

How unique recipe delivered success for D.C. boxing event



JEFFREY S. FRIED

On Dec. 10, HBO broadcast a “World Championship Boxing” event from the Walter E. Washington Convention Center in Washington, D.C., its first event in the nation’s capital in 18 years. This unified super lightweight championship bout featured world champion Amir Khan unsuccessfully defending his title against mandatory challenger Lamont Peterson in what was considered a candidate for Fight of the Year. The fans, the media and the boxing industry are already discussing a marquee-level rematch as the bout created a buzz throughout Washington, D.C., and controversy in the sport.

The last HBO championship boxing event promoted in Washington, D.C., was on May 22, 1993, when Riddick Bowe knocked out Jesse Ferguson in defense of his world heavyweight title at RFK Stadium. I was fortunate to likewise be a part of that 1993 promotion. The principal reason for this 18-year void is the underlying economics attendant to hosting a championship boxing event and, principally, the elevated financial risks associated with staging a championship bout at a non-casino property.

What made this event unique?

1. The championship bout was fought in the challenger’s hometown.

The champion’s promoter customarily has the discretion where to host a championship-defense bout. Rarely does the champion defend his title in the challenger’s hometown because, in part, there is a perception that the partisan crowd can affect the judges’ scoring (i.e., cheers for punches thrown by the challenger whether they land or not). The outcome of this championship bout was not without controversy regarding the judges’ scoring and the actions of the referee (who deducted two points from the champion for “pushing/shoving”), the former champion’s accusations of a “hometown decision,” and protests filed with the sanctioning organizations. In any event, Khan deserves tremendous credit for defending his title in front of 9,800 fans, most of whom were supporting Peterson.



Amir Khan (left) fought Lamont Peterson in Peterson’s hometown of Washington, D.C., and outside the traditional resort casino setting. The result created buzz throughout the sport.

Circumstances can arise where the financial opportunities associated with promoting a championship bout in the challenger’s hometown outweigh these negative views. A popular challenger will draw a large crowd and garner substantial media attention for the event. The rise of Peterson and younger brother Anthony from homelessness to world champion contenders captured the attention of the region. A cooperative transaction between Golden Boy Promotions and Events DC — the convention and sports promotional arm of the Washington, D.C., government — maximized the event’s commercial potential, generated economic development benefits for Washington, D.C., and established a template for similar transactions in other cities.

2. It was staged outside of a traditional casino resort setting.

While exceptions exist (e.g., Madison Square Garden, Staples Center), the site fees guaranteed from casino properties in Las Vegas, Atlantic City and other gaming venues enable the boxer to receive larger purse guarantees and reduce the financial risk to the promoter since the championship bout creates a distinctive entertainment vehicle enhancing the core gaming business of the host casino property. The customary site transaction formula is straightforward

and equitable: The site pays a guarantee for the right to host the championship bout and recoups its guarantee and documented site expenses from the live gate revenue. Thereafter, any excess gate revenue is allocated between the promoter and the site on a predetermined formula (e.g., 80 percent promoter; 20 percent site). In addition, the hotel associated with the casino provides complimentary rooms, food per diems and other amenities that defray promotional costs.

The convention center model in most cities is to attract large conventions, fill hotel rooms and restaurants, and otherwise increase economic development for the city. Therefore, it was necessary to structure a transaction that blended the skill sets and resources of Events DC, Golden Boy and select D.C.-area consultants to create an elite-level operations framework associated with an internationally televised sporting event. With this financial backdrop, a transaction was consummated whereby the Events DC sales, marketing, box office, production and sponsorship departments provided the infrastructure for this championship boxing event while working in conjunction with Golden Boy. My commitment was to orchestrate the event in those areas enhancing the city’s economic development. Events DC is becoming actively involved in promoting sports and entertainment events at its

city-owned venues (convention center, RFK Stadium and the DC Armory). Our working relationship and respect for the USO’s initiatives in the area ensured that the men and women of our armed forces were strongly represented at the championship bout.

3. The nontraditional setting in the nation’s capital provided a diverse crowd for the fight and surrounding promotional events.

The differentiator in promoting a successful boxing event is to attract the general sports fan in addition to the core boxing fan. The commercial objective for this championship bout was to attract a diverse crowd representing a cross-section of this unique and somewhat untapped regional market. Washington, D.C., possesses an exclusive demographic of lobbyists, lawyers, large-scale employers and members of the legislative, executive and judiciary branches of government. The region ranks first in comparison to all other states in per capita disposable income. Mission accomplished, as this boxing event became the place to be that evening, capitalizing on the unique attributes of the city, including all ringside seats sold, a premier pre-fight reception attended by the “who’s who” of D.C. and gross live gate revenue in excess of \$800,000 (net of complimentary tickets).

The dramatic and compelling victory by Peterson and the transformation of convention center space into center stage for this championship bout broadcast created an extraordinary event. The animated crowd not only provided further motivation for Peterson within the ring, but the uniform support from such a diverse crowd also created something to build upon regarding social, economic and educational issues affecting D.C.’s communities and residents.

Future marquee-level boxing events involving the new world champion will have an even further reach for the general sports fan and an extended entertainment audience based upon the action within the ring, the human-interest aspects outside the ring and the fan experience at this championship event.

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