

Surprisingly, the Federal Trade Commission accepted some truly bizarre funeral industry assertions when deciding which properties funeral giant Service Corporation International (brand name: "Dignity Memorial") has to sell off in order to merge with its competitor, Stewart Enterprises. Industry experts push the line that consumers don't choose cremation over burial because of price, but because of "personal" or "religious" reasons. This is plain nonsense; price is one of the top factors consumers cite when they pick cremation over burial.

Somehow the FTC found this "logic" persuasive, and it affected how they decided which funeral businesses SCI has to divest. From the FTC's consent order:

“Funeral services do not include cremation services because consumers do not substitute cremation services for burial services based upon price, and the competitive conditions for cremation services are substantially different than other funeral services. Since consumers primarily choose their final disposition on their personal or religious views, consumers generally do not view cremation services as a viable substitute for funeral services.”

This is remarkable. It completely contradicts the experience of consumers and consumer advocates like FCA. We have to wonder whether the Federal Trade Commission has any idea at all what choices the average American family has to make when death comes, and how tight budgets affect those. Americans do not have unlimited money to spend on funerals, and huge numbers of people have switched to cremation for its affordability as compared to casketed cemetery burial.

FCANT President Jim Bates examines this in more detail in commentary submitted to the FTC, reproduced below.

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January 21, 2014

Office of the Secretary
Federal Trade Commission
Room H-113 (Annex D)
600 Pennsylvania Avenue NW
Washington, DC, 20580

Dear Secretary,

This public comment is submitted in response to the FTC's recent decision regarding the proposed merger of Stewart Enterprises, Inc. — Consumer's Alliance of North Texas ("CANTEX") believes that this decision to be a significant error in the analysis and that the conclusion drawn from that analysis is incorrect regarding earth burial.

Page 2 of the Complaint under III.A.1. CANTEX believes that cremation services because consumers do not view cremation services based upon price, and that cremation services are substantially different from earth burial services. Consumers primarily choose their final disposition based upon price. Consumers generally do not view cremation as funeral services."

disposition; and approximately 2 m
committal on earth versus cremation
earth burial in General Price Lists, a
with undirected religious and non-r
cremation market a valid and very i
of the Dallas/Fort Worth metropolit
included in the merger analysis

The retail market choice is changin
Funeral Consumers Alliance of Nor
merger affects. There are 18 funera
offering cremation for less than \$10
FCANT averages one call per day f
one in four calls is specifically abou
After finding out that burial costs a
walk-in cremation is in the \$1,500
to find out from us that cremation i
Consumers often pick cremation b
market.

Attached is a list of 19 licensed cre^{4/4}
by the merger. The list was obtaine