



<http://www.funeraldirectorschat.com/2011/ken-varner/>

Nancy Burban: Hi. I'm Nancy Burban, your host for Funeral Director's Chat, a podcast providing funeral professionals with insight to current industry topics, news, and trends. Today I have a very distinguished man who I've known for some time, and he has quite an impressive history. His name is Kenneth Varner, and he is the president and chief executive officer of Cypress Lawn Cemetery Association in Colma, California. It's a nonprofit garden cemetery and funeral home in the San Francisco Bay Area. Mr. Varner is also president of Cypress Lawn's for-profit subsidiary companies: Cypress Funeral Services and CFS Insurance Companies, Inc. Mr. Varner spearheaded the addition of a new \$30-million cemetery and revitalization of community services that have expanded revenue from \$3.9 million in annual service revenue in 1996 to a whopping \$25 million in annual service revenue in 2010. This includes the creation of an educational foundation, Cypress Lawn Heritage Foundation, for the promotion of Cypress Lawn as a historical record of California's past and the preservation of Cypress Lawn's historical arboretum.

Thank you for joining me today, Ken. I've wanted to do this for some time. Would you just go on a little bit about the rest of your background? I know that you've recently taken over the president of the International Cemetery, Cremation, and Funeral Association, ICCFA, and I'd like to speak to you today about different trends in the industry and what you foresee.

Kenneth Varner: Absolutely, Nancy. And again, thank you for inviting me on this podcast. I'm very grateful for the invitation. I'm here representing Cypress Lawn but also here representing the ICCFA. My background is quite a bit different than most folks in our profession. I'm actually a CPA by trade. I went to Oregon State University and got a dual degree in accounting and finance, and I have spent the last 22 years in the funeral, cemetery, and cremation business. I

spent seven years with the Loewen Group International, and went in as a controller and then was made a general manager of a large combination here in California, which I eventually was responsible for standalone funeral homes, combinations, and cemeteries in seven Western states.

Based on that experience, I was offered the position here at Cypress Lawn, which is a 112-year-old historic cemetery. It's a Grand Victorian cemetery and arboretum. One of the challenges that we had when I came here was that we were losing close to a million dollars a year from operations. We have a large endowment care trust, so that helped to offset some of those losses. But when the board hired me, their mandate was for me to, first, establish a marketing team. And we only had about 4, 5, six people in our marketing department, and today we've had as many as 115 people in our marketing department, helping families with estate planning.

And so that was one of my first assignments. But in order to establish that, I had to expand our 112-year-old cemetery. So we built a brand-new cemetery, the newest cemetery in San Francisco, the Bay Area. It's a beautiful place. It has a large, granite archway with lakes and fountains. And as you said, it was well over a \$30-million investment that we made over a number of years. We opened that cemetery in 2003.

One of the other things that the board hired me to do was also to establish a funeral home. So we took our 1918 Mediterranean-style-building cemetery office that was about 7,500 square feet and we added 23,000 square feet to it. And so we added a prep facility, a reception center, and an absolutely beautiful chapel. And so we now have three chapels here on the property. We have been tremendously successful, to the point where that year Cypress Lawn acquired four more funeral homes, all here in San Mateo County. We basically serve San Mateo County and San Francisco County. We draw from all over the Bay Area, but those are the two main counties that we serve.

Now, during the last 16 years that I've been the president of Cypress Lawn, of course, I've been heavily involved in the state association. I'm the past president of the California State Cemetery and Mortuary Association. I'm currently still on their board of directors. I'm currently their chief financial officer and on the legislative committee, so anything legislatively here in California that you'd like to ask me, I'd be happy to share.

As you know, in March, in Las Vegas, I was inaugurated as the president of the ICCFA. Absolutely thrilled to be the president of the ICCFA. Actually, I was the treasurer for about six years. Two positions I never asked for. I never asked to be the treasurer. I never asked to be the president. But I'm just happy and honored to serve, really. The only thing I ever really wanted to do with the ICCFA was simply be on the board of directors.

But let me just say that in addition to the ICCFA, I've been a member of the NFDA for years. I've been a member of CANA for years. I sit on the board of directors of the Funeral Service Foundation, which does wonderful work throughout the country and is headquartered there at NFDA headquarters, so I'm just thrilled. Three or four times a year, I get to meet wonderful people like Pat Lynch, who's the current president of NFDA, and my good friend Bill Wappner, who was last year's president.

And let me just say also that I belong to several other associations. I belong to a couple study groups, one called the Cemetery Council that's been in operation for about 60 years, meets in Chicago every year. I'm also a member of the President's Historical Cemetery Association that meets once a year. I'm also a member of the Preferred Funeral Directors International that's one of the best groups I belong to, funeral directors from all over the country. My wife and just I are just absolutely thrilled every time we have the opportunity to go to one of their meetings and meet funeral directors from all over the United States and study and actually have a great time.

Locally, I'm the president of the San Mateo Community College Foundation here in San Mateo. We have three beautiful campuses. The last seven years we've put a half a billion dollars into our three community colleges. We serve 40,000 students. And I'm proud to be the president of that foundation that actually manages trust funds and raises scholarships, all for local students that actually stay here. Most of our students, of course, are young, but they could be second-career people. But that's a big thrill for me, too, to be providing some leadership locally at the Community College Foundation.

