



an

Idaho Funeral  
Service Association  
Quarterly Publication

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by the IFSA offices

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# IFSA 2009 1st Qtr. Newsletter

## President's Message

Dear Association Members,

It is a great time to be working in the funeral profession. The privilege to serve families and our communities is full of opportunities for satisfaction as a provider.

I am changing my mind about making sure that the funeral services goes so smoothly that the family doesn't recognize the funeral director's presence! The funeral needs to go smoothly, but being visible as we care for the families we serve is vital. We must be available night and day to guide families through the challenges of death, whether it be a long or short illness or a tragic accident. Transition after the loss of a loved one is difficult. We are vital at the time of need.

We are looking at continuing education requirements to make us more accountable to our communities and to improve our knowledge.

I have been impressed with the services available through NFDA and other professional organizations and suppliers. Publications like The Director, Dodge Magazine and Mortuary Management, etc. give excellent advise and information to help us in our work. I highly recommend that you read and review with your staff the technical reports and other articles about funeral service. Sharing these and your own experiences will be helpful in dealing with the public. It will help elevate the profession for all funeral directors. I think of Bill Hoy's presentation at the 2008 Annual Convention—"If we error, acknowledge it quickly and then immediately correct the problem."

The plans for the 2009 Annual Convention at the Shore Lodge in McCall, Idaho, June 28-30th, are taking shape. We have an excellent representative coming from NFDA, Michael R. St. Pierre, CFSP, to share his insight with us. Speakers, activities and sponsors will make this an outstanding convention. PLEASE make serious plans to attend the Annual Convention, we really want to have a great turnout—I promise you will not be disappointed!

The Advocacy Summit Conference was a very interesting experience. We were represented by myself, Kevin Rosenau, First Vice President; Myrna Gordon, Past President; and Steve Gordon, IFSA Policy Board Representative. Meeting with legislators in Washington D.C. is a complicated process. There were three areas that we were interested in giving input—health insurance, death tax, and SSI irrevocable payments by constituents we serve. They were supportive of our input and happy to see Idaho voters. They encouraged us to contact our friends and relatives in other states and have them let their own legislators know of our concerns about these three issues.

Douglas Webb  
IFSA Board President

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Steve Gordon ('07-'12)

## Mid-Winter Board Meeting Update

The IFSA Board met for its Mid-Winter meeting February 2, 2009. The meeting was called to order by President Doug Webb who reported on his attendance at the NFDA State Officer's Meeting in San Francisco. Doug identified a number of NFDA and IFSA goals: getting younger funeral directors involved in association committees and leadership; getting funeral home employees involved to a greater degree with association matters; promoting the rich traditions of funeral service; and recognizing that service to families is the most important of all the things funeral directors do and stressing education and continuing education for all funeral directors in all phases of funeral service.

The board reported on the NFDA annual convention held in Orlando, FL. One of the major issues presented at the NFDA Convention was the concept of some type of nation wide model pre-need legislation. NFDA is advocating a nationwide pre-need set of laws which would address form and content of pre-need contracts, including provisions related to "guaranteed" pre-need contracts, irrevocable pre-need contracts which would address the concept of "portability" by allowing consumers to move a pre-need, pre-paid contract to a different provider. Please see a portion of this "portability" concept on the next page.

State Board of Morticians member John Buck reported to the board on SBM activities. One of the Board goals will be fashion a rule adopting continuing education in Idaho as a condition of annual renewal of a morticians and funeral directors license. Work is continuing on this rule, and I met with the members of the board Tues, April 21, 2009, to discuss Association thoughts and recommendations regarding a rule governing continuing education. The boards' rule will be submitted to the association for review and comment prior to its submittal to the Idaho Legislature for approval. John Buck also discussed the new form being used by the board and the bureau for porting of funeral home pre-need trust accounts.

Another issue discussed by the board is the pending "preferred shipper" being utilized by the airlines when dealing with ship-outs. There has been considerable information presented by NFDA and other publications regarding the "preferred shipper" program. It will be important for all funeral homes to follow through with requirements.

President Doug Webb reported to the board on plans for the upcoming convention in McCall, June 28-30, 2009. There are changes in the agenda and scheduling for the 2009 meeting that vary somewhat from past conventions. More information will be provided at the time of the registration packets. We hope to get a good turn-out of funeral directors, suppliers and families this year.

