BEFORE THE CALIFORNIA STATE ATHLETIC COMMISSION DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA

In the Matter of the Arbitration of

Case No. 092809-1

HUGO CENTENO JR.

Boxer

ROBERT W. LEWIS

Manager

DECISION

This matter came on regularly for hearing before Interim Executive Officer Dave Thornton at approximately 10:00 a.m. on September 28, 2009 pursuant to a Request for Arbitration filed by manager, Robert Lewis. The parties were informed prior to the hearing that each side would be given one hour to present their evidence in the form of documents or testimony. This announcement was repeated at the outset of the proceedings.

Boxer Hugo Centeno Jr. was present with his father, Hugo Centeno Sr. and his brother. He was represented by Derryl S. Halpern, Esq.. Manager Robert W. Lewis was present and represented himself. Karen Chappelle, Supervising Deputy Attorney General, was present and assisted the Arbitrator for the California State Athletic Commission.

Manager Robert Lewis provided documents prior to the arbitration for consideration in the process. Boxer did not submit any documents prior to the arbitration. After the conclusion of the arbitration on Sept. 28, 2009, a three page letter dated September 20, 2009 was faxed to the Commission office in Sacramento, California. This letter was not considered by the arbitrator in the decision in this matter as there was no indication that it had been provided to Manager, Robert Lewis.

Accordingly, the matter was submitted at the conclusion of the hearing.

FINDINGS OF FACT

1. On or about May 8, 2009, Manager Robert W. Lewis (hereafter, "Manager") filed a Request for Arbitration with the California State Athletic Commission. (hereafter "Commission"), pursuant to paragraph "C" of the contract and Rules 221 and 227. The basis for

the request alleged that Centeno Jr. (hereafter, "Boxer") has not participated in two fights for him and does not respond to phone or text messages from him since April 25, 2009.

- 2. Centeno is 18 years old, a lightweight classified boxer and received his California Boxer License on February 1, 2007. His current record is 2 wins (2 KO) 0 lost and 0 draw, with a KO average of 100 %. He does not currently hold a license in California. The boxer-manager contract was signed by the parties and acknowledged by a Commission representative on April 6, 2009 and expires on April 5, 2014.
- 3. Manager Robert Lewis testified that he has been a manager for one year, and other than Hugo Centeno Jr. he manages one other boxer in California. Manager developed a "vision plan" for success for boxer which included publicity, flamboyant costumes, posters and media. Manager explained this plan to Centeno Sr., and also discussed the addition of a clothing line. He procured a six bout deal with Promoter Roy Englebrecht which was signed on February 27, 2009 by Hugo Centeno Sr.
- 4. Manager secured a bout on April 8, 2009 in Irvine for \$1,000 purse. Everyone was paid in accordance with the contract terms. After the fight, which Centeno Jr. won, Centeno Sr. told Manager that he was no longer needed, that everything that Manager was doing for Boxer they could do themselves. Manager told boxer and Centeno Sr. that he had found a fight in Las Vegas for after May 14, and Centeno Sr. said that Boxer would not fight anymore. There was some disagreement between boxer and manager over the 331/3 percentage, which is standard, but which boxer and or his father thought was too high.
- 5. According to Manager, Centeno Sr. indicated that he could secure a fight for Boxer which would pay \$2,300 in Ohio, and Centeno Sr. did not want to pay the manager. Centeno Jr. said he thought it should be 20% and Centeno Sr. thought it should be 10%. Even the mother of Centeno Jr. got involved to advise that the Manager's fee was too much.
- 6. Manager testified that the terms of the contract were explained to the boxer by Dean Lohuis. He explained the meaning of every term to the boxer and to Centeno Sr. The contract was signed by each of them at the weigh in. During the time of Manager's relationship with the family, Manager has paid Centeno Sr. various amounts of \$1,000 and 1,200 for various reasons, and did not do so with the intent of being repaid. Manager testified that Dean went over the provisions of the contract three times discussing the length of the contract and the percentage of the Manager being 33 1/3 percent
- 7. Centeno Sr. serves in the capacity of trainer for Boxer. Manager suggested that boxer find another trainer instead of his father. Manager said that Centeno Sr. called him by a racial slur, and they have not communicated since. Manager submitted an itemization of expenses incurred on behalf of Boxer that were in the course of his representation of the Boxer in an amount of \$25,000. He testified that he was not seeking repayment of this money, that he anticipated that once Boxer was successful, that he would be compensated. Manager produced a

