



Funeral Consumers Alliance of the Finger Lakes

Fall 2011 Newsletter

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On Advertising Funeral Services and Prices

The Spring 2011 Newsletter had the following comment in the president's IN box from a critic of the funeral industry: "Very few funeral homes show their General Price Lists at their websites. Why not? Don't they want people to learn about funeral pricing, how to control funeral costs, or about price differences among funeral businesses?" Here we take up the subject in detail and present a bit of research into web-based advertising of funeral services and products in the Finger Lakes region.

At least 38 funeral businesses operate within the service area of the FCA of the Finger Lakes. This area is a roughly circular zone about 50 miles in diameter, centered on Tompkins County. We have seen phrases like *consumer information* and *consumer protection* at the websites of several funeral homes in this area, as well as at the website of the New York State Funeral Directors Association. So we wondered, what kinds of consumer information?

Three questions. We asked first, how many of the funeral businesses in the Alliance's service area maintain websites to communicate with potential customers? Second, how many display their General Price Lists at their websites? Third, how many of the surveyed businesses advertise any of their prices on the internet? These questions are based in part on the premise that the Internet is now the predominant medium for business advertising and dispersal of consumer information.

Answers. *Only 24 of the 38 businesses have websites!* Are the other 14 so secure that they can afford to be opaque targets in the information age, or are they still managed as they were 25 years ago? Does the owner of each of these businesses presume that customers will show up indefinitely just because the business exists? This presumption has some justification because not many funeral customers shop for products and services or take time to learn how to manage funeral costs. Instead, at the time of a death they call the nearest funeral home or one that their family or a friend has used. These habits do not promote competition among funeral businesses.

But competition cannot be avoided altogether. People who learn that funeral prices may vary as much as 100% from one business to another in the same area will tend to select businesses with relatively low prices, provided that other information about the businesses is favorable. Another factor is excess capacity in the funeral industry. There are many more funeral homes nationally and in this area than

are needed to accommodate the death-care needs of the population. Tompkins County, for example, had 9 funeral businesses sharing income from the 575 deaths of county residents in 2010 (Source: Dept. of Public Health). Unused capacity is a burden to the industry and to many individual businesses. As evidence, the number of funeral homes in the USA declined 10% between 2000 and 2010 (Source: National Funeral Directors Association (NFDA)). Two funeral homes in Tompkins County closed and two others consolidated their operations in one facility during that decade, while one low-price cremation business opened.

None of the 24 funeral businesses that have websites display their General Price Lists there. Why not? A carefully designed and attractive GPL with data in compliance with federal and state regulations would seem to be an excellent way to communicate something about the quality of a business. It would complement other features of the website. Publication of competitive prices would seem to be a no-brainer for getting a bigger share of the funeral market.

Only three of the 24 businesses with websites provide any price information at those sites, and the price information at two of the three sites was out of date—superseded by the businesses' unpublished GPLs.

Why don't more funeral businesses advertise prices? Funeral businesses can partially compensate for unused capacity by keeping prices high and avoiding price disclosures beyond those required by law. (A funeral home is required by law to give a copy of its General Price List to anyone who requests it.) In addition, the funeral industry does what it can to make people expect high prices. The NFDA's General Price List Survey in 2010 showed the average cost of a full-service funeral was \$6560 plus the expenses of vaults and other cemetery goods and services. Owners of most funeral businesses want customers to think first of burial and to expect that the service will be costly. Our survey data suggest that some funeral homes inflate their prices for cremation services to compensate for the diminishing popularity of burial. We have been surprised that funeral businesses with relatively low price structures do not advertise their prices. We of the FCA of the Finger Lakes hope to see much wider and more prominent publication and advertising of prices by funeral businesses. It would help people realize that funeral planning is necessary and that funeral costs can be managed. An excellent way, indeed the best way, for funeral homes to begin

this public service would be to post their General Price Lists at their websites. For the present, funeral consumers in the southern Finger Lakes region and adjacent Southern Tier can get price information from the Alliance's website, <http://www.imsfca.org>, where complete results of the 2011 funeral price survey can be viewed. The insert in this Newsletter has selected data from the survey.

Should funeral businesses that have websites be required to display their GPLs there? We say yes. California is in the lead on this. A bill that would require funeral homes that have websites to post their price lists online passed both houses of the state legislature and was sent to the governor in mid-September. The outcome was unknown when the Newsletter went to press.

Scraps from the President's Desk

The Alliance's public presentations about funeral planning include a display of documents related to our major theme, all of which are available to members and the public free of charge. In addition to our own tri-fold brochure, *Planning for Funeral Needs*, which is also freely available at numerous sites around Tompkins County, we display about 25 items produced by the national Funeral Consumers Alliance along with those prepared by our own members. As one of nearly 100 affiliates of the national FCA, we benefit from its work as a watchdog of the funeral industry and promoter of funeral consumer interests as well as publisher of practical aids.

