

A TEAM MASTERS 262 SHELTON BLVD. EASTLAKE, OH 44095 (440-942-8769)
SERVING THE PUBLIC DIRECT - W/ DEVOTION, SAVINGS & COMPASSION HIGHLIGHTED



NATIONAL CASKET RETAILERS ASSOCIATION <http://www.casketstores.com>

NCRA 18829 Eureka Rd. Southgate, Mi 48195

casketstores@em ail.com

To: Secretary, FTC , Room H-159, 600 Pennsylvania Ave. , Washington, D.C. 20580

RE: 16 CFR Part 453 (DOCUMENTATION of below is separately attached) page one of three

- We would like to address our concerns to this matter. We are a non profit group - a funeral industry watchdog, established in 1997, whose members of approximately 80 strong ~ are made up of Casket store entrepreneurs . Please find the 11 pages of members at our website <http://www.casketstores/Directory.htm> and exhibit #1 & 1a
- The death care industry is rapidly changing, and thanks to your past ruling - there are now approximately 500 Third party retail casket stores throughout the United States and Canada. Other stores are submitting their membership applications to us at a rate of about one each week, so it is a growing and needed outlet. The FTC ruling had made it clearer for the public and safer to buy in this time of need. *The casket store trade has saved the public several hundred thousand dollars. The rule has had a favorable impact for them and the entrepreneurs.* However, the rule needs expanded and rigidly monitored. In the past few years, there have been many casket store owners that have experienced almost every dirty trick in the book, at the hands of the funeral directors and burial industry suppliers, who feel that it should remain a closed market. People have been kept in the dark so long and the industry is operating with little exacting compliance. *Strengthening the funeral rule and more detail for the public would stop some of the abuse & covetousness. FTC involvement is still badly needed, seeing many negative exposures in the news.*
- The industry has a lot of very professional business men and women, however it also has its share of unethical & greedy.

1. Casket manufactures, along with grave liner & vault manufactures & monument dealers refused to sell to casket stores because they are unlicensed funeral directors It does not take a college degree and license to sell flowers to the family~ no more than it should caskets and all other burial related items. The license presents no more safety for the public when you are talking of retail goods. It is only a means of stopping free trade and a ploy to monopolize the industry, as they have for so many years in past. At a rate of 50-100 calls made for wholesale purchase , it is a no sale 99 percent of the time. If a business advertises business to business it is bogus & deceptive advertising if they then refuse to do business on such grounds. Many have refused to sell to licensed funeral directors that are operating a retail casket store outlet!! Exhibit #2 A Team Masters , Betty Brown, Ohio

2. If there is a jobber who is willing to sell to us, we have to swear to secrecy to not divulge our source and accept conditions of this arrangement that are far different than those of the funeral directors buying privileges. A few examples~ no name brand shown in the ads, no warranty from SOME if something is found to be wrong with the unit and no return if the casket or urn is not what was wanted. And a somewhat higher price due to the risks we take. THE REASON is ~there have been boycotts in the past - & they do feel threatened again. Can t give exhibits here!

Near criminal activity from unethical funeral providers, by doing all that they can to stop the casket store from succeeding. Such as, refusal to keep appointments for delivery or be an hour late, having the family put through added grief, by requirements from them to be there for the delivery.

To have them sign a worthless piece of paper (that is intended to portray the fact that our units handles may fall off or bottom break out) The signing of this paper they call a wavier is only a tactic that is used to sway a sale. exhibit #3 & 3a funeral arrangements covers most of this tactics section from Bob Davis of Budget Casket in Ft W. Texas

Have their clients, understand, if you do not buy the casket from this funeral home, we will not extend any credit for the services you purchase from us. We cannot wait on the insurance money, everything is now due. USA Caskets from Dayton, Oh. has written the FTC about this happening to them and further action may be in the works. As a result, a sale of the casket was lost to the casket store, retained in the funeral home, again ~ this time.

Hanging up on the casket store owner when they call to inquire about the basic funeral home s fees. Calling the casket store owner a full day after they have picked up the deceased, The family wanted me to call you so you can now deliver the casket. This now was on a Sunday, instead of a Saturday morning. When time is of the essence, 24 hrs is a delay that should not be played out as it might take a day or so for delivery.

Then on the other hand, a funeral director informed one of our members that he needed the casket within 2 hours after the first family meeting, when the funeral was 2 days away. The store did get it there by then, so the family was not put through added distress - by hearing anything negative about their buying a casket elsewhere. That ploy didn t work - that time. But the funeral director informed the family of this requirement - such unnecessary and baseless domination! exhibit #4 from George S. at Competitive Caskets in N.J.

Coming into our stores, or upon delivery ~ gouging and scratching our caskets, so they can t be resold.