contract with Roy Englebrecht for a a total of six fights, including the fight on April 8, 2009 which would take place at the Marriott. Thus far, Boxer has not participated in any of them. Only one fight remains on that offer, for December 17, 2009. Manager testified that there were no negative financial consequences of Boxer's failure to participate in the other three fights.

- 8. Boxer testified that he thought Manager's share of the purse should be 33 1/3 after the trainer took his share. Boxer wants to get out of the contract. According to Boxer, Manager turned into another person after the contract was signed, but was unable to provide any specific example of what he meant. He said he wants out because of the disagreement between his father and Manager.
- 9. Boxer testified that Dean did explain the terms of the contract, but he thought the Manager's percentage was negotiable. Boxer has trained with his father since he was ten years old. Boxer is afraid that Manager will terminate Centeno Sr. as his trainer, because it creates a conflict of interest with the way Centeno Sr. feels towards Manager.
- 10. Boxer testified that he understands he would be liable for any breach of contract with Manager.
- 11. Hugo Centeno Sr. testified that he did not ask any questions at the contract signing about the length of the contract. He claimed he did not know what he was signing and that the manager told him the document pertained to Boxer's amateur record. Centeno Sr. said that Manager does not know anything about boxing, he has no experience and that Manager scheduled a fight when Boxer's hand was injured. Centeno Sr. had no medical records to substantiate any injury to Boxer's hand.

LEGAL CONCLUSIONS

1. Exclusive authority of California State Athletic Commission to arbitrate promotional contracts exists by reason of the express language of the contract itself, which provides in paragraph C(2) and 16 CCR 221.

DISCUSSION

- 1. Boxer Hugo Centeno Jr. asserts that he wants to get out of the contract because Manager does not get along with Centeno Sr. and that he thought Manager was entitled to a lesser amount than 33 1/3 percent.
- 2. Manager maintains that he is willing to work with Boxer, but that Centeno Sr. prevents him from contacting Boxer, and that Centeno Sr. called him the "N" word. Manager produced paperwork to substantiate that he has produced bona fide bouts for Boxer to participate in, and

that he is unable to communicate with Boxer due to the conflict with Centeno Sr.

- 3. At the outset, it is noted that wherever possible, the commission strives to uphold agreements between boxers and managers. In some rare instances, however, circumstances warrant the commission's action to dissolve such contractual relationships. These circumstances include, but are not limited to, breach of the contract by the boxer, breach by the manager and other circumstances where the commission feels it is "in the best interest of boxing" to dissolve the relationship. This does **NOT** appear to be such a rare circumstance. Here, the manager has obtained a six fights contract with a major promoter during the first year of the boxer-manager agreement. For a Manager with limited experience in the industry, a six bout contract shows at a minimum that he is working in the best interest of the Boxer's career. In addition, Manager produced an accounting that demonstrated expenditures of his own money for clothing, marketing, training, advertising, medicals, and numerous other expenses related to Boxer, thus evidence that Manager took his job as Manager seriously.
- 4. Testimony given at the arbitration hearing centered mainly around boxers father and his inability to accept Manager's strategy and plan for Centeno Jr.'s career.
- 5. Accordingly, the Commission hereby finds that the Boxer-Manger Contract dated April 6, 2009 between Hugo Centeno Jr. and Robert W. Lewis as Manager is valid. The contract will remain in full force and effect for the remainder of its term.

ORDER

WHEREFORE, THE FOLLOWING ORDER is made:

The arbitration is resolved in favor of leaving the contract intact.

DATE: November 10, 2009

Dave Thornton, Interim

Executive Officer

California State Athletic Commission

DECLARATION OF SERVICE BY CERTIFIED MAIL AND FIRST CLASS MAIL

(Separate Mailings)

Case Name: HUGO CENTENO JR. v. ROBERT W. LEWIS

No.: 092809-1

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service that same day in the ordinary course of business.

