But the bottom line is that when the trainer has made his deal with the PROMOTER, it's a different ballgame entirely. When a trainer is under contract to, and receives a salary from, a promoter, he is not exclusively an employee of the fighter, but instead, of the promoter. And if our intention is to follow the law, I can't see where it would be acceptable that the trainer be contracted to both the fighter and the promoter simultaneously.

If we are to define the adjective "fiduciary" as "relating to, or involving a confidence or trust", as it reads in the dictionary, there would seem to be little doubt that the relationship of a trainer to the fighter is fiduciary in nature. The fighter places his physical well-being, to a considerable extent, in the hands of the trainer, both in the gym and in the corner, and relies on that trust, just as he trusts his professional and financial well-being with a manager.

And I've got news for you - any trainer who claims he is not in a position of trust with his fighter - and this includes McGirt, Atlas, or whoever you want to name - shouldn't be licensed as a trainer to begin with.

The promoter is NOT a fiduciary - we went over this in depth in "Operation Cleanup".

In case you missed it, let me grab a few lines from Chapter 51, as I was trying to describe the relationship between Don King, a promoter, and John Ruiz, a fighter:

"Don King does NOT have a fiduciary duty to the fighter. He simply has a CONTRACTUAL relationship with him.

King is not Ruiz' manager - in fact, in many ways, his function is actually AT ODDS with that of the managers of Ruiz.

You see, the obligation of Stone and Cardinale is to secure, for their fighter, the best price possible with the promoter, who happens to be King. That creates, by definition, an adversarial relationship - not in the sense that they are enemies, but hopefully - ideally - in the healthiest sense possible, in that they are both negotiating in good faith with each other, with each having

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objectives that are not necessarily mutually inclusive of each other.

For example, if King wants Ruiz to fight "Fighter X", and offers \$1 million to Ruiz, and Stone and Cardinale come back and they want \$2 million, they will negotiate back and forth over the figure, until a deal is made in which both parties are satisfied. The less Ruiz takes, the more money King will make, at least theoretically. Likewise, the more money Ruiz is able to negotiate for himself, the LESS money King will make."

Someone who is a FIDUCIARY for the fighter can not work for the promoter, because he functions as an EXTENSION of the promoter, and it's simply against the fighter's best interests for regulators to allow this as a common practice.

And let me put this into further perspective for you - the trainers who were working for Phil Alessi back in 1986 were getting 10% of the fighters' purses as well. In fact, in some cases it was actually specified in the promotional contract.

If the trainer is involved in that kind of scenario, he has a financial interest in a fighter, and as an employee of a promoter at the same time, it can argued - strongly - that it's a violation of the Ali Act.

Of course, back in 1986, there was no Ali Act. But there is NOW. And it's pretty clear what the intention is.

Look at Section 15, covering "Conflicts of Interest", which actually amends Section 17 of the Professional Boxer Safety Act -

FIREWALL BETWEEN PROMOTERS AND MANAGERS-

`(1) IN GENERAL- It is unlawful for--

`(A) a promoter to have a direct or indirect financial interest in the management of a boxer; or
`(B) a manager--

`(i) to have a direct or indirect financial interest in the promotion of a boxer; or `(ii) to be employed by or receive compensation or other benefits from a promoter, except for amounts received as consideration under the manager's contract with the boxer."

And earlier in that section, it specifies that a promoter cannot require a fighter to be trained by a certain individual:

"(b) EMPLOYMENT AS CONDITION OF PROMOTING, ETC- No person who is a licensee, manager, matchmaker, or promoter may require a boxer to employ, retain, or provide compensation to any individual or business enterprise (whether operating in corporate form or not) recommended or designated by that person as a condition of-- `(1) such person's working with the boxer as a licensee, manager, matchmaker, or promoter; `(2) such person's arranging for the boxer to participate in a professional boxing match; or `(3) such boxer's participation in a

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professional boxing match."

Now, although that may be going on in some places, it may not be what's going on with the Main Events deal. At least not overtly. Indeed, if the press release is to be taken at face value, it is strictly an option for the fighter:

"Main Events is excited about giving our current fighters, and any fighters we sign in the future, an opportunity to work with McGirt should they choose," said Main Events CEO Kathy Duva, according to the release.

By the same token though, I have never met a big-time promoter who would pass up an opportunity to have a greater degree of control over a situation. And make no mistake - having the trainer on your payroll offers the possibility for that kind of control, whichever way you try to "spin" it.

Let me go back to the passage in the press release I quoted at the beginning of this story:

"The agreement allows McGirt to train non-Main Events promoted boxers, but only if given clearance by Main Events."

