

Memorial Business Journal

The weekly resource for progressive funeral directors, cemeterians and cremationists



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Funeral Directors Win One in Illinois Court Rules Department of Insurance, Comptroller Lacked Authority to Draft Settlement With Merrill Lynch

CHICAGO – A Circuit Court judge has ruled that the Illinois Department of Insurance (DOI) and the Office of the Comptroller had no authority to draft a settlement agreement with Merrill Lynch, which plaintiffs argued would let the insurer walk away from the state's preneed trust fund debacle with an \$18 million slap on the wrist and would leave funeral directors holding the bag on potential contract shortfalls.

A group of six Illinois funeral directors filed suit last May after the settlement was announced, whereby Merrill Lynch agreed to establish an \$18 million fund that would pay contract holders a "proportional share" of the funds. Funeral directors were outraged to discover that the proportional share would amount to about \$500 per funeral. Further, a stipulation in the settlement agreement required funeral directors and consumers to release Merrill Lynch Life Agency, which admitted no wrongdoing, from any liability before dime one could be withdrawn from the settlement fund.

The trust, which once was valued as high as \$300 million, has reportedly suffered losses of nearly \$100 million. An investigation by the DOI found that it was funded with "key life insurance" policies on various funeral directors and officers and employees of the Illinois Funeral Directors Association. The DOI alleged that Merrill Lynch did act improperly in selling life insurance policies to the IFDA to finance the trust. The DOI fined Edward L. Schainker, a Merrill Lynch financial ad-

viser who sold insurance policies to the IFDA, \$100,000.

In her Feb. 24 ruling, Cook County Circuit Court Judge Mary Anne Mason wrote that the DOI and the Office of the Comptroller "lack the authority to affect the rights of third parties through the Consent Order and Commitment Letter." The Commitment Letter requires a funeral director to "fulfill each guaranteed contract as statutorily required and each nonguaranteed contract to the extent of each consumer's deposits plus an annual interest rate of 3.0805 percent." (The interest is a blended rate of averages over the past 22 years and is to be credited to nonguaranteed contracts retroactive to the date of their inception.)

"It's about time that funeral directors got a break," said David Nixon, president of Nixon Consulting, Chatham, Ill. "It's back to square one and it's better than having to take a lopsided agreement and sign away your rights. Between the Merrill Lynch interests and the political interests, they wanted this swept under the rug."

Nixon added that he hoped that any future discussions would have a more measured tone. "The meeting I attended with the Comptroller's office and the Department of Insurance, they seemed to come down hard on the funeral directors for allowing their association executives to make bad decisions," Nixon said. "They painted them all with the same brush, as if to say,

'you did this and you will now have to live with the consequences.' That's my interpretation of what happened, especially at the one meeting with both the DOI and the Comptroller's office. It was insulting how they dismissed the funeral directors' concerns and claims. These are generally honest people who trusted someone to do the right thing for them. To point the finger at them and say that this is your fault, which is what has been going on, was just wrong."

Not Subject to DOI Regulation

In her opinion, Mason wrote that even though Merrill Lynch Life Agency falls within the scope of the director's authority under the Insurance Code, the Consent Order "purports to resolve claims by and against third parties who are not subject to regulatory supervision by DOI." In particular, several of the Merrill Lynch entities such as Merrill Lynch Pierce, Fenner & Smith, "its affiliates, subsidiaries, employees, and agents" are not subject to regulation by DOI, but are nevertheless included within the scope of the release required as a condition of participation in the Settlement Fund. Further, while the conduct of funeral homes is subject to regulation by the Comptroller under the Burial Act, neither they nor their preneed customers are subject to DOI regulation. "Yet, the Consent Order and particularly the release, clearly impact their rights," Mason wrote.

Regarding DOI's allegation that Merrill Lynch Life Agency violated a section of the Insurance Code by marketing and selling to IFDA "purportedly tax-exempt variable universal life insurance policies as investment vehicles within" the preneed trust, Mason opined that DOI Director Michael McRaith had the option to impose a fine or penalty and/or suspend or refuse to renew Merrill Lynch Life Agency's license. "But the \$18 million fund established pursuant to the Consent Order does not fall into any of the foregoing categories," she wrote. "Rather, it is an apparently arbitrary sum determined by Merrill Lynch Life Agency to be 'reasonable' (in some unspecified context) and that Merrill Lynch Life Agency and the Director together want to use as a part of a quasi-judicial common fund to resolve the claims of funeral directors and preneed customers. Further, the precondition to participation in distributions from the fund requires applicants (whether funeral directors or preneed customers) to release not only the entity regulated by DOI, but nonregulated entities as well." In the June 4 edition of the Springfield Journal-Register, McRaith was reported saying that negotiators arrived at \$18 million as a settlement figure based on revenue and commissions the fund generated for Merrill Lynch.

