

## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Lois Greisman Associate Director Division of Marketing Practices Phone: (202) 326-3404

January 24, 2024

Via Federal Express
Heritage Funeral Service and Crematory
427 Graves Mill Rd
Lynchburg, VA 24502

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 August 2023, during undercover calls placed by the FTC, Heritage Funeral Service and Crematory ("Heritage") did not provide accurate information over the telephone in response to questions about your offerings or prices. In particular, Heritage 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

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against Heritage, you should take prompt remedial action to make sure Heritage and its staff provide accurate information over the phone about its prices and offerings.

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. If you have any questions after reviewing this letter and the guide, please call FTC attorneys Melissa Dickey at 202-326-2662 or Rebecca Plett at 202-326-3664.

Respectfully yours,

Lois C. Greisman Associate Director

Division of Marketing Practices

Enclosure