And so, that is a short synopsis on Ken Varner.

Nancy: Wow. That's quite impressive. And that's really one of the reasons I wanted to have you on this podcast, to gain some of your insights. You do so much good in your community and throughout the nation, and it was no surprise at all that you were inaugurated as president of ICCFA. I can't think of a person who's more highly qualified than you are. But having said that, Ken, isn't that a lot of industry experience and associations for one person to be involved in?

Kenneth: Yeah, I think it's too much. Really, the last 15 or 16 years, because I manage this wonderful organization, and I have probably the best bosses in the world, my board of directors, who are all just simply citizens here in San Francisco that contribute back to our community. They've allowed me to participate in so many organizations. But let me just say that participating, going to conferences, the ICCFA has probably one of the best educational resources around, the ICCFA University. In fact, it'll be starting July 19 in Memphis. If you don't know anything about the ICCFA University, please go to our website, look it up. It's a great resource that we have.

Nancy: Your ICCFA involvement, how has that led to you being elected president?

Kenneth: Well, I think my ICCFA involvement, again, like I said, I never really asked to be the treasurer, for instance, or the president of the association. I asked to be on the board of directors. In fact, I ran three times. The first two times I wasn't elected, and the third time I was, and so since then I've had three different terms on the ICCFA board of directors. So my involvement with the ICCFA started with the board of directors. From that experience and that involvement, and the fact that I'm a CPA by trade, I was asked to be the treasurer for the ICCFA. And after six or seven years of holding down the position of ICCFA treasurer's position, and managing the finances of the association is just an integral part, so based on my involvement as the treasurer, my contributions as the treasurer, I believe that the officers in the association asked me to take the president's position this year.

Nancy: And also, you have such a strong leadership position within your community, within the funeral-services profession in general. So, like I said, there's no better person, I think, that could run the ICCFA. Let me ask you a related question. ICCFA University: is this really a university?

Kenneth: Well, no, it isn't. It's not a university. It's, I think, one of the finest educational opportunities in our industry. It's basically a five-day program. We have six different what we call colleges within the university, and we have deans. Now, these aren't really university deans; these are all highly skilled professionals. Todd Van Beck. I don't know if you know Todd...

Nancy: Oh, of course.

Kenneth: Todd is, in my opinion, one of the best funeral educators in the country. He's managed several of the mortuary colleges. And so he leads our Mortuary College at that ICCFA University. He's the dean of funeral-service training. You couldn't find a better person to learn about funeral service and receive training in funeral services from Todd Van Beck. And all of our deans are practitioners that are just what I would call super-qualified to be able to lead a group, in training, with the specific disciplines. We have the College of Land Management. OK? And that's for cemetery superintendents. And so we have the College of Sales and Marketing, and that's led by one of the top professionals in funeral and cemetery marketing in the country. And so we just have this great group of guys. It's a five-day course. I'm sending my superintendent. I sent my managing funeral director last year. I'm sending one of my other location funeral-director managers. And so it's a great opportunity. It's a great resource. I just think it's the best in the industry.

Nancy: And where is it located?

Kenneth: It's in Memphis, Tennessee. And the best way to learn about that is to go to the ICCFA website, and we have all the information that a person would need to find out about the university. We also have staff that can answer questions concerning the university.

Nancy: Ken, while we're on the subject of the ICCFA, talk a little bit to the sales and marketing conference.

Kenneth: Well, the sales and marketing conference is every January, and this January it's in Las Vegas. In our business, there's only two types of marketing: there's brand marketing and there's product marketing. And what happens with most funeral homes, they focus on brand marketing. And brand marketing is simply characterized: "Why use me as compared to one of my colleagues or competitors in the market? Why am I better?" It's everything we do: how we present our funeral home, how we present our staff, how we present our printed material. It's all that activity that we do that creates a brand within our community. And funeral directors are experts in brand marketing. Really, what they're not experts in is product marketing. And product marketing is really about, there's a problem, you have a problem, and there's a solution to that problem. And that's what product marketing is. Product marketing is basically sitting down with a family and spending maybe 90 percent of the time on what the problem is. And the problem is that we're all going to pass on at some date, and doesn't it make sense that we plan for that prior to our death? It's just simple. It's estate planning. It's just estate planning. Just like you would go to an attorney or an investment adviser and plan for your estate, you're going to plan for your funeral and your cemetery and/or cremation estate. And that's product marketing.

Probably, at that marketing conference, that's really what we focus on is talking to people about product marketing. It's about getting out into your community, creating relationships, and letting people know that they have a problem and that we have a solution to that problem.

And again, the 115 people that I have--I don't think we have that many this year. Let's say we have 80 people in our marketing department. Most of those folks, about 90 percent of their efforts are spent on product marketing, which is basically estate planning, a portion of estate planning that has to do with a funeral plan and a cemetery plan.

And that's a key difference. At Cypress Lawn, I can tell you that brand marketing, when I came here, was creating about 3.9 million a year in revenue. Well, this year, 2011, we're on track to do 36 million a year in sales. Last year we did 27 million. Now, we're having an unbelievable year in a market that has been down, but part of that is product marketing. It's getting out and it's doing it in a tactful way. Most of our marketing is based on referrals, and getting into the community and establishing relationships.