# Policy Board Report

At the request of our Policy Board Member, Jeff Blackmer, I filled in as his substitute for the policy board meeting, held at the NFDA Advocacy Summit March 30 –April 1, 2009.

The policy board met on Monday, March 30 with a full agenda to accomplish. NFDA President John Reed shared his thoughts on the purpose of the meeting in Washington D.C. He expressed his thanks to all of the board members of each state for their time and dedication to NFDA. I personally would like to thank Jeff Blackmer for his work on the policy board. He is well respected among his peers there.

There were several recommendations before the policy including the legislative agenda (policy positions) for NFDA so that our PAC representatives (John Fitch and Lesley Witter) in Washington, D.C. can work on legislation regarding these items.. One area of great concern was Preneed and for a unified code for all states. It was recommended that all states study and possibly adopt the Model Preneed Law formulated by NFDA and NFDA's general council Scott Gilligan. Idaho ranks in the good category for preneed laws according to Mr. Gilligan. I personally feel he rated our state a little low in regards to consumer protection and the disclosures made to the person pre-purchasing a funeral. If you would like more information regarding Mr. Gilligan's assessment of our laws you can receive it from NFDA or I could pass on the information I received.

Another area of discussion was the PAC Fund. I would encourage everyone to participate at least on some level of giving, so we can support members of the House and Senate that work with issues that are of concern to Funeral Service and small business issues.

A second purpose for meeting in Washington D.C. is to allow those attending to visit our elected officials. IFSA President Doug Webb, First Vice President Kevin Rosenau and his wife Kim, Myrna, myself and our daughter Hannah were able to personally meet with Senators Crapo and Risch, and Representative Simpson. We met with Representative Minnick's staff. We were well received and all are interested in the issues we have concerning funeral service and how we can better serve our communities and clientele. They are all looking into co-sponsoring NFDA sponsored legislation this year.

Thank-you for the opportunity to attend on your behalf.

—Steve Gordon  
Treasure Valley Trustee

## Mid-Winter Board Meeting Update Continued

### Proposal for "Portability"

#### Irrevocable Pre-need Agreements

As mentioned, NFDA has adopted a model pre-need law for adoption by the individual states to move toward a uniform nationwide regulatory system involving pre-need contracts. One of the recommended features of the model pre-need legislation allows "portability" of a pre-need contract, even though that contract has been made irrevocable by the purchaser. Enclosed is a draft bill which would amend the current Idaho law to allow portability of an irrevocable contract at any time prior to death of the person (whether the purchaser or beneficiary) designated in the contract. This is very much a consumer protection type change in Idaho law and is believed that the Association member firms will be well served by sponsoring the proposed legislation. The legislation would give to the pre-need contract purchaser, the right to officially "change funeral home providers" at anytime prior to death of the person. Difficulties have arisen in Idaho for a number of years regarding the portability feature of a pre-need and this legislation will absolve those problems.

-Ken Mallea, Executive Secretary

# Continuing Education Update



**James R. Stoll**

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Kirtlan G. Naylor  
Roger J. Hales  
Bruce J. Castleton  
James R. Stoll

Robert G. Hamlin,  
*Of Counsel*

January 26, 2009

Idaho State Board of Morticians  
Idaho Bureau of Occupational Licenses  
1109 Main Street, Suite 220  
Boise, ID 83702-5642

*Re: Continuing Education*

Dear Board Members:

Our office represents the Idaho State Board of Morticians. On January 20, 2009, the Idaho Funeral Service Association, represented by Ken Mallea, appeared before the Board for discussion on the issue of whether current law afforded the Board authority to require continuing education upon renewal of licenses. Idaho Code Section 54-1115A, Morticians, Funeral Directors, and Embalmers, provides in pertinent part:

Annual renewal – Reinstatement. All licenses issued under the provisions of this chapter shall be subject to annual renewal and shall expire unless renewed in the manner prescribed by the board regarding applications for renewal, continuing education, and fees.

...

Although it is clear from 54-1115A that the Board has authority under its law to require continuing education as part of the renewal/reinstatement process, the Board has yet to adopt any rules addressing the criteria for continuing education. As a matter of due process, licensees must be given adequate notice of any proposed changes to the law and rules. Therefore, if the Board would like continuing education to be part of renewal/reinstatement, the Board will need to initiate the administrative process of promulgating a rule to that effect.

