Down for the Count: The Muhammad Ali Boxing Reform Act and Its Shortcomings

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I. INTRODUCTION

Though many perceive boxing as a sport, to the players, it is a way of life. Boxing is a “story without words,” yet its language is most refined. Boxing is the most physical and direct of any sport. Its objective is simple. The goal: a knockout. The threat of death inevitably exists, though its possibility remains remote. Boxing is dangerous, harsh, and unforgiving. Yet, boxing is personal.

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2. See discussion infra Part II.


5. Id. at 30.

6. Id.

7. Id. at 10.

8. ROBERT SELTZER, INSIDE BOXING 139 (Benjamin Matt ed., 2000).

9. OATES, supra note 4, at 8–9 (explaining that boxers bring “everything that is themselves” to the fight).
Dating back to the ancient Greeks, boxing may be the oldest sport in existence. Yet, despite its age, boxing has continued to operate outside any central authority capable of enforcing minimum standards and uniform rules. Prior to the 1994 Senate inquiry into professional boxing, it had been approximately thirty years since the Senate's last boxing investigation. Now, thirty-seven years later, after years of minimal regulations, the boxing world must comply with two pieces of legislation: the Professional Boxing Safety Act of 1996 and the Muhammad Ali Boxing Reform Act. The Muhammad Ali Boxing Reform Act ("Ali Act"), passed in May 2000, serves as an amendment to the Professional Boxing Safety Act of 1996.

This Note illustrates the vast shortcomings of the Ali Act. Part II of this Note discusses the individuals involved in effectuating a boxing match. Parts III and IV examine the need for reform, and the Ali Act as its source. This Note concludes that, although integrity may be lacking in the sport, the Ali Act has not served the purpose of reinstating it.

II. THE PLAYERS

A. The Boxer

Most boxers come from impoverished backgrounds. Boxing begins in ghettos, where life is cheap and physical well-being is at risk in the food people eat and the absence of proper medical care in their daily lives. It breeds in an environment where residents carry knives and guns for protection, and fists are perceived as the least potent of weapons.


11. PERMANENT SUBCOMM. ON INVESTIGATIONS, CORRUPTION IN PROFESSIONAL BOXING, S. REP. NO. 103-408, at 28 (2d Sess. 1994).

12. Id. at 1.


15. See id.

16. OATES, supra note 4, at 85 (stating that about ninety-nine percent of boxers are impoverished youths). See also THOMAS HAUSER, THE BLACK LIGHTS 9 (Univ. of Ark. Press 2000) (1986) ("Most fighters come from tough places; small beginnings where life is hard.").

To protect themselves and survive, they must know how to hurt others. The first individual necessary to effectuate a boxing match is the boxer. The boxer is the one entering the ring and the one placing himself in physical peril. The boxer, as any other individual, is responsible for his own physical well-being. He is the one physically training for the fight, undergoing the medical procedures, and stepping on the scale at the weigh-in. When the bell rings, he is the one in the ring, roped off from the rest of the world.

18. Id. (statement of Michael Spinks, Montreal Olympic gold medalist and former light heavyweight champion of the world).
19. See id.
20. Though boxers may be viewed as the most important individuals to effectuate a boxing match, most often, the individuals not directly participating in the bout retain such power as to make them the most important individuals to the boxing industry. See discussion infra Part II.B-E.
21. Although many may believe boxing to be a man's sport, women have been competing since the eighteenth and nineteenth centuries. Jennifer Hargreaves, Bruising Peg to Boxerobics: Gendered Boxing—Images and Meanings, in BOXER: AN ANTHOLOGY OF WRITINGS ON BOXING AND VISUAL CULTURE 121, 125 (David Chandler et al. eds., 1996). See also SELTZER, supra note 8, at 147-48 (describing Christy Martin as a “pioneer” and “the most famous female boxer in the world”).
23. See SELTZER, supra note 8, at 29 (“Fighters are prisoners of their bodies, their physiques the stone walls that trap them, that force them to fight in a certain style.”).
25. A boxer is identified and limited by his weight class. See Interview with Randall Jones, Production Assistant, Don King Productions, Inc., in Deerfield Beach, Fla. (July 27, 2001). Though the same pound delineations exist between the sanctioning organizations, they are sometimes given different names. Id. For example, the World Boxing Council defines the classes as follows: not over 105—strawweight; not over 108—light flyweight; not over 112—flyweight; not over 115—super flyweight; not over 118—bantamweight; not over 122—super bantamweight; not over 126—featherweight; not over 130—super featherweight; not over 135—lightweight; not over 140—super lightweight; not over 147—welterweight; not over 154—super welterweight; not over 160—middleweight; not over 168—super middleweight; not over 175—light heavyweight; not over 190—cruiserweight; over 190—heavyweight. Id. See also Legislative Meeting of the Pa. State Athletic Comm’n in Ass’n with the Ass’n of Boxing Comm’ns 202 (2000) [hereinafter Legislative Meeting] (explaining an experience in a previous fight where the boxer did not want to get on the scale and how without which the fight would not have taken place) (statement of Murad Muhammad, Promoter).
26. See SELTZER, supra note 8, at 9 (“Hell is not roped off. The ring is. And that may be the only difference between the two venues.”).
The boxer is responsible for telling his corner men\(^2\) about his suitability for the particular bout.\(^2\) Ultimately, it is the boxer who runs the risk of falling at the hands of an opponent—of never coming out of the ring the way he entered it no more than forty-seven minutes\(^2\) ago.\(^2\)

B. The Manager, Trainer, and Cut Man

The manager is a boxer's primary business representative, representing him and his interests in all business transactions that occur during their relationship.\(^3\) In return for his services, the manager often retains thirty-three and one-third percent of the boxer's purse for each bout.\(^3\) Though managers are not particularly liked,\(^3\) they serve a vital function to the boxer. The choices the

\(^{27}\). See Phil Berger, Punch Lines: Berger on Boxing 157–58 (1993) (describing the importance of the corner man) (“In his sixty seconds between rounds, the corner man enforces or revises his fighter's strategy. He is the ‘cut man,’ doing a surgeon’s work.... On the corner man’s instincts and advice, championships have been won and lost.”).

