

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

_____)	
In the Matter of)	
)	
Service Corporation International,)	Docket No. C-4423
a corporation, and)	File No. 131 0163
)	
Stewart Enterprises, Inc.,)	
a corporation)	
_____)	

PETITION FOR APPROVAL OF PROPOSED DIVESTITURE

Pursuant to Section 2.41(f) of the Federal Trade Commission ("Commission") Rules of Practice and Procedure, 16 C.F.R. 2.41(f) (2012), and Paragraphs II.A of the Decision and Order entered in the Agreement Containing Consent Orders accepted for public comment in this matter (TS/Interp 9.445 0 5cg, Remmee4 467 Service Corporation International (TSSCI") is hereby approving the the divestiture to Hunsaker Partners, LLC (TS/TS/TS, Rem of the Divestiture Business that

will be sold to Hunsaker pursuant to an Asset Sale Agreement by and among Hunsaker and SCI (the "ASA").¹

Background

On December 23, 2013, SCI and Respondent Stewart Enterprises, Inc.

contained herein be accorded confidential treatment. The confidential version of this petition should be accorded such confidential treatment under 5 U.S.C. § 552 and Section 4.10(a)(2) of the Commission's Rules of Practice and Procedure, 16 C.F.R. § 4.10(a)(2) (2012). The confidential version of this petition is also exempt from disclosure under Exemptions 4, 7(A), 7(B), and 7(C) of the Freedom of Information Act, 5 U.S.C. §§ 552(b)(4), 552(b)(7)(A), 552(b)(7)(B), & 552(b)(7)(C), and the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, 15 U.S.C. § 18a(h).

Respondent SCI desires to complete the proposed divestiture of the Divestiture Assets as soon as possible, following Commission approval thereof. All conditions other than Commission approval and those normally satisfied at closing have already been satisfied so that SCI and Hunsaker are in a position to close the divestiture within a few days of such approval. Prompt consummation will further the purposes of the Decision and Order and is in the interest of the public, Hunsaker, and Respondents because it will allow Hunsaker to move forward with its business plans for the competitive operation of the Divestiture Assets. SCI accordingly requests that the Commission promptly commence the period of public comment pursuant to Section 2.41(f)(2) of the Commission's Rules of Practice and Procedure, 16 C.F.R. § 2.41(f)(2) (2012), limit the public comment period to the customary 90-day period, and grant this petition by approving the divestiture of the Divestiture Assets to Hunsaker pursuant to the above-referenced ASA as soon as practicable after the close of the public comment period.

I. The ASA Is Final and Consistent with the Decision and Order's Terms

Paragraph II.A of the Decision and Order requires the Respondents to divest the Divestiture Businesses (as defined in the Decision and Order) within 180 days of the date on which the Order is issued. Pursuant to this requirement, SCI diligently has sought buyers that would be acceptable to the Commission, through an extensive auction process that produced great interest in the properties. As noted above, SCI has entered into an ASA with Hunsaker, which will require SCI to sell the Divestiture Assets to Hunsaker. The ASA is attached hereto as Confidential Exhibit A.

The ASA complies with the requirements of Paragraph II of the Decision and Order. Paragraph II.A requires that Respondents divest Divestiture Assets absolutely and in good faith. Pursuant to the ASA, Hunsaker will acquire the Divestiture Assets. See ASA § 1.1.

Paragraph II.B.8 of the Decision and Order requires that Respondents divest the cemeteries in Atlanta, Georgia, to no more than the Acquirer. The Atlanta group is comprised of the following two facilities: (i) Holly Hill Memorial Park, 359 West Broad Street, Fairburn, Georgia 30213 and (ii) Eastlawn Memorial Park, 640 McGarity Road, McDonough, Georgia 30252. Pursuant to the ASA, Hunsaker will acquire these facilities. See ASA § 1.1.

Hunsaker has acknowledged that the Divestiture Assets, together with the Hunsaker's existing resources, will be used by Hunsaker to operate the Divestiture Businesses as ongoing entities and that no other assets are needed from SCI to do so. See ASA § 4.4.

* * *

² The Commission issued the final Order on April 29, 2014.

As demonstrated above and in the accompanying ASA, SCI has entered into an agreement relating to the divestiture of the Divestiture Assets that fully complies with the Commission's Decision and Order in respect to the divestiture of these assets. Accordingly, the Respondents hereby seek Commission approval of the proposed Divestiture pursuant to Paragraph II.A of the Decision and Order.

II. The Prospective Acquirer Will Be a Strong and Effective Competitor

A. Background and Operations Experience

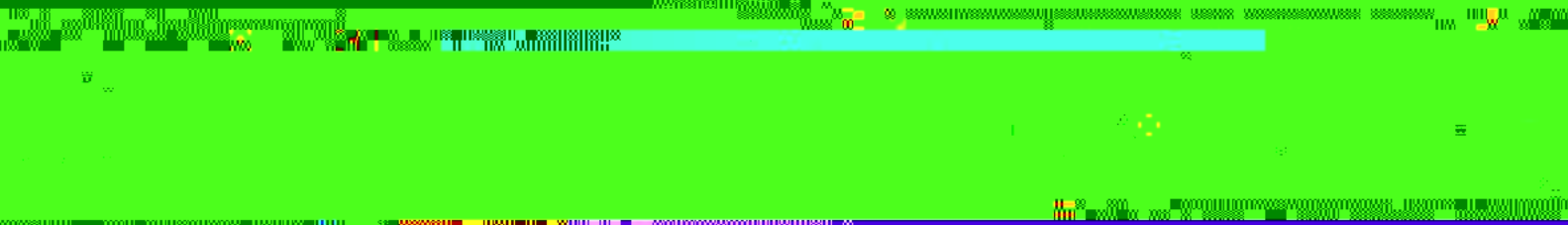
Hunsaker has extensive experience acquiring and operating cemeteries and funeral homes, has the financial wherewithal to make this acquisition, and the acquisition of the Divestiture Assets by Hunsaker will ensure that the Divestiture Assets remain strong and effective competitors in Georgia.

