

Funeral industry adapts as cremation becomes more accepted

By Sarah Scully · August 8, 2015

When *Dave Pena* started in the funeral business in 1994, he worked primarily with Catholic Hispanic families who wanted church services and traditional burials for their loved ones. On the rare occasions a family requested cremation, the staff would nearly panic, not sure what to do.

Much has changed in the years since, with cremation overcoming long-standing cultural bias as the nation becomes more mobile, less religious and more cost-conscious. This year likely will be the first in which it surpasses burial as the No. 1 choice in the U.S. By 2030, seven in 10 people who die are expected to be cremated.

Pena saw the growing acceptance firsthand while working both at independent funeral homes and with the biggest companies in the industry. By the time he was ready to launch his own business eight years ago, he decided to specialize in the practice.

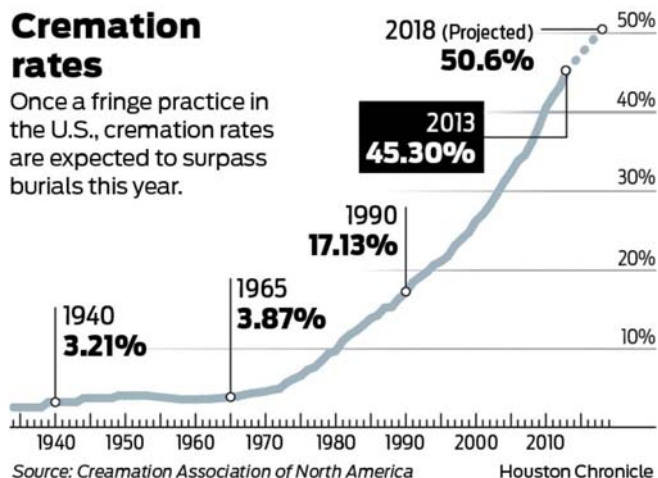
"I thought, 'Cremation families have always taken a back seat,' and I wanted it to be different," Pena said recently in his office at *Integrity Funeral Care*, sitting at the polished wood table where he meets with loved ones of the departed.

Glass shelves nearby displayed urns: curvy vase-like gold ones, wooden boxes with a slot for a photograph in front and miniature urns for families who planned to split up the remains or keep some after scattering the rest. A sculpture of glass whipped up in colorful twists showed off art that could incorporate ashes.

"It's an old-fashioned industry," Pena said of his profession. But, he added, "It's changed more in the last 20 years than in the past 120."

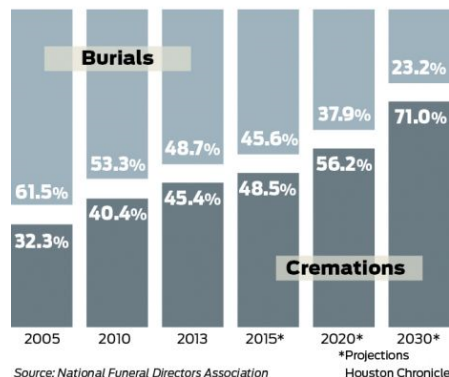
Cremation rates

Once a fringe practice in the U.S., cremation rates are expected to surpass burials this year.



Projections

The National Funeral Directors Association expects the rate of cremations vs. burials to increase over the next decade-and-a-half.



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Cremation rates vary widely among states. In Nevada, the cremation rate exceeded 74 percent in 2012, while in more traditional Mississippi just 18 percent of people were cremated that year. In Texas, the cremation rate was 36 percent in 2012.

But studies show the rate is growing everywhere nationally, even in Texas and Southern states where the practice remains less common.

"Cremation just kind of fits with the culture that we have," said Barbara Kemmis, executive director of the Cremation Association of North America. People are transient, cost-conscious and less religious than past generations, she said.

Creating opportunity

Whatever the reason, the National Funeral Directors Association predicts cremations will surpass burials this year. Kemmis' organization says that by 2018, at least half of Americans will be cremated upon death. The reason these milestones don't coincide are seldom-used options including having the body cryogenically frozen or donating it to science.

The numbers create opportunity for providers like Pena, who estimates 600 of the 700 clients he'll serve this year will opt for cremation.

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Cremation came to the U.S. in 1867 but took more than a century to catch on. Initially, it was appealing for health reasons in the post-Civil War era.

"There were real concerns in the United States about hygiene and death," Kemmis said. "Dead bodies that were buried in cemeteries were contaminating water systems."

Still, as late as 1966, fewer than 4 percent of Americans were cremated.

Important shifts came when the Catholic Church condoned cremation in 1963 and later allowed cremated remains in funeral masses in 1997. Now, fewer Americans in general are affiliated with a religion and the burial traditions they dictate.

'Transient population'

In the 1990s, cremation rates topped 20 percent, and they have been climbing since.

For many, the idea of being buried in the family plot at the local church has become irrelevant.

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For families who are undecided at the time, cremation lets them choose later whether to keep or scatter the ashes or even to bury them.

Poul Lemasters, a funeral director and attorney in the industry, argues that comparing cremation rates to burial is misleading because many families choose to bury cremated remains, whether immediately following the death or years later. Cremation's ascension doesn't mean the end of burials, he said.

"The funeral home side has not kept up," Lemasters said, in talking to clients about their options and how memorial services or burial after cremation can help offer closure.

They also can replace some, but not all, of the lost revenue.

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Cremation is typically one-fifth to one-third the cost of a burial, industry groups say. At Integrity, a cremation costs \$895, plus a container and any services. In 2014, the median cost of cremation alone in the U.S. was \$2,200, the National Funeral Directors Association reported.

The Funeral Consumers Alliance writes that \$700 to \$1,200 is a reasonable price for cremation, before other services are added. That's about what the least expensive caskets cost.

Meanwhile, for a traditional viewing, funeral and burial, the median cost was \$7,205 in 2014, the funeral director's association reported.

Some providers have been slow to adapt to the changes.

"A lot of funeral directors have been saying for years, 'Cremation is killing my business,' " Pena said

Families typically don't buy caskets with cremation, although some do and cremate the body in a casket. Instead, they'll rent one for a visitation or use none at all. Now, roughly a third of cremation clients get cremation only, a third have a full visitation and ceremony, and a third do something in between.

Ripple effects feared

"Casket companies, we're starting to see consolidation, some are going out of business," Kemmis said.

"The ripple effects are far-reaching - not just for casket manufacturers and funeral homes, but also cemeteries and other suppliers of funeral products and services," a spokeswoman for Batesville Casket Co. wrote in an email. The company has responded by offering urns and personalized products for families who choose cremation, she wrote.

Sidney Webb, owner of Webb Discount Caskets in northeast Houston, said his revenue has dropped 35 percent in the last two years. Webb opened the shop with his wife in 2005.

At the Commonwealth Institute of Funeral Service, Director Jason Altieri said the school has made its cremation courses mandatory for graduation.

Funeral homes are figuring out other ways to get a piece of the market that consumers are moving to. More are offering celebrations of life with personalized receptions and catering instead of traditional services. They offer jewelry with a loved one's fingerprint or art with ashes incorporated into it.

"There's an incredibly rapid pace of change in this industry," Kemmis said. "None of these rates are reversing."