CONTINUING TO REFORM PROFESSIONAL BOXING

HEARING
BEFORE THE
COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE
ONE HUNDRED EIGHTH CONGRESS
FIRST SESSION
FEBRUARY 5, 2003

Printed for the use of the Committee on Commerce, Science, and Transportation
# CONTENTS

<table>
<thead>
<tr>
<th>Item</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hearing held on February 5, 2003</td>
<td>1</td>
</tr>
<tr>
<td>Statement of Senator Dorgan</td>
<td>28</td>
</tr>
<tr>
<td>Statement of Senator McCain</td>
<td>1</td>
</tr>
<tr>
<td>Prepared statement</td>
<td>3</td>
</tr>
<tr>
<td><strong>WITNESSES</strong></td>
<td></td>
</tr>
<tr>
<td>Greenburg, Ross, President, HBO Sports</td>
<td>6</td>
</tr>
<tr>
<td>Hauser, Thomas, Columnist and Author</td>
<td>9</td>
</tr>
<tr>
<td>Prepared statement</td>
<td>11</td>
</tr>
<tr>
<td>Hopkins, Bernard, Middleweight Champion</td>
<td>4</td>
</tr>
<tr>
<td>Prepared statement</td>
<td>5</td>
</tr>
<tr>
<td>Pannella, Patrick, Executive Director, Maryland State Athletic Commission</td>
<td>20</td>
</tr>
<tr>
<td>Prepared statement</td>
<td>22</td>
</tr>
<tr>
<td>Sugar, Bert Randolph, Boxing Historian and Author</td>
<td>13</td>
</tr>
<tr>
<td>Prepared statement</td>
<td>15</td>
</tr>
</tbody>
</table>
CONTINUING TO REFORM PROFESSIONAL BOXING

WEDNESDAY, FEBRUARY 5, 2003

U.S. Senate,
Committee on Commerce, Science, and Transportation,
Washington, DC.

The Committee met, pursuant to notice, at 9:30 a.m. in room SR–253, Russell Senate Office Building, Hon. John McCain, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. JOHN McCAIN,
U.S. SENATOR FROM ARIZONA

The CHAIRMAN. Good morning. We will begin this hearing. I want to welcome the witnesses who are appearing before the Committee today and thank those who made special arrangements to be here. The purpose of this hearing is to examine the current state of professional boxing so this Committee can determine what steps should be taken to further reform this sport.

Over the past 7 years, this Committee has been diligent in its efforts to address the problems that have plagued the sport of professional boxing. We have worked to enact two Federal boxing laws, the Professional Boxing Safety Act of 1996, and the Muhammad Ali Boxing Reform Act of 2000. These laws were intended to establish minimum uniform standards to improve the health and safety of boxers and to better protect them from the often coercive, exploitative, and unethical business practices of promoters, managers, and sanctioning organizations.

While these laws have had a positive impact on professional boxing, the sport remains beset with a variety of problems, some beyond the scope of local regulation, so we find ourselves here again discussing many of the same problems surrounding professional boxing. Promoters continue to steal fighters from each other, sanctioning organizations make unmerited rating changes without offering adequate explanations, promoters refuse to pay fighters who have put their lives on the line, local boxing commissions fail to ensure the protection of boxers' health and safety, boxers are contractually and financially exploited, and the list continues.

Nearly every week, my office receives a call from a parent whose child was killed in a match asking why proper medical or safety precautions were not taken by the local commission with jurisdiction, and I receive calls from boxers who have worked tirelessly to escape poverty, only to find themselves subject to the exploitation of the unscrupulous few who control the sport.
In light of the ongoing problems that continue to exist within professional boxing, Senator Dorgan and I have introduced the Professional Boxing Amendments Act of 2003. The bill would strengthen existing Federal boxing law, and create a Federal regulatory entity to oversee the sport. This entity would be called The United States Boxing Administration, and would be headed by an administrator appointed by the President of the United States with the advice and consent of the Senate. A very similar proposal was reported unanimously by this Committee last September.

There has been quite a bit of confusion among local commissions regarding the effect this bill would have on them. Let me be clear, the purpose of the USBA would not be to micromanage boxing by interfering with the daily operations of local boxing commissions. Instead, the USBA would work in consultation with local commissions and the USBA administrator would only exercise his or her authority should reasonable grounds exist for intervention.

Let me just mention a couple of things for the record that are disturbing and saddening. On June 26, 2001, Beethavean Scottland was knocked down in the last seconds of a fight in New York City. He died from his injuries 6 days later. He was the fourth boxer since 1979 to die from injuries sustained in the ring in New York.

The New York State Athletic Commission conducted an investigation to determine whether the fight should have been stopped earlier. Two rounds before Mr. Scottland was knocked unconscious, the ringside physician told the referee to not allow Mr. Scottland to suffer any more blows.

On March 9, 2002, 42-year-old boxer Gregg Page was beaten into a coma during a fight in Kentucky against 24-year-old Dale Crowe. In violation of the Professional Boxing Safety Acts, no ambulance was present onsite, and the ringside physician used smelling salts to try to resuscitate Mr. Page. Smelling salts actually poison the brain when it is in desperate need of oxygen. Mr. Page underwent surgery to remove a blood clot from his brain. His brain injuries are most likely permanent.

On April 27, 2002, it was reported that Joey Torres paid his opponent, Perry Williams, $200 to take a dive in a fight in Anaheim, California. Williams’ second-round dive was so obviously faked, swindled fans rioted and attacked Torres.

The list goes on. On July 22, the WBA lowered Mr. Johnson from his position as the top-rated WBA heavyweight challenger to fifth following his disqualification in a bout against Mr. John Ruiz. In the WBA’s August 2002 ratings, Mr. Johnson was again lowered, this time from fifth to tenth. Both of these reclassifications were made reportedly without WBA providing an explanation for the change.

In addition to lowering Mr. Johnson in its ratings, the WBA elevated three boxers, even though these boxers had not fought in the previous few months.

The list goes on. On December 6, 2002, Christy Martin defeated Mia St. John in a Pay-Per-View event at the Silverdome in Michigan. The day before the fight, Martin voiced fears that her promoter would not pay her. Martin proceeded to fight and win, but her promoter has yet to pay her the 300,000-dollar purse.
The IBF recently came under fire for its ranking of fighters. With the number 1 and 2 rankings vacant, Sharmba Mitchell had to fight Carlos Vilches for the number 1 ranking, while Arturo Gatti was given the number 1 ranking without fighting anybody.

Despite the fact that the Indiana Boxing Commission and the WBC had agreed to the assignment of officials for the November bout between Forrest and Shane Mosely, the WBC made subsequent attempts to convince the Indiana commissioners to replace multiple judges for the fight with those from the WBC’s appointed list of officials. In fact, it was reported that at one point, the WBC had threatened to withdraw the WBC’s sanction of the fight if all of the officials for the Forrest Mosely bout were not from the WBC’s appointed list. By interfering with the Indiana commission’s assignment of officials, the WBC overstepped its role as a sanctioning organization and attempted to supersede the powers of a State’s regulatory agencies.

I would like to ask the first panel to come forward, Mr. Bernard Hopkins, who is the middleweight champion of the world, who is accompanied by his attorney, Arnold Joseph, and Mr. Ross Greenburg, who is the president of HBO Sports, Mr. Thomas Hauser, columnist and author, Mr. Bert Sugar, and Mr. Patrick Pannella.

You are just in time, Bert.

I am happy to see the witnesses. I look forward to hearing their statements, and I would like to just mention that I get better information if we just have, after the opening statements if we have a free flow of questions and answers in a more informal way. That, I think, that is the best way that I can get the record to be very clear, and I thank all of you for coming, and Mr. Hopkins, welcome, and thank you for being here.

[The prepared statement of The Chairman follows:]

PREPARED STATEMENT OF HON. JOHN MCCAIN, U.S. SENATOR FROM ARIZONA

I welcome the accomplished witnesses who are appearing before the Committee today and thank those who made special arrangements to be here.

The purpose of this hearing is to examine the current state of professional boxing so that this Committee can determine what further steps should be taken to further reform the sport.

Over the past seven years, this Committee has been diligent in its efforts to address the problems that plague the sport of professional boxing. We have worked to enact two federal boxing laws, the Professional Boxing Safety Act of 1996, and the Muhammad Ali Boxing Reform Act of 2000. These laws were intended to establish minimum uniform standards to improve the health and safety of boxers, and to better protect them from the often coercive, exploitative, and unethical business practices of promoters, managers, and sanctioning organizations. While these laws have had a positive impact on professional boxing, the sport remains beset with a variety of problems, some beyond the scope of local regulation.

We find ourselves here again discussing many of the same problems surrounding professional boxing. Promoters continue to steal fighters from each other, sanctioning organizations make unmerited ratings changes without offering adequate explanations, promoters refuse to pay fighters who have put their lives on the line, local boxing commissions fail to ensure the protection of boxers’ health and safety, boxers are contractually and financially exploited, and the list continues.

Nearly every week, my office receives a call from a parent who’s child was killed in a match asking why proper medical or safety precautions were not taken by the local commission with jurisdiction, and I receive calls from boxers who have worked tirelessly to escape poverty, only to find themselves subject to the exploitation of the unscrupulous few who control the sport.
In light of the ongoing problems that continue to exist within professional boxing, Senator Dorgan and I have introduced the Professional Boxing Amendments Act of 2003. The bill would strengthen existing federal boxing law, and create a federal regulatory entity to oversee the sport. This entity, which would be called the United States Boxing Administration (USBA), would be headed by an Administrator appointed by the President with the advice and consent of the Senate. A very similar proposal was reported unanimously by this Committee last September.

There has been quite a bit of confusion among local commissions regarding the effect that this bill would have on them. Let me be clear. The purpose of the USBA would not be to micro-manage boxing by interfering with the daily operations of local boxing commissions. Instead, the USBA would work in consultation with local commissions, and the USBA Administrator would only exercise his/her authority should reasonable grounds exist for intervention.

I look forward to hearing the views of our witnesses regarding this legislative proposal and receiving their comments on how existing federal boxing law can be strengthened.

STATEMENT OF BERNARD HOPKINS, MIDDLEWEIGHT CHAMPION

Mr. Hopkins. Thank you, Senator, in saying that. I would just like to read a short statement, and then I will answer questions. Senator McCain, Members of the Committee, thank you for giving me the opportunity to testify before you on an issue of vital importance to me and over 1,000 other men and women who put their lives on the line on a daily basis for others' entertainment. I am currently preparing to participate in my 16th title defense. However, I have broken camp to be here, because I take this proposed legislation seriously, and I want to do all that I can to help make legitimate boxing reform a reality.

As long as anyone can remember, gladiators have met in arenas throughout the world to engage in battle for sport. I rarely break camp for anything. I mean, my 16th defense, I am 38 years old, and all the days I have, I would like to use them if possible, but this is so very, very important. I spoke in 1999, Senator, as you probably know. Thanks for the letter I received from you years ago thanking me for showing up when other fighters, for some reason, could not.

We desperately need help. I mean, I have a personal situation in my family where my nephew is promoted and managed by the same people—two different people, but still the same people, and I thought the Muhammad Ali bill was in effect, and so there are still a lot of problems and issues out there, and I am here to give any insight as the undisputed middleweight champion of the world. I have spoken before I was undisputed middleweight champion of the world. Why wouldn't I speak now? That is just my character.

If anybody has any questions, I am free to answer them the best way I can, and before I exit this sport of boxing, for 15 years as a professional, I have not started stuttering yet, but I do worry if I make a statement that does not sound right, if it is catching up, but I have been blessed, and I want others to come behind me to have things that were not in line for Bernard Hopkins to reap the benefit from it, because I think it is long overdue, and so I am here to give any insight to anyone now and in the future, Senator.

[The prepared statement of Mr. Hopkins follows:]
Senator McCain, Members of the Committee, thank you for giving me the opportunity to testify before you on an issue of vital importance to me and the over one thousand other men and women who put their lives on the line on a daily basis for others’ entertainment. I am currently preparing to participate in my sixteenth title defense, however I have broken camp to be here because I take this proposed legislation seriously and I want to do all that I can to help make legitimate boxing reform a reality.