Taking down our outdoor advertising signs, or defacing our signs and other tactics, meant to ruin the casket store owners sales & reputation. Spreading false rumors about the seconds we sell and cheap inferior caskets. About a bottom falling out, or handles falling off. Bad lies by unethical people to line their pockets. Due to this hostile activity ~ about EIGHTY (80) third party retailers have gone out of business, or been shut down, in the last 4 years. We did a mass mailing of 204 stores in June, 19 were returned undeliverable- out of business or no forwarding address. Exhibit #5 Arline Casket in Texas,

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The bundling of everything leads the public to believe they have no choice at all. The GPL needs further expanding. It should also be required to say As for all items or product ,it is not a requirement they be purchased here. If you want, they can be purchased at third party stores or other outlets. Exhibit #6 Direct Casket in New York, Kevin Gray

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1. Using sham discounts often, and added hidden fees, once the customer had indicated they are not purchasing the casket from the funeral home. Also, many funeral provider dicker with the family, saying that they will now match the cost of the unit, coming down to or meeting the price of the casket store. This happens often. Why display price lists and costs for the caskets, if they are negotiable? If there are, there should be a sign stating All prices are not firm and are subject to be lowered The family is put THRU so much added grief, they give up and go with this! The funeral director is in such power and so intimidating, they CALL the family back into the funeral home for this~ so they can dicker with them~! It has happened more than once at more than one place!
2. The local yellow pages advertising section is just now (in most areas) adding the categories casket and funeral merchandise. The casket store has had to place an ad in the business to business section because of this, when that is not the clientele that they are striving for. Or other categories, such as pre need, funeral planning and funeral director supplies. It has happened also, where the funeral industry is trying to inform the casket store where they may or may not advertise! Exhibit #7 from Casket Royale of New Hampshire & #8 Quality Care Caskets of Calif.
3. Unethical morticians reserve & use concealment ,the fact one can purchase elsewhere. And Who is the owner of the establishment? Hidden and extra fees. Added exhibits #9 bundling & rights Rob Karlin, Calif. Caskets And #10 Handling fees & ownership & GPL information from Thomas Oswald of Oswald Casket in California.

Because the public does not make purchases of this type often, they are uninformed and perplexed. Since 6/8/99 the NCRA has polled their visitors. Below are the current poll results: A total of 378 votes, on the question:

FTC released a funeral rule prior - do you think any of it needs changed? (If you need more information, please see the discussion board for the rest of the facts and FTC contact) Please pass on the news. Deadline for comments at FTC is 07/12/99 (note added about being extended until Aug. 11th, 1999) Exhibit #11 NCRA

yes 42% 160

no 49% 185

maybe 1% 5

no clue 7% 28 And I daresay, we ~~have many of the funeral directors visiting our site too, keeping up with our~~ news. But NEARLY a full 10% had no clue or didn't know. That is very sad news and shows what an opportunity there is for abuse and to use that against them. This alone shows the continued need for the Funeral Rule.

To keep content condensed, the balance of this will be in outline form as same sequence as the FTC

paperwork. This is compiled and respectfully submitted by Betty Brown, acting secretary for the NCRA

262 Shelton Blvd. Eastlake, Oh 44095, also owner of A Team Masters Casket store 440-942-8769 all are

submitted here in copies of five & original - like requested and on a floppy disk. Sent next day air by 8/11/99

Issues for Comment: The GPL should become more detailed.

1. Not only should the owner's name and address but the corporation affiliation, if any.

2. if viewing is desired, it can be without a casket, or with one purchased elsewhere.

3. If the human remains are to be in any other firm's care or transported by another firm, it should be listed separately, and to who, what, how long and where.

4. If embalming is chosen, there should be a detailed outline of what chemicals are used and procedure, benefits.

5. We are enclosing a price list exhibit #12 - Austin360.com Published: March 14, 1998 so that the WIDE gap

6. between the Non-declineable fee can be clearly seen. Out of 28 Tex. funeral homes, a low end is \$595. to a high end of \$1,775.00. This news should leave little doubt that if there were a casket handling fee allowed on purchases made outside the funeral home, they would be ridiculously high also. No other industry is allowed to protect their overhead in such a manner. Nor should they be afforded the outlandish casket handling fees.

A funeral home takes in many items for a funeral service. Where will it end? handling fee on flowers, clothes or printed materials too? Maybe strong mentions from others on adding a fee here, public interest is NOT at heart.

7. The cemetery & the crematories trades should be added into the funeral rule, because there have been many instances that involve greed and criminal activity within those trades. The third party retailers or casket stores should not be included in the scope of funeral provider or fall under the rule. Mainly because the rule is meant to protect the public - and seeing as there have been no bad press or greed and secret activity, added governing here would only be used against us, from those inside the industry. Perhaps forcing more stores out of business by

outlandish statements and twisting words for their benefit. Casket stores are truly not funeral providers. This would tend to confuse the public - and where would the retail stores advertise in the yellow pgs?