Sincerely,

James R. Stoll

cc: Tana Cory  
M:\IBOL\Mortician\Letters\4773\_09 Letter to Board re continuing education.wpd

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Speakers for this year include:

**Michael R. St. Pierre, CFSP**

NFDA Representative



**Todd Bonzo**

Former President Utah Funeral Directors



**F. Ross Peterson**

Author & Utah State University Vice President  
of University Advancement



For more information, registration, sponsorship, donations, or questions, please contact IFSA at 208-888-2730, [ifsa@ifsa.us](mailto:ifsa@ifsa.us).

## *Schedule of Events*

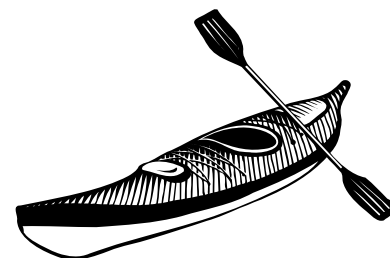
### **IFSA 2009 Annual Convention**

#### **Sunday June 28**

- Registration Table
- Board of Trustees Meeting
- Vendor Meet & Greet Social Hour

#### **Monday, June 29**

- Breakfast
- Welcome
- Speakers
- Ladies Luncheon
- Golf Tournament
- BBQ Dinner and Bingo



#### **Tuesday, June 30**

- Breakfast
- Service of Remembrance
- Speakers
- Suppliers Appreciation Luncheon
- Presidents Banquet

**Registration:** \$375 Member Firm (dues current)  
 \$200 Member Firm Monday Only  
 \$500 Non-Member Firm

**Lodging:** Call Shore Lodge Directly  
**Nightly Rates:** \$155 Lake View  
 \$135 Garden View

**Vendor Table:** \$500

Registration fees will be waived for Sponsorships over \$1,000.

# NFDA

## FTC Staff Provides Several Funeral Rule Clarifications in Three Advisory Letters

Craig Tregillus, the Federal Trade Commission's (FTC) Funeral Rule coordinator, issued three Staff Opinion Letters on April 16, 2009, that provided clarification on several previously issued Staff Advisory Letters. While there were no surprises in the new opinions, they do help resolve some lingering questions posed by the earlier letters.

### Free and Nominal-cost Funerals

In a Staff Advisory Opinion issued on February 17, 2009, regarding discounted funeral packages that require the purchase of a casket, Tregillus stated, "the Rule requires that all of a funeral provider's clients pay the same basic services fee that is disclosed in its GPL."

NFDA was concerned that this statement could be construed as preventing funeral homes from providing free or discounted funerals to indigent families, special groups or others for whom the funeral home chooses to provide its services at less than its basic services fee.

In Staff Opinion 09-3, Tregillus clarified that the statement regarding the basic services fee being the same for all of a funeral home's clients applies only to the issue of discounted packages. In putting together a package, the funeral provider may discount all of the goods and services comprising the package, except the basic services fee. However, the statement does not apply to other non-package situations, such as reducing a funeral home's prices for an indigent family or a special group. Therefore, funeral homes retain the right to reduce prices or provide funerals for free as they wish.

### Service Vehicles

In Staff Advisory Opinion 07-2, it was explained that a funeral home may not have a separate charge on its GPL for "service vehicle to obtain a death certificate" if the funeral home provided this service in virtually all of the dispositions handled by the funeral home. Rather, it should incorporate the cost of the vehicle into its basic services fee because it is a service it is providing to nearly every family it serves.

David Nixon of Nixon Consulting asked why the Rule permits a separate charge for "transfer of remains" and "hearse" but not for a service vehicle. He reasoned that like the service vehicle, these automotive services are also provided in nearly every disposition. The answer, as pointed out by Tregillus in Staff Opinion 09-4, is that unlike the service vehicle, the services of "transfer of remains" and "hearse" are two of the 16 services that must be separately itemized on the GPL and cannot be included in the basic services fee. Therefore, if a funeral home is using the service vehicle in nearly every disposition, it must be included as part of the basic services fee and should not be listed as a separate fee on the GPL.

The opinion did note that there is nothing in the Rule that would preclude a funeral home from charging an additional fee if the service vehicle needs to be used in unusual circumstances. For example, if the funeral home normally makes only one trip to obtain the death certificate, it can list a fee for the service vehicle to make a second trip to obtain a death certificate. It could also list a fee for additional mileage beyond its normal range if the service vehicle has to be used to secure a doctor's signature when that is not the customary practice.

