

If Dying in Your Funeral Home is on Your Bucket List, Then Don't Read This

By Jeff Harbeson

We've all heard about it, some of us have one, and a movie was made to shed light on how it can be accomplished: A Bucket List. A loose definition of a bucket list is coming to terms with who we are as a person, what we have or have not accomplished in life, and the desire to complete a list of things we want to see or do before death. Personally, at this point in my life I don't have a long list. Returning to Cuba for a week of cigars with local libations and attending a Little League World Series in Williamsport, Pennsylvania are two that remain.

As we in the funeral profession know all too well, many people have a bucket list that never came to fruition. Death is not a scheduled event (except for a conviction in a few States) and most of us take for granted that the grim reaper is far too busy with others to come knocking at our door. Only the old, sick, and those that drive poorly die. Since we don't fall in any of those categories, we move forward with our life.

Unfortunately, just this year our profession has experienced the loss of many funeral home owners. I can assure you that none of them simply planned on dying. No disrespect, but I imagine all of them had plans and so did the loved ones they left behind.

What am I trying to convey? Simply put, if your plan is to die at your desk, making arrangements, embalming a body, or at a visitation, then bully for you! At least you have a plan. For the balance of readers, I'm going to make you either uncomfortable (maybe you'll think and act), pissed, or stop reading because you don't like my thoughts. My goal will be accomplished if you fall in the first two. If you don't finish reading this article, more than likely you died at work and are among the "we've always done it this way" breed anyway.

Funeral directors are an interesting bunch. The profession of caring for the dead is a noble cause and millions of dollars are spent on begging "pre-clients" (those who have not been placed on a removal cot) to pre-plan for their death. I am a huge advocate of

planning for death or better known as "pre-need" in our funeralesque jargon.

In fact, I have made plans for my final disposition. I'm being cremated with specific instructions to dress me in shorts, my favorite Tommy Bahama shirt, flip flops, and a 6x60 Maduro cigar in my mouth as I enter the retort. I am choosing cremation because I want to have a cigar and rum party at my favorite beach bar in Aruba which means it's going to take some time for planning. The venue, called the Bugaloe, makes the very best mojitos on the planet. It is on a pier which is conducive to cigar smoking and includes a spot for a band to entertain.

This event should last about 3 hours with food, libations, cigar smoking, dancing, and whatever else the power of alcohol allows for people to do at my party. At the 2-hour mark and after free flow of rum, for those that care to give their favorite story or share some of my exploits, it's open mike time. If anyone is left standing after 3 hours, simply toss some of my cremated remains into the Caribbean (as all pirates dream of). Some of my remains will be interred at Indian Field Methodist Church in St. George, South Carolina so I can hang out with several generations who have gone before me. Other divisions of my remains will be kept in my favorite humidor, and as to the balance, well you can ask me in person because this publication will not allow such a description.

So that's my plan; I have a will, life insurance to pay for the party, and all the documentation to settle my estate. Ashes to ashes, dust to dust, I'll be dead at some point like the rest of us. The point to sharing my plans is that funeral directors don't think they are going to die therefore, they don't make their own plans. Nothing is worse than finding out a colleague died, and their family is having a car wash and creating a go fund me account to pay for expenses. Yes, I swear I know of this happening.

Worse is the funeral home owner that dies unexpectedly

(or at their funeral home working because that was their plan) without executing plans for business succession. The aftermath becomes a nightmare for their family, the people who work for them, and the community left behind. In fact, it's a downright selfish act and a thumb in the eye.

At this point, you are either uncomfortable or pissed because I'm writing about you. Otherwise, you've made your solid succession/estate plans, or you quit reading long ago (probably at the point where I shared I am going to be cremated).

My profession at The Foresight Companies provides me the opportunity to talk with funeral home owners every day. Interestingly, I have discussions with owners considering their future which include passing down to family, selling to key personnel or selling their firm to another entity. As part of the discussion, I always hear "I'm planning on retiring at an age in the future (pick one)." My response is "what's special about that particular age, why then?" Some provide me a reason such as kids out of college, mortgage paid off, divorce

is final, and so on. Others say nothing.

I propel the conversation by asking "what does your business look like if you wake up dead tomorrow morning?" Few provide a good answer, most go silent or offer some shoddy "I don't like talking about this" which means they haven't done a doodle damn thing. Interesting as we in this profession get all indignant when we receive a deceased person that made no plans prior to death, leaving a family to scramble to make arrangements, pay for goods and services, then try to figure out how to go on with life? Yet, we ourselves are doing the same to our own families?

I press on for "let's pretend you are dead tomorrow morning, who runs the funeral home now that you're dead? Who is responsible for everything from operations, payroll, to taxes?" When the answer is provided (if there is a feasible response), I then ask, "what documents are in place to support your plan and is it detailed enough for a smooth transition of ownership including the reduction of tax consequences?" At some point the conversation continues to evolve from "I'm



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ready to sell my funeral home in x amount of years” to “it sounds like I have a lot to do prior to making that decision.”

When we are at this point in the conversation, I inquire the current value of the funeral home. This is one of my favorite questions because I hear some hilarious answers. “I have a real estate buddy and he said this place is worth millions” is my favorite answer, especially when I am looking at comparable value in the operating area and there in nothing worth a million much less “millions.”

I then break the bad news that funeral homes are not valued like commercial real estate, however the listener is basically shirking this notion and moves the conversation toward “the calls.” “My call volume is steady, and we are up ten percent over this time last year” says the voice on the other end of the phone. “Outstanding” is my response and then I ask, “what is the split between casketed and non-casketed calls followed by “what is your revenue per call?” Either I get a plausible answer with a figure that makes sense, a ridiculous response like “oh, about \$8,500,” or none. If you’re still reading this, take note; call volume is an important indicator of market penetration however has nothing to do with value or profitability. I am aware of lower call volume firms that have a much larger EBITDA and bank account than larger call volume funeral homes. Yeah, size matters but only in the value of your business. Understanding the actual value of your business is the first step to any planning whether to sell, pass down, or die.

Bucket lists are awesome because they give us an opportunity to dream, right wrongs, or have a goal to work toward. I’ve heard some folks say they want to run a marathon one day. However, the day you decide to run a marathon is not the same day you run the race, you must prepare. That’s an analogy people; the day you decide to sell your funeral home is not the day you put a for sale sign in the yard, you must prepare.

In conclusion, my desire is that I accomplished my mission to make you uncomfortable or pissed and propelled you to consider taking action. If so, let’s have a conversation. I’m passionate about our profession, our people that make it great, our future, and our clients. I’m not one to tell you to go to hell, I just tell the truth and it feels like hell. Cheers y’all.

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