In her summary, Mason noted that the court had not been provided any information regarding the determination by Merrill Lynch Life Agency that \$18 million is a "reasonable" figure. "DOI has disavowed that the number is intended to compensate for losses to the preneed trust. That being the case, the court is at a loss to determine why funeral directors and preneed trust beneficiaries should be required to relinquish claims against Merrill Lynch Life Agency and others for losses sustained by the Trust as a condition of their participation in distributions from the Fund," she wrote.

Mason also chastised the DOI for entering into a settlement that was reached "without the input or participation of funeral directors and preneed customers — the entities and individuals who are being required to release their rights as a condition to participation in distributions from the fund. Such a proposal raises obvious and, in the court's view, insurmountable due process concerns. All of these considerations lead the court to conclude that the Director and DOI acted beyond the scope of their statutory authority in negotiating and seeking to implement the Consent Order."

In examining the Illinois Office of the Comptroller's role, Mason ruled that Comptroller Dan Hynes does not possess the authority to require Commitment Letters from funeral directors that alter the provisions of nonguaranteed preneed contracts. "Perhaps recognizing the limits of its jurisdiction, DOI has 'partnered' with IOC in the Consent Order," she wrote. Under the Burial Act, the Comptroller has authority over funeral homes entering into preneed contracts with their customers. Like the DOI, the Comptroller is vested under the Burial Act with authority to investigate suspected violations of the Act and, after hearing, may suspend, revoke, or refuse to renew the license of any seller of preneed contracts. Intentional violations of the Act are deemed Class 4 felonies and may, in addition, subject the offender to a penalty of \$5,000 for each violation.

Mason's opinion stated that the Consent Order in this case is not the result of any investigation by The Comptroller of the plaintiff funeral homes. "Rather, the Comptroller became involved because the Consent Order contemplated that IOC would communicate with and solicit the participation of funeral homes and, if necessary, their preneed customers," she wrote. "The Comptroller also determined that the undertakings in the Commitment Letter would be required as a condition of funeral homes' participation."

According to the decision, IOC correctly asserts that nothing in the Burial Act prevents IOC from ensuring its licensees comply with their preneed contracts. However, the Commitment Letter goes beyond ensuring that licensees comply with nonguaranteed preneed contracts; "the Commitment Letter entails an undertaking by licensees to pay a

minimum rate of return on the contract payments retroactive to the inception of the contract,” Mason wrote. “In this respect, the Commitment Letter rewrites the terms of nonguaranteed preneed contracts and converts them to preneed contracts with a guaranteed rate of return, a hybrid species of preneed contract not provided for in the Burial Act. Thus, to the extent of the guaranteed rate of return the Commitment Letter shift the risk of loss to the funeral home. Laudatory as the Comptroller’s purposes in requiring the Commitment Letter may be, nothing in the Burial Act authorizes him to do so.

Mason calls the Comptroller’s decision to impose an average interest rate over the past 22 years to nonguaranteed contracts unexplained and completely arbitrary. “While the Comptroller’s effort to provide a benefit to nonguaranteed contract holders may be well-intentioned, there is simply nothing in the Burial Act that cloaks him with authority to accomplish this result,” Mason wrote.

Both DOI and IOC argued that because funeral homes are given an option but are not required to participate in the Consent Order and Commitment Letter, they may simply avoid any harm by electing not to assert a claim against the Settlement Fund or sign a Commitment Letter. “This contention is without merit,” Mason wrote. “Funeral homes are fiduciaries of their preneed customers.” As fiduciaries, funeral homes are obligated to act in their customers’ best interests. She added, “DOI has not articulated how funeral homes are to evaluate the invitation to participate in distributions from the Settlement Fund when DOI itself does not know the origin of the \$18 million figure other than Merrill Lynch Life Agency (one of the alleged wrongdoer) thinks it is ‘reasonable.’ DOI has also not explained how funeral homes could decide themselves (or advise their customers) that their pro rata share of the Settlement Fund is an acceptable alternative to pending litigation or why their decision/advice, one way or the other, would not expose them to a claim by their customers that they guessed wrong.”