I just got an email from one of my marketing managers. They attended an event, one of the events here in the Bay Area, where they had a booth set up at a fair where they were making contact with families. And what they're doing is they're establishing relationships, in a positive way.

Nancy: Now, I always say legacy is more important than currency, because it's so important to do pre-need, in my opinion, because you don't want families to make decisions when they're in the bereavement process, when they're grieving, because they don't always make the best decisions. And when you make decisions with a clear head, you're going to make better decisions, decisions that the entire family can live with.

Kenneth: Nancy, let me just make one other comment, too. The word "pre-need" is a little foreign to most people once you get out of our profession. And "prearrangement," is that really a word? [laughs] I'm not sure.

Nancy: I don't know. Is it?

Kenneth: But it's a word that we use in our profession all the time. We use the words "pre-need." We use the words "prearrangement." And I remember reading an article from a trade magazine in our profession from the 1920s. And the author of the article was a guy named Hubert Eaton. Do you know who Hubert Eaton is?

Nancy: No.

Kenneth: Hubert Eaton, at the time, was the general manager of Forest Lawn. So, Forest Lawn in Los Angeles, which is one of the finest funeral home and cemetery operations I know in the country. Darin Drabing, who's one of our ICCFA vice presidents, he was just named the president of Forest Lawn. And Hubert Eaton created Forest Lawn, and this was an article in the 1920s. He was talking about prearrangement, but he talked about it in a different way. He said, "It's natural for a man and a wife to go out and conduct estate planning: to meet with their attorney, to meet with their insurance agent, to meet with their investment adviser and create an estate plan. And it's natural for that man and that wife to also plan their funeral and their

cemetery estate." And that's really what we're doing. We're doing estate planning. Most of our marketing staff that goes out and talks to folks about that portion of estate planning are really experts in cemetery arrangements, or they're experts in funeral arrangements. The training that we put our staff through, which is supervised--for instance, if it's a funeral arrangement, I have my managing funeral director look at every contract that comes through our property to make sure it's right.

It's estate planning. It's not prearrangement. It's not pre-need. It's estate planning. We're experts. I mean, after we've trained our staff and they've gone through our training process, they know more than 95 percent of the people that are out in the community.

Nancy: Wow.

Kenneth: And we have, not to only supplement our staff, I mean, our funeral staff and our cemetery staff, the experienced folks on those staffs, they provide support to those marketing people when it comes to answering questions and making sure families understand the decisions they're making and the wisdom of making those decisions prior to death.

Nancy: Absolutely.

Kenneth: Really, I would like to cross out the words "pre-need" and "prearrangement" and replace them "estate planning."

Nancy: Good choice.

Kenneth: Because it's part of our profession.

Nancy: I'd like to pick your brain a little bit, Ken. Let me ask you about some current issues.

Kenneth: OK.

Nancy: The HR 900, the Bereaved Consumers Bill of Rights Act. I think it was sponsored by Bobby Rush, a Democrat from Illinois. And basically, in my understanding, it directs the Federal Trade Commission to establish rules to prohibit unfair or deceptive practices related to funeral goods and services. Is that kind of what you're thinking it is?

Kenneth: Well, I encourage everybody to look into this. Some people are calling it "Funeral Rule 2," as a supplement to the Funeral Rule. Bobby Rush, in his district, there was a cemetery called Burr Oaks. I think most people in our profession know what happened at Burr Oaks, at this cemetery.

Nancy: Yes.

Kenneth: And really, all the laws that were required and necessary to address that situation were already in place. There was no need to create additional laws to address that situation. But because of that situation--it was a very emotional situation, and it was absolutely outrageous and needs to be addressed--the HR 900 was created. And I really don't know that the Funeral Rule itself is really necessary. I'm of the opinion, and some of the other folks with the ICCFA, that if we're going to ask for federal legislation, we should be asking simply to remove the Funeral

Rule, establish guidelines from the Federal Trade Commission. I think that would be a better approach. I had a meeting with the folks from the NFDA and from CANA and from Select, and we talked about these issues, and I certainly understand the NFDA's position on this. Our position is of great concern because this HR 900 would be the first time that Congress actually took action in our profession, and we just simply don't know: if we open that door, when's that door going to close? What else is going to come through that door?

I'll tell you. I was in Texas. I was at the Texas Cemetery Association meeting. And the Texas Banking Association, the executive director there, and there was another gentleman--he was a funeral director--and I don't recall the name of the Texas department, but it overseas funeral homes and complaints in Texas. And I sat there in that meeting and I listened to these two individuals talk in detail about issues, in our profession, in Texas, that had to do with funeral homes and cemeteries, and I thought, "Boy, there is absolutely no need for federal legislation here in Texas. These folks have it handled."

And I think that's our position. In California, in states like Florida, in states like New York--these are large states with many funeral homes and many funeral directors--they are really on top of regulations and protecting the consumer.

And you've got to remember that 99 percent of us are good operators; we have the right intentions and do the right things. And overreaction to some folks that do things that really are just despicable, that affect the rest of us, just isn't necessary.