8. The GPL should state plainly Fees are listed bundled for your consideration, however, each item is available separately. And the cost broken down for such items.
9. The growth of casket stores getting their foot in the trade, has been because the casket handling fee were disallowed. Lately the sham discounts and negotiating or Matching the casket stores price have had the same effect that the tried casket handling fees did. It stifles potential competition and the many benefits to the public of sources other than the mortuary, for their needs in burial merchandise. Not only should the casket handling fees be disallowed, but so should the sham discounts and the matching the casket stores price. If the requirement is to

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hand out prices for the caskets, and the funeral home drops it due to a potential lost sale, why display the cost in the start? ~~Why have a casket price list mandatory? Add statement~~ These are negotiable to each one

1. ~~Competition among funeral providers has increased due to the effect the FTC funeral rule has had by requiring the unbundling of certain items. The public is getting wiser and the news coverage of the changing industry is happy to add the casket stores as part of the reason customers can become more informed about this industry. Part of the reason the funeral directors are concerned about the casket stores is because of lost profit due to a closed market prior. However, now they see that the third party retailers are growing and are here to stay. The exhibit #13 from the NFDA shows how intent the practice to put an end to the competition has been. How to deal with Casket stores~~
 2. Part 8 in showing to what extent this ruling imposes on funeral providers similar to those under standard and prudent business practices? While it is agreed that the ruling has added costs to a business, it is no different than costs incurred in other fields, like trucking, ~~teaching, doctor, dentists, lawyers or landfills.~~ The CDL was imposed in the trucking industry, along with off road fuel use and fines for not following the intent - public safety and cleaner air. In the trucking trade, if the business allows the driver to drive his rig without a CDL, he opens the company up to a \$5,000.00 fine - and the driver is open to an additional \$5,000.00 fine. If the truck is found to have off road fuel in it (told by the color) it is another fine, if it is overloaded, another fine, if it is loaded too high, danger and another fine, if the unit is not road ready, another fine. If the driver is involved in an accident, the ticket counts against him and his livelihood. This example shows they put all at risk, for far less dollars involved - ~~just to make a living.~~ And the CDL is strict - and none considered the implications a second time! If the business ~~weighs the governing bodies,~~ the costs to do business, they have a choice to close shop if they ~~don't like it.~~ Just like any other business. The funeral industry has been protected due to the strength of the good old boys network and the lobbying of the organizations involved. ~~Add to that, the board in most all states, are more funeral directors than not.~~ Which should be changed also!
 3. The rule has affected the way people shop for funeral providers. WE have had people tell us that they chose ~~the~~ funeral home, just because the funeral director was up front and told them they could purchase the casket elsewhere, and the first one that they contacted did not tell them anything like that at all! They have heard about the savings. They are spreading the news and the public is no longer forced to do business in the dark/
 4. ~~Requiring authorization prior to embalming does not go far enough. It has been proven that embalming does not protect the public health, yet that is still being told as the number one reason that it is required in that funeral home. List the difference comparison for using a cooler instead, give people a choice - partial make-up even.~~
- 11e - ~~In order for the rule to have a better effect, it needs to become more strictly enforced and monitored. as in other trades, like trucking, People are still being lead to believe they need to purchase one thing plus another to get the best service or cost. They never find out about the option of unbundling.~~
- 14 a The number of providers of merchandise and services (other than morticians) have increased ten fold. The casket stores are the biggest and fastest growing field of retailers to enter this field. However, there are also other non traditional entries: like, scattering of ashes - services, those who sell a service to make part of your loved ones remains into an underground water reef, to add your ashes to the spaceship to be shot out to space, there are more ad copy sold now, thanks to the funeral rule, because the casket stores feel that part of their mission is to further educate the public on the options available, more jobbers to handle the casket store trade, more trucking firms and airline flights are involved because of the casket store trade. As are more sales of web pages and servers, domain names and rental of space for warehousing and sales. More people are employed now in the casket stores - certainly than would have been, without the ruling. Not to mention all the CPA and others employed because of the casket stores. Because of the consolidation of some of the funeral homes - or buy outs of others, the larger casket manufactures like Batesville have a sole purchase contract with certain conglomerates. This is hurting some of the smaller casket manufactures, so the emergence of the casket stores in this field has saved some businesses. They are now doing business with third party retailer, in order to prosper & stay afloat.
- 16 - The compliance is not good, see exhibit #14 shows the findings of a state body investigation. Yet funeral directors are misleading/ publishing ~they are doing a great job with complying with FTC funeral rulings.
- 18 - FROP is nowhere nearly implemented as it should be. More undercover samplings of area funeral homes! and MORE often! A Video camera would be a welcomed addition to that sales office even as a requirement.
- 27- The figures of widespread practice sham discounts has started to decline, due to the bad publicity it received, but it is still carried out in many instances. The scale of it happening now are still bad though, 1 in ten?

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- 28a-1 Yes, the cost of the embalming is often not even mentioned when just a few family members want a viewing. it is just said It is a requirement in this establishment, embalming if any viewing, for public safety.? This should be brought to light, where is the documentation? There is none, it is false. It simply brings in more money to a provider.**

 - Notification of interest in Public Workshop Conference. Attn: Mercedes Kelley, Division of Marketing**
 - Practices, FTC. We would like to submit this also as part of the record. The NCRA has two members we**
 - can fully recommend to attend this workshop. They are: Kevin Gray of Direct Casket in New York and Rob**
 - Karlin of California Casket in California. Please inform us if you can use these knowledgeable people, or**
 - even if you have room for additional.**
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