\(^{28}\). See Symposium, supra note 22, at 241–42 (“[I]t’s important for my corner to know [if I am not feeling well] and it is important for the referee to know cause that’s their job to see and make observations where they should stop the fight or not.”) (statement of Evander Holyfield).

\(^{29}\). The longest professional men’s bout is for a championship. Interview with Randall Jones, Production Assistant, Don King Productions, Inc., in Deerfield Beach, Fla. (July 18, 2001). It is scheduled for twelve rounds, each round consisting of three minutes, with a one-minute rest between rounds. \textit{Id.} The shortest professional men's bout is a four-rounder. \textit{Id.} Like all other men's bouts, each round consists of three minutes, with a one-minute rest between rounds. \textit{Id.} On the other hand, the longest professional women's bout, and also for a championship, is a ten-rounder. \textit{Id.} Each round consists of two minutes, with a one-minute rest between rounds. Interview with Randall Jones, \textit{supra} note 29. The shortest bout in which a female can participate consists of four rounds, with the same time specifications as for a ten-rounder. \textit{Id.}

\(^{30}\). See Hugh McIlvanney, Onward Virgin Soldier, in Reading the Fights 185, 192–94 (Joyce Carol Oates & Daniel Halpern eds., 1988) (describing the death of professional boxer Johnny Owen after a twelfth round knockout); \textit{Oates, supra} note 4, at 89 (describing the death of professional boxer Benny “Kid” Paret at the hands of Emile Griffith in a 1962 bout); \textit{Id.} at 98 (“Between 1945 and 1985 at least three hundred seventy boxers have died in the United States of injuries directly attributed to boxing.”).


\(^{32}\). See Legislative Meeting, \textit{supra} note 25, at 213 (discussing the thirty-three and one-third percent a manager generally takes from the purse of the boxer) (statement of Bob Duffy).

\(^{33}\). Hauser, \textit{supra} note 16, at 34.
A good manager never places his fighter in a fight he does not think his fighter can win. In a sport where “one or two losses can kill a fighter’s career,” managers must be cautious in choosing an opponent. To maximize the effectiveness of the manager and the success of the boxer, it is necessary that they share a good rapport.

In his capacity, the manager is responsible for selecting the boxer’s trainer. A boxer’s trainer is crucial to his survival. A great trainer is a natural: he actually sees the moves and studies them, and he must have the ability to convey techniques to his fighters. He must be a psychologist and a mind reader, sometimes a father and a mother. Trainers must know their fighters and their fighters’ opponents.

Physical labor is the first requirement to becoming a quality fighter. The harder the boxer trains, the better he becomes. The goal of training is to move quicker and get hit less. The trainer makes this possible. Part of being a good trainer, however, is telling the fighter at which point to stop

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34. See BERGER, supra note 27, at 202 (quoting Shelley Finkel, Manager of Evander Holyfield, as stating the manager’s basic responsibility towards the boxer is the “[m]ost money for the least risk.”).

35. HAUSER, supra note 16, at 34.

36. Id. at 35.

37. Id. at 34. “My job is to outwit people. Every fight requires that I be in there looking for an edge. And if I can find an opponent who gives the appearance of being formidable while posing no threat whatsoever to my fighter, that’s fine.” Id. (statement of Emanuel Steward, Manager).

38. Id. (“You’ve got to love your fighter. Otherwise it’s dangerous. You’ll send him out and get him mangled or killed.”) (statement of Eddie Futch, former Manager of Joe Frazier).


40. Id.


42. Id. at 100 (“No two fighters can do things the same way. Know their shortcomings and their idiosyncrasies and their physical makeup. And ... always make sure you know about his opponent.”) (statement of Ray Arcel, Trainer).

43. HAUSER, supra note 16, at 17.

44. See id. at 17-18. “Wasted talent is the oldest story in boxing. A fighter who coasts in training betrays his dreams and his future.” Id. at 18.

45. Id. at 29. As part of his training, a boxer often boxes with a sparring partner to help him whet his skills. See generally BERGER, supra note 27, at 312.

training. The trainer can do everything to make his fighter the best, but then the bell rings. Sometimes, his fighter gets hit with a devastating blow. Yet, the trainer's responsibilities continue. The trainer must now encourage his fighter to continue fighting.

When the boxer retreats to his corner between rounds, it is then that the cut man does his job. The cut man, like the trainer, must know the boxer. The cut man is as important to the fight as is the boxer. The cut man is responsible for stopping the flow of blood from the fighter's face. He uses tools such as cotton swabs, vaseline, and a paste-like substance to stop the bleeding. The cut man also uses Enswell to stop an eye from closing and reduce the swelling. The fight often continues until the “third man in the ring” stops the bout or the final bell sounds.

C. The Promoter

“The promoter is one of the most erudite men in the fight game—and one of the shrewdest.” What he is not, however, is well-liked. Much

47. Id. at 198 (“[The fighter] figures if work is good, more work is better. It's not so, though. Sometimes you have to back off, so the fighter takes into the ring everything he's got and doesn't leave it in the gym or on the road.”) (statement of Eddie Futch, Trainer for Riddick Bowe).

48. OATES, supra note 4, at 13.

49. See BERGER, supra note 27, at 158.

50. SCHULMAN, supra note 41, at 99 (“There is a secret to handling a fighter who is cut and bruised. . . . Some fellas get a small cut and they think they're gonna bleed to death. You have to know your fighter. Is the fighter able to handle the cut? . . . The most sensitive human beings in the world are boxers.”) (statement of Ray Arcel).

51. See BERGER, supra note 27, at 141 (“Fights are lost for lack of a corner's skill in these between-round crises.”).

52. Id.

53. Id.


55. Id.

56. OATES, supra note 4, at 47. The “third man in the ring” is the referee—the intermediary and the conscience of the fight. Id. He is often the only neutral and objective observer. See id. “The referee holds the power of life and death at certain times since his decision to terminate a fight, or to allow it to continue, can determine a boxer's fate.” Id. at 48.