And so, anyway, we are against HR 900. The politics of it, the House of Representatives is mostly Republicans. The financial, the ICCFA has had meetings with the Federal Trade Commission on this issue. I just don't see any movement happening on this bill, with the federal deficit and the fact that so many states are handling this so well now and that there's so many laws now that are really these things that happen that are terrible, like this Burr Oaks situation. Really, there's laws. There's no need to create new laws. There's laws in place to deal with these now. And I don't know, if we create more laws, is it going to somehow stop these very rare incidents that happen?

That's kind of one of my personal pet peeves is that somebody in Illinois does something wrong and it affects the whole profession.

Nancy: Right.

Kenneth: We ought to be standing up and saying, "Listen, that's not us." 99.9 percent of us are doing the right thing, have the right intent, are concerned about the consumer. Here in California, we have a Department of Consumer Affairs. They're watching over. They inspect our crematories. They inspect our funeral homes. They inspect our cemeteries. There's no need for federal legislation. All the laws that are necessary to protect the consumer, here in California, they're here and they're working. I just think that this is really unnecessary. And I think that as a profession, we ought to take these opportunities to stand up and say, "That's too bad that happened, and we certainly don't agree with it, and it's deplorable." The rest of the association, the rest of the profession, that's not us.

It's the same thing with the funeral. Most people understand that the funeral wasn't really necessary at the time that it was enacted. A lot of our members, a lot of our ICCFA members, and I've talked to several, just really don't think that federal legislation is necessary at all.

Nancy: Right. You know the old saying, if it bleeds it leads. You always hear about the one person that is doing wrong. It's like that in any industry. You see a restaurant in New York and, of the thousands and thousands of restaurants, one restaurant gets cited. That's the one that actually gets broadcast. Then people think, "Well, I don't know if I should go to New York City. People are getting food poisoning." It's just an overreaction, I think. What about the other bill that's before the House right now in California which says that all funeral vendors and all funeral homes that have an online presence or a website must connect to a price list?

Kenneth: Well, and again, I'm on the legislative committee for the California Mortuary and Cemetery Association here in California. We have opposed that bill. Without going into great detail, first of all the consumer here in California, like I said, is really protected. Our websites really are ways for us to introduce ourselves to new or current customers. Most of the folks that come to our website, they're after service information. They want to know when the service is, where it's at, things like that. Or they want to look at the online obituary. That's really what they come here for.

But more importantly, it's a way for us to introduce ourselves. It's a way for us to provide information to the consumer, information to our families. The Federal Trade Commission already has a rule that handles this. We have to provide our general price list to every family we talk to, and we do.

The second thing I wanted to say about this is that, listen, we're a profession. We're not an industry. We're not manufacturers. We're professionals. We provide a professional service. It's local. It's a local professional service. You know, the other professionals in our community, the attorneys, the dentists, the doctors...

Nancy: The lawyers.

Kenneth: The lawyers. All these folks, they don't have to provide a price list. You know, it kind of says, "Why do we have to do it? Are we not trustworthy?" I don't agree with it, and I'm glad that the state association opposes it. The consumer's protected here in California. I think it's more important that we have the opportunity to provide information about the services that we offer, plus the services that we offer hopefully are unique. And really, we need to engage families, and we need to ask them questions and determine how we can best serve them. Because not every family's the same. This is not a commodity that we're selling here. These are professional services, and everybody has a different need and a different level of those professional services.

And so, a third thing that's treating our profession like a commodity, and it's not a commodity. There is a difference, and we should have the opportunity to engage families, and to talk to families, and to present them information without actually having to also provide them with a price list, unless they don't want to come in and actually contract with us for their services, or even if they want to come in and just talk to us. If they want to talk to us in person, then we can hand them our price list, but more importantly we can explain things to them. We can answer questions. We can ask questions.

I think all we do is confuse people if we just say, "Here's the price list. Those are our services. Take your pick." Because most people don't arrange funerals. I arranged a funeral two months ago. The last time I had arranged a funeral was six years ago. I mean personally.

I'm, of course, in the profession, so I understand it a little bit. But if I wasn't in the profession, I think it's important that we invite people in and we engage people, and we ask them questions, and we fully explain to them what the services are that they're contracting for and that they're asking about. They're asking prices for.

Nancy: Right, and also, by and large, they don't really know what they're going to be needing. They don't understand what a burial vault is and why there's a necessity for that.

Kenneth: Ours is a specialized industry. Attorneys, they're out there, their services are used by consumers constantly in a variety of different ways. They don't have to provide a price list. They have the opportunity to sit down with a family or a customer and explain to them their services.

Nancy: And we should do the same.

Kenneth: And we should do the same.

Nancy: Exactly.

Kenneth: And, Nancy, I have some friends in our profession that think that every time a consumer protection is presented, that we just simply agree to it. I think that it's important that we make the case that we have consumer protections, because every time one of these kind of overlapping kind of requirements come on it's like we don't already have that consumer protection. So we have to provide it. We provide that consumer protection. That's necessary.

Nancy: And it's more important to dispense knowledge, to dispense education.

Kenneth: Yes, absolutely.

Nancy: Because I think when people understand the value that they're paying for funeral services, they're going to understand what the costs are that are involved. Just like when consumers come in and ask for direct cremation, which is an industry term, they don't realize that that's it. Their loved one's going to be cremated. There's no ceremony. There's no closure. There's no saying goodbye.

Kenneth: Right. And it's important that they understand when they... If they have that concept of a direct cremation, it's important that we ask them, "What exactly do you think that means?"

