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Boxer Is Entitled to Purse From Fight in Chechnya, Judge Says

Andrew Keshner, New York Law Journal

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A federal judge ordered a German promotional company to pay the remainder of a purse it agreed to give to a professional boxer for a hard-fought bout in Chechnya.

Southern District <u>Judge Ronnie Abrams</u> brushed away the company's claims that the contract with Fres Oquendo was unenforceable, saying the fighter was entitled to \$775,000 plus interest.

Moreover, Abrams blocked the company CCC Terek from promoting any match for Uzbek boxer Ruslan Chagaev—who edged out Oquendo by judges' decision in a 12-round "surreal" slugfest—for 18 months, or until the company schedules a rematch for Oquendo.

After issuing a preliminary injunction on the rematch issue in April, Abrams said Friday the record was "clear that Oquendo would suffer irreparable harm that cannot be remedied by money damages if he is denied a rematch."

Though Abrams said the legal claims in Oquendo's breach of contract action, <u>Oquendo v. CCC</u> <u>Terek</u>, 14-cv-9835, were "straightforward," the case's facts were "unusual, if not sensational."

With some 30,000 spectators watching, the world heavyweight championship fight took place July 6, 2014 in Grozny, Chechnya. It pitted Oquendo, also known as "Fast Fres," 37-8, against Chagaev, 33-2-1.

One media report called the match "surreal," replete with "folk singing, children dancing, an enormous psychedelic gazebo, Chagaev wandering through a mock medieval [Chechen] village on his way to the ring."

When Chagaev seemed to be flagging over the course of 12 rounds, Chechen President Ramzan Kadyrov twice walked to Chagaev's corner. Ultimately, one judge said it was a draw; two others found for Chagaev by the score of 115-113.

Prior to the fight, the parties entered into talks as early as October 2013 and by May 2014, they agreed to a fight with a \$225,000 purse for Oquendo, who lived in Illinois.

The matter was complicated when, as the fight approached, doctors induced labor for Oquendo's wife and she became ill days after giving birth. Leading up to the fight, Kadyrov was on a telephone call to Oquendo to persuade him to leave his ill wife and newborn son in Illinois for the

match-up.

By early July, CCC Terek, based in Hamburg, raised the purse to \$1 million for Oquendo.

Oquendo still refused to leave.

Ultimately, a rematch clause for the fighters was inserted in the agreement that said a follow-up fight would be scheduled within 120 days of the July 6, 2014 match with no fights in between.

As Abrams noted, it allowed the July fight go ahead as planned and assured Oquendo he would get another shot at Chagaev if he lost, given his mental state at the time.

Oquendo executed the contract and got to Grozny one day before the fight.

After the bout, Oquendo was urged to accept \$200,000 in cash instead of the \$1 million purse. He and his manager were later urged to accept \$500,000. They refused.

Later in July, the company wired Oquendo \$215,000. His manager wrote to the company about the remainder and a representative of the company replied, "I will check on the rest and get back to you asap."

Despite further demands, Oquendo did not get more money, nor has a rematch been scheduled.

He sued in December; the contract had a forum selection clause providing for jurisdiction in the Southern District of New York.

CCC Terek at one point had legal counsel, but Abrams granted a motion by Richard Simon, of Kings Park, to withdraw for non-payment of fees.

As of Friday, the company had not yet found substitute counsel "despite multiple admonitions to do so," Abrams added.

Neither CCC Terek's president nor a representative appeared for depositions.

In any event, the company asserted the July contract was unenforceable. The pact was a "product of economic duress," and the company's agents were, as Abrams put it, "under duress as a result of threats to its agents' physical safety by unnamed Chechen government officials."

Abrams was not swayed by either contention.

"And even assuming one or both succeeded on these facts, Terek's failure to promptly repudiate the contract is fatal to its assertions that the contract is now unenforceable," she said.

Courts do not enforce contracts under the theory of economic duress when it is shown that one party "has unjustly taken advantage of the economic necessities of another."

Abrams said the lack of any "wrongful threat" by Oquendo made the claim defective.

As for the claims of physical harm, the evidence in front of Abrams did not support an argument of involuntary acceptance. The basic facts connected to the claim were "essentially all speculation."

Even if there was duress, the company ratified the contract, the judge said. She pointed to the post-fight email exchange on the remainder of the purse where the representative told Oquendo's manager he would "check on the rest."

"That statement cannot fairly be construed as a protest to the July contract," she said, adding that the company did not show any evidence it objected to the contract until it appeared in the suit, about eight months after the fight.

"That is simply too long and, accordingly, Terek must be held to its promise," she added.

The sides fought over whether \$10,000 Oquendo got before the fight was part of the purse or for training expenses.

Abrams declined to consider evidence on a separate agreement about the training expenses.

As a result, the total sum due was \$775,000, which was one million, minus the \$225,000 that Oquendo already received.

Oquendo was represented by Judd Burstein of Judd Burstein, P.C. and Peter Schalk, a partner at the firm.

Burstein said Abrams "gave the other side every opportunity to get their act together and make a showing. What they did instead was thumb their nose at the whole situation" and showed a "complete lack of respect for the American judiciary."

Burstein has a pending contempt motion because the company took steps to arrange a fight for Chagaev against another boxer.

Asked about the prospects of collecting the purse, Burstein said under World Boxing Association rules, Chagaev could only fight in matches sanctioned by the association.

The association would not "stand by in face of a judicial decision saying a fighter got stiffed and just ignore it," he said.

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