



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

Division of Marketing Practices

FTC-1 (2003-2007)

ctregillus@ftc.gov

Facsimile: (202) 326-3395

March 21, 2007

Mr. Joshua Slocum, Executive Director
Funeral Consumers Alliance, Inc.
33 Patchen Rd.
South Burlington, VT 05403

Dear Mr. Slocum:

You have requested a staff opinion on two questions relating to the basic services fee that

FTC staff has identified as "Bundled Deal" or "Bundled" requires funeral providers to itemize separately

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Special such as conducting the appropriate performance analysis the Special Obtaining...

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charge for sheltering of remains if: 1) a significant percentage of your customers do not use the funeral home to hold the remains at any point, or 2) you receive a request to hold the remains for an unusually long period of time.³

It is apparent from this discussion that charges for sheltering of remains are to be included in the

basic services fee when they are “common to virtually all forms of disposition or arrangements” offered by a funeral home, and that sheltering of remains may be listed as a separate charge only if this service is not “common.” It is this principle that continues to guide staff’s interpretation of what should and should not be included in the basic services fee.

2. Refrigeration Charges

Your request argues, in effect, that refrigeration is a kind of “sheltering of remains,” and that sheltering is a service “common” to all funeral arrangements because no funeral provider

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As a general rule, consumers have the right under the Funeral Rule to select and pay for only those funeral goods and services they want. As explained in the Compliance Guide, there

~~are some exceptions to this right. (1) The consumer declines to pay for a service for 16 CFR~~

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that service should be part of the basic services fee. If using an automobile to obtain necessary permits and death certificates is *not* common to virtually all forms of disposition or arrangements

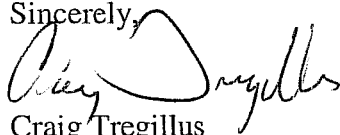
offered by a provider, those charges cannot be included in the basic services fee.

We would note that, in addition to disclosing the existence of the basic services fee, funeral providers are required to disclose the "principal basic services provided" in return for the basic services fee. 16 CFR § 453.2(b)(4)(iii)(C)(1). This information about what services are included in the basic services fee allows consumers to make informed decisions about whether

there are additional services they may want to purchase from the funeral provider or obtain from other sources.

As you know, the views expressed in this letter are those of the FTC staff. They have not been reviewed, approved, or adopted by the Commission, and they are not binding on the Commission or any individual Commissioner. However, they do reflect the views of FTC staff charged with enforcement of the Funeral Rule.

Sincerely,



Craig Tregillus
Funeral Rule Coordinator