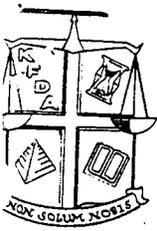


# KANSAS FUNERAL DIRECTORS AND EMBALMERS ASSOCIATION, INC.

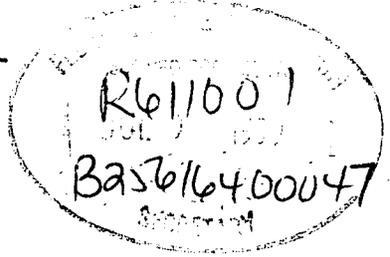
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AFFILIATED WITH NFDA

ORIGINAL



July 7, 1999

Secretary  
Federal Trade Commission  
Room H-159  
600 Pennsylvania Ave, N.W.  
Washington, D.C. 20580

Re: 16 CFR Part 453

Dear Sirs:

On behalf of the membership of the Kansas Funeral Directors and Embalmers Association (KFDA), I would like to submit the following comments relative to the Federal Trade Commission's review of the Trade Regulation Rule entitled Funeral Industry Practices, 16 CFR 453. The KFDA represents approximately 300 Kansas licensed funeral establishments.

The KFDA supports the stated purpose of the Funeral Rule, to ensure that consumers receive information necessary to make informed purchasing decisions and to lower existing barriers to price competition in the market for funeral goods and services. We believe, however, that if there is a continuing need for the funeral rule, the changing marketplace demands that all providers of funeral goods or services be brought under the scope of the rule. Unlike when the funeral rule was first adopted, today your traditional funeral home is not the only entity selling funeral goods and services to the consumer. Consumers are buying funeral goods and services from casket stores, cemeteries, memorial societies, over the Internet, and from other non-traditional third-party providers. These non-traditional providers are not subject to the same set of rules as is the traditional provider, the funeral home. If the FTC is truly interested in increasing competition, they will level the playing field for all competitors in the marketplace and amend the rule to make it applicable to all sellers of funeral goods or funeral services. Furthermore, if consumer protection is the FTC's goal, itemized price information should be required to be distributed by all such sellers, not just by funeral homes. By making itemized price information available from all providers, the consumer can be assured they are receiving accurate price information. This will provide protection against misrepresentations that may occur which may obscure a consumer's price comparisons.

Additionally, many third-party sellers have used funeral home general price list information in advertisements, which compare their prices with funeral home prices. Since these third-party sellers are not required to give out their price lists, there is often

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**WAM SCOTT**  
Topeka

no means for the funeral home or the public to determine whether the advertisements are accurate or misleading. Perhaps some type of provision could be placed in the funeral rule which would prohibit the deceptive or misleading use of price information obtained from general price lists.

The KFDA would also like to see an amendment made to the provisions of the Funeral Rule which requires the general price list to be distributed to consumers at the beginning of any face-to-face discussions regarding funeral arrangements. This rule applies regardless of how general those discussions may be. As a result, the funeral director is often required to give the general price list to families at inappropriate and insensitive times when a family has no desire to receive price information. The KFDA would like to see the rule amended to require that the general price list must only be given out 1) when a consumer inquires about a price or specifically requests price information or 2) before the consumer begins the process of selecting funeral goods and services.

The KFDA opposes any modification or elimination of the non-declinable basic service fee. A funeral home has the right to charge the consumer for the basic services provided by its funeral directors and staff. The funeral home also has the right to recover any unallocated overhead that it may have. Like other businesses, a funeral home is also expected to make a profit. By placing in their pricing structure a non-declinable basic service fee to cover these items, they are fully disclosing to the consumer what the price of these basic services are. This fulfills the basic premise of the Funeral Rule, full price disclosure. The price for the such basic services is not hidden in the price of individual funeral merchandise or services selected. Furthermore the consumer continues to have the ability to choose the funeral goods and services he or she wishes to purchase from the funeral home's general price list.

The KFDA also opposes any elimination of a funeral home's right to offer package discounts. The offering of package discounts is pro-consumer. The consumer can only win because he has the choice of purchasing a package or of purchasing funeral goods and services individually off the funeral home's price list.

Other changes the KFDA would like to see implemented as a result of the review of the funeral rule include:

- The graveside service should be eliminated from the immediate burial package. It should be listed on the general price list as a stand alone item since often a graveside service is not requested however, the family must pay for it since it is included in this mandatory package.

- The KFDA would like the FTC to give funeral homes more direction and clarification as to its rights and obligations when accepting third-party merchandise. Is it acceptable

for the funeral home to reject defective merchandise? Can the funeral home require a family member to be present to accept and approve the merchandise? We are finding that many third-party sellers do not provide warranties on their products and do not have model or serial numbers on the merchandise with which they can be identified as what the consumer purchased.

Thank you for this opportunity to submit to you our comments concerning your review of the funeral rule.

Very truly yours,

A handwritten signature in cursive script that reads "Pamela Scott". The signature is written in black ink and is positioned below the closing "Very truly yours,".

Pamela Scott  
Executive Director