

Congregation Beth Emeth is a Conservative Jewish congregation in Herndon, Virginia. We have approximately 400 member units consisting of families and single individuals who are potential consumers of funeral services in the Washington, DC area.

We write to express our concern over the recent consent decision issued on December 30, 2013 relating to the purchase of Stewart Enterprises (Stewart) by Service Corporation International (SCI). Stewart and SCI are the two largest providers of funeral home and burial services in the United States. We ask that the Commission reconsider its decision to require SCI, as a condition of the purchase, to divest Edward Sagal Funeral Direction (Sagal) and instead require the divestment of Hines Rinaldi Funeral Home (Hines Rinaldi).

Funeral homes that provide services for Jewish people are our only alternatives. A very large portion of the Jewish population, regardless of level of religious observance, will only use a funeral home that understands and follows Jewish customs and rituals.

The Jewish Funeral Practices Committee of Greater Washington (JFPC) is an umbrella group of over 48 DC area Jewish congregations, committees and other organizations. It maintains a contract with Hines-Rinaldi in Silver Spring, Maryland, a Stewart owned facility, to provide facilities that satisfy important Jewish funeral services and burial customs at fixed prices. Additionally, the contract does not require the family to visit the funeral home. Paperwork may be completed, and necessary signatures obtained, by fax or email. The Funeral Director is prohibited from attempting to sell any upgraded merchandise or services to the bereaved without involving the person designated by the congregation or the Rabbi of the congregation. Families or congregations will not be billed earlier than 30 days after the burial (during a 30-day mourning period called sheloshim), with payment due on or before the 45th day after burial, except that cemetery charges may be billed as required by the cemetery. The JPFC contract price is considerably lower than other providers in the area and provides price competition in this market and keeps competitive pressure on the other providers.

SCI owns the two largest Jewish funeral homes in Montgomery County, Danzansky-Goldberg and Sagel. Those funeral homes charge an average of \$6256 for funeral not including the casket (Washington Jewish Week article November 6, 2013). The JPFC contract price with Hines Rinaldi is \$1820 including the casket. We believe that the proposed consent agreement will reduce competition by giving control of Hines-Rinaldi to SCI, thus giving them no incentive to maintain the JFPC contract since they will still own Danzansky-Goldberg. JFPC estimates that this contract saves consumers over \$500k annually over SCI's Danzansky and Sagal funeral homes that presently have a 60% share of the Jewish market (The Street, November 5, 2013).

JPFC has previously attempted to negotiate a contract with Sagal. In 2012, Sagal made an offer that matched the price of the contract with Hines-Rinaldi but was deficient in other areas. Only members of the 48 JPFC congregations and groups would have been eligible for the funeral packages, not their families, and the 30-day mourning period would not have been respected (Washington Post August 25, 2013).

For about 10 years, the B'nai Israel Congregation in Rockville has had a contract with the Sagal home. Until recently, the contract rate for a basic funeral, including a casket, was \$2,350, according to Marc Barinbaum, chairman of the congregation's bereavement committee. But he said, "things changed" when it was time to talk about renewing in 2012. The funeral home set the new price at \$4,500, plus an additional fee for the casket, adding at least \$495 more to the price (Washington Post August 25, 2013).

Upon acquiring Hines Rinadi, SCI is not likely to fully honor the current JFPC contract that is set to expire June 30, 2014. As a member congregation of JFPC, we feel strongly that our congregants and the broader Jewish community in the Washington, DC area will be harmed by allowing SCI to obtain control over Hines Rinaldi. Please reconsider the December 30, 2013 consent decision and require SCI to divest Hines Rinaldi instead of Sagal.