Our bylaws call for a Board of Directors made up of at least seven Alliance members. (Names of current Board members appear at the foot of page 2 of each issue of the Newsletter.) As with most not-for-profits, the members of our Board serve without compensation. The Board holds regular quarterly meetings and special meetings "as business requires" but conducts much of its business by e-mail. Its primary function is to "establish policies affecting the operation of the Alliance," but it is also involved in executing those policies. An ad hoc nominating committee is seeking Alliance members who would like to serve on the Board. If you are interested, please get in touch with me by phone at 539-7815 or

by e-mail: barrybadams@hotmail.com.

We welcome feedback. Is the Alliance helpful? What else should it be doing? What should it be doing differently? Would you like to receive occasional e-mail news notes about funeral matters? Send your comments or requests to info@imsfca.org.

Like other all-volunteer organizations, we depend upon and appreciate help from our members. Special thanks go to those who recently helped with compiling the 2011 funeral price survey, which is summarized and excerpted in the insert of the present issue of the Newsletter. In addition to Board members Wayne Sinclair, Carol Hardy, Bob Cotts, Cathy Darrow, Louise Richards, Dominick Paolillo, and Phil Winn, we called upon Kit Lambert, Hazel Brampton, Donna Sokol, Barbara Cotts, and Carolyn Eberhard to check and cross-check data entered in our tables. We could use help in keeping track of funeral-related matters in the media and on the national FCA website. If you are interested, send a note to info@imsfca.org.

The Alliance's Public Service Depends on Your Contributions

Four years ago the FCAFL voted to discontinue the practice of charging membership fees. Since then it has supported its activities entirely through voluntary contributions, suggesting an enrollment donation of \$30.00 per person. Your generosity is needed to assure our continuance as a working organization. Donations so far this year have fallen behind 2010 by 20%. We need a big boost to catch up and to cover expenses for 2011. The bare facts are that unless we bring in at least \$1,000 in contributions before the end of the year, we will not have a year's worth of expenses in the bank at the start of 2012. Until now, we have operated without any cash-flow problems because we have been able to maintain a bank balance that cushions our spending throughout the year and provides us with a means to counteract the effect of unexpected expenditures. Without your help, that reserve will be significantly depleted by year's end. We ask you, then, to please return the enclosed envelope with a check made out to the

The Funeral Consumers Alliance of the Finger Lakes, Inc., founded in 1958 as the Ithaca Memorial Society, is a non-profit, tax-exempt, public-service organization that promotes advance planning of funeral arrangements and consumer education and protection with respect to funeral-related issues. Membership is free and open to all. Volunteers provide all services and programs. A Board of Directors is elected by the members. The FCAFL is supported entirely by donations and is a member of the national Funeral Consumers Alliance, Inc., which has more than 90 affiliates. This Newsletter is published twice a year and is freely available.

The Board of Directors, 2011-2012: Barry Adams, President; Carol Hardy, Vice President; Catherine Darrow, Secretary; Dominick Paolillo Jr., Treasurer; Monty Berman (to 2014), Robert Cotts (to 2012), Louise Richards (to 2013), Wayne Sinclair (to 2012). Advisors: David Bandler, Philip S. Winn.

Funeral Consumers Alliance of the Finger Lakes.

Where does the money go?? A big chunk goes directly to communications: printing and mailing the Newsletter and other messages from the Board or the President, printing brochures and leaflets, keeping the phone open, and maintaining a website. Whereas the Newsletter is distributed almost entirely to members of FCAFL, the telephone and website are open to the general public, who turn to us for information about a variety of end-of-life matters. The website is very cost effective, \$137 serving for all comers for the whole year. The telephone is currently quite expensive, but its use includes inquiries from people who are desperate for help because they are responsible for arrangements that have to be concluded quickly. We are looking into alternatives for reducing telephone expenses by changing technology and service provider. The money we send to the national FCA supports essential work that we do not have the muscle for on our own. Among their activities are testifying before and communicating with the U.S. Congress about regulation of the funeral industry as well as producing pamphlets and brochures.

On top of the money our members donate, there are contributions of time, energy, and personal resources of Board members who volunteer to keep our organization running. Included in this category are the many hours spent interacting with individuals who make inquiries, handling correspondence, explaining end-of-life matters in presentations to the general public, preparing the Newsletter, maintaining the website, keeping the books, and preparing the Price Survey that is published at our web site and summarized in this issue of the Newsletter.