57. SELTZER, supra note 8, at 113. Today, women also serve as promoter to many fighters. See Symposium, supra note 22, at 221 (statement of Jerry Izenberg introducing Kathy Duva).
condemnation is often cast upon the most successful promoters in the business; however, these are the promoters for whom managers want their fighters fighting.59

Though it may appear simple, boxing promotion entails many intricacies.60 In addition to matching two fighters to create a stimulating bout,61 promoters must be accomplished businessmen.62 The promoter must cultivate and nurture relationships with fighters, managers, television executives, the media, and sanctioning organizations.63 There are three major sources of income for a promoter: the fight’s live gate,64 the sale of domestic and foreign television rights,65 and incidentals.66 This revenue, however, does not necessarily mean that the promoter makes a profit.67 At


59. Id. at 56 (“Don King is a liar and a thief. . . . This guy wants all the money and all the fighters. . . . If I was a fighter and needed a promoter [sic], who would I take? Don King. The man is the best. Don King delivers.”) (statement of Rich Giachetti, former Manager and Trainer of Larry Holmes). See also BERGER, supra note 27, at 172 (“Even his most bitter rivals credit [Don] King with the intelligence and cunning to survive in a cutthroat business.”); Boxing In and Out of the Ring (A&E television broadcast, July 22, 2001) (“Don King is not really different from other boxing promoters. He’s just better than anybody else.”) (statement of Thomas Hauser, Author and Boxing Historian).

60. See HAUSER, supra note 16, at 69.

61. Fighters are often matched by a matchmaker. See JAMES B. ROBERTS & ALEXANDER G. SKUTT, THE BOXING REGISTER: INTERNATIONAL BOXING HALL OF FAME OFFICIAL RECORD BOOK 417 (1997). Matchmakers and promoters often work together to match a fight that the public would want to see. See id. at 418.


63. Id. See also Boxing In and Out of the Ring, supra note 59 (explaining that promoters put the fights together because they maintain relationships with the managers to convince the fighters to fight and they work with the networks in agreeing upon a figure for the broadcast) (statement of Ross Greenburg, President of HBO Sports).

64. Casinos generally pay the promoter a site fee to hold the fight at their arena. HAUSER, supra note 16, at 70.

65. Often the promoters retain the revenue from their selling the domestic and foreign television rights. See id.

66. Such incidental items include the sale of advertising on ring posts, video cassettes, and fight programs. Id.

67. From this income, the promoter must pay the boxers’ purses, other costs of the promotion, and it’s company overhead. See Legislative Meeting, supra note 25, at 195 (statement of Sherman W. Smith, III, Associate General Counsel, Don King Productions, Inc., at p. 5).
times, promoters sustain a loss from the promotion. Nonetheless, professional boxing remains driven by money.

D. The Sanctioning Organizations

The sanctioning organizations control championships, not lower level boxing bouts. A bout must be sanctioned by one of the sanctioning organizations before it can be considered a championship match or an official title-elimination bout. The power of these “alphabet soup” organizations stems from this influence. The fighters want these organizations. These organizations have the power to award the boxer a title belt and allow him to call himself the champion. These organizations, therefore, promulgate money for the fighters. They also “set their own rules, establish their own medical and safety standards, make their own rankings, and designate their own ‘world champions.” Each sanctioning organization is separate and distinct from the other.

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68. “Everybody thinks a promoter makes money in the first, second, third fight. Sometimes we lose in ten just to make it on the 12th.” Id. at 192 (statement of Murad Muhammad).

69. PETER BACHO, BOXING IN BLACK AND WHITE 114 (1999). See also Symposium, supra note 22, at 200 (“[A]mateur boxing is a true sport. Professional prize fighting is a business.”) (statement of Mills Lane, Retired Boxing Referee and Retired Judge).

70. HAUSER, supra note 16, at 93.

71. See id.

72. See Symposium, supra note 22, at 250 (referring to the sanctioning organizations) (statement of Jerry Izenberg, Sports Columnist); see also SELTZER, supra note 8, at 21 (naming some of the sanctioning organizations that sponsor championships) (“Well . . . there is the IBF, the WBA, the WBC, the WBO, the IBO, the IBC, the WBF, the WBU, the . . .”).

73. Symposium, supra note 22, at 249 (statement of Lou DiBella, Vice President of HBO, Time Warner Sports).

74. See id. at 253 (“[T]he people most responsible for sustaining the meaning of those pieces of plastic that aren’t worth 20 bucks are the fighters themselves.”) (statement of Lou DiBella).

75. See id. at 256 (discussing the importance of a title belt) (“You are talking about a guy making 17 million dollars, now because he lost for the first time in 8 years he is making 2 million dollars. . . . [T]hey said the belt don’t make a difference but every time I get them belts the money increased.”) (statement of Evander Holyfield).

76. HAUSER, supra note 16, at 93.

77. See Symposium, supra note 22, at 217 (“There is no centralized authority in boxing.”) (statement of Max Kellerman, Boxing Broadcaster and Analyst). Though there are many “little minor league [sanctioning organizations],” there are three major sanctioning bodies. Id. at 206. The three major sanctioning organizations are the World Boxing...
are seventeen weight classes\(^7\) and numerous sanctioning organizations,\(^7\) there is often more than one champion for each weight class. There is not just one world champion.\(^8\) Many credit the sanctioning organizations as being the "root of the problem" with boxing today.\(^8\)

E. The Media

"Television revenues pay the purses."\(^8\) The technology of television has made boxing an even more lucrative business.\(^3\) Closed circuit broadcasts have provided the players\(^8\) with an opportunity for a big payday.\(^3\) Pay-per-view buys increase the possible number of viewers, thereby increasing the profit margin of the event.\(^6\) The biggest payday in boxing history was Holyfield/Tyson II, which has now become known as the infamous ear-biting fight.\(^7\) This event purportedly grossed over one hundred million dollars, domestically, in one night on pay-per-view.\(^8\)

Today, networks such as Home Box Office ("HBO") negotiate with fighters for multi-fight deals—deals for a certain amount of years and a