For as far long as anyone can remember, gladiators have met in arenas throughout the world to engage in battle for sport. Throughout those years two things have remained constant: The gladiators have given their all to the sport and some of those gladiators have been exploited by a small group of shameless individuals who have profited at the gladiators’ expense. While most promoters, managers and agents are decent human beings who clearly have the best interest of the boxers in mind, there are a small minority who seek only personal gain at any cost. Your legislation recognizes this and it attempts to level the playing field. I applaud you for your efforts. I believe that S. 2550 will help my brother and sister boxers and me to maintain our health, financial well being and dignity.

As you know, I am the undisputed middleweight champ of the world. With that comes fame, money and notoriety. I am at the top of the game so to speak. I fight in huge arenas before thousands of people. My fights have been aired on HBO, Showtime and other networks so that millions more can watch. I am trained for those fights by the best trainers in the business and every part of my existence in those months leading up to a fight are controlled and regulated down to the most minute detail. It may sound great, but it is not. Not for me and less so for the vast majority of professional boxers who pound away at each other in cold, damp venues, before crowds of people who pay to see blood and knockouts. We are often crippled and sometimes killed during these events and in all cases are not fairly compensated for what we do. I am paid Millions while most are paid hundreds to risk our lives. Some do it because we love the sport. Most of us chose this profession because it was the only way for us to rise up from our impoverished backgrounds and get a small piece of the American Dream. We don't ask for your sympathy or pity, we just ask to be treated fairly. We seek a fair wage for our labor and to work in as safe an environment as possible. You and your predecessors have helped create the minimum wage, OSHA and other laws that help American workers, its time that you give us the same protection.

While I am thankful for all that the fans have given me, I can not keep quiet when I see that things are not right. My stature has given me the opportunity to buck the system. I have been an outspoken advocate for change. I have rejected multi-million dollar paydays because the terms of the agreements presented to me were not fair. I have this luxury because I have food in my refrigerator and money invested in mutual funds. Other boxers cannot do this. They often are forced to borrow money to feed their families between bouts. It is for them that I have come to testify and hopefully you will keep them in mind when you go back to your offices to consider this legislation. The Muhammad Ali act was a great START. It attempted to do away with many of those shady backdoor deals between promoters and managers that forever doomed fighters to lives of indentured servitude. We were locked into long term, lopsided contracts that ensured only that we would have to fight until we were physically no longer able to do so. Our retirements were spent working as security guards, chauffeurs, or greeters at hotel/casinos. While the Act addressed some of those ills, it was not enough. It had no teeth and no practical impact on the average professional boxer. Promoters violated it with impunity because they knew that for the most part there would be no negative consequences.

Though I do not have the statistics to support it, I believe that the average professional boxer lives at or below the poverty line. Only a handful of boxers receive over Twenty Thousand Dollars per year in purses. They live to fight and they fight to live. They fight at the promoters' whims and therefore do not have the luxury to reject purse amounts, and exclusive promoter/manager agreements, when the agreements violate the Act. Likewise, they do not have the resources and information necessary to properly claim against promoters and managers for violations of the Act.

Creation of the USBA will help. It will provide the uniformity and fairness that boxing so desperately needs. The sanctioning organizations need to be forced to come up with clear, logical and fair ways to rank boxers. I need to know the extent of the relationship between the sanctioning organizations and the promoters of the other top ranked middleweights. Safety standards should be uniform. I need to know that the commissioner in Nevada is just as concerned about the health and
well being of my opponent and me as the commissioner in New York. Sanctioning organizations should not have a role in assigning judges or referees to fights.

Despite your good intentions, however, I must add that we still need more. There should be mandatory arbitration provisions placed in every promotional agreement which afford boxers a fast and less costly means by which to challenge provisions of the contracts. The U.S. Attorney General and the chief law enforcers in every state should all commit themselves to enforcing this Act. There should also be a provision which would allow for private causes of action for violations of the Act and promoters and managers should be liable for treble damages and attorney fees if they violate provisions of the act. When the promoters renew their license every two years consideration should be given to whether they have violated this act. The USBA should do whatever is necessary to make boxers, promoters and managers aware of its rules. This legislation does no one any good if its provisions are kept secret.

Thank you so much for caring enough to draft this legislation. I hope that you consider these comments when considering the final provisions of this Act. I thank you for allowing me to testify.

The CHAIRMAN. I thank you very much. You are a great champion, and you are showing courage outside the ring by appearing here today, and I am grateful you are here, and I will have some questions for you after the other panelists, and thank you, and I am very hopeful that your breaking camp does not in any way impair your upcoming performance.

Mr. HOPKINS. No, it will not, Senator. It will not.

The CHAIRMAN. Thank you.

Mr. Greenburg, welcome. Mr. Greenburg, for the record, is president of HBO Sports.

STATEMENT OF ROSS GREENBURG, PRESIDENT, HBO SPORTS

Mr. GREENBURG. Good morning, Mr. Chairman. My name is Ross Greenburg, and I am president of HBO Sports. I am here today to express HBO's support for the bill originally proposed by Senators McCain and Dorgan for submission in 2002 and then titled S. 2550, the Professional Boxing Amendments Act of 2002.

HBO is the world's leading telecaster of professional boxing matches. For the last 30 years, we have televised some of the most exciting and memorable boxing events in history, and these events remind us that at its best, this sport can produce an unparalleled level of drama, competitiveness, and heroism. Having been a producer and executive producer for HBO Sports for 22 years, I had the privilege of being in the HBO production truck for many of these events, helping to bring the excitement and drama to our viewers.

Boxing is also a very significant part of the overall programming package HBO offers to our subscribers. Indeed, boxing is one of the most important reasons many of our subscribers sign up for HBO. Since we are a monthly subscription service, we must continuously satisfy our subscribers and appeal to potential subscribers by offering the best and most compelling programming possible. This would include programming such as the award-winning miniseries Band of Brothers, the critically acclaimed series, The Sopranos, movies, documentaries, concerts, and sporting events. Accordingly, HBO pays millions of dollars in license fees in order to enable our subscribers to consistently watch the best boxers in the world participate in the most exciting and competitive fights.

Because we are deeply committed to boxing both on an emotional and a business level, HBO has long been a leader in attempting to
develop ways to improve the sport. Boxers for far too long have been exploited by unfair and coercive practices and had their health, safety, and economic well-being treated as an afterthought. Questionable ratings of fighters and questionable decisions have too often deprived deserving fighters of their due, and have caused many in the public to turn away from the sport. For these reasons, HBO was an early and vocal supporter of the Professional Boxing Safety Act of 1996, and the Muhammad Ali Boxing Reform Act of 2000. Likewise, we support S. 2550.

We believe that the best way to ensure uniform adherence to the standards set forth in the existing Federal legislation is through the development of a national oversight body with enforcement power. It is only through a body with such far-reaching power that problems which have long plagued boxing, such as physical and economic exploitation of boxers, conflicts of interest, questionable judging, and suspect rankings by certain sanctioning organizations finally can be effectively addressed.

We also support S. 2550’s articulation of a functionality test and its definition of promoter. We agree that any entity which, in fact, has a promotional agreement with a boxer and which, in fact, is primarily responsible for organizing and promoting a boxing match should be subject to the provisions of the act, whether that entity be a television network, a casino, or a sponsor. Under those circumstances, it would be entirely appropriate, to the extent that a company has assumed the role and the related functions which have been the source of the coercive and unfair practices which this legislation seeks to curtail, to regulate those functions of the company.

However, it would be patently unfair and wrong to, as some have suggested, define and regulate telecasters that televise boxing matches as promoters per se, whether such telecasters are subscription programming services like HBO, broadcast networks like NBC, or cable networks like ESPN.

Likewise, it would be wrong to so define and regulate other entities, such as casinos, which may play a significant role in a boxing match, including being a major source of revenue, but do not act as the promoter for the match. The view that television networks should be regulated as if they were promoters reflects a misperception that the television industry and boxing promoters perform roughly the same function and have similar relationships with and economic power over boxers. This simply is untrue.

Telecasters are not in a position to and do not engage in the coercive and unfair practices at issue here. Telecasters have not made exorbitant profits at a fighter’s expense, hidden revenues from a fighter, or used surrogates to double-dip from a fighter. Television executives have not created abhorrent conflicts of interest by having their fathers, brothers, stepsons, or agents serve as a fighter’s manager. Telecasters do not enter into contracts with fighters which have indefinite terms and minimal obligations. Telecasters do not have symbiotic relationships with sanctioning organizations, and have not influenced rankings. Telecasters do not have close working relationships with judges, and are not in a position to influence judges by arranging for their travel, accommodations, expenses, or by having the power to give them lucrative assignments.
Rather, telecasters purchase the rights to televise fights from a promoter, and then televise those fights. In contrast, the promoter controls and arranges all aspects of a boxing match, including all revenue streams and expenses, all sanctioning, and the travel tickets, accommodations, and per diem for the fighters, their associates, and other officials.

A boxing match cannot take place without a promoter. On the other hand, most boxing matches are not televised, particularly those involving boxers who are the least well-known and most vulnerable to exploitation. Because of such total control, a promoter has a unique opportunity to exploit and coerce boxers and engage in other inappropriate conduct, and is the proper subject of regulation.

Some have argued that HBO should be regulated because it pays large license fees and sometimes enters into exclusive multifight agreements. They also argue that because HBO attempts to use the power of the purse to purchase television rights to the fights it wants to televise, it somehow is exercising undue influence. These arguments defy logic. There is nothing unequal, coercive, or unfair about this process. Fighters and their promoters willingly and eagerly enter into multifight agreements with HBO and accept HBO's top-of-the-market license fees. HBO's multifight agreements involve only the very best, well-known boxers who, with their promoters, possess substantial market value and negotiating power.

Also, let us not forget that the promoter and the fighter will take the HBO license fee, pool the money with site sponsorship and foreign revenue to increase the moneys available for the entire promotion. It would turn free market principles on their head to subject telecasters like HBO to regulation merely because, as a result of arm's length bargaining, they enter into agreements to pay large, fixed license fees in exchange for the exclusive rights to televise a boxer's matches over a fixed period of time.

HBO's offering large license fees to a promoter to purchase the television rights to a boxing match between two top fighters is no different than a network offering large fees to purchase the television rights to a tennis match or a golf match. To draw another analogy, when television networks pay billions of dollars in rights to the NFL, the disbursement of such revenues, along with all other revenues, to the teams and the players is covered by agreements and rules between the league, the teams, and the players. No one would suggest that the networks, too, should be regulated as part of this process simply because they contribute large amounts of money to the revenue pool.

In conclusion, we believe that the legislation enacted over the last several years, together with the legislation like S. 2550, can dramatically improve the sport of boxing for its fans and, most importantly, for the fighters, both well-known and unknown, who have been ignored and exploited for too long.

Thank you

The CHAIRMAN. Thank you very much.

Mr. Hauser, welcome. Please proceed.
STATEMENT OF THOMAS HAUSER, COLUMNIST AND AUTHOR

Mr. HAUSER. I would like to thank you, Senator McCain, for the honor of being invited here today. I will get very quickly to the issues at hand. We are far past the point where we can blame the world sanctioning organizations and a handful of promoters for all of the corruption in professional boxing. The entire system is corrupt, and some of the worst enablers are in positions of power at State athletic commissions.

For 8 years, the New York State Athletic Commission has been shamelessly run as a slush fund for a political party. Data made available by the New York Department of State indicates that, prior to recent budget cuts, it cost $87,000 per fight card to regulate boxing in New York. By contrast, last year it cost Nevada only $5,400 per card to regulate professional boxing.

The CHAIRMAN. Would you explain that?

Mr. HAUSER. Yes. If you take the total budget of the New York State Athletic Commission——

The CHAIRMAN. I mean, why would it cost that much money?

Mr. HAUSER. Because the New York State Athletic Commission has many no-show jobs, people are paid exorbitant fees. There are sweetheart rent deals for office space. The whole system is corrupt from top to bottom.

When you have a fight in New York, they will bring 20 people down from upstate New York, most of whom do work for local political clubs up there, or are the sons of political contributors. They fly them down to New York at State expense, they put them up at hotels in New York, they give them per diem money, instead of simply having somebody come by subway to the fight. $87,000 per fight card in New York, compared to $5,400 per fight card in Nevada, and that is not even counting the fact that Nevada, as part of that budget, also regulates about 20 tough man contests a year.

The New York system is corrupt.

Mr. HOPKINS. If I said that, I would get sued. If I said what he just said, I would have a lawsuit in 2 days in front of my door, getting served, because I am a fighter and I have to go get a lawyer, and I have to go pay for litigation. It would drain me out. I would get sued. I mean, this is amazing to me——excuse me for cutting you off, I do not want to be ignorant——

Mr. HAUSER. That’s okay.