## Cemeteries

In Staff Opinion 08-1, the FTC Staff had confirmed that the Funeral Rule would cover crematories that sold funeral goods because they would meet the jurisdictional requirements of selling both funeral goods and services. (The same conclusion had been stated by the FTC Staff in the 1985 Funeral Rule Guidelines.)

Seizing upon that opinion, Selected Independent Funeral Homes (SIFH) asked the FTC Staff to also hold that cemeteries that sold funeral goods would be covered by the Rule since they are also selling funeral services.

In Opinion 09-5, the FTC Staff disagreed with SIFH's position and found that most cemeteries are not engaged in the sale of funeral services. Under the Rule, a business is engaged in the sale of "funeral services" only if it provides *both* care of the remains and final disposition services. The Staff held that most cemeteries do not care for the remains. Unlike crematories, cemeteries do not refrigerate or hold remains, nor do they remove medical devices and collect and process cremated remains. Therefore, in the Staff's opinion, most cemeteries are not covered by the Rule because they do not offer funeral services.

NFDA members with questions regarding this article may contact T. Scott Gilligan at 513-871-6332.

## TSA "known shipper" Policy

Effective July 1, all human remains shipments originating in the U.S. or its territories must be tendered by a "known shipper." This policy will apply to all airlines accepting human remains for transport, and requires funeral homes to register as a "known shipper" for each airline they use to ship bodies. That process might require an inspection and payment of an inspection fee. In their meeting on January 28, officials from NFDA discussed how funeral service might work together with TSA and the airlines on this issue. A single application to one airline, which can be used by all, as proposed by NFDA, is not an option.

Background on the "known shipper" policy

The TSA's "known shipper" policy is not new; Congress just recently mandated TSA and the airlines to strictly enforce it. TSA originally developed the "known shipper" policy in 2004 as a way to "impose significant barriers to terrorists seeking to use the air cargo transportation system for malicious purposes." As this policy was being developed five years ago, NFDA Advocacy Division staff met with TSA representatives to discuss the potential security threat presented by the shipment of human remains by air. NFDA staff outlined the typical procedures and chain of custody involved in preparing human remains for air shipment. At that time, TSA agreed that the "known" status of the funeral homes that ship by air, the limited access to the preparation room and the transportation procedures used created a minimal security risk.

Congress and TSA have revised their assessment, however, and have identified the shipment of human remains as a potentially serious security risk requiring stricter security measures. Compliance with the "known shipper" policy

Funeral homes will be required to register as a "known shipper" with each airline they use to ship bodies; the application process might include an inspection and payment of an inspection fee. While registering with multiple airlines can create an administra-

# Spotlight

tive burden on funeral homes, TSA and the airlines have told NFDA that it must be done.

According to TSA and the airlines, no inspection will be necessary if the applicant is already in the TSA "known shipper" database; however, even if a funeral home is a "known shipper," owners might still be required to submit an application with each airline the firm uses. Most C corporations are in the TSA database, making the application process relatively simple; other funeral homes that are not C corporations may also be in the TSA database.

If a funeral home is not in the TSA database, the airline might be required to conduct an inspection to ensure the legitimacy of the business. Each airline has their own procedures for both the application and inspection process and may charge a nominal fee to cover their costs.

NFDA will continue to work with TSA and the airlines to refine the process to reduce the potential compliance costs and administration burdens for its members. In addition, the airlines and TSA agreed to provide NFDA with a more detailed written description of the program and how to comply with it as soon as possible.

## Becoming a "known shipper"

If a funeral home owner wishes to become a "known shipper," TSA officials tell NFDA they must contact each air cargo carrier directly to begin the application process. Below is information NFDA has collected from the major airlines to help funeral home owners establish their firms as a "known shipper," or, at the least, inquire about each airline's process.

**Alaska Airlines:** Call 800-225-2757 or visit [www.alaskaair.com/cargo/](http://www.alaskaair.com/cargo/)

**American Airlines:** Visit [www.aacargo.com/shipping/securitymeasures.jhtml](http://www.aacargo.com/shipping/securitymeasures.jhtml) or call 800-AA-TRUST (800-228-7878).

**Continental:** In order for a funeral home to become a known shipper, an application must be completed and a site inspection conducted. If you are already a known shipper with another airline, you *may* not need a site inspection; however, Continental will still need an application. A blank application can be found at [www.cocargo.com](http://www.cocargo.com) (Click on the "Book" tab, and then "Establish an Account"). Funeral directors may also call 877-878-7826 for more information.