Christine Hunsaker grew up in the funeral business. Her father has been a funeral director for 59 years and still works in the industry. After graduate school, Ms. Hunsaker began her career in funeral service and has over 25 years of experience in the cremation, funeral, and cemetery business. She has been a corporate officer for two of the largest publically traded funeral companies in the United States—Stewart Enterprises and SCI. She is a successful owner of several businesses, one of which is a large pe

Ms. Hunsaker was employed by Stewart Enterprises, Inc. ("Stewart"), now a wholly-owned subsidiary of SCI, but has discon

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Ms. Hunsaker plans to bring seasoned professionals to the management of the

B. Financial Capability

Hunsaker expects to pay SCI the purchase price of

Hunsaker does not anticipate any problems

. Moreover, the facilities and equipment of the Divestiture Assets are in good repair.

Hunsaker does not anticipate needing any funds beyond working capital to make improvements to the physical property and facilities.

III. The Proposed Divestiture Agreement Will Achieve the Purposes of the Decision and

any market, as defined in the Commission's Complaint, in which the Divestiture Assets operate. Consequently, there is no overlap between the ~~types~~ of Hunsaker and the Divestiture Assets in both petitions, and the proposed divestiture ~~do~~ do not raise any competitive issue.

In sum, the proposed divestiture ~~will~~ remedy any alleged anticompetitive effects that could result from the Acquisition. The ASA will achieve the Commission's stated purposes of ensuring the ~~continuance~~ of the Divestiture Assets in the same business in which they were engaged at the time of the announcement ~~of~~ Acquisition and remedying the lessening of competition as alleged in the Commission's Complaint.

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⁴ Pet cremation assets do not compete with human disposition.

Conclusion

For the foregoing reasons, the Respondents respectfully request that the Commission approve the proposed divestiture of the Divestiture Assets to Hunsaker, as embodied in the ASA, as soon as practicable after expiration of the public comment period.

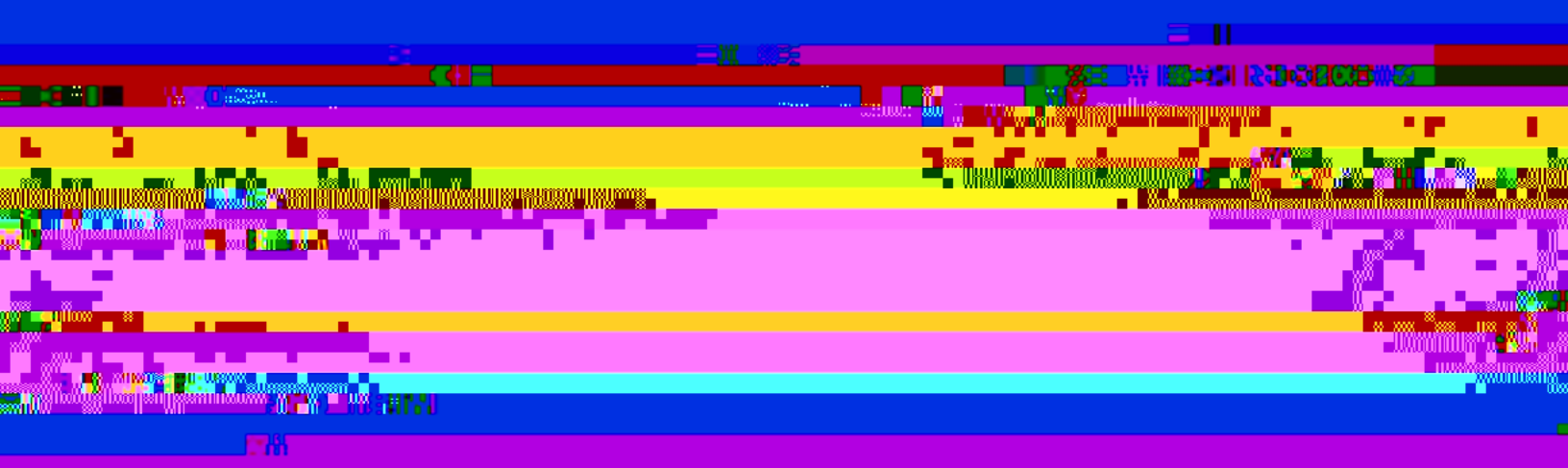
Respectfully submitted,



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Washington, D.C. 20037
(202) 955-1502
Counsel for Respondents

Dated: July 3, 2014

CERTIFICATE OF SERVICE OF PROCESS INTERNATIONAL



s they pertain to

Hunsaker

ation related in the foregoing Petition, insofar

the laws of the United States

State of Arizona

that the foregoing is true and correct.

Hunsaker

Member

Hunsaker

CONFIDENTIAL

EXHIBIT A