Mr. HOPKINS.—but it is amazing that he said what he said, and——just assuming——and I am going to tell you, he is telling you the truth. I am telling you, Bernard Hopkins, Tom Hauser is telling the truth, but if I say that as a fighter——

The CHAIRMAN. Is that on the advice of counsel there?

[Laughter.]

Mr. HOPKINS. Yes, that is what the whisper was.

[Laughter.]

Mr. HOPKINS. He knows I am very vocal, and I am never going to change that. I mean, that is what got me where I am at today. Excuse me, Tom.

Mr. HAUSER. To continue on that note, when Evander Holyfield fought Lennox Lewis at Madison Square Garden, the New York State Athletic Commission assigned 25 inspectors and demanded
67 ringside credentials. By contrast, Nevada assigns no more than six inspectors to any given fight card.

The CHAIRMAN. And it was a terrible fight.

Mr. HAUSER. It could have been better, but HBO did a good job of broadcasting it. On the night of the Holyfield–Lewis fight at Madison Square Garden, Robert Duffy, who is the New York State Athletic Commission director of boxing, assigned two inspectors to each fighter's corner, then he was overruled, and four different inspectors with strong political ties were given the assignment. One of those inspectors had never worked a fight before in his life. You do not start your career as a ring inspector in the corner at a unification fight for the undisputed heavyweight championship of the world.

The CHAIRMAN. On the assumption that there is no such thing that there is a dumb question, what is an inspector?

Mr. HAUSER. At a fight, each corner has one, or in the case of a major fight, sometimes two inspectors who are in the corner.

The CHAIRMAN. To do what?

Mr. HAUSER. They are supposed to make sure that the fighter is not given any banned substance between rounds and there is no tampering with the gloves. You have to know what you are doing in the corner.

The CHAIRMAN. I see. I understand.

Mr. HAUSER. These guys did not. Duffy complained about these assignments and was told—and this is a direct quote—hey, Duffy, you don't understand, we won the election. Duffy was subsequently forced out of his job. The man who made that comment to him now runs the New York State Athletic Commission on a daily basis.

Until recently, the Nevada State Athletic Commission was considered the best-run athletic commission in the country. A number of dedicated, competent public servants like executive director Mark Ratner still work there, but the Nevada State Athletic Commission is now a textbook example of conflicts of interest run amok. Tony Alamo is a senior vice president at Mandalay Bay Resort and Casino, and the man primarily responsible for overseeing boxing at Mandalay Bay. Tony Alamo, Jr. sits on the Nevada State Athletic Commission, which is charged with regulating his father's boxing promotions. The situation was further exacerbated on January 13 of this year, when Edwin "Flip" Homansky, a nationally respected administrator——

The CHAIRMAN. He has testified before this Committee.

Mr. HAUSER.—was removed as vice chairman of the Nevada commission and replaced by Tony Alamo, Jr. It might be that Tony Alamo, Jr. is totally independent of his father, but everyone in boxing who I have talked with doubts it, and his presence on the Nevada State Athletic Commission——

The CHAIRMAN. Who makes—the Governor makes those appointments?

Mr. HAUSER. The Governor makes those appointments, and then, in the case of Mr. Alamo, once he was appointed, Luther Mack, who is the chairman of the commission, unilaterally removed Mr. Homansky and installed Mr. Alamo, Jr. in that position, and Mr. Alamo's presence on the Nevada State Athletic Commission sends
a powerful message regarding Government-sanctioned conflicts of interest.

Also, nationwide, many State athletic commissions are afraid to enforce the laws that Congress has passed because they know that if they do, big fights will simply go elsewhere. I will give you an example. Section 11(d)(1) of the Muhammad Ali Boxing Reform Act requires all sanctioning organizations to submit a complete description of their ratings to the Federal Trade Commission and the Association of Boxing Commissions. Each of the major sanctioning organizations purports to have filed this information. The problem is, most of their filings are fraudulent.

The World Boxing Association had a dead man ranked in the top 10 of its supermiddleweight division for 4 months. During that same 4-month period, the dead man rose in the rankings from number 7 to number 5.

This past autumn, the World Boxing Association released rankings that were so outrageous, and in the heavyweight division, so tied to the interests of one promoter, that you yourself wrote a letter of protest. Section 6 of the Ali act provides that the chief law enforcement officer of any State may bring a civil action to enjoin the holding within its borders of any professional boxing match related to a false filing. No such civil action has ever been brought.

Section 6 of the Ali act also provides that a world sanctioning organization that files incomplete or false information shall not be entitled to receive any compensation in connection with a boxing match, including sanctioning fees. That provision is not being enforced by any State.

And section 6 of the Ali act provides that violation of the disclosure requirements is a criminal offense punishable by up to 1 year in prison and a fine of up to $100,000.

The Criminal Division of the Justice Department is responsible for these prosecutions, but no such indictment has ever been brought. Why have laws if no one is going to enforce them? Boxing needs strong Federal regulation by knowledgeable personnel who assume their positions of power without conflicts of interest, and while we are waiting for legislation to create this regulation, I respectfully suggest that it is imperative for the Federal Government to act now, through criminal prosecutions as well as civil lawsuits brought by the Justice Department and Federal Trade Commission to enforce the laws as they are currently written.

This Committee cannot rely on State athletic commissions to clean up boxing, and the Association of Boxing Commissions is nothing but a collective of the same officials who have failed to enforce the law on the State level.

Thank you.

[The prepared statement of Mr. Hauser follows:]

PREPARED STATEMENT OF THOMAS HAUSER, COLUMNIST AND AUTHOR

I'd like to thank the Committee for the honor of being invited here today and get very quickly to the issues at hand.

We're far past the point where we can blame the world sanctioning organizations and a handful of promoters for all of the corruption in professional boxing. The entire system is corrupt, and some of the worst enablers are in positions of power at state athletic commissions.
For eight years, the New York State Athletic Commission has been shamelessly run as a slush fund for a political party. Data made available by the New York Department of State indicates that, prior to recent budget cuts, it cost $87,000 per fight card to regulate boxing in New York. By contrast, last year it cost Nevada only $5,400 per card to regulate professional boxing.

When Evander Holyfield fought Lennox Lewis at Madison Square Garden, the New York State Athletic Commission assigned 25 inspectors and demanded for 67 ringside credentials. By contrast, Nevada employs only sixteen inspectors statewide and assigns no more than six inspectors to any given fight card.

On the night of the Holyfield-Lewis fight at Madison Square Garden, Robert Duffy (who was the New York State Athletic Commission director of boxing) assigned two inspectors to each fighter's corner. Then he was overruled, and four different inspectors with strong political ties were given the assignment. One of those inspectors had never worked a fight before in his life. You don't start your career as a ring inspector in the corner at a unification fight for the undisputed heavyweight championship of the world. Duffy complained and was told—and this is a direct quote—"Hey, Duffy; you don't understand. We won the election."

Duffy was subsequently forced out of his job. The man who made that comment to him now runs the New York State Athletic Commission on a daily basis.

Until recently, the Nevada State Athletic Commission was considered the best-run athletic commission in the country. A number of dedicated competent public servants like executive director Marc Ratner still work there. But the Nevada State Athletic Commission is now a textbook example of conflicts of interest run amok.

Tony Alamo is a senior vice president at Mandalay Bay Resort and Casino and the man primarily responsible for overseeing boxing at Mandalay Bay. Tony Alamo, Jr. sits on the Nevada State Athletic Commission, which is charged with regulating his father's boxing promotions. The situation was further exacerbated on January 13th of this year, when Edwin "Flip" Homansky (a nationally respected administrator) was removed as vice chairman of the Nevada Commission and replaced by Tony Alamo, Jr.

It might be that Tony Alamo, Jr. is totally independent of his father. But everyone in boxing who I've talked with doubts it. And his presence on the Nevada State Athletic Commission sends a powerful message regarding government-sanctioned conflicts of interest.

Also, nationwide, many state athletic commissions are afraid to enforce the laws that Congress has passed because they know that, if they do, big fights will simply go elsewhere.

I'll give you an example.

Section 11(d)(1) of the Muhammad Ali Boxing Reform Act requires all sanctioning organizations to submit a complete description of their ratings criteria to the Federal Trade Commission and the Association of Boxing Commissions. Each of the major sanctioning organizations purports to have filed this information. The problem is, most of their filings are fraudulent.

The World Boxing Organization had a dead man ranked in the top ten of its super-middleweight division for four months. During that same four-month period, the dead man rose in the rankings from number seven to number five.

This past autumn, the World Boxing Association released rankings that were so outrageous and, in the heavyweight division, so tied to the interests of one promoter that Senator McCain of this Committee wrote a letter of protest.

And Section 6 of the Ali Act provides that violation of the disclosure requirements is a criminal offense punishable by up to one year in prison and a fine of up to $100,000. The Criminal Division of the Justice Department is responsible for these prosecutions, but no such indictment has ever been brought.

Why have laws if no one is going to enforce them?

Boxing needs strong federal regulation by knowledgeable personnel who assume their positions of power without conflicts of interest. And while we're waiting for legislation to create this regulation, I respectfully suggest that it's imperative for the federal government to act now through criminal prosecutions as well as civil lawsuits brought by the Justice Department and Federal Trade Commission to enforce the laws as they're currently written.
This Committee cannot rely on state athletic commissions to clean up boxing. And the Association of Boxing Commissions is nothing but a collective of the same officials who have failed to enforce the law on the state level.

The CHAIRMAN. Thank you very much. Welcome back, Mr. Sugar.

STATEMENT OF BERT RANDOLPH SUGAR, BOXING HISTORIAN AND AUTHOR

Mr. SUGAR. I thank you for inviting me back again to testify. Since the last time we foragathered to discuss the state of the union of boxing, it has continued to be one of disunion, continuing on its merry way, committing mistakes and misdeeds and what-have-you’s. For although boxing is a sport in its own right, it is also a sport in its own wrong. And the primary culprits are those clowns in clowns’ clothing, these sanctioning bodies we call “The Alphabets,” or Alphabet Soups, a term I coined somewhere back in the early 1980s when I was the editor of Ring Magazine to describe these organizations, all of whom seem to be dedicated to the belief that you can fool too many of the people too much of the time.

For references, I give you the WBC (without the Henny Youngman punchline of “Take them, please”). When Roy Jones, Jr. announced he would leave the light heavyweight division, vacating his title, for the first time, to campaign as a heavyweight, then to fight Buster Douglas, the WBC declared that title vacant. They even matched two contenders—collecting sanctioning fees, calling it a championship fight. And the fight was won by a fighter out of Germany, Graciano Rocchigiani. He was awarded a championship belt. It was in all the papers. He was sent congratulatory messages by Jose Suleiman, the president of this wonderful group. It was on all their rating listings.

And then when Roy Jones decided to come back, all of that disappeared. He no longer was champion. They changed their mind, thank you, cashed the check and went home. He attributed all of it to a “typographical error” in the lists.

Then there is the WBA.

The CHAIRMAN. He was able to win a judgment in court.

Mr. SUGAR. Let him collect it. You are right, he got a judgment for this, because somehow, someway, somewhere, a German television network had offered a $6 million contract contingent on his being a champion.

The CHAIRMAN. You do not think he will ever collect the money?

Mr. SUGAR. Senator McCain, I view you as a very intelligent man.

The CHAIRMAN. Please proceed.

[Laughter.]
Mr. SUGAR. Sure. Then there is the WBA, which issued ratings which belonged in a Lewis Carroll fictional work. It has been touched upon. There were fighters leapfrogging over other fighters because they were connected with one promoter, and when they were met with howls of indignation by other promoters and scathing criticism from the press, they “mea culpa’d.” They said, oh, it was just a computer error. Here we have a typographical error, there we have a computer error. And finally, there is that third, wonderful organization, that third wonderful alphabet, the IBF, which after their head, Bobby Lee, was convicted on several charges, one of which should have been arrogance, the IBF was placed under a Government monitor, and that has not even stopped him.

Just last week, Tim Smith, in the New York Daily News wrote about the time when a Washington fighter, Sharmba Mitchell, fought in a 12-round eliminator contest, paid a sanctioning fee, and was basically pushed aside by another fighter, Arturo Gatti, whose promoters did not want to pay the fee, did not want to fight 12 rounds, just 10. The reason? The head of the IBF membership committee had not even communicated with the head of the IBF championship committee. And this is under a Government monitor. Wonderful!