**Delta:** Call 1-800-DL-CARES (1-800-352-737) or visit [http://www.delta.com/business\\_programs\\_services/delta\\_cargo/cargo\\_forms\\_applications/known\\_shipper\\_request/index.jsp](http://www.delta.com/business_programs_services/delta_cargo/cargo_forms_applications/known_shipper_request/index.jsp).

**Frontier Airlines:** Call 800-394-2158 or visit <http://www.frontierairlines.com/frontier/home.do>

JetBlue: Call 954-385-3409 or toll-free 866-287-2583.

Northwest: Visit [www.nwa.com/services/shipping/cargo/about/shipper.shtml](http://www.nwa.com/services/shipping/cargo/about/shipper.shtml) or call 800-441-1122.

**United:** Call 800-468-1800.

**US Airways:** Visit [www.usairways.com/awa/content/traveltools/cargo/default.aspx](http://www.usairways.com/awa/content/traveltools/cargo/default.aspx) (download the appropriate form in the "Known Shipper Validation" section) or call 888-300-0099.

Funeral directors can find information about the "known shipper" policy on the TSA Website on the following pages:

[www.tsa.gov/what\\_we\\_do/layers/aircargo/inquiries.shtml](http://www.tsa.gov/what_we_do/layers/aircargo/inquiries.shtml) and

[www.tsa.gov/what\\_we\\_do/layers/aircargo/database.shtml](http://www.tsa.gov/what_we_do/layers/aircargo/database.shtml). They can also direct questions to a regional TSA office; regional contact information can be found in the following link:

[www.tsa.gov/what\\_we\\_do/layers/aircargo/iac\\_map.shtml](http://www.tsa.gov/what_we_do/layers/aircargo/iac_map.shtml).

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Don't miss this [FREE NFDA Web Seminar](#):  
"Navigating the New TSA Requirements"  
Tuesday, May 19, 1-2 p.m. CT (1 FREE CE Hour)

Learn the latest information about TSA's "known shipper" regulations and ensure your funeral home is prepared when the policy goes into effect July 1, 2009!



## Where Death Comes Cheap

On Jan. 10, Diane and Randy Bathurst were having breakfast when Randy began to feel ill. He excused himself to lie down, and a moment later Diane heard a thud. Then she arrived in the bedroom, Randy, 58, was unconscious on the floor. Paramedics couldn't resuscitate him; doctors said he had died instantly of a massive heart attack. Two days later, his widow is in a conference room in suburban Detroit meeting with Tom Macksoud, who runs a business called *Simple Funerals*. Bathurst, who has little income, wants a basic cremation with no casket and no service – just the way Randy would have wanted it. A traditional funeral home wanted to charge her \$3,200. Macksoud's operation – with no employees, chapel or embalming room, just himself and the Chrysler Town & Country Minivan he uses as a hearse – can do it for \$1,100. "Thank you," Bathurst says, tearing up. "This means I can make two more house payments." Macksoud hugs her and, two days later, singlehandedly retrieves her husband's 300 pound body from the rival funeral home and maneuvers it into his minivan, a process that takes more than an hour and leaves him exhausted. "Sometimes I think I should charge by the pound," he says.

With its revenue directly tied to the death rate, the \$15 billion funeral industry has always been seen as recession-proof. No matter how bad the economy, people always die and families always spend money memorializing them, often equating dollars spent with respect paid, and rarely shopping around. Funeral homes tend to be the oldest businesses in town and generally earn solid profits – one reason why, in the 1990's, large, publicly traded corporations began rolling up the industry. But this recession is proving different – and as it deepens, families are beginning to seek ways to cut bills that were once seen as sacrosanct. Long-term trends (like the growing acceptance of cremation) are coalescing with the down economy to lead some industry veterans to sense a shift. "There's a major movement toward low-cost options right now," says R. Brian Burkhardt, a funeral director in Wheaton, Ill., who writes and an industry blog called *Your Funeral Guy*. "Those businesses that adjust will do fine – and those that don't will be gone."

For Macksoud, 46, this penny-pinching couldn't come at a better time. For 20 years Macksoud worked in big funeral homes and eventually bought his own in Lapeer, Mich., a blue-collar town about 50 miles north of Detroit. But a few years ago he started noticing a change: fewer people were asking for the extravagant memorial service with the steel casket and limousine-led procession. "I realized all I needed was an office, a computer and my own car," he says. So in 2004 he sold his Lapeer business for \$757,000, then took a few years off to spend some time with his four kids.