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78. See supra text accompanying note 25.
79. See discussion supra, note 77.
80. See SELTZER, supra note 8, at 21 ("[T]here are almost as many world champions as there are fans to pay for their fights."); see also SCHULMAN, supra note 41, at 77 ("[I]nstead of one World Series or one Super Bowl, there are several. And for each middleweight who declares himself champion after his bout, there are four more sitting in the audience.").
81. See Symposium, supra note 22, at 200 (statement of Mills Lane, Retired Boxing Referee and Retired Judge); see also statement of Jerry Izenberg (describing the presidents of the three major sanctioning bodies). Id. at 206. "The major problem as I see it is the problem raised by both Mills Lane and Jerry Izenberg and that is the sanctioning organizations. Quite frankly they have to go. They are not honest. They are not fair. They are not moral." Id. at 209 (statement of Amos C. Saunders, Retired Presiding Judge). "We are in this room and everybody here has just about said that the sanctioning organizations are the problem." Id. at 222 (statement of Kathy Duva, Promoter).
82. SCHULMAN, supra note 41, at 77. "Television represents money." Id.
83. Boxing In and Out of the Ring, supra note 59. Television makes the money. Id. (statement by Ron Scott Thomas, Matchmaker, Cedric Kushner Productions).
84. See discussion supra Part II.A–D.
85. Boxing In and Out of the Ring, supra note 59.
86. Id.
87. Id. This Evander Holyfield and Mike Tyson rematch took place on June 28, 1997. Interview with Randall Jones, supra note 29.
88. Boxing In and Out of the Ring, supra note 59.
certain number of fights. This makes the fights more appealing to the public and generates more revenue. For a fight to be considered a championship, however, it must be sanctioned by a sanctioning organization. Sanctioning organizations work with promoters to sanction the bout, the promoters with the managers, and the managers with the fighters. One can see how each player is vital to the success of the industry. One can also see how simple it could be to corrupt the entire sport.

This "commercialised [sic] system" has undoubtedly increased the profit potential for boxers. However, it has also "severed [boxing's] connection with a grass-roots culture in which its higher aspirations were bred."

F. The Fan

To the untrained viewer, most boxing matches appear savage. Though spectators often see the courage, the skill goes undetected. As the spectator becomes a fan, however, the design is unraveled. Though a "casual viewer will only react to the most obvious action, such as a knockdown or a knockout," the true fan discerns the "careful steps the winning boxer took to reach that point." Just as in any other sport, a boxing spectator often thinks that with proper training, he, too, could become a professional boxer. To be a quality fighter, however, one must have physical attributes, such as agility, timing, power, speed, and

89. Id. (statement of Ross Greenburg).
90. Id. (statement of Thomas Hauser).
91. See id.
92. See discussion supra Part II.D.
93. See discussion supra Part II.B-D.
94. Boxing In and Out of the Ring, supra note 59 ("It only takes one person to corrupt the whole system because then the others have to pay just to keep the playing field level.") (statement of Doug Beavers, Former IBF Ratings Committee Chairman).
96. Id. See also ROBERTS, supra note 61, at 410 ("No other sport can so justifiably blame television for a period of serious decline . . . .")
97. OATES, supra note 4, at 100.
98. BACHO, supra note 69, at 111.
99. See OATES, supra note 4, at 100.
100. BACHO, supra note 69, at 111.
101. See HAUSER, supra note 16, at 12.
endurance, "far beyond those of ordinary men." To the true fan and the players, boxing "is more than a sport. It's a skill."

III. THE NEED FOR REFORM

Professional prize fighting does not advance the "safety first" attitude as amateur boxing does. Professional boxing stresses heavy hitting. There is no head gear, and smaller gloves are used, as compared to amateur boxing. Further, the regulation of boxing is left to the individual states. In response to the safety issues prevalent within the boxing industry, the Professional Boxing Safety Act of 1996 was passed.

Although the boxers now had some form of protection within the ring, protection outside of the ring was a different story. Corruption in boxing is an old story. It is the easiest sport to fix. It only takes one bribe. In the past, boxing has been associated with organized crime. Some still question its prevalence within the sport.

Though boxing is a multi-million dollar business, the money is often divided between those outside the ring. "Anything seems to go in a business in which larceny is sometimes mistaken for charm, and cheating for cleverness, . . . [p]eople who should be in jail are looked upon as characters instead of the scum they really are."
Sanctioning organizations often endure much of the criticism\textsuperscript{117} because they control the ratings.\textsuperscript{118} In the past, \textit{The Ring} magazine dictated the ratings.\textsuperscript{119} When its ratings became corrupted, however, sanctioning organizations took over.\textsuperscript{120} It was not long before those ratings became corrupted also.\textsuperscript{121}

Ratings are important because they dictate the value of the fighter.\textsuperscript{122} The higher ranked he is, the more valuable to the industry—and himself.\textsuperscript{123} Further, if a boxer is ranked within the top fifteen, he can fight for the championship.\textsuperscript{124} The problem arises because often, “ratings are for sale.”\textsuperscript{125} Just as often, however, promoters are buying.\textsuperscript{126}

Doug Beavers, former International Boxing Federation (“IBF”) Ratings Committee Chairman, served in more than one capacity.\textsuperscript{127} He also served as the “bagman”\textsuperscript{128} for the organization.\textsuperscript{129} When the Federal Bureau of Investigation (“FBI”) investigated the IBF a few years ago, they arrived at Mr. Beavers’ house to question him.\textsuperscript{130} To their arrival, he responded, “What took you so long?”\textsuperscript{131}

Undoubtedly, the ratings are questionable, at best.\textsuperscript{132} In a sport where the object is to knockout the opponent, it is always best “to heed the referee’s warning—‘protect yourself at all times.’”\textsuperscript{133}

\textsuperscript{117.} See discussion \textit{supra} Part II.D and note 81.
\textsuperscript{118.} \textit{Boxing In and Out of the Ring}, \textit{supra} note 59.
\textsuperscript{119.} \textit{id}.
\textsuperscript{120.} \textit{id}. (statement of Thomas Hauser).
\textsuperscript{121.} \textit{Boxing In and Out of the Ring}, \textit{supra} note 59.
\textsuperscript{122.} See \textit{id}.
\textsuperscript{123.} See \textit{id}.
\textsuperscript{124.} \textit{id}.
\textsuperscript{125.} \textit{id}. (statement of Jack Newfield, Boxing Historian).
\textsuperscript{126.} \textit{Boxing In and Out of the Ring}, \textit{supra} note 59 (“If their selling influence, he’s buying.”) (statement of Jack Newfield about Cedric Kushner, Boxing Promoter).
\textsuperscript{127.} See \textit{id}.
\textsuperscript{128.} “Bagman” is often the term used for an individual accepting bribes. \textit{id}.
\textsuperscript{129.} \textit{id}.
\textsuperscript{130.} \textit{id}.
\textsuperscript{131.} \textit{Boxing In and Out of the Ring}, \textit{supra} note 59. Mr. Beavers continued to explain that, “It was like extortion. If you want to survive in the IBF, you gotta pay.” \textit{id}.
\textsuperscript{132.} Many often believe fights to be fixed. However, more often, it is not the fights that are fixed—it is the ratings. \textit{id}.
\textsuperscript{133.} \textit{HAUSER, \textit{supra} note 16}, at 57.
IV. THE MUHAMMAD ALI BOXING REFORM ACT\textsuperscript{134}

