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SPORTS BIZ

The Selling Of The Golden Boy

As his career wanes, Oscar De La Hoya aims to build an Hispanic business empire

In his heyday, Oscar De La Hoya was almost unstoppable. Combining a jolting left hook with dogged determination learned on the mean streets of East Los Angeles, De La Hoya compiled a 37-4 record, winning six world titles. But from his days as a 1992 Olympic champ, Oscar was always more than lightning in silk trunks. A pretty boy in a brutal sport, he became an icon to Mexican Americans, generating mountains of fan mail from lovesick Latinas, grabbing hefty ratings for his bouts on HBO ([TWX](#)), and cutting a Grammy-nominated album of bilingual songs.

Now the sexy boxer is trying to transform his 100-watt smile and record in the ring into a business empire focused on the fast-growing Hispanic market. That's the fight plan devised by Team De La Hoya, a group of Los Angeles investors who intend to take Oscar where no boxer -- or Hispanic athlete, for that matter -- has gone before. The plans include restaurants, health clubs, storage facilities, even a bank with De La Hoya as lead investor and headliner.

In April, De La Hoya's Golden Boy Enterprises announced a \$100 million deal with L.A. developers Highridge Partners to build commercial and residential real estate projects in the Hispanic inner-city neighborhoods of Southern California. John Long, a partner in Highridge, says having Oscar on board is like having the Good Housekeeping Seal because of his standing in local Latino communities.

Following in the athletic shoes of basketball great Earvin "Magic" Johnson, who turned his celebrity into a \$500 million empire of movie theaters and real estate, won't be like two rounds with a stumblebum, however. Johnson "crossed over to a much wider audience than just African Americans," says Los Angeles sports marketing consultant David Carter. "You see him pushing T.G.I. Friday's, not soul food restaurants." De La Hoya's first crossover promotion, the TV show *The Next Great Champ*, was yanked by Fox ([NWS](#)) after only four episodes. And the hottest boxer in De La Hoya's stable of fighters, 40-year-old Bernard Hopkins, lost his middleweight title to Jermain Taylor in a close fight on July 17.

De La Hoya's focus is less mainstream than Magic's, too. And while the per capita income of the more than 40 million Hispanics in the U.S. is expected to rise 8.2% annually through 2009 -- nearly twice as fast as the non-Hispanic rate -- the Latino population still shells out only about 84% per capita of what other ethnic groups spend on goods and services, according to a 2004 report on buying patterns by the University of Georgia. "There's a Hispanic middle class, no doubt, but it just doesn't spend as much as other groups," says Roberto Suro, director of the Pew Charitable Trust Hispanic Center. "And Oscar De La Hoya is by no means alone, or even early."

Still, De La Hoya is scoring business points. Guided by Richard Schaefer, a baby-faced former executive at Swiss bank UBS Warburg ([UBS](#)), De La Hoya's Golden Boy Enterprises had revenues of \$50 million last year, which includes \$38 million in Oscar's earnings from the ring. Its Golden Boy Promotions manages 17 fighters (and Oscar) and stages as many as 50 fights a year, many on Hispanic network Telefutera or on HBO Latino, which telecasts the monthly show Oscar De La Hoya Presenta Boxeo De Oro. The 32-year-old De La Hoya says he is contemplating two more fights, including a possible November bout against junior middleweight champ Ronald "Winky" Wright in Los Angeles. De La Hoya, who has earned more than \$150 million from his own matches, would likely get \$20 million from the fight, according to Schaefer.

"Fighting is what I do, and it keeps me in front of my fans," says De La Hoya, sitting in his paper-free office in a Los Angeles building he bought in 2002 for \$15 million and christened the Golden Boy Building. (His nickname has been Golden Boy since his gold medal in Barcelona.)

A BANK OF THEIR OWN

Golden Boy Enterprises plans restaurants and perhaps De La Hoya health clubs in partnership with the 24 Hour Fitness chain, which has previously teamed up with Johnson and tennis star Andre Agassi. De La Hoya and Schaefer say they will even open a bank and are close to getting a license. "There are Asian banks, Cuban banks, [but] no banks for Mexican Americans," says De La Hoya.

Despite his nickname and current image, his career hasn't always been so golden. As a teen boxer, Oscar fought hard and partied harder. Mike Hernandez, an L.A.-area Chevy dealer who gave him a Corvette when he won the gold, managed Oscar's career from a spare office and landed endorsement deals with McDonald's ([MCD](#)), Champion Shoes, and B.U.M. Equipment clothes. To raise his profile in the community, Hernandez staged fund-raisers for hospitals and schools in De La Hoya's name and created a youth center for underprivileged kids. "We wanted to make him someone that neighborhood people would look up to," recalls Cindy Villarreal, De La Hoya's former assistant and Hernandez' longtime companion.

That wasn't easy. A Santa Barbara woman brought civil charges against De La Hoya for allegedly raping her at his condo in Cabo San Lucas, Mexico, in 1996 when she was 15. And several managers have sued him over broken deals, including Hernandez and veteran promoter Bob Arum. Manager Shelly Finkel, who says he gave the fighter's family \$100,000 to help care for De La Hoya's dying mother before the Olympics, claims he was stiffed when Oscar turned pro. Finkel and Hernandez have resolved their differences with Oscar and have no ill feelings toward him. Arum didn't return calls. De La Hoya denies the rape but says he settled with the woman "for a very low amount of money."

As he has matured, De La Hoya has moved from the barrio to gentrified Pasadena, where he lives with his wife of five years, Puerto Rican pop singer Millie Corretjer, and has honed a 10-handicap golf game. Says *Latina* magazine founder Christy Haubegger, currently a Hispanic-marketing consultant with Creative Artists Agency: "He represents the aspirations of many Hispanics to live the American dream while holding on to their Hispanic heritage."

"I understand the Hispanic market, I have lived it," De La Hoya says. His skills on the canvas may be waning, but Oscar still has plenty of fans. And these days, lots of them are investors.

By Ronald Grover in Los Angeles

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