Last fall he jumped back in with *Simple Funerals*, which he runs from a 1,500 square-foot storefront in a strip mall next to a dry cleaner. There's a sitting room with an oriental rug, and a wall of shelves holding urns (starting at \$90). Toward the back, Macksoud displays three coffins, starting at \$495. (He sends folks seeking something higher-end to Costco, which has carried caskets since 2004). Macksoud subcontracts with traditional funeral homes to use their embalming rooms and to store bodies. With such low overhead, his customer's average bill is less than \$1,200, compared with nearly \$10,000 for a traditional funeral. "It's not about the size of your funeral home or how many Cadillac's you have – it's about the service you provide," he says.

Macksoud often winds up alerting consumers to money-saving options they didn't know existed. For instance, a widow from Pontiac calls about her husband, a veteran who's just died. Macksoud tells her that as a veteran, he's entitled to a free plot, vault and grave marker in the Great Lakes National Cemetery – something the traditional funeral home she'd called first hadn't mentioned. "They would have missed out on selling her a vault and expensive plot," Macksoud says. "She was so appreciative. When things like that happen, I know I'm doing the right thing."

Rival funeral directors aren't so sure: last month the Michigan Funeral Directors Association asked him to stop attending meetings, annoyed at this new competition. "That made me feel really bad. I didn't expect the business to take off so suddenly, and I think it's spooked some people," Macksoud says. "I thought there'd be some backlash, but I didn't anticipate this." If the industry is spooked, it's probably because they're seeing other low-cost providers thriving during hard times. At Newcomer Funeral Homes, a discount outlet based in Topeka, Kans. (where a casketed funeral costs just \$4,000), business was up 10 percent in 2008. Outside Seattle, Barton Family Funeral Service charges just \$695 for a cremation; its seen business double every year since 2005, and now does 140 funerals a month – a good year's worth or work for many traditional homes. "So many of the cultural aspects of funerals have been imposed by the industry," says Barton Family's cofounder, Craig Barton. "People have come to believe that spending a lot of money is the only way to do it because that's what the funeral industry has told them."

Now it's cultural shifts that are allowing some of these discount options to thrive. Chief among them is the growing acceptance of cremations, which accounted for less than 4 percent of funerals in the mid-1960's, but more than one third of them last year. (Some observers expect the cremation rate to hit 60 percent by 2025). Cremation cuts out the three most expensive parts of the funeral: the casket, the embalming process, the grave plot. Industry critics say that as consumer preference has shifted toward cremations, funeral homes are jacking up prices in an attempt to preserve profits in a declining market. "Since they can't sell you another funeral down the road, they end up charging more," says Joshua Slocum, executive director of the Funeral Consumers Alliance, an industry watch-dog group. The numbers suggest that's true: from 2000 to 2008, the price of a casketed funeral rose 30 percent, according to the national Funeral Directors Association, whose members claim the spiking costs of raw materials that go into caskets, like steel and copper,

are largely to blame.

Some longtime practitioners dispute the idea that the recession is causing a radical change in industry practices. "We see that families are hurting and are perhaps being more conservative with what they spend," says Michael St. Pierre, a fifth-generation funeral director and CEO of Wilson St. Pierre Funeral Service and Crematory in Indianapolis. "But the fact is, the economic downturn is not affecting the fundamental way that we've done business for 114 years." St. Pierre says that about 35 percent of his customers prepay their funerals – a practice that could begin to go out of style, considering two recent causes of alleged fraud in Illinois and Missouri that have sapped more than \$1 billion from the prepaid accounts of some 100,000 people in a handful of states. "The entire prepaid funeral industry is on the verge of collapse," says the FCA's Slocum.

Macksound is betting that, over time, the cost consciousness he's seeing continues to spread. In fact, he recently trademarked the name *Simple Funerals* to head off competition. Business is already significantly exceeding his expectations. He figured he'd do 60 funerals his first year and lose money, but based on his first few months of operations, he's now on track to do 80 funerals and break even. He retains some of the traditional tools of the trade; when he pulls his minivan into the garage at home after a long day at work, he can look up to the rafters, where he stores the road signs and traffic cones required for the pomp of the traditional funeral procession from church to grave site. Bust mostly that equipment gathers dust, as more clients opt for a quieter, thriftier way of death.