Four years after the passage of the Professional Boxing Safety Act of 1996, the Ali Act was passed.\textsuperscript{135} Congress made several findings relative to safety outside of the ring.\textsuperscript{136} Congress found that: 1) boxing lacks a central governing body; 2) state regulation is proper; 3) promoters can take advantage of the industry by engaging in business with states having weaker regulations; 4) rankings are susceptible to corruption; 5) common practices of promoters and sanctioning organizations constitute restraints on trade; and 6) it is necessary to establish reform.\textsuperscript{137} In response to such findings, Congress passed the Ali Act to protect professional boxers, assist boxing commissions in providing oversight, and promote honorable competition.\textsuperscript{138} The goal of any legislation directed towards boxing should be the health and safety of its participants.\textsuperscript{139} This is undisputed. However, this legislation, though meritorious, is misdirected. The Ali Act is not without its strengths, however.

A. The Strengths

The Ali Act is an effort to establish and enforce regulations to protect the boxers and public interest.\textsuperscript{140} It is an effort to regulate boxing because boxing "can't regulate itself."\textsuperscript{141} This law was intended to provide boxers with greater control over their careers.\textsuperscript{142} Through several provisions of the Ali Act, boxers are economically protected.

\textsuperscript{137} Id.
\textsuperscript{139} See Symposium, supra note 22, at 208 (statement of Amos C. Saunders).
\textsuperscript{140} See id. (statement of Paul Feeney, representative of Senator John McCain and co-drafter of the Ali Act).
\textsuperscript{141} Id. at 214. ("Can boxing regulate itself? No, boxing can't regulate itself because there are too many people right now who are benefiting from the system as it presently exists.") (statement of Lou DiBella).
\textsuperscript{142} Legislative Meeting, supra note 25, at 46.
Section 7b of the Ali Act provides boxers with protection from coercive contracts.\footnote{143} This provision is intended to protect boxers from being forced into long-term contracts as a condition to their being granted a fight.\footnote{144} If Boxer A, who is under a promotional contract with Promoter C, would like to fight Boxer B, who is under a promotional contract with Promoter D, Promoter C can only ask for options\footnote{145} up to twelve months on Boxer B in the event that his boxer, Boxer A, loses.\footnote{146} This would entitle Promoter C to twelve months of promoting Boxer B, the winner of the bout. This provision also provides that in the last three months of this twelve-month option, Boxer B and Promoter C can freely negotiate for an extended promotional contract or end their relationship.\footnote{147}

However, this provision only applies if the boxer and promoter are already under contract with each other for the particular bout.\footnote{148} If, for example, a promoter would like to set up a bout for a boxer in whom he currently has no promotional interest, he can contract with the boxer for more than the twelve-month period.\footnote{149} This provision prevents promoters from coercing boxers into entering extended contracts to be granted fights.\footnote{150} If, however, the bout is a mandatory\footnote{151} bout, the twelve-month option would not apply.\footnote{152} If one is the mandatory contender, he has earned his right to the title fight and, therefore, will not be required to grant any future promotional rights in exchange for the opportunity to the bout.\footnote{153}

\footnote{143. 15 U.S.C. § 6307b (2000).}
\footnote{144. Legislative Meeting, supra note 25, at 8 (statement of Paul Feeney). This does not apply to boxer-manager contracts, however. Id. at 21 (statement of Greg Sirb, President of the Association of Boxing Commissions).}
\footnote{145. "Options" refer to the granting of certain rights to a promoter as a condition precedent to the boxer's participation in a bout with another boxer who is under a contract with another promoter. See 15 U.S.C. § 6307b(a)(1)(A)(ii). In this example, the granting to Promoter C of promotional rights over Boxer B.}
\footnote{146. Id. See also Legislative Meeting, supra note 25, at 21 (statement of Greg Sirb).}
\footnote{147. See 15 U.S.C. § 6307b(a)(3).}
\footnote{148. See Legislative Meeting, supra note 25, at 58 (statement of Greg Sirb).}
\footnote{149. See id. at 23 (statement of Greg Sirb).}
\footnote{150. See generally 15 U.S.C. § 6307b.}
\footnote{151. Mandatory bouts are defined by the sanctioning organizations. See § 6307b(b). Mandatory bouts generally refer to bouts between the champion and the individual ranked number two in the organization's ratings. See Legislative Meeting, supra note 25, at 24. The number two ranked individual is also referred to as the number one contender. Id. at 30 (statement of Paul Feeney).}
\footnote{152. 15 U.S.C. § 6307b(b).}
\footnote{153. Legislative Meeting, supra note 25, at 24.
Section 7c of the Ali Act is also beneficial to the boxing industry. Section 7c addresses the sanctioning organizations and the ratings criteria.\(^{154}\) It provides, in part, that a sanctioning organization not be entitled to compensation:

until, with respect to a change in the rating of a boxer previously rated by such organization in the top 10 boxers, the organization—

(1) posts a copy, within 7 days of such change, on its Internet website or home page, if any, including an explanation of such change, for a period of not less than 30 days; and

(2) provides a copy of the rating change and explanation to an association to which at least a majority of the State boxing commissions belong.\(^{155}\)

Section 7c provides that the boxers and the boxing industry be provided with an explanation for a boxer’s rise or fall in the ratings.\(^{156}\) This provision makes it more difficult for the ratings system to be arbitrary. This section also provides the boxers with an opportunity to appeal the ratings change.\(^{157}\)

The boxer can submit a request to the sanctioning organization, to which the sanctioning organization must provide the boxer with a written explanation of the criteria used in evaluating him and the rationale for the change.\(^{158}\)

Sections 7b and 7c are undoubtedly beneficial to the boxers and the boxing industry. However, these sections also have shortcomings. Section 7b does not make it illegal to enter into such contracts.\(^{159}\) Rather, it makes the contract unenforceable.\(^{160}\) The contract can be entered into; however, if the fighter later brings suit, the contract cannot be enforced against him.\(^{161}\) This section, therefore, presupposes that the fighter will actually bring suit. Further, under section 9, the fighter can bring a civil cause of action to recover economic injury he suffers.\(^{162}\) In a sport where “[a PRIZEFIGHTER’S] life is a short one”\(^{163}\) a boxer may not want to endure

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155. § 6307c(c).
156. Id.
157. § 6307c(b).
158. § 6307c(b)(1)-(2).
160. Id.
163. SCHULMAN, supra note 41, at 119.
protracted litigation. He may, logically, remain under the coercive contract so that he is at least guaranteed a certain number of bouts per year and, therefore, a steady income.