Further, she wrote IOC’s “request” that funeral homes sign the Commitment Letter agreeing to credit nonguaranteed contracts with the selected rate of interest places them squarely in conflict with their customers. “Nothing in the Burial Act requires funeral homes to provide nonguaranteed contract customers a guaranteed rate of return,” she wrote. “Thus, it is not in a funeral home’s interest to take on that added financial responsibility. But as noted, the Act makes funeral homes trustees of their preneed customers and, as trustees, funeral homes are obligated to act in their customers’ best interests, which would mandate executing the Commitment Letter. Thus, the ‘choice’ offered to execute the Commitment Letter is no choice at all.”

Additional background on the origin of the lawsuit is available on our web site, www.memorialbusinessjournal.com

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Decision Awaited on Clarification Of Illinois Preneed Trust Fund Order

SPRINGFIELD, ILL. – Representatives from the Illinois Funeral Directors Association met with officials from the Illinois Department of Financial and Professional Regulation, Division of Banking, to discuss ramifications of the lifting of its cease and desist order that has prevented funeral directors from transferring funds from the state’s Preneed Trust Fund, except to pay for funerals.

“We had a couple of concerns that dealt with the contractual rights of the contract holders, whether they be funeral directors or consumers,” Marsh said. “Our major concern was the contractual rights and whether or not those rights would still be maintained if a contract holder decided to withdraw their money from the trust fund,” he said.

According to Susan Hofer, a spokesperson for the Department of Financial and Professional Regulations, a detailed discussion did take place on explaining the December 2009 order. She said that IFDA wanted clarification if a contract holder withdraws his funds from the trust fund would they be forfeiting a claim to any settlement money out of any one of the pending lawsuits. “I don’t think that has been resolved,” she said. Hofer added that another status hearing set for March 4. “They [IFDA] will get on the phone with the hearing officer and determine whether or not there has been progress made regarding the clarification of the order,” she said.

According to Marsh, the Department of Financial and Professional Regulation is writing a clarification in the language. “The IFDA attorney [R. Stephen Scott] will work with the department’s council and hopefully in the next few days have an updated order that dealt with our concerns and we will go forward,” he said.

When Jorge A. Solis, director, Division of Banking, announced on Dec. 16, 2009, that he was lifting the order, which was issued on July 7, 2008, Marsh requested the hearing to clarify those points in the state's order. *Memorial Business Journal*, Jan. 7, 2010, edition.

The state's Dec. 16 order said:

- The current trustee of the IFDA Trusts (Merrill Lynch Bank & Trust Co.), shall, no sooner than Jan. 1, 2010, permit the disbursement, expenditure, payout, dividend, liquidation, loan, refund, or any other alienation of funds in accordance to all applicable trust agreements and the laws of Illinois and the United States without the director's prior approval; and
- IFDA is directed to immediately provide a copy of this order to each participant in the IFDA Trusts.

This determination reversed the previous order which prohibited IFDA from making any disbursement, expenditure, payout, dividend, liquidation, loan, refund, or other disposition of IFDA assets or income, other than those for administrative expenses or claims, since there was a likelihood that any such pay out prior to the determination of the financial condition of IFDA by an actuarial study would result in substantial harm to the approximately 49,000 citizens of Illinois who had preneed trust accounts with the IFDA. The state also asserted "the financial condition of IFDA assets has been ascertained by the trustee with reasonable certainty." IFDA disagreed, saying, "the respondent is without knowledge or information sufficient to form a belief as to the trust of the allegations ... and thereby denies the same."

Between now and March 4, Hofer said, depending on the kind of contract that an individual has with the funeral directors association, a contract holder can apply to Merrill Lynch, the interim trustee, who will determine whether or not the money can be released. Merrill Lynch resigned as interim trustee for the preneed trust fund (*Memorial Business Journal*, December 2009). The resignation would not become final until a successor trustee has been named. To date, no successor has been found.

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Action Item: Eye on Cash Flow

Active Management of Preneed Receivables Helps Keep Cash Flowing

TALLAHASSEE, FLA. – The news we hear about the economy and whatever stages of the recession we are in sounds pretty general and with good reason. The pie charts, bar charts and experts on all of the cable news channels often tell us what we already know, and some offer broad solutions in coping during a challenging economy. This is fine because broad solutions often times offer a good starting point and then every person and business must adjust what they are doing to their particular needs.

In terms of your business, the discussion always comes down to cash flow, even more so than profitability because a business can be profitable and still fail from a shortage of cash. Business managers had to be bold, decisive and creative over the past few years to keep cash coming into the business. These managers have had to make some difficult choices as well.