Here is how we spent \$5,841 in 2010.	
Printing and mailing.....	58%
Verizon telephone	15%
FCA dues and contributions.....	13%
Office supplies.....	7%
Other costs.....	7%

Useful Ideas From Other FCA Affiliates

On June 13 FCAFL hosted the first Regional Brainstorming Session for participants from four central New York FCAs. Present for the daylong session were representatives from the FCAs of the Finger Lakes (FCAFL), Greater Rochester (FCAGR), and Central New York (FCACNY), and the Memorial Society of the Greater Corning Area. Representing FCAFL were Barry Adams (Moderator), Wayne Sinclair, Phil Winn, and Carol Hardy. We met with a group of interesting and highly dedicated people who are working hard to promote the values of simple and affordable funeral and memorial arrangements in their areas. What we discovered was that, no

matter what the topic—whether it be attracting new members, achieving financial stability, establishing good relationships with funeral homes, doing price surveys, recruiting new board members—we all have the same problems and difficulties.

One of the trends we all noticed is declining and aging membership. Most of our members are over 65; many joined in the 1960s and '70s and now, 40–50 years later, are less active or gone. Can or should we attract younger members as was done in earlier years? If so, how? While we reached no conclusions, it was suggested that perhaps we should make seniors our target audience, as seniors are a growing population, and perhaps focus on those just moving into retirement. Media exposure was helpful in the past but it is harder to get such exposure now. Public presentations are also very helpful in recruitment, and in this respect FCAFL stands out; we give more presentations per year than any of the other groups.

Achieving financial stability is another difficult problem we all face. Only the Rochester and Ithaca affiliates are tax-exempt with 501(c)(3) status. One-time membership donations are similar: all between \$25 and \$35. The problem is that unless membership grows continually, expenses exceed income from membership donations and fees. The largest expense for all is printing and mailing newsletters, and we discussed suggestions for reducing this cost. Only FCAGR has a paid secretary.

All of the groups have done away with formal contracts with funeral homes. FCAGR has agreements, rather than contracts, with 14 funeral homes. These businesses offer special pricing packages and some offer reduced prices to members. All of us expressed a preference for focusing on our education mission instead of on price breaks for members. The price surveys published at our websites are particularly important and help with comparison shopping. But, getting cooperation from all the funeral homes to prepare price surveys was difficult for everyone; multiple phone calls and visits were required to get full participation. Variation in the formats of General Price Lists from different funeral homes presented additional problems. Preparing each price survey report is a major endeavor. The report at each group's website is available to all.

The overall consensus was that the session was highly useful, and that we should meet yearly to discuss our most important issues. Syracuse has offered to host the next meeting, which may occur in January or February of 2012.

Book Review

Final Rights: Reclaiming the American Way of Death, by Joshua Slocum and Lisa Carlson (2011, Upper Access).

The publisher's front-cover blurb—"The book the funeral industry doesn't want you to read"—pretty much tells the story of this 500-page opus by two

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leading figures in the funeral consumer movement. Slocum is Executive Director of the Funeral Consumers Alliance (the national organization with nearly 100 affiliates, including our FCAFL), and Carlson is the Executive Director of the Funeral Ethics Organization. While the book is crammed with useful information on the current state of the funeral industry and what is involved in the high cost of dying, too much time and effort is spent bashing funeral directors and promoting do-it-yourself burials. The two prefaces give a candid explanation of where the authors are coming from. Their emphasis on the benefits of bypassing the funeral director is not what most Americans want to hear, especially those who live in cities or developed suburbs. In fact, to reclaim “The American Way of Death” that they espouse, you would probably need a pickup truck, a backhoe and a wheelbarrow, as well as an open spot in rural Vermont!

Part 1 is a general discussion ranging from “Tricks of the Funeral Trade” to “Home Funerals” and a lot in between, including Caskets, Embalming, Cemeteries, and Body Donation. It is a good education in itself! The chapter “Necessary Information for Family Involvement” (pp. 149–158) covers the general

information families need with regard to death certificates, visitation rights, cremation, etc., followed by the specific requirements in each of the 50 states. “Caring for the Dead In New York” (pp. 374–382) provides an excellent summary of basic knowledge needed to navigate the regulations surrounding a death in our state. (You can order these two sections from FCA headquarters for five dollars.)

Despite its limitations, this is a worthwhile read. I do not mean to take anything away from the important work the authors have done, here and elsewhere. There needs to be more work in getting the general public to pre-plan and shop around for their end-of-life needs.

Reviewed by David Bandler

Friends and Loved Ones Remembered

Donations received since March, 2011, have included those honoring the memories of: Shirley H. Ainslie, Henry Aron, Maurice and Flora Bond, Dick Cotton, Warren Currier, Dr. James H. Gillespie, Robert Hungerford Jr., Jack Hyde, Betty Kassman, Alfred Kahn, Elba Magdich, Christine S. Slocum, and Michael Talutis.