Section 7c also has shortcomings. This section only applies to the boxers "previously rated by such organization in the top 10 . . . ." 164 What happens to the boxer ranked eleventh? Although he is still entitled to the appeals process, he is not guaranteed notification of the change in his ranking under the Ali Act. Boxers ranked in the top ten are worth more money than those in the lower rankings. This is undisputed. However, the Ali Act is not affording all boxers the same opportunities and protections. The Ali Act is not protecting the boxers who need it most. 165

B. The Weaknesses

"[P]eople that know nothing about the sport of boxing . . . now want[] to change the tradition of the sport overnight. And that is not going to happen." 166 It is quite possible that the drafters of the Ali Act do not understand the complexity involved in effectuating a boxing match. 167 Further, though one of the purposes is to protect the rights and welfare of professional boxers, 168 the boxers in need of the most protection are not being protected by this legislation.

Section 8 of the Ali Act addresses the conflicts of interest within the industry. 169 The Ali Act, in amending the Professional Boxing Safety Act of 1996, now provides for a "firewall" between promoters and managers. 170 This firewall prevents a promoter and a manager from having financial interest, direct or indirect, in the other's operations. 171 This provision appears to eliminate any conflict of interest between a promoter and manager that may be prevalent within the industry. However, an exception exists.

This firewall "only applies to boxers participating in a boxing match of 10 rounds or more." 172 If a boxer is participating in a ten-round match, he is, in all probability, already established within the industry. Further, if a boxer

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165. Boxing In and Out of the Ring, supra note 59.
166. Legislative Meeting, supra note 25, at 35 (statement of Murad Muhammad).
167. Id. at 195 (statement of Sherman W. Smith, III, at p. 1).
170. § 6308(b).
171. § 6308(b)(1).
172. § 6308(b)(2)(B).
is participating in a match that is more than ten rounds, he is fighting in a
twelve-round bout—a championship bout. These bouts are often
televised. "If [the boxer] is on pay-per-view, [he has] reached fame, and
with that you don’t need protection." It is the boxers participating in the
four-round bouts that are in need of protection. However, the exception to
this provision effectively eliminates any such protection for the four-
rounder. A promoter is permitted to have a direct financial interest in the
management of a boxer who is participating in any bout with fewer than ten
rounds. This conflict of interest affects the purse the boxer ultimately
receives because the promoter and manager may be working together, when
they should be on opposite sides of the bargaining table. The Committee
on Commerce rationalizes this exception by asserting that boxers participat-
ing in bouts with fewer than ten rounds cannot afford to have a separate
promoter and manager. Therefore, the firewall provision would not apply.
Congress could have enacted a provision that would provide for an exception
in cases where an individual serves in both capacities to the boxer. Congress
has provided for an exception in cases where the boxer acts as his own
promoter or manager. Why not enact such exception where the promoter
is the manager? Nonetheless, Congress enacted a provision that eliminates
all boxers participating in under ten rounds of boxing from this firewall
protection. Consequently, this provision of the Ali Act only affects about
two percent of all fighters. Further, the fighters to whom the protection
extends are world famous and affluent.

This section also prohibits the promoter from paying for airline tickets
and hotel accommodations for the manager, although such compensation is
provided in connection with negotiations or the actual event—a practice that
is common in the boxing industry. Such accommodations are now deemed
indirect compensation, and illegal. Additionally, the fighter’s manager
cannot serve as a commentator on the promoter’s telecast, even though the

173. See supra note 29.
174. See supra Part II.E.
175. Boxing In and Out of the Ring, supra note 59 (statement of Jack Newfield).
176. See supra Part II.B, C.
339.
179. See Symposium, supra note 22, at 255 (statement of Marc Ratner, Executive
Director of the Nevada Athletic Commission).
180. See id.
181. See Legislative Meeting, supra note 25, at 195 (statement of Sherman W. Smith,
III, at p. 9).
promoter may be paying the fair market value for his services. To do so, would be to receive compensation from the promoter other than the consideration due under the manager's contract with the boxer. The Ali Act makes such commentating illegal, thus prohibiting the manager from being employed by a promoter, except as permitted under the manager's contract with a boxer. The Ali Act is, therefore, limiting the right to contract between the manager and promoter.

With the passage of the Ali Act, several other demands have been placed upon promoters. Promoters are now required to disclose information to the boxing commissions and boxers before they may be entitled to compensation. This requirement does not take into account the industry standards. Section 7e of the Ali Act provides that, before he is to receive any compensation, the promoter must provide the boxer with: 1) the amount of any compensation the promoter has contracted to receive from the match; 2) all fees assessed against the boxer's purse; and 3) any reduction in the boxer's purse contrary to previous contracts. These requirements are impossible to meet. Promoters seldom know, in advance, how much they will receive from a match. The revenue depends greatly upon the live gate, the pay-per-view buys, and the closed circuit distribution. Sometimes, these figures are not known until months after the event.

Also, promoters may have long-term distribution agreements with foreign broadcasters. These agreements provide that payments are made in fixed installments for a number of events to take place over a set period of time. Therefore, a promoter receives income for events before they even take place. In some instances, he receives income before he knows who

182. See id.
184. § 6307e(a)–(b) (2000).
185. See generally Legislative Meeting, supra note 25, at 195 (statement of Sherman W. Smith, III, at pp. 2–9).
187. See Legislative Meeting, supra note 25, at 195 (statement of Sherman W. Smith, III, at p. 2).
188. See supra Part II.C.
189. Legislative Meeting, supra note 25, at 195 (statement of Sherman W. Smith, III, at pp. 2–3).
190. Id. (statement of Sherman W. Smith, III, at p. 3).
191. Id.
192. Id.
will be fighting. If the Ali Act were strictly construed, these agreements would not be permitted.