- Matthew Philips with Karen Springen  
NEWSWEEK, March 16, 2009

**Editors Note:** Michael St. Pierre, who is mentioned in this article, will be the NFDA Keynote Speaker at the IFSA 2009 Annual Convention.

## FTC Staff Opinion on Discounted Packages

An FTC staff advisory letter issued on February 17, 2009 takes on the issue of how funeral homes may and may not calculate the amount of a discount for a package funeral. The staff advisory letter examines the case of a funeral home that chooses to offer a discount package to encourage families to purchase a casket from the funeral home. The Opinion first affirms that funeral homes may offer a discounted package funeral that is available only to families that choose to purchase a casket from the funeral home. However, according to the Opinion, funeral homes must be careful in how they calculate the dollar discount that will be provided to the families purchasing the package.

The opinion states that when a funeral home determines the amount of the discount that it will offer, it should not calculate that discount by including a reduction of its non-declinable basic service fee. For most funeral homes that have discounted packages, the staff advisory letter will have no impact. It is only in those situations where a funeral home explains on the GPL or elsewhere that the discount is due in part to a reduction of its basic service fee that the letter will apply. Funeral homes that have calculated the discount by reducing the basic service fee that is included in the package would need to correct that situation.

Does this mean that a funeral home has to explain how it calculated a discount that is available with the purchase of a package? No, as long as the funeral home did not reduce the price of its basic service fee when it calculated the amount of the discount it offers with the package, the staff advisory letter does not apply.

A simple example may show the limited applicability of the staff advisory letter. Let's assume that there are three funeral homes in different parts of the country that all offer a \$300 discount on a full funeral package that is available only to families who purchase a casket from the funeral home. The first funeral home calculated the \$300 discount by examining its anticipated profit margins on the casket and determining that a \$300 discount would still allow it to generate an overall profit. The second funeral home decided to offer a \$300 discount because that number "just seemed right." The third funeral home applied a 5% discount to the regular prices of each of the services in the package (including its basic service fee) and arrived at a \$300 discount. Which funeral home violated the Funeral Rule? According to the staff advisory letter, it would be the third funeral home because it reduced the price of its basic service fee.

The important point to remember is to avoid reducing the price of the funeral home's basic service fee when calculating the discount that will be offered on a package funeral that is available only to families who purchase a casket from the funeral home.

NFDA members with questions regarding this matter may contact T. Scott Gilligan, NFDA General Counsel, at 513-871-6332 with any questions.

## *In Case you Missed it....*

### Funeral Directors Earn High Rating

The Gallup Poll's annual ranking of professions showed that funeral directors are viewed in a positive light, with 48 percent viewing funeral directors as "very high" or "high" for honesty and ethics.

The highest scoring profession with 84% rating them as "very high" or "high" was nurses. Pharmacists ranked second, and funeral directors ranked 7th, with the rest listed below.

Lowest scoring professions, with no one ranking them as "very high" or "high" were insurance salesmen at number 40 and HMO managers at number 41.

- |                             |                           |                            |                        |
|-----------------------------|---------------------------|----------------------------|------------------------|
| 1. Nurses                   | 12. Lawyers               | 23. Military Officers      | 34. Engineers          |
| 2. Pharmacists              | 13. Real Estate Agents    | 24. Judges                 | 35. College Teachers   |
| 3. High School Teachers     | 14. Labor Union Leaders   | 25. Day Care Providers     | 36. Psychiatrists      |
| 4. Medical Doctors          | 15. Congressmen           | 26. Auto Mechanics         | 37. Chiropractors      |
| 5. Policemen                | 16. Business Executives   | 27. TV Reporters           | 38. State Governors    |
| 6. Clergy                   | 17. Stockbrokers          | 28. Newspaper Reporters    | 39. Senators           |
| <b>7. FUNERAL DIRECTORS</b> | 18. Advertising Agents    | 29. Nursing Home Operators | 40. Insurance Salesmen |
| 8. Accountants              | 19. Car Salesmen          | 30. Local Officeholders    | 41. HMO Mangers        |
| 9. Journalists              | 20. Telemarketers         | 31. State Officeholders    |                        |
| 10. Bankers                 | 21. Lobbyists             | 32. Veterinarians          |                        |
| 11. Building Contractors    | 22. Grade School Teachers | 33. Dentists               |                        |

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### Keep Your Fork

There was a young woman who had been diagnosed with a terminal illness and had been given three months to live. So as she was getting her things "in order," she contacted her Pastor and had him come to her house to discuss certain aspects of her final wishes.