Receivables have always been an obvious problem both in good times and bad. But, have you looked into the receivables management of your own preneed contracts? Bill Williams, president and CEO of Funeral Services Inc., Tallahassee, Fla., suggests maybe you should.

"Assuming that a funeral home is using a trust-funded preneed product, and not an insurance funded preneed contract product [which is basically out of the funeral home's hands], let's say a funeral home sell a \$1,000 preneed contract, and for argument's sake, only 80 percent has to be trusted, which means that if it were paid in full, \$800 would go into the trust and \$200 would stay with the funeral home," Williams said. The same formula holds true for contracts that are on a payment schedule. Eighty percent of the payment would be going into trust and 20 percent of the payment would be staying with the funeral home.

What Williams has found is that many funeral homes don't necessarily have an active accounts receivable management program on preneed contracts — and that is cash that could be coming in to the business on a regular basis.

Williams suggests there is a very valid reason for that. A funeral home does not want to make a potential client angry by constantly reminding them that they haven't paid their bill, or reminding them that they'd better keep up with the payment or the funeral home is going to default the contract.

Some funeral homes make the decision not to actively manage the contract, because, in theory, once that consumer dies, the funeral home is still more than likely going to get the funeral call. But because the consumer didn't make the payments, the contract is basically in default and the funeral director can charge his regular prices and not the original guaranteed prices.

"I understand that to an extent," Williams said. "But if I am worried about my cash flow, I want to have an active pre-need accounts receivable management program starting with the first payment on every contract. I want to make sure that the consumer knows they owe the money and to get the benefit, they have to make those payments."

An active pre-need management programs helps a funeral home on two fronts. "One, it gets the money into trust earning interest quicker," Williams said. "Second, it gets my 20 percent to help my cash flow needs every month when the consumer makes that payment. If the consumer doesn't make that payment I don't get my 20 percent, and I don't have as much money in the bank earning interest to offset that guaranteed price when that contract comes due."

Where the danger for the funeral home lies is if it hasn't implemented the pre-need management program from the beginning. "If you suddenly check you files and find that a consumer is two, three, four or five months late and now you go back you try to put in an active management program, you have to tip-toe through it very carefully," Williams said.

But if the funeral home is carefully monitoring its pre-need accounts and reminds the consumer from the very first payment when he or she is late on the payment, the policy is firmly established. An appropriate follow up every time a consumer is late will condition the consumer to expect that phone call. "The funeral director must actively manage this on a monthly basis to establish this relationship and the expectation from the consumer that the payments are going to be required," Williams said. "It's going to be hard for the funeral director to start in the middle of the process if the consumer's three or four months late. They should have started the very first time that the consumer was late so the consumer knows to expect that telephone call and knows that those payments are expected so that the contract will be valid. The consumer should be expected to hold up their side of the bargain because the funeral director will be expected to hold up his or her side of the bargain."

Well, should a funeral home look over its pre-need contracts and sees some late accounts, it is not too late to ask for money to be paid on a schedule that what mutually agreed upon. This is where customer service comes into play.

The first key is to establish communication in the relationship. "I think the funeral home should make the point that we understand," Williams said. "Maybe your first step should be to pick up the phone, establish a relationship with that contract holder and ask them if there is anything you could do to assist them. Maybe you could rewrite the contract because their financial condition has changed. Either lower expectations or raise expectations, but let them know the contract is behind. 'What can we do to get this thing up and going again?'"

Of course the economy has affected people and these phone calls can be used to communicate that the funeral home is sensitive to what may be happening within the household. "If you have to make such a call, ask how you can help," Williams said. "If you can, find a commonality where you can assist each other. The message should be, 'we are willing to work with you.'"

What should a funeral home do with those contract holders out there that are behind in the payments and you can't seem to contact? "There may be an opportunity, if you think it is in the best interest of your firm, to go ahead and can-

Reaching out to the people who are in default. Establish the communication with them first, see if you can find mutual ground to help each other, and if you can't, you might want to consider default. And for those you can't contact for one reason or another, you may want to consider defaulting those contracts anyway.

— Bill Williams, Funeral Services Inc.

cel the contract if it is in default,” Williams said.

At that time, most states allow the funeral home to keep liquidated damages on defaulted contracts. “There are two sources of revenue or cash flow here,” Williams said. “First is the nontrusted portion of the payment, and second, for those consumers who, for whatever reason the funeral homes determines they must go ahead and default that contract, the liquidated damages and keep it off your books.”