Furthermore, in many instances, promoters receive advances, site fees, and letters of credit before the event takes place. These are necessary to financially effectuate the event. However, under the Ali Act, these practices are not permitted. Also, promoters do not always know who the undercard boxers are going to be until the weigh-in. This lack of knowledge is due to injuries and replacements that continuously occur up until the day before the event. The Ali Act does not take the industry standards into account. If the Ali Act were to be strictly construed, most boxing matches could not occur.

The Ali Act does more than harm promoters, however. It also harms boxers. Boxers who come from impoverished backgrounds have not seen the money to which they are being exposed in the boxing world. Disclosing the gross income promoters receive to boxers, hurts the boxer by presenting them with a misleading impression. The promoter assumes the risk of a promotion. Sometimes the promotion earns a profit, sometimes it sustains a loss. If the promoter makes a profit, it should be considered “compensation for assuming that risk.”

Further, in disclosing to boxers the amount of revenue the promoter receives, the boxers are not being informed of the expenses the promoter must pay. For example, from the revenue, the promoter must pay the opponent’s purse, the undercard boxers’ purses, and other such expenses.

193. Id.
194. Legislative Meeting, supra note 25, at 195 (statement of Sherman W. Smith, III, at p. 3).
195. “Undercard boxers” refer to the boxers not participating in the main event. See id. Generally, an event consists of numerous bouts, including the main event. See id.
196. Id. (statement of Sherman W. Smith, III, at p. 4).
197. Id.
198. Legislative Meeting, supra note 25, at 35 (“[T]his law, that has been written, is hurting the boxer. It is not helping them. It is hurting them—hurting them tremendously.”) (statement of Murad Muhammad).
199. See supra Part II.A.
200. See Legislative Meeting, supra note 25, at 38 (statement of Murad Muhammad).
201. See id. at 195 (statement of Ron Stevens, Matchmaker, Cedric Kushner Promotions).
203. Id.
204. See id.
205. Id.
associated with a promotion, including the promoter's overhead. In seeing a promoter's gross revenue, boxers get a false sense of their true worth. They begin to believe that they have greater leverage than they actually do. This false sense of leverage could compromise the entire event. Because the disclosures only mandate the disclosure of income, the provision is "meaningless... Net receipts might mean something, but gross receipts [are] totally meaningless."

The Ali Act provides that the promoter must make these disclosures to all the boxers he is promoting. If the promoter, in addition to a main event fighter, has a contract with an undercard boxer, he must make the disclosures to him also. The undercard boxer, however, is not as responsible for most of the revenue the promoter receives. Most of the generated revenue is due to the main event fight, not the undercard. Yet, the boxer does not see this. He only sees the gross receipts for the entire event. Moreover, boxers and promoters have adverse interests and bargain for the best possible contract. Seldom are business adversaries entitled to opposition’s financial information. The boxer, therefore, should not be entitled to the promoter's revenue.

In addition to promoters making disclosures to boxers, they must also make disclosures to the boxing commissions. To the boxing commissions, promoters must disclose "all payments, gifts, or benefits the promoter is providing to any sanctioning organization...." When organizing an event, the promoter often contracts with the venue for complimentary rooms and food for the fighters and sanctioning organizations. Before the event

206. Id.
207. See Legislative Meeting, supra note 25, at 195 (explaining the boxer's misperception when a promoter discloses his revenue) ("[T]he fighter is going to say... hey... [you are making $10 million. I deserve [$]50,000 here, not [$]5,000.") (statement of Ron Stevens).
208. Id. at 157.
209. Id. ("[W]e would have... major trouble because you don’t understand these athletes.... [If they ever see the kind of money... grossed in a fight, I guarantee you... that when that fighter reads that, I am not fighting."). (statement of Murad Muhammad).
210. Id. at 151 (statement of Patrick English, Attorney for Main Events).
212. Legislative Meeting, supra note 25, at 174 ("[T]he problem comes when... we are getting $6 million for... this fight. It is not coming from that four-round fight. It is coming from the main event."). (statement of Sherman W. Smith, III).
214. § 6307e(a)(3)(B).
can take place, however, the promoter must disclose these figures to the boxing commission. At that time, the promoter does not know the value of the food or the value of the hotel room in which the member of the sanctioning organization will be staying. Therefore, in practice, this provision of the Ali Act could effectively prevent the event from occurring.

Promoters must also disclose a copy of any agreement a promoter has with any boxer participating in the event. In common practice, many agreements exist between a boxer and promoter. Promoters often have merchandising agreements, personal management agreements, and several expired bout agreements from which rights still extend. Under the Ali Act, promoters must file all of these agreements with the Association of Boxing Commissions ("ABC"). This provision is very broad. It is possible that a promoter have twenty contracts for one boxer. Although most of these contracts have no relationship to the fight in question, if there are rights extending from the contract, the promoter must disclose it. In common practice, agreements may grant the boxer clip rights for his fights. Though these rights are of de minimis value, the entire contract must be disclosed to the ABC because rights still extend from it. This requirement is extremely burdensome and bears no relationship to the current boxing event.

With all the disclosures mandated, it appeared as if promoters were opening their "entire books to the world." To counteract this fear, the Ali Act also includes a confidentiality provision. This provision provides that disclosures made under section 7e shall not be disclosed to the public "except to the extent required in a legal, administrative, or judicial proceeding." Because some state law provides that information be made public, the Ali Act provides an alternative. Section 7g provides that if state law allows the information to be furnished to the public, the promoter can
choose to file the disclosures with the ABC.\textsuperscript{227} When perusing the enforcement provision,\textsuperscript{228} however, it becomes evident that penalties are provided for the violation of several sections, not including section 7e. Therefore, the boxing commission can say they will keep the disclosures confidential, but if they do not, they suffer no penalty. The ABC, however, is under no requirement to make the disclosures public.\textsuperscript{229} They can make their own regulations.\textsuperscript{230} Therefore, promoters will undoubtedly file the disclosures with the ABC.\textsuperscript{231} Consequently, the provision allowing the promoters to file the disclosures with the state is superfluous.