On November 10, 2009, I served the attached **DECISION** by placing a true copy thereof enclosed in a sealed envelope as certified mail with postage thereon fully prepaid and return receipt requested, and another true copy of the **DECISION** was enclosed in a second sealed envelope as first class mail with postage thereon fully prepaid, in the internal mail collection system at the Office of the Attorney General at 300 South Spring Street, Suite 1702, Los Angeles, CA 90013, addressed as follows:

HUGO CENTENO JR. 2060 Rhonda Street Oxnard, CA93030

ROBERT W. LEWIS 1166 B INDUSTRIAL AVE. OXNARD, CA 93030

DERRYL S. HALPER Trial Lawyer 18425 Burbank Blvd., Suite 711 Tarzana, CA 91356 **Certified Article Number**

7160 3901 9848 5608 2278

SENDERS RECORD

Certified Article Number

7160 3901 9848 5608 2285

SENDERS RECORD

Certified Article Number

7160 3901 9848 5608 2247

SENDERS RECORD

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on November 10, 2009, at Los Angeles, California.

Henrietta Gaviola

Declarant

Signature

LA2009507426 Document in ProLaw

7160 3901 9848 5608 2285 71LD 3901 9848 5608 2278 TO: ROBERT W. LEWIS To: Hugo Centeno Jr. 1166 B Industrial Ave. 2060 Rhonda Street Oxnard, CA 93030 Oxnard, CA 93030 **SENDER:** Karen B. Chappelle SENDER: Karen B. Chappelle, SDAG REFERENCE: LA2009507426 LA2009507426 REFERENCE: PS Form 3800, June 2000 PS Form 3800, June 2000 RETURN Postage RECEIPT RETURN Postage Certified Fee RECEIPT Certified Fee Return Receipt Fee SERVICE Return Receipt Fee Restricted Delivery Restricted Delivery Total Postage & Fees Total Postage & Fees POSTMARK OR DATE **US Postal Service** POSTMARK OR DATE US Postal Service Receipt for Receipt for **Certified Mail Certified Mail** No Insurance Coverage Provided Do Not Use for International Mail No Insurance Coverage Provided Do Not Use for International Mai

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TO:

Derryl S. Halpern Trial Lawyer 18425 Burbank Blvd., Suite 711 Tarzana, CA 91356

SENDER: Karen B. Chappelle

REFERENCE: LA2009507426

Receipt for Certified Mail

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DECLARATION OF SERVICE BY U.S. MAIL

Case Name:

Lewis, Robert W. and. Centeno, Hugo Jr.

No.:

092809-1

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service that same day in the ordinary course of business.

On <u>September 16, 2009</u>, I served the attached **NOTICE OF ARBITRATION** by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the internal mail collection system at the Office of the Attorney General at 300 South Spring Street, Suite 1702, Los Angeles, CA 90013, addressed as follows:

ROBERT W. LEWIS 1166 B Industrial Ave. Oxnard, CA 93030

HUGO CENTENO JR. 2060 Rhonda Street Oxnard, CA 93030

DAVE THORNTON
Executive Officer
California State Athletic Commission
2005 Evergreen Street, Suite 2010
Sacramento, CA 95815-3831

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on September 16, 2009, at Los Angeles, California.

Henrietta Gaviola

Declarant

Signature

LA2009507426

AG Declaration of Service-Internal Mail (W).doc

DECLARATION OF SERVICE BY CERTIFIED MAIL

Case Name: Lewis, Robert W. vs. Centeno, Hugo Jr.

No.: 092809-1

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service that same day in the ordinary course of business.

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HUGO CENTENO JR. 2060 Rhonda Street Oxnard, CA93030 Certified Article Number
7160 3901 9845 3255 8455
SENDERS RECORD

I declare under penalty of perjury under the law of the State of California the foregoing is true and correct and that this declaration was executed on September 16, 2009, at Los Angeles, California.

Henrietta Gaviola

Declarant

LA2009507426 Document in ProLaw Signature

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