Nancy: Exactly. Ken, let me ask you, is it an industry or a profession, and who's involved?

Kenneth: I was on a conference call a few weeks ago with a friend of mine, someone that's helped me recently with a service for my mother-in-law. The conference and the conversation that we were having, the moderator kept referring to our profession as an industry. It was nice, this gentleman, and it really kind of hit home to me. He said, "Wait a minute. Will you quit calling our profession an industry? Because it's not an industry. It's a profession." As leaders and as managers, we want our staff to think of us, think of themselves, as professionals. We want

them to understand that the reason that we're providing training, and the reason that we provide ongoing training, and the reason that we have meetings and that we talk about improving our services or understanding the mistake that we may have made is because we are professionals. What we do is so, so very important that we conduct ourselves as professionals, and we think of ourselves as professionals.

I attended the American Board of Funeral Educators meetings back in Richmond, Virginia. Of course, that was our mortuary schools, which are so needed in the country. The point that I made with the group --I was on this panel -- was the fact that I have 185 employees. 12 of them are embalmers and are absolutely needed. Very, very important people, but all 185 of us, we're all in funeral service. We're all in the funeral profession.

I want all my staff to understand that we're all part of the profession. Some of us work directly with families. Some of us have different responsibilities, but it's all to the same end. You know what I mean? It's all to the service of those families, and that we're all involved, even though...

Because some people don't understand, because they don't work directly with families. They're still professionals and they're still contributing to our profession by supporting the folks that actually meet with the families, or conduct services, or conduct removals, or whatever it is. If you're providing support to our internal customers, you're a professional providing professional services.

Nancy: Absolutely.

Kenneth: I think that's important for us. These words like "industry." When this gentleman mentioned that, I said, "You know what? He is absolutely right." Because I've used the word "industry" countless times, and I'm trying my best now to guard my language and the words that I use and use the word "profession" instead of "industry." It's just like "prearrangement." Use "estate plan." I had this conversation with my family service director the other day. We get so complicated. We have counselors. We have advanced planning counselors. People go, "What is that? What does that mean?"

If we say, "Well, listen. We have employees that are trained to help you with estate planning."

Nancy: It makes a lot of sense. It's a term that consumers are familiar with.

Kenneth: Yeah. People are familiar with that. I've heard this in countless meetings throughout the years, is that we create jargon and we use it internally, and we don't realize that the folks that we're trying to reach don't necessarily understand the words that we're using. It's important to understand the words we're using. But to also use words that people understand like "estate planning" versus "prearrangement."

Nancy: Right. Terms that people are comfortable with.

Kenneth: Absolutely.

Nancy: Ken, are we competing with service versus no service? Is that where we're going?

Kenneth: Well, it sure seems like it. The new funeral homes that we've acquired, they have a higher cremation rate. They're in a different part of the county. They're in the southern part of the county. We're in the northern part of San Mateo County. And so, our clientele is somewhat different. And so, I meet with my funeral directors. Every Monday we have a meeting. If I contribute anything to my funeral directors, it's getting them to think about what we're doing. Getting them to think about constant improvement. How can we improve the service that we're giving to families? How can we engage them? How can we ask questions so maybe they, instead of having no service, they say, "You know what? I understand now. I would like service."

I had this experience with somebody I'm closely connected with just a few weeks ago. He owns property here at Cypress Lawn. I don't necessarily do arrangements, but of course my relationship with this person, I started helping him with his arrangements. He didn't want to do anything. He wanted to keep it simple. It was his mother, and she was going to be cremated. He wanted to do something maybe 30 days after her death. This is actually in contemplation of her death.

And so I said, "That's fine." But then I asked him about, "Well, do you want to have a simple service, or just some family members?" I said, "Would you like a memorial folder? We can help you with a memorial folder so that you have something."

Because it was almost like we don't need you. We need you, but we don't need you to do that. But anyway, and I turned him over to my managing funeral director who's much better than I am. He did a wonderful job of engaging this family and actually prepared a wonderful service. But it was like a no service but we got into a service position because we started talking about the memorial folder.

Again, that's really the challenge that I have with my funeral directors, who are all excellent guys, and have been in the business for years and years and years, that as they're dealing with service versus no service that we engage families, that we ask them questions and that we certainly want to carry out their wishes, however the family wants.

But we first want them to completely understand all the decisions that they're making, or could make. And so we have to ask them questions, we have engage them. And we're in funeral service, that's part of our work, that service. We understand every day how important it is to have a final goodbye. You know what I mean?

Nancy: Yes.

Kenneth: Like I mentioned, my mother-in-law passed away a couple of months ago, and it was very difficult, and my wife was holding my mother-in-law's hand, and I was holding hers. We had to take her off equipment in a hospital room, and it was not a pretty sight. Her mom was a very gracious person, loved to wear her hat at Sunday services, etc., and it was so important. It actually was an SCI firm, they just did a wonderful job in conducting and arranging the funeral services.

But we went from a final goodbye to a visitation room where my mother-in-law was in a beautiful purple dress, and she had a purple hat. We had all her Sunday, you know, go-to-church hats, we had them all around the visitation room. We had pictures of the family all around the

room. We had a large poster--I'm trying to think of the name of the company that does these large six-foot posters that are very unique. Then the funeral home did a video of about 45 pictures.