The enforcement provision is also deficient of any foundation. Section 9 provides that the Attorney General of the United States may bring a civil action against any individual who is reasonably believed to be in violation of any provision of the Ali Act.\textsuperscript{232} An injunction may be granted to prevent the individual from continuing to engage in such activity.\textsuperscript{233} Further, if a manager, promoter, matchmaker, or licensee violates any provision, he will be fined not more than $20,000 and/or be imprisoned for not more than one year.\textsuperscript{234} Though one year is an extensive period of time, a $20,000 maximum fine may not discourage the affluent manager. It may be more beneficial to him to take the risk of violating the Ali Act, than it may be for him to conform.

However, section 9(b)(2) provides for harsher penalties.\textsuperscript{235} Upon conviction, any individual who violates certain provisions\textsuperscript{236} of the Ali Act shall be:

- imprisoned for not more than 1 year or fined not more than—
  - $100,000; and

\textsuperscript{227} § 6307g(b).
\textsuperscript{229} Legislative Meeting, supra note 25, at 182 (statement of Sherman W. Smith, III).
\textsuperscript{230} Id.
\textsuperscript{231} Id. at 190 ("[A]s it stands, as the law is today—today—simply file it with the ABC.") (statement of Buddy Embanato, Treasurer of the ABC).
\textsuperscript{233} Id.
\textsuperscript{234} § 6309(b)(1).
\textsuperscript{235} See § 6309(b)(2).
\textsuperscript{236} These sections are: Protection from Coercive Contracts; Sanctioning Organizations; Required Disclosures to State Boxing Commissions by Sanctioning Organizations; Required Disclosures for Promoters; Required Disclosures for Judges and Referees; and Judges and Referees. See 15 U.S.C. § 6309(b)(2). These penalties, however, do not apply to Confidentiality or Conflict of Interest. See id.
if a violation occurs in connection with a professional boxing match the gross revenues for which exceed $2,000,000, an additional amount which bears the same ration to $100,000 as the amount of such revenues compared to $2,000,000, or both. These criminal sanctions will mostly impact sanctioning organizations and promoters. Then, too, if one is found to have violated the conflict of interest provision, he will be fined not more than $20,000 and/or imprisoned for not more than one year. Boxers, if found to be in violation of any provision, will be fined not more than $1000. Though the boxer should be responsible for himself, he is subject to the least fines.

Section 9 also provides for civil sanctions. Under this enforcement provision, a boxer can bring a civil cause of action if he has suffered economic injury as a result of the violation of the Ali Act. States can also bring a civil action on behalf of its residents to enjoin the match, enforce the provisions of the Ali Act, obtain fines, or obtain other such relief the court may deem necessary. This provision, however, also provides that "[n]othing in this chapter authorizes the enforcement of any provision of this chapter against the Federal Trade Commission, the United States Attorney General, or the chief legal officer... for... acting or failing to act in an official capacity." This exception effectively limits the reach of the Ali Act on these individuals. Although it provides them with immunity from prosecution for acting in their official capacity, it also provides them with immunity for failing to act in their official capacity. They are denied the incentive to comply with the letter of the law. If the chief legal officer of a

237. Id.
238. See id.
239. § 6309(b)(3). This provision only provides for such penalties against "[a]ny member or employee of a boxing commission, any person who administers or enforces State boxing laws, and any member of the [ABC]..." because it was originally part of the Professional Boxing and Safety Act of 1996. See § 6309(b)(2) (Supp. II 1996). It, therefore, does not provide criminal penalties if one violates the firewall provision because the firewall provision was added as part of the Ali Act and no criminal sanction sections were added to reflect the firewall addition. See generally 15 U.S.C. § 6309 (2000).
240. § 6309(b)(4).
241. "[T]he fighter has to be responsible for himself cause we have brains, we think for ourselves. Everybody always wants to point a finger at one person... You can’t only get one person." Symposium, supra note 22, at 241 (statement of Evander Holyfield).
243. § 6309(c).
244. § 6309(e)(1).
state knows of a violation and does not inform the proper authorities, he is under no threat of legal prosecution. He may opt to remain silent. This is legal.

Lastly, the Ali Act raises concern for American promoters.245 Because boxing is an international sport, foreign promoters are common in the business.246 However, they are not subject to the provisions of the Ali Act—a United States law. The Ali Act, therefore, may place American promoters at a disadvantage because foreign promoters will not be prohibited from entering into certain financial arrangements that American promoters are prohibited from entering.247 This legislation may, in effect, encourage boxers or American promoters to do business abroad.248

V. CONCLUSION

The Ali Act, though meritorious, provides boxers with little financial protection. This legislation does not protect boxers as much as it provides consequences for promoters.249 Furthermore, the boxers that the legislation does reach are not the ones in need of the most protection. Rather, the Ali Act protects the boxers that have already reached a level of success within the profession. This legislation is premature and has not been carefully considered.250 The Ali Act, in its hasty enactment, takes into account neither the industry standards, nor the complexity involved in effectuating a boxing match.


246. See id.

247. Id.

248. Id.

249. Legislative Meeting, supra note 25, at 235–36 (discussing the disclosure provisions) (“[W]hat about managers who have contracts with fighters and a contract with the network the fighter don’t know nothing about? Now, how do [sic] the fighter gets [sic] protected by that?”) (statement of Murad Muhammad). Under the Ali Act, managers do not have to disclose agreements to the fighters. See generally 15 U.S.C. §§ 6301–6313 (2000). The disclosure provisions only apply to sanctioning organizations, promoters, and judges and referees. See §§ 6307d–6307f.

250. Paul Feeney, co-drafter of the Ali Act, acknowledged that he “would not be surprised if [the disclosure provisions were] changed next year.” Legislative Meeting, supra note 25, at 148. Larry Hazzard, of the New Jersey Commission, also acknowledged that he thought “we should go back now to the drawing board . . .” Id. at 248.
Though this legislation does little more than impede the business of promoters,\textsuperscript{251} one thing is certain—boxing will prevail.

\textit{Cristina E. Groschel}

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\textsuperscript{251} \textit{Id.} at 52 ("My experience tells me ... that if the new rules significantly curtail a promoter's ability to make money, there will be no incentive to promote boxing.") (statement of Ron Stevens).