Gentlepersons, and I say that, albeit the seats are empty, because Senator Boxers and Snowe are members of this august body, enough is enough is enough. We have had typographical errors, we have had computer errors, we have had noncommunication errors.

I remember several years ago, more years than I want to remember, when my then-little daughter came downstairs and she, holding a kitten in her hand, said, the cat having gone into her closet to give birth, “daddy, the cat has fallen apart.” Well, boxing has fallen apart, and I think it is up to this Committee, like all of those King’s men who tried to put Humpty-Dumpty together, to try—I am not saying they will—to put it back together again. If a journey of 1,000 miles begins with one step, you need a road map. And there are two things that have to be done: number 1 of which is, this IBF monitor has to be monitored himself, if, in fact, they can even communicate.

Why? Because the committee and the Muhammad Ali reform bill coming out of government will only inspire confidence if the first government incursion into boxing is successful and clean, and like Caesar’s wife, beyond repute. We cannot have them wandering around the landscape and everybody will say, well, look, but, the Federal Government has done nothing, because they cannot even get the ratings right and the championships right. If you do not oversee somehow what has been done there and make sure that they are the model, at least on that level, that you want.

The second point I make quickly is that the other two alphabets, as you alluded to, headquartering in Caracas and Mexico City, I am sure above some charm and beauty school down there, have got to be brought to their, if not heels and knees, attention. The way to do that is, if they do not conform, impound the sanctioning fees paid by American and foreign fighters when they fight here in the U.S.
How so? The WBA, out of Venezuela, the WBC out of Mexico, come here to make money. They get a percentage of the sanctioning fees. There is more of a percentage if they fight in the U.S., and if they do not conform, then—and they come here for the same reason Willy Sutton robbed banks, because this is where the money is—the sanctioning fee should be impounded or put in escrow until they conform. Then, they, too, will pay more than attention. They will pay money.

Senator McCain, to do otherwise, and not give the Muhammad Ali bill the teeth it needs, is equivalent to burying your heads in the sand, and that will bring a very inviting target for critics. I hope that never comes.

Thank you.

[The prepared statement of Mr. Sugar follows:]
has fallen apart. And this Committee must act, like all those king's men tried to do with Humpty Dumpty, to put it back together again.

And if, as has been said, a journey of a thousand miles begins with a single step, we still need a road map. Here, I hope, is one...

First, as an oversight Committee, you shouldn't lose sight of the fact that the IBF is currently being run by a government monitor. Here you must become guardians of not only law and order, but order itself by monitoring the government monitor to insure that the IBF becomes a model organization. Only in that way can you inspire the necessary confidence in the boxing community that the government's Muhammad Ali Reform Act will be more effective than the government-run IBF is. And that what the Muhammad Ali Bill proposes to do, it will do.

And, secondly, if those two other “Alphabets,” headquartered in Mexico City and Caracas—probably located somewhere above charm and beauty schools—the WBC and the WBA, don't conform to your reforms, then initiate sanctions on these sanctioning bodies. For they come to the U. S. for the same reason Willie Sutton robbed banks, “cause that's where the money is.” And when they do, if they don't conform, impound the sanctioning fees they collect from fighters fighting here. Then they, too, will pay more than attention.

To do otherwise and not give the Muhammad Ali Bill teeth means burying your head in the sand. And that can invite a very inviting target for critics.

The CHAIRMAN. Thanks, Bert.

Just before we go to Mr. Pannella, some thought that the fact that ratings would be put in USA Today, once a week, I believe, would have some beneficial effect. It seems to me it has had no effect.

Mr. SUGAR. Well, their ratings—and Dan Rafael is a very good writer, by the bye——

The CHAIRMAN. Yes.

Mr. SUGAR.—are predicated on the traditional 8 divisions. There just happen to be 17 divisions. This is what I meant when I said boxing has fallen apart. When I was a kid, and that goes back 20,000 years, there were eight divisions, and every champion was a world champion, a Bernard Hopkins. There are now 17 divisions, and there can be as many as 68 champions because of four sanctioning bodies—the WBO, which is the one that had the dead man rising, 68 champions. I think, Senator McCain, you are the only person who does not own a belt.

The CHAIRMAN. Mr. Hopkins, how many titles have you held?

Mr. HOPKINS. I have held the IBF championship since 1995. I am going on my eighth-plus year. I have been the undisputed middleweight champion since September 29 of 2001, when I beat Felix Trinidad.

The CHAIRMAN. That means all of the other WBC, WBA, all of those, and IBF.

Mr. HOPKINS. IBF, yes. They all get sanctioning fees, as Bert spoke about earlier. Thank God, I am self-managed since 1995. I have been calling my own shots, with advice from people as I go along, but that is 9 or 10 percent out the window just with the sanctioning fees that have to be paid to wear their belt and give them recognition. When I became undisputed, worked so hard for so many years to become the number one champion in the division, which there are so many divisions, as Mr. Sugar alluded to, is that once I achieved that, it was greatness. They named me superchampion.

They called me a superchampion, and called William Joppey, the WBA champion, world champion, so now not only do they get sanctioning fees from me when I fight March 29 at the Spectrum in
Philadelphia, my home town, they also will get sanctioning fees from William Joppey when he is fighting.

Now, I do not have any college degree, but that is double-dipping. Senator McCain, we could have meetings—and it is good that we are here. A lot of fighters are scared to speak up. I am going to tell you, I am going to speak for my fellow fighters. A lot of them feel that it is going to be business as usual, and they are going to be left out there alone. It is like, go out there and speak your mind. You have got stories. You can shed some light on your sport, and then you have no phone calls.

If you do these things, they are scared of repercussions. I mean, most of us did not come from Harvard or Yale or Stanford, and make over $100,000 a year jobs. You know where we come from. I read a couple of your statements on the Internet and things like that. A lot of us do not want to risk that.

I am not saying I am better, but I am different. I spoke when I did not have three belts. I am going to speak even louder now because at least for a quote or a picture, they would talk to the undisputed champion of the world.

Ross Greenburg from HBO has done a great job when he took over the spot Lou Rubella held. They cannot control boxing and what promoters do. But I always ask myself, and I might ask Ross a couple of times, is that the promoters—Bob Graham, Don King, the Duvas, Cedric Kushner—those guys do not go into a bank account and pay me. They do not go pay out of their own personal bank account. Where do they get the money? That is what the issue is about, greed, so let us deal with where they get their money. Who is the bank in boxing? TV, so if TV is willing to pay for championship fights because we have belts, then pay for fights where fighters do not have belts, on their own merit, on their own talent, on their own ability.

If the fighter is bigger than the belt, which some are and some are not, then the payee should set a standard, to say, hey, we do not care if Bernard got two or three belts, but we know he is going to put on a good fight, we do not care if Arturo Gatti's got a belt, but he is tough, he is going to bring a crowd, we are going to get good ratings on TV. Then the sanctioning bodies would all fall to the side.

But when you have promoters who come and say, well, look, you are making $2 million, or you are making $3 million, and they get $10 million from a network, there is nothing, there is no teeth there, where a network or a promoter would say, look, this is what I got, you negotiate from there, and to be honest, TV in most cases, it is like, none of their business. They are not policemen for us.

I mean, I can call up HBO and say, well, look, how much did Don King really get for this whole particular fight, and if it gets back to Don King, what are the repercussions for a fighter who will not stand up like Bernard Hopkins, who is not outspoken like Bernard Hopkins, who can deal with the repercussions of speaking of something that I can change and be known for that.

I do not want to just leave this game, Senator McCain, as just being a fighter that had a belt and he was a good fighter when he fought and that was it. When I leave this boxing business, I want to raise enough, if there is such a word as "good hell," so I would
be remembered not for throwing a left jab or a right hook, but as a guy who stood up, maybe like the Curt Floods of later years, the guys I look up to who stood up, Bill Russell in Boston, when he played there, the things he had to go through there.

It is a little different, but I want to be remembered, if I help put something in force for years and years in the future, then I want to be remembered not just for being a great champion. Today to be called a champion—I hate to say it, because I worked so hard to be a champion, it is cheese. It is cheesy. It is cheap, because the average public is confused with who the champion is.

You have got the de la Hoyas, you have got the Lennox Lewis, you have got Bernard Hopkins, you have got Ray Jones, Jr., you have got only a small percentage of us, maybe 5 out of 100 percent, that is really making the dollars and the monies that you can say you have made it, but what about the 80 percent, what about the six-round fighters?

We are here talking about the Hopkins of the world, with millions of dollars and the sanctioning fees. Hey, the sanctioning body is not getting money from a 10-round fighter or a 6-round fighter or a 3-round fighter. They are getting abused and exploited other ways, and it sad to know that when I am in my gym, when I am in that gym this afternoon, at 5:00 I will get there, I will see the majority of people want to follow the dreams that Bernard Hopkins has followed, all the way to now, and I know that the chances are, they are not going to make it.

They are not going to make it because they are going to get swallowed up in the system, and they are going to get exploited all the way up to the end, when they cannot walk or talk, and when they cannot throw a punch. Then how do they continue to go back into society? Do you get a shovel and dig a hole and bury yourself because you are no more a boxer?

So it is health care—
The CHAIRMAN. Pensions.

Mr. HOPKINS. It is everything, pension plans, and not the sanctioning body’s pension plan, not some—we are looking out for fighters who can donate more money to the sanctioning bodies, we are going to buy you a 401(k). I mean, you have to understand that this is a moneymaker for a lot of people. I do not mind Don King or Arum or anybody making money because they have put in their time, but I would like to see them with a twisted nose, too.

I would like to see them every now and then say that they actually know how this is to get up and train, you know, holidays you cannot eat. I chose to be a professional fighter, so when Christmas and Thanksgiving and birthdays and anniversaries and things like that—I have got to miss out on, because I chose to do what I do. But by the same token, if I am the horse pulling the cart, if I am the body of the boxing, without no fighters, there is no Don King. Without no fighters, there is no HBO showing those fights, so we have got the power, but we do not know it. We are the sleeping lion, the sleeping tiger that does not know.

The majority of the fighters are—this room right now, I am a little disappointed, because in this room right now there are supposed to be a line of fighters behind me right now, maybe not here to speak, but to show their presence here, and everyone in front of me
right now would be looking and saying, well, you have got Lennox Lewis here, you have got the George Foremans, such an American Dream guy, sitting here speaking for the guys that might not be the next Foreman, but it is going to come back to bite the Joneses, it is going back to bite the de la Hoyas, because someone in their family is going to follow in their footsteps and not be fortunate, and with some luck, and as talented, will not get the benefits that they got, and they are going to wish they spoke like I did.

They are going to wish I spoke up and they are going to wish I took the chance and stuck my head out there in the lion's den to sacrifice, whatever, sacrifice for others. They are going to wish they did that. When somebody in their own family, somebody in their own blood, somebody they love and care for do not get the benefits that they got by their talents and the good break that they got 10 years from now.

I am not talking about tomorrow, 5 years from now. They are going to wish they did what Bernard Hopkins did, and that is why I am so passionate about being here, and taking up other people's time. But I just want to let you all know that this is a sport that saved a lot of people from a lot of bad situations, and they need to be protected, because they cannot protect themselves because they do not know. They do not know.

The majority of us cannot read. The majority of us cannot read properly. We do not understand what advance compares to training expenses, and it is a whole bunch of stuff that needs to go on. I was ignorant when I came into this sport, Senator. I was ignorant. I did not know nothing. I just wanted to fight. I did not care what I got paid. I made that statement.

When I look at old fight tapes of myself at the Blue Horizon and I say, Man, did I—I do not believe I said something like that, I'll fight him for anything. I don't care, I just want to kick his butt. Right now, I look at that, and it is a monumental—knowing how far I have grown, I look at that and say, “What a fool.” But was I a fool? I was just ignorant. I did not know.

Well, Mr. McCain, 80 percent of fighters do not know, and when they do know, they are afraid to speak, because they are dealing with people that have very deep pockets, and they are very, very politically tied-in. In the world of boxing, we are so small. It is so small. They cannot get rid of me because I do not deviate from my craft. I am always going in the ring in shape. I live right.

They would love to get these three belts from me. Do you think they love me? Do you think they want me down here? Do you think they want me down here, the undisputed middleweight champion with some merit of title, down here speaking in front of Senator McCain and making sense?