But again, it was a final farewell, and it was so important that my wife had got to see her mother. They did a beautiful job of her hair, and they had her in a purple dress, again, and a purple hat. So my wife's final image of her mother was something besides that stark experience of death in a hospital room.

Some people just don't understand that. They don't understand the benefit of having a final goodbye, and that's the service/no service. That's why it's important that we do have service, and we all know that, that are in the profession.

A lot of times... My mother-in-law was 92 years old, a lot of her friends were gone. The important people for that service were her family, family and friends of the family, for instance, my brother-in-law and my wife. Some of them came because they knew my mother-in-law. She was a member of the Episcopal Church for 50 years, so we had church members there.

But I mean, some people come to provide support for the family members of a deceased.

Nancy: Yes they do.

Kenneth: They don't come because they know the deceased, they come because they know the son or the daughter, and they want to provide them service. And if you have a direct cremation, when does that happen? So when we talk about service/no service, what we do is very, very important, so the fact that we are engaged in trying to convince families, and trying to talk to them about the positive aspects of service, is very, very important. And it's becoming more and more difficult for funeral directors all over the country, and we're going to have to change, and I'm asking my funeral directors to change.

Like I told you, if I do anything on our Monday meetings, is I get them thinking in positive way about change, and the necessity for change. Pretty soon, they'll be thinking about how to improve services. It won't be Ken coming in there and telling them what to do, they'll be saying, "You know, we could do this. We could do this."

There's small, little changes--you know what I mean?--over time equal one large change. I think Cypress Lawn's a perfect example of that.

Nancy: Perfect.

Kenneth: When I came here 15 or 16 years ago, the first thing I got up in front of the staff and said is, "Folks,"--because this was a very staid staff, they were very comfortable [laughs] --I got up and said, "There's only one thing you guys are going to count on from now on, and that's change. Because change is good. Change means that we're meeting the future. Change is good for everybody." That's important. What we're all faced with is we all know how to handle that traditional family, that Catholic family, that comes in. We know how to handle that, we experts in that. We can take care of that. It's these non-traditional families that we have to learn how to

handle, and how to provide better services and how to engage them, how to ask questions, and how to get them into a service mode, because ultimately it'll be for their benefit.

Nancy: Absolutely. And I don't think anyone has ever been to a memorable service and thought later, "Gee, I wish I could have saved \$1,000." I don't think that ever happens. But what I do think happens, and I've seen it, is when consumers ask for direct cremation and the funeral directors don't entirely explain what that entails, and they're left with a hole in their center, a hole in their heart, because they never got closure.

They never really got a ceremony. They never got to say goodbye. Death is the last time you're ever going to honor this person. My brother also passed away a couple of months ago, and it's so important to have a funeral celebrant if they're not involved with the church.

Kenneth: Right.

Nancy: I don't know if you know Funeral Home Gifts, Coral sent us this beautiful six-foot blanket, which I had no idea he had a picture of my brother. He wove it into the blanket, and we put it up on the wall, and there was not a dry eye in the house. People were so happy that we provided a ceremony to say goodbye to my brother.

Kenneth: Right.

Nancy: And we weren't sorry that we took a longer visitation than necessary. We weren't sorry for any of those things, because it was necessary. We needed to say goodbye.

Kenneth: Right. Well, Nancy, and I'm glad you talked about that, because that's one of the schools that we've created at the ICCFA University. We have the College of 21st Century Funeral Service. Our dean there is Ernie Heffner, and Ernie is a champion of, for instance, cremation services. Ernie educated me a few years ago about the fact that the families that we see, not all of them of church, OK? Not all of them belong to a church. Some of them may have belonged to a church, but don't belong anymore. Some of them may be agnostic, but spiritual.

Nancy: Right.

Kenneth: So there's all kinds of folks, and one of the things that happens is that when we bring in family in and we say, "Well, who's your minister?" or "Do you have a minister?" or "Do you belong to a church?" and they say no, you know, we embarrass them. [laughs]

Nancy: Right.

Kenneth: So the idea of a certified celebrant--the ICCFA University--this idea of celebrants is something that's taking on around the country. I've got friends, a funeral director back east, for instance, he has, I believe, three funeral homes. He does about a thousand calls, but 200 of those calls are celebrants calls.

Nancy: Right.

Kenneth: And the funeral director, what he does, is he connects the family with the celebrant, who then meets with the family to help them craft a specialized service, based on their needs, based on the deceased. That's very important, and that's one of the things that were doing for the future. While we're maintaining traditional funerals, we're all trying to figure out how to be of more service, how to be of relevancy to that family. One of the keys, and I'm convinced, and I support Mr. Heffner 100 percent on, is the idea of a celebrant.

I sent my managing funeral director here, who's been in funeral service for, I don't know, 30 years. You couldn't ask for a better funeral director. I sent him to the ICCFA University to take this celebrant training.

He's now a certified celebrant, and that's one of our initiatives here in our funeral homes, especially with these new funeral homes that we've acquired, is to expand our celebrant services at these new funeral homes, because this is where our non-traditional families are increasing.

I think this is one of the keys, as we all try to find the key, again, to being of service to the families we serve. I think this celebrant process, and being able to understand and offer the services of a celebrant are very, very important.