In Williams’ home state of Florida, for example, if the contract is in default the funeral home must notify the consumer and give him 30 days notice before canceling the contract if it is not brought up to date by then. If the funeral home does default the contract, the funeral home must refund to the consumer all money that has been trusted for services and cash advances, and can keep all monies in trust for merchandise and liquidated damages.

“Even if you do default that contract, it still may be in the consumer’s best interest because they might need the cash now, even though they are not going to get the same amount of money back in these current times that they paid in, they may need that piece back that is going to be refunded to them, and that could help continue the relationship,” Williams said.

The danger here is that the funeral director wouldn’t want to publicize this for fear of a run of consumers looking to cancel their preneed contracts just like the insurance companies dealt with when people were cashing in life insurance policies. “You have to manage it very appropriately,” Williams said. “Canceling to get your money back and defaulting on a contract is two different things here.”

Most importantly, Williams stressed that you make sure you know what the laws are in your state in regards to defaulting a preneed contract before you do it. “Make sure you know exactly what the laws are and do it appropriately,” he said. “You don’t want to get into a jam with your regulator.”

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The Notebook

Matthews International Corporation, Pittsburgh, has named John D. Turner chairman of the board of directors. He succeeds William J. Stallkamp, who retired from the board upon the close of its Feb 18 shareholders' meeting. Turner has been a director of the company since 1999 and has recently served as the chairman of the board's compensation committee. He was chairman and chief executive officer of Copperweld Corporation, a manufacturer of tubular and bimetallic wire products, until his retirement in 2003. He currently serves on the board of directors of Allegheny Technologies Incorporated. "We are pleased that Mr. Turner has accepted the role as chairman of the board," said Joseph C. Bartolacci, president and chief executive officer. "With his knowledge of our businesses and leadership experience, he has been a tremendous resource to the Company's Board and management. We look forward to his continued support and guidance." Turner stated that it would be a privilege for him to serve as chairman. "Matthews is an excellent company with a long history of growth and success, and I appreciate the confidence of the board in selecting me for this responsibility," he said.

The American Society of Embalmers 6th Annual Meeting and Conference will take place June 11 at Worsham College of Mortuary Science, Wheeling, Ill. Six-and-a-half-hours of continuing education credits are being offered. Speakers and topics include Robert G. Mayer, "The Preparation Room – 21st Century Issues;" Timothy Collison, "Cosmetic Problems and Solutions;" Sharon L. Gee, "Autopsy Care: No Leaks, No Worries;" and Karl Wenzel, "Post-Mortem Reconstruction." In addition, a one-hour roundtable discussion will focus on "Embalming Performance Standards and Best Practices." For more information, contact amsocembalmers@sbcglobal.net.

An Illinois appellate court last week ordered the City of Chicago to halt the process of unearthing bodies from the 161-year-old St. Johannes Cemetery in Addison, which is being relocated to make room for a new runway at O'Hare International Airport. Earlier this month the Chicago was awarded possession of the 5.3-acre cemetery. The city of Chicago was working with the next-of-kin of those buried in the cemetery to have the graves moved. Six bodies were removed with the consent of families in the week prior to the appellate court decision. A total of 24 bodies have been relocated from the cemetery. On Feb 8, DuPage County Judge Hollis Webster ordered that the city pay St. John's United Church of Christ \$630,000 for the land. The church has opposed the project arguing that the removal of graves is in violation of the religious beliefs of the church members. In a written statement, Rosemarie Andolino, Chicago Aviation Commissioner who is overseeing the project, said, "While we are disappointed, we will observe the court's decision and discontinue our disinterment efforts." She added, "We understand that this is an emotional process for the families involved." Joseph Karaganis, the attorney representing the opponents to the project, said that according to the court's briefing schedule, no bodies would be exhumed until late spring. Relocation of the bodies was expected to be completed by spring 2011, with the runway scheduled to open by June 2013.

Service Corporation International has reported that its fourth-quarter profit more than tripled to \$34.3 million as sales rose 2.9 percent. The company cited strong preneed cemetery sales, better than expected trust fund performance, and cost cutting. Revenue in the quarter rose to \$531.8 million from \$517.0 million a year earlier. Full-year profit came to \$123.1 million, or 49 cents a share, compared to profit of \$97.1 million, or 37 cents a share, in 2008. Twelve-month revenue fell to \$2.05 billion from \$2.16 billion in 2008.