[Laughter.]

Mr. Hopkins. I mean, let us be real here. They do not want me down here, but what can they do? Stop opportunities?

Well, I have got three belts, and I know the belts are money. In boxing, the belts mean more to them than my life. It means more to them than my life, so as long as I got something that I know they want, and make money for everybody.

They talk about exploitation. I am exploiting that belt. I am going to tease them with their belt to get the benefits that I de-
serve, and that is why Bernard Hopkins will not lose no time soon, because I have not only one—I parlayed one for so many years, since 1995, but they messed up and gave me two more. Oh, McCain, we have got a job to do.

[Laughter.]

Mr. Hopkins. Oh, they are in trouble, undisputed. There is no dispute.

Thank you.

The Chairman. Thank you. Thank you very much. That is actually a wonderful statement, and continues to motivate me to stay at this sometimes difficult effort.

Mr. Pannella, welcome. You are the last witness. Thank you, and then we will proceed to questions and additional comments.

STATEMENT OF PATRICK PANNELLA, EXECUTIVE DIRECTOR, MARYLAND STATE ATHLETIC COMMISSION

Mr. Pannella. Before I begin, I would like to publicly thank Bernard Hopkins for all he has done. He has come forward today, but today was not the first day he has come forward. Several years ago, I met Bernard at the National Association of Attorneys General hearings in New York City. I believe, Bernard, when you came out of the taxicab, certain people told you, do not go in through that door of the downtown Athletic Club, do not go in, because it is going to hurt you rankingswise and fightwise.

Mr. Hopkins. You remember that.

Mr. Pannella. And I remember, I did not know Bernard, but I saw the look on his face, and he said some things, and one of the things he said was, I am going to do it anyway, and I want to thank you for that.

Bernard also was a guest and future speaker at the American Association of Professional Ringside Physicians meeting in Baltimore back in August, and you have been consistent, you have been brave, and I commend you for that.

It is, indeed, an honor for me to come before you today as a representative of both the Association of Boxing Commissions and the Maryland State Athletic Commission. My name is Patrick Pannella. I am the executive director of the Maryland State Athletic Commission. I have proudly served in this capacity since July of 1995. The Maryland State Athletic Commission is a unit within the Division of Occupational and Professional Licensing in the Maryland Department of Labor, Licensing and Regulation.

Since that time, I have been involved in the regulation of over 700 bouts which have taken place in the State of Maryland. With a few exceptions, these bouts have not been of the championship variety but, rather, encompassed the undercard type of bouts, which basically comprise the majority of the more than 800 professional boxing shows that were held in the United States last year.

Most of the boxers that compete in the State of Maryland are individuals who are on their way up the boxing ladder seeking to gain wins and become ranked by one or more of boxing’s numerous sanctioning organizations, or alphabets, as Bert would say, or opponents who are journeyman boxers earning purse monies amounting to somewhere between $100 and $200 a round.
Just like the few athletes who compete for large sums of money in televised championship bouts, these boxers also come under the jurisdiction of Federal boxing laws aimed at providing minimal safety measures protecting the boxer from coercive and unfair business practices and lending integrity to a sport historically fraught with inequity, corruption, and injustice.

Since this Committee held public hearings in regard to the Professional Boxing Safety Act of 1996, I have been fortunate to have attended nearly every public boxing hearing held by your distinguished body. When Congress had difficulty locating an active professional boxer to testify, and Bernard, that did happen back in 1995, in support of the Professional Boxing Safety Act, I accompanied former Maryland middleweight boxer Alfonso Daniels as he spoke before this Committee.

I remember discussions in boxing circles that boxers were apparently worried that testifying in support of a Federal boxing bill would somehow hurt their chances to obtain a championship fight opportunity, or to be marketable. I recall Mr. Daniels telling me that it did not matter to him how boxing perceived his coming forward to testify, as he would do what he thought was right and just.

The brave efforts of Mr. Daniels, Bernard Hopkins, and other boxers who have followed them to support the Federal boxing laws before this Committee have not been in vain. Positive changes to the sport have been made. A key ingredient of the Professional Boxing Safety Act was requiring all boxers to obtain and carry a professional boxer’s Federal identification card. In my opinion, this card has literally saved lives.

Shortly before the Professional Boxing Safety Act was signed into law, a boxer from another State appeared in Maryland with false identification. We were fortunate to catch him and to prevent him from boxing. It turned out that the boxer had a record of some 11 or 12 losses, all via knock-out, and no wins. In addition, he had been knocked out the night before he attempted to compete in our State.

On more than one occasion, I have joined a ringside physician in spending the night at Maryland’s shock trauma center in Baltimore, waiting to find out the status of an injured boxer. It is a scenario that I did not wish to repeat. The professional boxer’s Federal identification card dramatically limited the opportunities for boxers to compete using a fake name, and to place themselves in physical danger.

The Maryland State Athletic Commission is a member of the ABC, the Association of Boxing Commissions, and our commission members and staff have remained actively involved in this organization over the past 7 years. The ABC serves as a valuable communications link for its member State and tribal boxing commissions. ABC members disseminate valuable information to each other on a consistent basis. Such information would include information pertaining to a boxer’s boxing record, boxing history, boxing ability, and suspension status.

At the recommendation of Tim Lueckenhoff, president of the ABC, the ABC recently created a training seminar to be attended by all referees and judges who work for its member boxing commissions. This was, I believe, a very good idea to conduct such training
sessions. My sincere hope is that the ABC or the United States Congress will be able to take a good idea one step further to ensure that all officials who work championship boxing bouts are competent and fair. I will refer to testimony which Mr. Lueckenhoff provided to this Committee in testimony given last year.

Based upon certain prescribed criteria, the respective boxing commissions would submit to the ABC or a Federal boxing administration a list of names of those judges and referees deemed to be worthy of officiating at a championship bout, from which a pool of such qualified judges and referees may be comprised. As a prerequisite to being placed on such a list, all judges and referees will be required to participate in mandatory training seminars as I described earlier. These officials would be tested by the ABC or by a Federal Boxing Administration to ensure that the official possesses the requisite skills necessary to effectively perform.

The boxing commission where the championship bout is to take place would then select from this pool of officials without any interference from a sanctioning organization or anyone else the judges and referees who would officiate the championship bout.

Mr. Lueckenhoff, who unfortunately is unable to be here today, is already on record with this Committee as supporting the creation of a United States Boxing Administration, provided that boxing commissions are able to maintain their autonomy. There is certainly a need to ensure that at least minimal medical and safety standards are in place for all professional boxing bouts, with individual boxing commissions being permitted to maintain higher regulatory requirements as they so choose.

Patently, in the blatant absence of any league, body or organization, there is a need for effective and uniform regulation and enforcement of the sport of professional boxing. Presently, the work of the ABC is carried out by a network of a relatively few number of volunteers, without any funding, coupled with the lack of enforcement of Federal boxing laws by the United States Attorneys Offices and the chief law enforcement offices of the various States, the ABC is unfortunately unable to have the type of impact on the sport of boxing that it desires. By working together, and benefitting from the resources each provides, the ABC and the United States Boxing Administration dually can bring uniformity, equity, and safety to the sport we all enjoy.

Thank you for your time.

[The prepared statement of Mr. Pannella follows:]
Most of the boxers who compete in the State of Maryland are individuals who are on their way up the boxing ladder, seeking to gain wins and become ranked by one or more of boxing's numerous sanctioning organizations, or credible opponents who are journeyman boxers earning purse monies amounting to somewhere between one hundred and two hundred dollars a round. Just like the few athletes who compete for large sums of money in televised championship bouts, these boxers also come under the jurisdiction of federal boxing laws aimed at providing minimal safety measures, protecting the boxer from coercive and unfair business practices, and lending integrity to a sport historically fraught with inequity, corruption and injustice.

Since this Committee held public hearings in regard to the Professional Boxing Safety Act of 1996, I have been fortunate to attend nearly every public boxing hearing held by your distinguished body. When the United States Congress had difficulty in locating an active professional boxer to testify in support of the Professional Boxing Safety Act, I accompanied former Maryland middleweight boxer Alfonso Daniels to this Committee. I remember discussions in boxing circles that boxers were apparently worried that testifying in support of a federal boxing bill would somehow hurt their chances to attain a championship fight opportunity or to be marketable. I recall Mr. Daniels telling me that it did not matter to him how boxing perceived his coming forward to testify, as he would do what he thought was right and just.

The brave efforts of Mr. Daniels and the other boxers who have followed him to support the federal boxing laws before this Committee have not been in vain. Positive changes to the sport have been made. A key ingredient of the Professional Boxing Safety Act was requiring all boxers to obtain and to carry a professional boxer's federal identification card. In my opinion, this card has literally saved lives. Shortly before the Professional Boxing Safety Act was signed into law, a boxer from another state appeared in Maryland with false identification. We were fortunate to catch him, and to prevent him from boxing. It turned out that the boxer had a record of some eleven or twelve losses, all via knockout, and no wins. In addition, he had been knocked out the night before he attempted to compete in Maryland. On more than one occasion, I have joined a ringside physician in spending the night at Maryland's Shock Trauma Center in Baltimore, waiting to find out the status of an injured boxer. It is a scenario that I do not wish to repeat. The professional boxer's federal identification card has dramatically limited the opportunities for boxers to compete using a fake name and to place themselves in physical danger.

The Maryland State Athletic Commission is a member of the Association of Boxing Commissions (ABC), and our Commission members and staff have remained actively involved in this organization over these past seven years. The ABC serves as a valuable communications link for its member state and tribal boxing commissions. ABC members disseminate valuable information to each other on a consistent basis; such information would include information pertaining to a boxer's boxing record, boxing history, boxing ability and suspension status. At the recommendation of Tim Lueckenhoff, President of the ABC, the ABC recently created a training seminar to be attended by all referees and judges who work for its member boxing commissions. This was, I believe, a very good idea to conduct such training sessions.

My sincere hope is that the ABC or United States Congress will be able to take a good idea one step further. To ensure that all officials who work championship boxing bouts are competent and fair, I will refer to testimony which Mr. Lueckenhoff provided to this Committee in testimony given last year. Based upon certain prescribed criteria, the respective boxing commissions would submit to the ABC or a federal boxing administration a list of names of those judges and referees deemed to be worthy of officiating at a championship bout from which a "pool" of such qualified judges and referees may be comprised. As a prerequisite to being placed on such a list, all judges and referees would be required to participate in mandatory training seminars as I described earlier. These officials would be tested by the ABC or a federal boxing administration to ensure that the official possesses the requisite skills necessary to effectively perform. The boxing commission where the championship bout is to take place would then select from this "pool" of officials, without any interference from a sanctioning organization or anyone else, the judges and referees who would officiate the championship bout.

Mr. Lueckenhoff, who, unfortunately, is unable to be here today, is already on record with this Committee as supporting the creation of a United States Boxing Administration provided that boxing commissions are able to maintain their autonomy. There is certainly a need to ensure that at least minimum medical and safety standards are in place for all professional boxing bouts, with individual boxing commissions being permitted to maintain higher regulatory requirements as they so choose.
Patently, in the blatant absence of any league, body or organization, there is a need for effective and uniform regulation and enforcement of the sport of professional boxing. Presently, the work of the ABC is carried out by a network of a relatively few number of volunteers. Without any funding, coupled with the lack of enforcement of federal boxing laws by the United States Attorney’s Offices and the chief law enforcement offices of the various states, the ABC is unfortunately unable to have the type of impact on the sport of boxing that it desires. By working together, and benefitting from the resources each provides, the ABC and the United States Boxing Administration dually can bring uniformity, equity and safety to the sport we all enjoy. Thank you for your time.

The CHAIRMAN. Well, thank you, Mr. Pannella.

Bert, the Lennox Lewis–Tyson fight was not sanctioned by the Nevada Boxing Commission, so they shopped around and ended up in Tennessee.

Mr. SUGAR. In fact, I think every sandspit in the Caribbean wanted in on that.

The CHAIRMAN. And remarkably, now they are talking about a rematch rather than Mr. Lewis fighting far more qualified contenders. What is that all about?

Mr. SUGAR. Well, two things, number one of which, it is an easier payday for Mr. Lewis, who I am sure, that is about the only reason he will stay around before he retires.