Nancy: Right. And we also need to pay homage to Doug Manning who actually brought this whole concept from Australia and New Zealand.

Kenneth: Again, Doug Manning is one of our--I'm not sure if we call Doug a professor, but he certainly is one. Him and Ernie--Ernie Heffner's our Dean at the University for this college. But Doug Manning's there, and it's basically his process, and you walk away certified by Doug as a certified celebrant.

Nancy: That's wonderful.

Kenneth: It's a great program. I'm sending back another one of funeral directors this year to get certified.

Nancy: Glenda's a good friend of mine. I totally believe in this and I've seen ceremonies they've performed--the celebrants--in this area, and they're heart-wrenching. They just spend so much, they're objective and they can actually spend the time and listen to the family and friends, and really craft such a beautiful performance, and it's a total celebration of the person's life. It really is wonderful.

Kenneth: Right, absolutely.

Nancy: What is your view, your vision, of the future? Because I consider you a visionary, as well as the Doug Mannings and all the others.

Kenneth: My vision of funeral service for the future is a more complex, more reflective, more engaging funeral service in the future. I can tell you that. I think we're still relevant. I think funeral directors, funeral service, everything that we do is relevant. Again, here at Cypress Lawn, we started in the home, and I never expected here at Cypress Lawn to do as well as we did. I knew if we could get all eight cylinders hitting [laughs] on this, that we would do well. It's surprising, Nancy, if you have a company, and I tell people this and, you know, I'm more of a

business major than a funeral director, of course, but all companies have basically seven areas of management focus. There's three disciplines. There's marketing, finance and operations. In a funeral home, of course, operations is the delivery of our funerals.

There's three processes. There's three disciplines and then there's three processes. The first process is lead procurement. It's acquiring customers. The second process is lead conversion. One you meet a family, making them one of your customers. And then there's client fulfillment. What we do, of course, as funeral directors, we all focus our attention on client fulfillment. That's the promise that we make to families, is quality service so we spend a lot of time.

But those three disciplines, three processes, they're all brought together by the seventh area of management focus, and that's leadership. That's what I see happening in the future, is more and more development on leadership.

At ICCFA, we have our fall conference, which is just basically managers and leaders, and that's one of our focuses, to continually provide professional development to our members. We're going to be in Naples, Florida -- I believe it's in October -- but you can go to our website and find the exact dates. But it's very, very important that we continue to have professional services and that we continue to develop as a profession, and that we continue to understand the seven areas of management focus, because it's leadership that brings all of the three disciplines and the three processes together.

So the future of funeral service, I see that we are going to have to get better at what we do, and we're going to have to continually focus on continuous improvement, not only within ourselves professionally, but within our staffs, and get them focused on continual improvement, in whatever their responsibility is, if that's accounting or if that's as a receptionist or as an administrator or as a funeral director or as a memorial counselor, whatever that is, that we continue to focus on professional development.

And I think the firms that understand professional development and continue to focus on professional development and use associations like the ICCFA to help them with professional development will have a bright future. Those folks are going to have a bright future.

Now, as far as associations go, there's things changing in this country. In Arizona, I had the honor and pleasure of actually attending the Arizona Cemetery and Funeral Directors Association meeting, and what they've done is the state cemetery association and the state funeral directors association has combined into one association. And so I see that happening across the country.

CANA and NFDA and ICCFA, I still think that, although we try to reach out to everybody, we have our specific niches of who we serve within the profession, but I see the state associations really coming together as one association. And, can't say that that's going to happen in every state, but it's one of the trends that you're seeing in associations, and the Arizona Cemetery and Funeral Association being one of them.

I know that Washington State, they've asked me to come and be their keynote speaker at their convention this year, the cemetery association there, and I know that they're having those

conversations with their sister association on the funeral side. And so I see that as a trend in our profession.

Nancy: Great insight, Ken. And it serves a good purpose, too, because when you combine the associations, you make it more affordable for funeral directors to send their staff, because you can't get everything.

Kenneth: Well, yeah. And that's been one of our strategies. The ICCFA, we started as the American Cemetery Association in 1887. So it was a group of cemetery superintendents that came together in Cincinnati, Ohio, that formed the first national cemetery association. And then, over the years, there was a national prearrangement association, then the superintendents, and they came together and formed the American Cemetery Association, which then became the ICFA, the International Cemetery and Funeral Association. And then more recently, in the last few years, the ICCFA looked at our members and said, "We've always provided support and have had cremationists within our association." I mean, Cypress Lawn, for instance, it's one of the oldest crematories in the country.

And so that's kind of how our association has transformed over the years, that we're very attuned into our members and what's happening with them. For instance, look at me. Look at Cypress Lawn. We have the Cemetery Association. We have our funeral homes. We also have the Cypress Lawn Cremation Association; that's a licensed funeral establishment that we have. And then our new group of funeral homes that we purchased, there was also an off-brand cremation provider; it's called All County Cremation Services. Cypress Lawn is a little bit of everything. [laughs]

Nancy: It certainly sounds like it.

Kenneth: Of course, here at Cypress Lawn, we have the internal obligation of maintaining 200 acres of property, which is very, very expensive. And so we've had to expand our services to expand our revenue, to ensure that we can continue to fulfill on the promises that we've made to our families. So, anyway.