As technology continues to advance and enhance the number of services available to families, **Frazer Consultants**, Waunakee, Wis., has cleared two obstacles for funeral homes that would like to offer webcasting as an option, but until now have been afraid of the added cost or the degree of difficulty to implement such a service. With the introduction of its integrated DVD Tribute software with webcasting, Frazer offers a program that is easy-to-use; technologically reliable and priced to make sense for the funeral home and the families they serve. The how-to process couldn't be easier. After using the Tribute Center software to create a personalized video for the family, you can broadcast a service live, record it and later burn both to the same disc. It's the same software that allows a funeral home to create a DVD Tribute video. The obvious benefit is that a funeral director will only have to know how to use one software program, which is as easy to operate as point and click. All you need to go live is a video camera, laptop computer and a tripod. An editing feature allows superfluous footage to be excised from the finished product, as well as allowing for the possibility of transitional edits between areas of the service. Also, the software offers the capability of superimposing titles or captions. Frazer has contracted with a state-of-the-art server company to ensure optimal quality and reliability from virtually any point around the world. Frazer added that the key to the service is affordable pricing that won't drive up the funeral bill, nor does the service lock in the funeral home to a punitive contract. "We offer the service to funeral homes in two ways that makes the most sense," said Matt Frazer, president. For funeral homes anticipating a high volume of webcasts per month, a \$145 per month fee offers unlimited service on a month-to-month basis. For those not sure how many families will opt for this service, Frazer offers a pay-as-you-go model for \$40 per service with no contract or minimums. For more information, call 608-467-1497 or email info@frazerconsultants.com.

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Closing the Book on February

At the end of every month is as good a time as any to tidy up the workspace. All my notes, mail and email that have either found their way into one of this month's issues or set aside for a future issue.

However, there are always loose ends to tie up — even as another snowstorm is targeting the New York metropolitan area. I have to say that I am amused by the names the news outlets are using to cover all the recent storms — snowmageddon, snopocalypse and snowtorious B.I.G. The storm that is forecast to hit on Feb. 26-27 is being dubbed the “snowicane.”

More than three weeks after the Illinois gubernatorial primary election, it looks as though the winner for the Republicans will be state Sen. Bill Brady, who holds a razor-thin lead of 250 votes over state Sen. Steve Dillard. The State Board of Elections will certify the results March 5. For the Democrats, Gov. Pat Quinn successfully staved off a challenge by Comptroller Dan Hynes. However, the Democrat's ticket is still in flux because Quinn's running mate for lieutenant governor, Scott Lee Cohen, resigned the nomination just days after the election after revelations of past conduct were brought to light.

Based on some of the articles written in consumer newspapers, especially in recent weeks, you would have to wonder if anyone on Earth is being buried anymore. Case in point: An article in the Wall Street Journal this week noted that casket manufacturers have watched a decade-long decline in sales be hastened by the lagging economy. True enough, but then there was the obligatory price comparison that put “the average cost” of a traditional burial at \$7,200, “compared with \$1,400 for the crematory fee, some form of memorial service and an inexpensive urn.” Noting that Hillenbrand, parent of Batesville Casket Company, recently paid \$435 million to purchase K-Tron International Inc., a manufacturer of factory equipment, the WSJ article quoted Ken Camp, chief executive of Hillenbrand, “We are a very significant player in an industry that isn't growing.” I thought that was an excellent quote, especially the part about an industry that “isn't growing.” However, the article does not follow up on that comment to suggest that while the cremation segment is expected to grow steadily, the casketed burial segment, over the next 15 years won't exactly fall off a cliff. In fact, the numbers suggest holding steady with only a mild decline over the same period. Instead, the article reports that Matthews' casket revenue is also down and a custom casket maker's business is off 50 percent. Put in its proper context, Hillenbrand's acquisition of K-Tron certainly makes sense from a business perspective to diversify itself. While there was nothing incorrect in the article, there was something that bothered me about it. And I think it is this: Just putting a price comparison between burial and cremation out there without looking in detail at what each type of service involves, will send a clear take-home message to the reader that cremation is \$5,800 cheaper than burial. The uphill battle continues with trying to present cremation as something other than just the cheaper alternative to earth burial. In funeral service, the concept of “service” continues to lose its battle to be seen as the significant topic of discussion over the manner of “disposition.”

A postscript to last week's article on converting to a Roth IRA. When contemplating a conversion from an employers' 401k to a Roth IRA the law states that a person must be separated from his/her employment to do so.

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