They talked about Klitschko again. I do not know which Klitschko is which Klitschko. I even have a question as to whether there are two of them. I have never seen them together. It looks like the same guy, but Lennox Lewis, who had flirted with the idea of retiring, sees another easy payday.

The CHAIRMAN. There is nothing that would motivate Mr. Lewis to fight what everyone views as the number 1 and number 2 challenger?

Mr. SUGAR. The problem is, Senator, money. Boxing, probably not unlike anything else in life, is where money talks and BS walks, and these sanctioning bodies which——

The CHAIRMAN. They will move Tyson up to number 1.

Mr. SUGAR. Oh, he will rise quicker than Lazarus from the dead if there’s money is in it. These alphabet soup groups, which I question whether they even know the concept of alphabet soup, if they look down in their bowl, know the meaning of dollar signs when they look down, and with Tyson still being a viable draw, if not a viable contender. How many people do you think back last June actually tuned in the Tyson–Lewis fight to watch Lennox Lewis, as opposed to Mike Tyson? Therein lies the economies of boxing.

The CHAIRMAN. Mr. Hauser, can you comment on that? And in a perfect world, how would you force a fight between Bernard Hopkins and Roy Jones, Jr. and/or Lennox Lewis and one of the Russian brothers?

Mr. HAUSER. You cannot force a fight between two people unless they both want to fight, and in the case of Bernard Hopkins versus Roy Jones, over the years, either one or both of them has not wanted to fight, or the dollars have not been right for them, and a fighter, if he is the champion, there is supposed to be a mechanism in place where he fights the mandatory challenger. The problem is that the system is so corrupt that the ratings are jiggered, and again, I come back to the fact that nobody is enforcing the law.
Why hasn't a single Government entity, State or Federal, brought a lawsuit against any of these sanctioning organizations for phony filings and phony ratings?

I remember several years ago you sent a letter to Robert Pitofsky when he was chairman of the Federal Trade Commission asking the FTC to look into it, and nothing came of that. If you want to clean up boxing, you can start by having the Justice Department bring a civil antitrust lawsuit for conspiracy and restraint of trade under section 2 of the Sherman Antitrust Act. A civil antitrust lawsuit brought by the Government is heard by a Federal judge. There is no jury. The judge in the case has powers to grant equitable relief. That is a start.

If you bring one criminal prosecution against a sanctioning body for phony ratings, I suspect that the other ratings will get cleaned up in a hurry, because they do not want to be criminally prosecuted, and in terms of the judgment against the WBC by Rocchigiani you can attach the sanctioning fees for any WBC fight in the United States, and the judgment starts to get filled then, but there is no will that I have seen on behalf of the Federal Government to enforce the laws that Congress has passed, and the State athletic commissions certainly are not going to do it, because some of them do not know what is going on, some of them are corrupt, and all of them are afraid that if they do the right thing, big fights will simply go some place else.

A State knows that if they seek to enjoin the payment of sanctioning fees, then the big fights just will not come to that State. It has to be done on a national level across the board so there is no sanctuary, and you saw the sanctuary at work with Tyson/Lewis. Nevada said no, and you had States lining up to put the fight on, and they will do it again.

The CHAIRMAN. Mr. Pannella, Mr. Hauser raises the point that there is another fight that took place that I am incredibly embarrassed about where Cesar Chavez was prevented from fighting in Nevada, so they shopped around and he fought Kostya Tszyu in Phoenix, Arizona and was beaten insensible by Mr. Tszyu, as everybody knew he would be, and yet the Arizona Boxing Commission, my own State, sanctioned the fight after Nevada had not. What do you do about that besides passing a Federal law, Mr. Pannella?

Mr. PANNELLA. Well, Senator McCain, first of all, I think it was inappropriate for the Arizona Boxing Commission to not follow the lead and recommendation of Nevada. In that case and in other cases, there have been State commissions that have not followed the lead of other States.

The CHAIRMAN. So what do we do?

Mr. PANNELLA. The United States Boxing Administration is what we have to do. We have no enforcement authority as an ABC body, and Mr. Hauser, we have no enforcement authority. We need it.

Mr. HAUSER. And no budget, really.

Mr. PANNELLA. If you have problems with some State commissions, I respect that, but we have no enforcement authority. The United States Boxing Administration will enable us to actually force those commissions that are not abiding, as well as to ensure the minimum standards that are necessary for the sport. Many
State commissions in my opinion, and tribal commissions, do have high standards, but it is a travesty, and it is embarrassing, as far as I am personally concerned, that that happened.

The CHAIRMAN. Thank you. Mr. Hauser, if you could get me some additional information on the New York State Athletic Commission, I would very much appreciate it. I am sure you have written about it.

Mr. HAUSER. Senator, I have brought with me a book which has six or seven columns on the New York State Athletic Commission, and I will be happy to give it to you at the close of this hearing.

The CHAIRMAN. I am joined by my friend and fellow boxing advocate, Senator Dorgan of the State of North Dakota which, its only claim to fame is that Virgil Hill is from there. Other than that, I know of no redeeming qualities.

[Laughter.]

Mr. SUGAR. And here I thought their claim to fame was that Lawrence Welk was from there.

The CHAIRMAN. But I want to thank Senator Dorgan for all that he has done in helping on this issue, and his commitment, and I just had a couple more questions, and please chime in, Mr. Hopkins. I know you want to speak, but when you do, I would like for you to also, besides your comment, is tell us why you think there has never been a fight between you and Roy Jones, Jr.

Mr. HOPKINS. That would be the quickest thing I have answered all day. He is scared.

[Laughter.]

Mr. HOPKINS. He is scared. I mean, yes, money plays a role. Roy knows he is going to have to fight Bernard Hopkins. We are in two different weight classes. I am a middleweight, and always been since 1988–1989. I have got the Marvin Hagler mentality. I never blow up, never go down.

Roy is a light heavyweight, 160, a light heavyweight. You are talking a lot of pounds. You are talking about health and safety. You are fighting a good big man who would beat a good little man any day, and when you are talking two weight classes apart—you know, Roy is not going to come down to 160, and I would not do that. It would not be fair. Roy does not want to come down to 68 or 67. He wants to fight probably, last time I heard it was 71, 72.

Then it is the dollars. Roy wants 80/20, then he wants 60/40, then he might not want the gloves, the gloves might not be his, he might want to wear Reds, I might want to wear Grant. He might want to fight here, I might want to fight there.

It is a whole bunch of things, and it is egos on both sides. The fight will happen as long as he does not lose to a guy who is not a heavyweight, because then people will say, well, he should not have fought John Ruiz. As long as Bernard Hopkins does not lose March 29, that rivalry is building up. I cannot walk anywhere in any city without anybody saying, why won’t Roy fight you, why don’t you all do 50–50. Roy thinks more of me. He goes to make a rap song. I thank him for the promotion he gives me, but it will happen as long as we do what we have got to do.

But I want to add one little quick thing. You say, what can we do about a fighter, or a situation where you run from one State to another. Get one commission. I mean, I am going to blow Greg
Serb’s horn in Pennsylvania I think he is doing a great job. You heard of Greg Serb?

The CHAIRMAN. A fine man, yes.

Mr. HOPKINS. He working in Harrisburg. He has been doing great. I have seen him turn down fights with guys with 15 and 30, fighting an undefeated fighter.

One commission, which means that—and you know what it means. But Arizona will not be able to do what they did on a high-level marquee fight or a low-level fight, because you cannot run from New York to Philadelphia and get different results. The unity is not there. You get one person—I do not know whether it is going to be one person with all this power, whether it is going to be a panel of three or a panel of 10, or a panel of five, and you have one commission that commissions every State that deals with boxing in every country, or every city, or every commission. Now, if something happens, he cannot run here, the promoter cannot run there, the fighter cannot run—it works both ends. One commission. To me, that is easy.

The CHAIRMAN. I got you. Thank you.

Mr. Greenburg, in a piece written by Mr. Hauser in secondsout.com entitled, The State of Boxing, Mr. Hauser concludes that, quote, Ross Greenburg, Jay Larkins, and Bob Yalin each acknowledged that their fiduciary duty to their respective networks far outweighs any fiduciary duty that might exist with regard to the good of boxing, and that belief extends to calls that the networks help clean up boxing. Would you like to respond?

And let me give you one other quote. Mr. Hauser also quotes you as saying, quote, our job as network executives is to put together the best fights, and the fights that the public wants. There is no reason for us to obsess over the sanctioning bodies and State athletic commissions. Please respond.

Mr. GREENBURG. On both of those, first of all, boxing is part of our bloodstream at HBO. I have been there 25 years. It is ingrained in all of us to protect the health, safety, and the dominance of the sport on the American landscape, and so not only have I never said that to Tom Hauser, but I would violently disagree that if either of those other two gentlemen believe that, then they are completely wrong.

On the second quote, I would just say that sanctioning organizations do exist. We actually, on our broadcast, never acknowledge the WBA, the WBC, or the IBF. We have determined that the fighters and promoters can decide whether they think that the legitimate mandatory is indeed legitimate. If they want to throw away a belt, if they decide that they do not want to be the WBC champion because that organization is forcing them to fight an inferior fighter, even though he is number one, we willingly pay the same profits for Bernard Hopkins to defend his people’s undisputed middleweight championship of the world.

Even if he throws away all three belts, in our mind he is still the undisputed middleweight champion of the world, so in our minds. I agree wholeheartedly with not only Bernard but everyone else on this panel that we do need a Federal commission to step in and regulate everyone so that if the sanctioning organizations from overseas are doing wrong by our sport, that they can be pun-
ished, that if promoters are doing wrong by our sport, they can be punished, if a manager is doing wrong by his fighter, he should be punished.

So we believe in the health and well-being of this sport now and forever. We have too much invested in it, not only financially, but emotionally. My job hinges on the success and the dominance of this sport across America. I have seen it crater over the last 20 years, when we were doing Hearns/Leonard in 1981, to now where the state of boxing is today. We need superstars like Bernard Hopkins. We want him outspoken.

We have broadcasters on our network that speak to the ills of the sport every single time we do a broadcast, and we receive a lot of condemnation from not only promoters, but managers and commissions and everyone else, because we are so outspoken to try to get to this sport and clean it up. That is HBO’s version of boxing.

The CHAIRMAN. Bert, is the Mickey Ward/Arturo Gatti, which was a nontitle fight an anomaly, or do you have to have a title associated with it, and second of all, is boxing getting worse?

Mr. SUGAR. I do not know the answer to the second question, unfortunately. Boxing is getting worse only because I am getting older and everything was better when I was a kid, but I think there are many good things about boxing today, and they are savable and salvageable by something good happening.

Mickey Ward and Arturo Gatti, yes, was a unique fight in many ways. It was a throwback fight to yesteryear in several ways—an Italian versus an Irishman. There is a man up in Washington in an old-age home named Jimmy McLarnin, who was a welterweight titlist back in the 1930s. He is 96. He fought against, as an Irishman, Tony Canzoneri, an Italian, and they both fought against Barney Ross, a Jewish fighter, and it was a tripartite.

Ward and Gatti was a throwback fight in our generation, so yes, it does not need to be, by the bye, a championship fight. That is the icing on the dessert, a championship, because then somebody in East Overshoe will say, “Mabel, I cannot come to dinner or go to bed now because they have got a championship fight on. I do not know who in the hell is fighting, but it is a championship fight.”

Ward/Gatti stood on its own. It depends, as Ross said, in putting together the best fights. Yes, because they are at the highest level, championship fights are most times the best fights. But you had another nontitle fight recently, Marco Antonio Barrera, who threw away his title, said I do not want to be champion, I am content being the best, and he fights Eric Morales, and I do not know one person who did not tune that in because it was not, quote-unquote, for a championship.

The CHAIRMAN. Thank you.

Senator Dorgan.

STATEMENT OF HON. BYRON L. DORGAN, U.S. SENATOR FROM NORTH DAKOTA

Senator DORGAN. Thank you Mr. Chairman. I was at an Energy Committee and Judiciary Committee hearing prior to this, so I unable to be here to listen to the testimony. Incidentally, since this is not televised live, I will not correct your limited knowledge of North Dakota.
Senator DORGAN. I might be required to do so if more people had heard it, but I will defer at the moment.

Mr. Sugar, your knowledge from Lawrence Welk to boxing is expansive——

Mr. SUGAR. And Angie Dickinson. Angie Dickinson, from North Dakota.

Senator DORGAN. Angie Dickinson is from Kulm, North Dakota. Mr. SUGAR. And Roger Maris. I mean, we can keep going.