Here's the problem with that - let's suppose I manage a promising young fighter, and I consider Buddy McGirt to be the best trainer in the business. I want my fighter to be able to work with him - very much. And the fighter agrees with me. So while we may CHOOSE to work with McGirt, he can't choose to work with US, unless (a) we sign a promotional contract with Main Events, or (b) McGirt gets special clearance from Main Events to work with us. If we are signed, or if we are entertaining signing with, say, Don King or Cedric Kushner or Gary Shaw or Bob Arum, we're not going to get the opportunity to work with the trainer we want because that arrangement couldn't possibly help Main Events.

Maybe that's a restriction that should be addressed in the Ali Act as well. In other words, it's not that we can't get a particular fight; we can't get a particular TRAINER - a guy who should, by rights, be able to make up his mind independently if he wants to work with a fighter in a fiduciary capacity - unless we sign a contract with a particular promoter.

Promoters shouldn't be permitted to tie up people who perform in that kind of role.

I don't think it's a stretch at all when I tell you that if there good reasons why the MANAGER shouldn't be an employee of a promoter, that same rationale should apply to a TRAINER.

And in those cases where the trainer is NOT getting his 10% - in other words, where the promoter is the only party who is paying him - it means that he is exclusively the employee of the promoter, and most definitely NOT the fighter, which makes it improper for him to be acting in a capacity that is normally fiduciary in nature. He's simply getting his money from the wrong end.

You think all this is strictly theoretical?

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Think again.

Let's just say.....

The promoter has quite a bit invested in a certain promotion which involves a fighter who is trained by that promoter's employee. The fighter may not be in top physical condition, or may have a slight injury that would affect him in a fight. In other words, he is not 100% ready to fight, and would be against his best interests to do so. However, he does, as a rule, rely on the direction the trainer gives him as far as these matters are concerned.

Will the trainer, who spends the most time with the fighter in the gym and who would seem to be the most intimately acquainted with his condition, force that issue with the guy who is signing his paycheck, if that employer (the promoter) pressures him to make the fighter available, insists on it, or otherwise emphasizes strongly how important it is that the fighter takes part, regardless of his condition? If it's a matter of the fighter having to lose a lot of weight on short notice, will the promoter's trainer advise him to do that, even if it may not be a healthy thing to do?

Or.....

The promoter is doing a televised main event in which he has both of the contestants under promotional agreement (something which is not illegal). Fighter "A" in that main event bout is trained by the promoter's employee, while Fighter "B" is not. It would be to the promoter's great advantage in terms of future income if Fighter "B" won the fight. Could it affect the training regimen, or the advice that Fighter "A" gets from his trainer? Could we ever really know? What if it turns out to be a scenario like we described in the previous paragraph? Could a fighter truly rely on the advice he gets from his trainer under these circumstances?

Or.....

What if a promoter orders a trainer NOT to work with a fighter anymore, but to turn his attention toward someone else - maybe a "more promising" guy the promoter wants to put in the ring with that fighter? Doesn't that leave a fighter high and dry?

Hey - sometimes a fighter serves as his own manager, meaning the trainer is the only "buffer" between himself and the promoter. What do we do then? After all, the trainer knows which side his bread is buttered on. And this is often a "push-comes-to-shove" business.

What's interesting is that I've never heard this argument brought up by anyone before. And shame on ME for not thinking to bring it up before this. Indeed, it was a pure revelation to those commissioners I've had the opportunity to mention it to.

But it's not a huge surprise - we have become so de-sensitized to conflicts of interest in this industry that some things never even get a thought.

Yes, I've heard the arguments that represent the other side:

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"The trainer has enough integrity that he would not let a conflict get in the way of his duty to the fighter"

. Well, not always. And though I haven't taken a scientific sampling, maybe not even half the time. And besides, how a trainer manages that potential conflict shouldn't be left to the trainer's discretion - it should be governed by rule and law.

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"The reality in boxing is that the promoter is really the manager of the fighter anyway, so what's the big deal?"

. Well, that may be reality in some cases, but it's not a reality we should be embracing. In fact, the law tells us that. We should be moving away from such "vertical integration" and toward the policy of separating the roles of promoter and manager.

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"Who says the trainer is supposed to be working on behalf of the fighter anyway?"

. Well, I do. Most state attorneys general would, if they read my rationale. And I'm confident almost any court in the United States, if necessary, would say the same thing.

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"If there's disclosure, why shouldn't the fighter make his own decision about who trains him? And a manager can always say no to that kind of thing if there's a problem"

. Yes, but I doubt that fighters - and even their managers - know the ramifications of this kind of deal the way it has been spelled out in this story. And regulators shouldn't be in the business of PUNISHING people for not foreseeing problems that may arise out of something they haven't foreseen either.

My contention is that, in cases where trainers are working for promoters, and especially where they are taking their money from both ends, a commission may want to strongly consider whether those trainers should even be licensed to work with a fighter. At the very least, it violates the SPIRIT of the Ali Act. And isn't that federal law supposed to mean something?

Just more food for thought.

And as usual, I'm happy to be your chef.

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