Nancy: So, to sum it up, in your words: "One world, one dream."

Kenneth: [laughs] Just so you know, Nancy, I know I sent that to you. That actually was the 2008 Olympics slogan in China: "One world, one dream."

Nancy: OK.

Kenneth: And again, I have good friends in all the national associations, and they all have their separate focuses, and most of them have the financial strength, like the ICCFA, to continue for years. So I don't see the national associations coming together. I do see the state associations coming together. The ICCFA, what we've tried to do is we've tried to address all the disciplines within the profession--so the cemetery, funeral, and the cremationists--because we realize that not everybody's like Ken Varner and can afford to be a member of the NFDA and can afford to be a member of CANA and can afford to be a member of the ICCFA. So the ICCFA has grown over the years. We've adapted. And that's what's happening with funeral service: we have to adapt. And the ICCFA has adapted in trying to be more relevant, provide more value to our

members. Because we realize that some of our members, they can only afford to belong to one association. If you look at the ICCFA's operating cost, to operate this association, I can tell you that we are very, very cost-effective in providing the services that we provide to our members. We're trying to provide support in all areas that our members are involved in.

Nancy: And they do a very good job, and I'm sure, with your leadership, they're going to even improve.

Kenneth: Yeah. I'm just so impressed with the ICCFA, and I'm so impressed with the folks that have been joining the ICCFA, the vendors. Our vendors joined a few years ago. They are actually vendor members of the ICCFA. They're great supporters of us. We couldn't do it without them. Our membership has been growing and growing. Our conventions, I can tell you because I'm the treasurer, [laughs] the last two years we've had our best attendance. So our attendance continues to grow. And I think it's because, like I said, the seven areas of management focus. We hit all those areas. We hit marketing, we hit finance, we hit operations, and we hit the disciplines--lead procurement, lead conversion, client fulfillment--and leadership. And all of those seven areas of management focus are so essential to our success, to the success of not only standalone funeral homes but combinations, of cemetery operations, for crematories, etc. It's so, so important that we provide professional development in all areas, to all members of our profession.

Nancy: Absolutely.

Kenneth: And that's really what the ICCFA is. And I can tell you, I'm really proud to have been selected as the president. But the real strength is our staff back in Washington, DC, Bob Fells and the rest of our staff. Very effective, very dedicated to the association. Plus the leadership. My vice presidents, Nancy Lohman in Florida, her and her husband...

Nancy: Yeah, she's a great person. I love Nancy.

Kenneth: I mean, what a wonderful representative of funeral service in this country, Nancy Lohman.

Nancy: Absolutely.

Kenneth: She's one of my favorite people. Like I mentioned, Darin Drabing, the new president of Forest Lawn, one of the premier funeral-cemetery operations in the country. Darin is a funeral director, and I'm trying to remember where Darin's from. He's been at Forest Lawn for 30-plus years, something like that. You can't find a better person than Darin.

Nancy: No.

Kenneth: And Fred Lappin, who's from Boston, is a Jewish cemetery operator in Boston, is absolutely gold. And then Mike Uselton just joined the officers; he's in Florida. And Jay Brammer, who's our treasurer. Jay is a much better treasurer than I am. His father, Jack, they have a long history with Gibraltar Mausoleum Services, their funeral homes and services. He's been in our profession, his whole family, and they continue to be in the profession. These leaders, and I'm probably forgetting somebody. Oh, Jeff Kidwiler, our president-elect. [laughs]

Jeff and his dad have one of the largest--well, the largest, I think the finest--cemetery and memorial park in the Philippines. So really and truly, an international member.

Nancy: It is.

Kenneth: You can't find too many people better than Jeff. And these are the folks, and including our board of directors. And our board of directors, they're all volunteers. They're all people that are completely dedicated to our profession. They're just a great group of people that lead our association.

Nancy: Well, it's been really great chatting with you today, and you gave us so much information,. And I think you also gave our listeners a clearer view of what the ICCFA stands for, and additionally ICCFA University, because I know a lot of people say, "What is that? Is it a school? Is it a mortuary school? Continued education? What is that?" So you've really cleared that up, and that's really helpful.

Kenneth: Great.

Nancy: And thank you so much. If our listeners want to get in touch with you to ask you additional questions or get information, how can they do that?

Kenneth: Well, the easiest way to do it is to go to the Cypress Lawn website. My email address is real simple: it's kvarner@cypresslawn.com. So I encourage them. I'm on Facebook.

Nancy: Yes, you are.

Kenneth: And there's also the ICCFA, of course, has a blog center and connections through their website. So, I encourage everybody to go to the ICCFA website and get in contact with me, get in contact with any of our members. We're here to share, and we're here for the good of the profession.

Nancy: Absolutely. And I want everyone that's listening to this broadcast to like ICCFA and like the ICCFA CAFE page on Facebook, because it's really important to share information. It really is.

Kenneth: Absolutely.

Nancy: Thank you, Ken.

Kenneth: Thank you, Nancy. [music]

Announcer: Ordering cremation urns for your funeral home is easy with unitedpriority.com. Email your client an urn description from our website, or receive tier pricing when ordering more than one item. Help your clients find the right urn with unitedpriority.com.

By <http://www.funeraldirectorschat.com>