[Laughter.]

Senator DORGAN. All of that is true, of course.

Let me ask a couple of questions. I was at a hearing some years ago when Sammy “the Bull” Gravano testified under armed guard, under protection. He was then in the witness protection program. They brought him in, with a lot of security around this building that day, and he said——

The CHAIRMAN. He has since done very well out in Arizona.

[Laughter.]

Mr. SUGAR. You are claiming him like he is claiming Lawrence Welk?

[Laughter.]

Senator DORGAN. He said that at one point, they apparently had some interest in a European heavyweight. They wanted to line him up to fight Reynaldo Snipes, but they needed Reynaldo to get a little better ranking, because they were going to have Reynaldo Snipes take a dive, and since their guy was going to win, they wanted to fight against a high-ranked fighter.

So he said that John Gotti sent him to Las Vegas to meet with one of the sanctioning body folks. He told us who it was, and he told us what it cost to move Reynaldo Snipes, I think it was from rank number 9 to number 7. It was going to be $10,000, and he explained to the people, he said, well, I am here—you know, this is John Gotti’s request. Well, he said, then we do it for $5,000.

He told us this story, I thought to myself, can the system be that corrupt? Give me your impression. Does that go on today? Is there somebody flying around the country today making a payment to someone in one of the sanctioning bodies to get someone ranked two or three steps higher?

Mr. SUGAR. I think if you read the transcript of the Bobby Lee case in the IBF, it happens today, yes. I mean, they do not have to infer, or refer either way to John Gotti’s name. They just have to show up with dead presidents in their hands. You can say, Benjamin Franklin, U.S. Grant. It does not have to be John Gotti.

And so it has happened, and the Bobby Lee IBF case was somehow, someway, somewhere predicated on that same principle, Senator.

Senator DORGAN. Mr. Greenburg, if that is true, if that happens today, and if the rankings really are not on the level, they can be bought in certain circumstances, why aren’t the two or three or four largest beneficiaries from a revenue standpoint of these either carnivals or athletic events, depending upon which one you are seeing, including the networks and HBO, why are they not pushing very, very hard to say, look, let us clean this up, we put the prestige and the energy of our organization behind it?
Both the chairman and I have been at this a long while. I first introduced with Pat Williams, and now the Governor of New Mexico, Bill Richardson and others in the House, and Senator McCain then, and we have introduced legislation 15, 20 years ago. I have never had someone from an organization like yours communicate with me to say, you really need to do this, we really support this. Why is there no energy in that direction?

Mr. GREENBURG. Well, first of all, I am here.

Senator DORGAN. Okay. And I appreciate that.

Mr. GREENBURG. I am here for that very reason. I believe in this. Senator McCain and I have known each other quite a while, and we have worked together. He knows he has my support, and I have been down to meet with the Senator, and Senator Reid, and Senator Ensign, and we have tried as best we can, even though we are the bank, and a powerful one at that, to try to help legislate some policy, and this policy would legislate boxing in a good way to try to clean up the sport.

I think the IBF situation is interesting, because we have absolutely no involvement with any of these commissions, and these sanctioning organizations, to know what is going on behind the scenes between the promoters and the sanctioning organizations. But I would venture to say that that one IBF case, which was a while ago, has really stopped a lot of the corruption that we are speaking about now, and if you are a promoter now, you had better have second thoughts of trying to bribe sanctioning organizations for upticking those rankings.

I think that that sent a very serious message, and it speaks to what Tom Hauser keeps saying, which is, if we keep sending that kind of message, you bet it is going to clean it up, and that is why I am here, and I am committed to this legislation. I think it will do a lot to benefit this sport. We are going to stay involved.

I am here now. If you guys want to do this again in a month, I will be back, and I will continue to fight for this because we believe in it at HBO, so I cannot speak for other networks. I cannot speak for anyone in my industry, but here is one big pocketbook that is ready to stand up and speak out the way Bernard Hopkins has spoken out.

Senator DORGAN. Mr. Hauser, did you want to comment?

Mr. HAUSER. First, I do not think the IBF prosecution made that big a difference, because you see the WBA doing the same thing again with its rankings. We do not have tapes of money being handed to the people who run the WBA. We do know that Shane Mosley, who is one of the best fighters in the world in any weight class, was not ranked in any weight division by the WBA for several months. There is no logical reason for that.

Also, I want to get back to one thing Mr. Greenburg said earlier regarding the statements from the article that Senator McCain quoted, and that is, I do believe that is an accurate statement of the views that Mr. Greenburg expressed to me, and this is the first time that Mr. Greenburg or anybody else at HBO has questioned its accuracy to me, and Mr. Greenburg just said—and I believe you will agree I am quoting you accurately—we are the bank, and a powerful one at that.
And with that in mind, I think one very constructive step would be for HBO to make public the license fees that it pays for fights. That is something that Major League Baseball does, the National Football League does. We know what the network pays for the rights for all the other sports, whether it is baseball, football, basketball, golf, and if the fighters and their camps know what the license fees are, the same way the Major League Baseball Players Association bases its negotiations in large part on the TV deals, if the fighters and their camps know what the license fees are, then they are better able to gauge whether they are being treated fairly.

And to take it even one step further, I would like to see HBO, Showtime, ESPN, all the TV networks, follow the trail of the money to see how much money from a particular fight winds up in the fighter’s bank account. You have these horrible cases of exploitation going back to Tim Witherspoon, where a 1.6-million-dollar license fee was paid for Witherspoon’s services to fight Frank Bruno, and $92,000 of that went to Witherspoon, and more recently the horrible exploitation of Manny Pacquiao, who came from the Philippines and was betrayed by his manager. So if you follow the flow of the money, you will make it a lot easier for fighters to have honest managers to see that their fighters are being fairly treated, and that is something that HBO and all the other networks can do.

Senator DORGAN. I want to ask Mr. Hopkins a question.

Mr. Sugar, you wanted to comment on that?

The CHAIRMAN. Mr. Greenburg, are you willing to do that?

Mr. GREENBURG. What, answer that?

The CHAIRMAN. Give the licensing fees.

Mr. GREENBURG. That is a tough call. I mean, in our multifight agreements with fighters we have a number down on that paper, and the fighter himself, if Bernard, Ray Jones, or Lennox Lewis, they put their signature on the contract, so in that regard, a multifight contract guarantees that the fighter understands what the television monies are.

We do not know what the site monies are. We do not know what the sponsorship monies are, so it is hard for us to really gauge how much that fighter knows, but in the context of our multifights, they know that number.

As it pertains to nonmultifight fights, it would be very difficult, I think, if a Federal governing organization decided that they wanted to, like the NFL or the NHL or the NBA, disclose what the television revenue is, then we probably would be amenable to that, but just like the broadcasters, who do not—and my recollection is that they pool all the monies from all of those networks, at least in the NFL, and then disclose what that number is for the collective bargaining between the NFLPA and the NFL, the league itself, in terms of how much revenue the players will then get for themselves, but we would be surely amenable to that lump sum, so that fighters knew.

I really cannot tell you down the road what Federal legislation will govern, but we will be right there, following the rules and regulations set down by that body.

Mr. HAUSER. We read regularly in the paper that ABC/ESPN has paid X amount of money for NFL rights.
Mr. SUGAR. I have a problem with all of this. What does this do to help boxing, rather than a given fighter? We have more important problems than people just basically pulling the curtain back to see what is behind it. It satisfies the press. We love to write about this.

Senator DORGAN. The question is exploitation.

Mr. SUGAR. Yes. That is the flow going the other way.

Mr. HAUSER. If Bernard Hopkins knows.

Mr. SUGAR. I know about that, but it is always on the Nevada Athletic Commission's amount, not TV's, but total.

Mr. HOPKINS. Bert Sugar is very knowledgeable, but it is absolutely incorrect, because as Mr. Ross Greenburg here will bear witness to, is that I remember a situation a year ago, right before the Trinidad fight, where Don King, Ross Greenburg, and myself were down in New York, in HBO's building, and I wanted to know because I happen to be more advanced than most of us that do not know how to answer that.

What is the license fee that HBO—because I am not a signed HBO exclusive fighter. I am, more or less, if Showtime were to offer something, fine. If HBO were to offer something, fine, and Don went crazy when my attorney, Arnold Joseph and I, asked, you want us to fight, say Roy, you want us to fight, say Trinidad again, or de la Hoya, what is the license fee that HBO is paying DK, Don King Productions so I can be able to negotiate in the light and not the dark.

I have to, and most fighters have to have their own entity, their own manager, and hopefully that manager is not with a promoter, the consultant or anyone, to negotiate from a promoter who is supposed to negotiate from the networks for the fighter, so if the fighter does not have his own group of people that are honest to negotiate his worth, then the promoter would dictate that he only got but $2 million when he got 8.

I mentioned Tim Witherspoon, okay. Now, TV, if TV makes it clear, if it is regulation makes it clear, rules that make it law like baseball, football, hockey, and any other sport, or golf, that whatever the network is paying, ABC, HBO, Showtime, then I can be able to deal in good faith across the board, knowing that HBO gave Don $15 million or $20 million, or $30 million for a four-fight package for Bernard Hopkins' services. Now I can look at that and say, this is what I am willing to do this for. It is not there, Mr. McCain. You are negotiating with a hand that is not even flipped over.

The CHAIRMAN. You never got the information you asked for?

Mr. HOPKINS. Absolutely not.

Mr. GREENBURG. With me?

Mr. HOPKINS. No, Don went crazy, because I wanted to know what they were paying Don while Don was there, not behind his back on the phone. I wanted to know, and HBO, all due respect in defense of them, Don is barking, maybe threatening to sue or whatever, that you are interfering with my fighter, because I am doing his business, I have exclusive rights to negotiate, so HBO is hognied. They are like, if we tell what it is, then we might have a problem, we might have this, and they have to make sure with the promoter—they do not have a relationship with the fighters, the majority of them.
I was reading in the USA Today paper today, I am pretty sure once I make this statement somebody is going to run out and see if it is in there. Not that my credibility is tarnished, but I just want to let you know that Jay Larkins from Showtime did something with a lot of heat and press—to show you how much power TV has, they are the bank, they are the vault, they pulled the fight off—and Tom Hauser can bear witness to this. Jay Larkins for Showtime, the honcho over there who calls the shots, he pulled the fight that was so mismatched. That is the power that TV has.

They told Art Poluto, the promoter of the fighter that was the upcoming star, whatever, fighting a guy that maybe had 30 or 20-something losses—in today's paper today—he snatched the fight. He said, I will not do this fight, I will not pay for this fight. That is the power that the networks have.

Like I said, again, Don King, Bob Arum, the Duvas, none of the big-time promoters do not go to their own bank account and pay de la Hoya $10 million out of Bob Arum's bank account. They go to TV and negotiate from TV, so who has the power, the promoter, or TV? The bank. All of this is about money, greed, corruption, exploitation, but it boils down to one thing, the Benjamins. So who has the Benjamins? TV.

It is no more back in the day where you get the money from the gate. It is no more in the 1930s or the 1940s, Mr. McCain, when you based and predicate everything on how many people show up, we hope it does not rain, we hope we do not have a snowstorm, nobody is going to come out and watch it. When TV became involved in boxing, it took it to another level.

The Sammy the Bulls, the John Gottis, all kinds of characters in this business, so maybe the John Gottis and the Sammy the Bulls are not around now, but are replaced. It is just modernized and more dressed up to be the same thing. If it is a cat, smells like a cat, and growls like a cat, that is what it is. It is the same thing.

Senator DORGAN. Mr. Chairman, I have only asked a few questions so far, and I am doing pretty well, but I am here actually in shape to go to 12 rounds here in these questions. If I might ask one more question, I do want to ask you a question, Mr. Hopkins. Senator McCain and I work in a business where we actually are practiced and professional at avoiding a direct question we do not want to answer. We both know how to do that and do it—well, Senator McCain perhaps less well than I, but I assure you, it is a skill that allows you to get to this position that you must possess.

Mr. Hopkins. Well, I have been in court a couple of times. I have learned that know that, too.

[Laughter.]

Senator DORGAN. You are a wonderful boxer, one of the best in the world. I have watched you box, and you are incredible. Senator McCain asked you a direct question, and he did not touch you with it because he was asking about Roy Jones, and you said Roy Jones was scared of you. Of course, we know that is not the case. You knew that was not the case when you answered. Tell me why—

Mr. Hopkins. I have been in a couple of courts. I know how to answer questions.