She told him which songs she wanted sung at the service, what scriptures she would like read, and what outfit she wanted to be buried in.

Everything was in order and the Pastor was preparing to leave when the young woman suddenly remembered something very important to her.

"There's one more thing," she said excitedly.

"What's that?" came the Pastor's reply.

"This is very important," the young woman continued "I want to be buried with a fork in my right hand."

The Pastor stood looking at the young woman, not knowing quite what to say.

"That surprises you, doesn't it?" the young woman asked.

"Well, to be honest, I'm puzzled by the request," said the Pastor.

The young woman explained. "My grandmother once told me this story, and from that time on I have always tried to pass along its message to those I love and those who are in need of encouragement. In all my years of attending socials and dinners, I always remember that when the dishes of the main course were being cleared, someone would inevitably lean over and say, 'Keep your fork.' It was my favorite part because I knew that something better was coming...like velvety chocolate cake or deep-dish apple pie. Something wonderful, and with substance!"

So, I just want people to see me there in that casket with a fork in my hand and I want them to wonder "What's with the fork?" Then I want you to tell them : "Keep your fork, the best is yet to come."

**"I didn't attend the funeral, but I sent a nice letter saying I approved of it."**

**-Mark Twain**

# All in the Family

## Seeking Employment

IFSA has recently received inquiries from several persons seeking employment as Apprentice Funeral Directors, and as a Funeral Directors. Please contact Leisa for a copy of their resume's.

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## FOR SALE—Service Vehicles

1998 coach with 83k and 1998 limo with 45k. Asking price for the set is \$16,995. Strongly prefer to sell as a set. All maintenance records available upon request.

2004 Ford F-350 V10 with 124k. The snowplow package is included in the asking price of \$12,995. Used as a cemetery maintenance vehicle since original purchase. All service records available upon request.

Pictures of the vehicles can be seen on the IFSA web site under classified. For more information contact Steven D. Kehl, Larkin Memorial Corporation, Office: (801) 363-5781, Cell: (801) 664-3693, Fax: (801) 322-0343, [skehl@larkincares.com](mailto:skehl@larkincares.com)

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## 2009 Member Directory Correction

Lakeview Funeral Home in Sandpoint, Idaho, was inadvertently left out of the 2009 IFSA member directory. You should have received an e-mail copy of these additions. There is also an insert included with this newsletter to be added to your directory. My sincere apologies to Lakeview for this oversight.

For over a century, Federated Insurance Companies has provided peace of mind to business owners through valued insurance protection. Nearly 400 trade associations and industry organizations recommend one or more of Federated's programs. The Company is rated A+ (Superior) by A.M. Best. Federated is also included in the Ward's 50 Benchmark Group of companies that have excelled at balancing financial safety, consistency, and performance.

Federated Insurance offers a wide range of insurance coverage. Our knowledgeable Marketing Representatives are not limited to only servicing the Property and Liability needs of our clients; they can also provide quality Life and Disability Insurance products.

### Contact the Marketing Representative in your area:

<b>Caleb Creagan</b>	<b>Southeast Boise</b>	<b>208-695-5995</b>
Jason Littlefield	Idaho Falls	208-757-1420
<b>Trevor Meier</b>	<b>Eagle, Caldwell, Emmett, McCall, NE ID</b>	<b>405-535-9335</b>
Cam Olson	Northeast Boise	541-324-3836
<b>Chase Roy</b>	<b>Meridian Nampa, Kuna, NW Boise</b>	<b>208-631-1526</b>
Dave Schlesinger	Twin Falls	208-420-6853
<b>Nikki Woodland</b>	<b>Idaho Falls</b>	<b>208-881-1704</b>



# calendar

## 2009

May 13-15.....NFDA Asia Funeral Expo .....Hong Kong  
May 25.....Memorial Day Holiday  
June 14-16.....Montana & Wyoming Funeral Directors Association Annual Convention.....Billings, MT  
**June 28-July 1..... 2009 IFSA Convention—McCall..... McCall, ID**  
July 4.....Independence Day Holiday ..... United States  
July 26-29.....NFDA Leadership Conference ..... Branson, MO  
October 25-28.....NFDA Annual Convention ..... Boston, Mass

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