



Maybe Floyd Mayweather's spending is the key to winning

Robert Frank | [@robtfrank](#)

Thursday, 23 Apr 2015 | 4:28 PM ETCNBC.com

It's all too easy to call Floyd Mayweather an out-of-control spender.

His social media barrage of consumption—from the six-figure watches, to shoe closets, piles of cash, a supercar collection and what he calls his "eight-figure mansion"—are all fodder for lectures on financial prudence. His Las-Vegas approach to money has drawn comparisons to other boxing greats like Mike Tyson and Evander Holyfield, who were both laid low by financial problems despite huge winnings in the ring.

USA Today reported Thursday that a Las Vegas car dealership, Towbin Motocars, said it's sold over 100 cars to Mayweather—including 16 Rolls Royces and three Bugattis.

"We never know when Floyd will get the bug for car shopping," said one of the executives at the dealership. "It could be in the middle of the day or it could be in the middle of the night." One time he came in at 2 a.m. and bought "a couple of cars," according to the dealer.

Mayweather pays in cash, forcing the dealership to buy a new cash-counting machine "specifically for Floyd."

The boxer says he's got it all under control. As he told ESPN, there are so many scam artists and financial predators who target athletes that he's made sure he has "the right people around me, and have my business conducted in an orderly fashion."

And media reports say Mayweather is worth somewhere around \$300 million. Next month's highly anticipated fight with Manny Pacquiao could make him another fortune.



Maybe Floyd Mayweather's spending is the key to winning



Alex Menendez | Getty Images

WBC/WBA welterweight champion Floyd Mayweather loosens up before he works out at the Mayweather Boxing Club on April 14, 2015 in Las Vegas.

Financial advisors say the common ailment with boxers and other star athletes is a love of spending combined with a firm belief that the monster paychecks and victories will keep rolling in. Most recommend that athletes spend less, invest more, adopt better financial planning for the future and start planning for their next career.

Yet other advisors say that with an athlete like Mayweather, there is only so much an outside advisor can do to reduce the spending. And they add that all his spending may be within his budget and even a necessary part of his career.

"The best you can do is to control the spending, you can't stop it," said Jonathan Miller, a Scottsdale, Arizona-based accountant and advisor to athletes who co-founded the Sports Financial Advisors Association. "It's their money, they're going to do what they want with it."



Maybe Floyd Mayweather's spending is the key to winning

A more realistic approach, Miller said, is to understand their psychology and spending relative to their wealth. He said he helps them make smarter spending decisions, like figuring out expenses (such as dinners or club nights) may be tax-deductible and asking more questions about each purchase. Miller said he also tries to make sure members of the athlete's entourage and team all have specific jobs.

Miller said that for some athletes, big spending is part of their psychology of dominance and confidence. So it is sometimes unwise to shut down the spending.

"If you drive up to the game or the fight in a Ferrari, or look in the mirror at your big ring or cash, that may give you confidence to step in and win," he said. "There's a psychology there that you or I could never fathom."

While Miller said that some advisors tell athletes to start planning their second career early, he said that top athletes need to think that they are invincible in order to keep winning.

"If they go in the ring thinking 'I could get knocked out tomorrow and end my career,' they're not going to win. So they have to think they're invincible."

In other words, the psychology of being a winning athlete is often in conflict with being a prudent financial manager.

Miller said that the best athletes and advisors can do is make sure that the spending is in proportion with their wealth. And for Mayweather, what looks like hyper-spending to others may be well within his budget.

"What he is doing may be perfectly fine relative to his net worth," Miller said. "It would be like you or me going out and buying a \$300 pair of shoes."

Or for Mayweather, a pair of Bugattis.