

## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION Southwest Region

1999 Bryan Street, Suite 2150 Dallas, Texas 75201 ~ Matthew H. Wernz Regional Director

January 24, 2024

Boxwell Brothers Funeral Directors Attn: Michael R. Boxwell, Managing Member 2800 Paramount Boulevard Amarillo, Texas 79109

Re: Funeral Rule Compliance Notice

Dear Funeral Provider:

As you know, the Federal Trade Commission ("FTC") has issued a trade regulation rule concerning funeral industry practices ("Funeral Rule"), 16 C.F.R. Part 453. The Funeral Rule became fully effective on April 30, 1984, and revisions to the Funeral Rule became effective on July 19, 1994. As amended, the Funeral Rule has the full force and effect of federal law.

The Funeral Rule requires that funeral providers disclose prices and other information to persons arranging funerals. The Funeral Rule requires disclosure of itemized price information both over the telephone and in writing concerning general funeral services and ancillary arrangements offered by the funeral provider, as well as price lists for caskets and outer burial containers. The Funeral Rule prohibits misrepresentations about legal, cemetery or crematory requirements pertaining to the disposition of human remains, including embalming. Certain unfair practices also are prohibited, such as embalming for a fee without prior permission; requiring consumers to purchase caskets for direct cremation; or conditioning the purchase of any funeral good or service upon the purchase of any other funeral good or service. Moreover, the Funeral Rule requires that each person who arranges a funeral be given a statement of the funeral goods and services selected by that person and the price to be paid for each item. Failure to comply with the Funeral Rule may result in penalties of up to \$51,744 per violation.

FTC staff has obtained information that, in June and September 2023, during undercover calls placed by the FTC, Boxwell Brothers Funeral Directors did not provide accurate information over the telephone in response to questions about your offerings or pricings. In particular, Boxwell Brothers Funeral Directors failed to provide accurate information about your prices or services. Specifically, we contacted your office on two occasions, and you provided materially different prices for the same goods and services on each call.

In FTC staff's view, the conduct described above violates of the Funeral Rule. While staff does not currently intend to recommend to the Commission that it take formal legal action against Boxwell Brothers Funeral Directors, you should take prompt remedial action to make sure Boxwell Brothers Funeral Directors and its staff provide accurate information over the Boxwell Brothers Funeral Directors Page 2 of 2

phone about its prices and offerings, and to not misrepresent whether embalming is required by state law, code, or regulation.

Enclosed for your review is a copy of the business guide "Complying with the Funeral Rule." The guide is intended to help you comply with the Funeral Rule and includes information about your obligations to provide accurate information over the phone and accurate representations about embalming requirements. If you have any questions after reviewing this letter and the guide, please call FTC attorney Luis Gallegos at (214) 979-9383.

Respectfully yours,

Matthew H. Wernz Regional Director

Enclosure