Senator DORGAN. But we all know that is hyperbole. Tell me why, in the current circumstances, why has a Hopkins–Jones fight
not happened? One would expect it to have happened. You both are
at the top of the boxing world.

Mr. HOPKINS. We are both in our 30s.

Senator D ORGAN. He is not afraid of you, you are not afraid of
him. Obviously, you would both like to see the contest. Why has
it not happened?

Mr. HOPKINS. One reason is money. The middleweight tour-
nament was based and predicated—Ross can speak if he wants to
about this, and this was all about winning the tournament. The
wrong guy won the tournament, sir. Trinidad did not win the tour-
nament. Bernard messed up an economy that was so built up on
Trinidad and Roy, and that was my calling. I was supposed to have
been executed that night, but the wrong guy won. If Trinidad
would have won—he had the Latin backing—it would have been
great. Roy Jones, they were building up they were talking about it.

With all due respect, you have got two big writers here, they will
tell you, they were talking about Roy and Trinidad before they
even fought. The wrong guy won, first of all.

Second, Roy Jones is finding out that he is not the only smart
businessman in boxing. Bernard Hopkins also is a businessman, a
boxer second, and when Roy Jones, Jr. backed out of his fight and
went out of the tournament, he made it a business issue to ease
out of it, and some bought it and some did not, because everybody
knows that Bernard Hopkins is worthy and paid his dues.

When Roy was feeding off the mandatory fights, people did not—
HBO will tell you, they are not proud of the ratings they got from
some of the Roy Jones fights in the last 4 or 5 years, so I took a
risk fighting Trinidad, and even the money proved my point,
proved it well.

Now Roy Jones and Hopkins, well, Roy Jones wants to take the
majority of the money because he feels he has a victory over me
in 1993 in RFK Stadium in D.C. under the Riddick Bowe and Jes-
sie Ferguson card. Well, he is holding that against me to today.
Roy said he has home court advantage because he has beat me
over 9 years ago, and I said Roy Jones is caught between two
sports. It is not basketball. There is no home court advantage be-
cause you did something 9 years ago. What have you done in the
last 5 or 6 years to say that you want 80 percent or 60 percent of
the money?

It is about money. It is about Roy knowing he is going to fight
a tough fight, and I am just starting to break through to get the
rewards of about my 15-year tender in this sport, and I have a lot
to prove when I fight a Roy or anybody else.

I think an Oscar de la Hoya fight—which is, 6 pounds separate
us—is bigger than a me and Roy Jones fight, and that is my feel-
ings on it. Roy is a guy I want to fight, but Roy is 175. He is fight-
ing at 190, not because he has got to put on weight. He walks
around close to 190, 195. I walk around at best 6 or 7 pounds above
my weight.

Everybody credits me, my enemies in the sport credit me for my
well, well-known discipline for staying in shape, even in between
fights, so I would rather make an Oscar and a Hopkins fight. Oscar
is 154, Bernard Hopkins is 160. That is easy to meet. It is bigger
money.
You always say, you say about the Irish and the Italians, such and such. Well, you have got Oscar de la Hoya, and you have a Bernard Hopkins. Oscar has a Mexican following. He just beat Fernando Vargas, and we only separate 5 or 6 pounds. Why aren’t the media beating the drums to make that happen? No, because they want to beat the drums and say, fight Roy, Bernard, at any expense. I am not at 175 pounds. I know my limit. I am successful for 14 years as a middleweight. Why would I get out of my habitat to satisfy Roy Jones, because he is Roy Jones, and I did not beat the biggest guy in boxing, which is Felix Trinidad, who had Roy beat in 3 years of being pound-for-pound.

Money is the issue. Roy does not want to fight Bernard Hopkins unless HBO or someone with some dictations to Roy to say, you have got to fight Bernard Hopkins 50–50—I even went as far as saying, 60–40, winner takes 60, loser takes 40, make it interesting. We will sell more tickets.

Mr. SUGAR. One quick note, because I just want to add one little story to what Bernard said to agree with him probably more than he agrees with me sometimes, but he said he upset the apple cart that night in September of 2000 when he beat Trinidad. There was a Sugar Ray Robinson trophy to be given out to the winner of this four-champion tournament. Don King afterwards, greeting Bernard Hopkins to the podium, said that someone had left the building with the key in their pocket, and they could not get the trophy, they would have it for him Monday. It had already been inscribed with Felix Trinidad’s name on it.

Mr. HOPKINS. They already had his name on it.

[Laughter.]

Senator DORGAN. Well, Mr. Chairman, this has been a most interesting panel. I really look forward to working with you this year and in this Congress.

The CHAIRMAN. We are going to mark up this bill at the next markup within a few weeks, and then see if we cannot get some reservations that people have about—the whole problem is what degree HBO–Showtime are involved in this legislation, and we are trying to get it resolved, and I hope we can move forward.

And Mr. Pannella, I am pleased to know that—it may not be a unanimous opinion, but I am glad that some of the State boxing commissioners are in favor of this. We intend the legislation not to micromanage the State boxing commissions, but I think you and I understand the obvious problems of not having some kind of Federal oversight of the entire sport.

Go ahead if you want.

Mr. PANNELLA. Thank you, Senator McCain.

You know, I am hearing all this conversation. You talk about the IBF and the problem many years ago with Bobby Lee. I am thinking to myself, the individual who at one time had my job in Virginia was the guy who actually had money in his sock on the highway up in New York and made the deal. That was an individual who is in a position similar to mine in another State, and I am just thinking about that, and my attorney always uses the word, firewall. We have got to create a firewall between the commissions, the sanctioning bodies, everybody. We must be above reproach, and in the Federal Boxing Act of 1996, prior to that, we had members of
commissions who were members of sanctioning bodies. It happened all over.

It is changing. It needs to take more, and the United States Boxing Administration will help to build that firewall.

The CHAIRMAN. Thank you.

Well, I have learned from this hearing, 1) that we need to try to get enforcement of existing laws. It seems to me that is a reasonable thing for citizens to expect, enforcement of existing law, including contacting the FTC again. They have a new commissioner, and new commissions, and maybe also perhaps trying to light a fire under the Justice Department, because there have been some egregious violations of the law; and second of all, to try to get this done; and third of all, keep the focus and attention on this issue until such time as there is some measurable improvement.

Mr. Hopkins, you have heard me say before the reason why Senator Dorgan and I love this sport is for a variety of reasons, including, it provides the only opportunity for some people to achieve great success in life, and it seems to me we should have assured them of a level playing field, as is generally the case in all other professional sports in America, with the exception of the sport of boxing.

So I would be glad to hear any final comments that the witnesses may have, beginning with you, Mr. Pannella, or did you already just do that?

Mr. PANNELLA. I just want to say that the work that is going on here, the bravery of the boxer Bernard Hopkins, and the interest that Senator McCain and Senator Dorgan have is very much appreciated. We have to move forward. Again, there have been positive changes made, and the Federal boxing laws in 1996 since then have made those changes. They need to continue, and I believe the public will be best served by the United States Boxing Administration, as will the boxers.

Thank you.

The CHAIRMAN. Bert.

Mr. SUGAR. Senator McCain, Senator Dorgan, I applaud what you are doing. I just hope, yes, fervently, that you put teeth in it and we go forward, because I think therein lies the whole answer. We can have about 20 more of these panels. If we do not get teeth in it, it ain't going to work, and I wish you Godspeed. Let us get it done. We have got people out there who do not take money under the table, they take it around the table. I have even seen them take the table. We have got to take the initiative. I leave it to you.

The CHAIRMAN. Thank you. You are always welcome here, Mr. Sugar. We find you not only enlightening, but entertaining.

Mr. Hauser.

Mr. HAUSER. I will just quote what you said, Senator, and I believe I am quoting accurately. We should light a fire under the Justice Department, because there have been some egregious violations of the law.

The CHAIRMAN. Thank you. Mr. Greenburg, while you answer, let me just say HBO and other cable service providers have been criticized for acting like promoters. Many in the boxing industry argue, and the witnesses have today, that HBO controls boxing, HBO is
a promoter, and thus should be regulated as such. How do you respond to that in your final comments here?

Mr. GREENBURG. Well, first of all, power does not corrupt. People with corruption in their bloodstream corrupt. We are a bank. We are powerful. We enjoy this sport. We live by this sport. We like to entertain our subscribers with the sport of boxing. That is our job. We are not just suits.

I guess many times—I heard Bernard loud and clear—we have looked out for the betterment of boxers like Bernard our entire business life, and will continue to do that. As we look ahead into the future, we believe at HBO, like both of you Senators, that this kind of Federal regulation can work and clean up the sport not only for the fighters, but for all the managers and promoters and sanctioning organizations, and all the other bodies out there that contribute, casinos and the like, to this sport’s betterment.

We are not promoters. We televise the sport of boxing. We enter into agreements with boxers and with promoters in order to televise fights. We will go, and we will continue to do that, and we will do that with your cooperation, and we will hopefully—hopefully, in the long term, be standing alongside the great fighters like Bernard Hopkins and Roy Jones and Lennox Lewis and Sugar Ray Leonard and Marvin Hagler and Mike Tyson in his best days as a heavyweight to lift the sport, to help give it its profile, to help give it its electricity to the American viewer, and that is really what this is all about.

I am here to support both of you, Senators, as you go into the future and try to enact a bill, and will be standing right by your side, because no one wants this sport to thrive more than HBO.

The CHAIRMAN. Mr. Hopkins, thank you for taking time from your training to be here today. We appreciate it very much.

Mr. HOPKINS. Thanks. I would like to thank all of the Senators. I would like to put an invitation out that any time you need Bernard Hopkins, any time you need someone in the boxing part as an athlete, being undisputed, I have a lot of influence on young fighters, and even the ones on top, and who are trying to get on top, and the ones on the bottom, I am willing to be here to spearhead, to be the fighter who speaks out without backing out of something that is very important to me even after my career is over.

I also have to promote my fight, March 29 in Philadelphia.

The CHAIRMAN. Is that Pay–Per View?

Mr. HOPKINS. That is HBO—Ross Greenburg is right here, so it’s cool——

[Laughter.]

Mr. HOPKINS. That—as we speak, and that is HBO, and that is my—I named it Sweet 16. Any woman or young lady that is past 16 understands how, when they turn 16, they feel so proud, and it was great. This is my 16th defense as a champion, and everybody at this panel, at this desk here, can know that very often, very few fighters achieve that in the same weight class. In the same weight class.
So again, thank you for giving me the time, Senator McCain and—I forgot your name. I have had 42 fights, and every now and then—Senator Dorgan.

[Laughter.]

Senator DORGAN. If I am ever ranked number 1, you will know me.

[Laughter.]

Mr. HOPKINS. Okay. Any time you need me, feel free. I am at your call. I am here to help, as a fighter I am here to help, and God forbid if I do not keep the title another year or two, because I am looking to retire by 40. I am 38. I have got a 3-year-old daughter that I want to raise and be able to talk, and maybe go talk to her principal and the principal understands me, so I am considering all that.

Thanks for having me here, and I hope everyone like Tom Hauser and Bert Sugar, they have a lot of influence on boxing, too, they write about it. People listen to them. Believe it or not, people listen to them, and I am glad they are here saying things I agree with, and they agree with me, so thank you all for having me here.

The CHAIRMAN. Well, thank you, and we appreciate that we gave you the opportunity for that plug for your upcoming fight, and we wish you every success. You did not have to mention HBO, though, they do enough. But thank you very much.

Senator DORGAN. Mr. Chairman, can I just say, the last hearing we held, Roy Jones, Jr. actually testified at that hearing, and I might say that you remind me a lot of him, or he reminds me a lot of you. I take great heart from the fact that we have two very articulate, very passionate fighters, champions who care so much about this sport and want to make it better.

I was impressed when Roy Jones, Jr. came, and I was very impressed today, Mr. Hopkins.

Mr. HOPKINS. We do have something in common. His birthday is January 16th, mine is the 15th. Maybe it is the personality.

The CHAIRMAN. I think the other thing you have is incredible skills, which I think you are probably the two best fighters in America.

Mr. HOPKINS. Well, call him up and tell him that so I can get this $10 million and maybe retire early.

The CHAIRMAN. I give up. This hearing is adjourned.

[Whereupon, at 11:15 a.m., the Committee adjourned.]