

FFDA issues 2009 and 20-year funeral home operations data

Funeral homes whose 2009 operations were analyzed by Federated Funeral Directors of America (FFDA) show an average 5.31 percent profit margin in 2009 compared to 9.24 percent in 1999. The figures for 2009 are based on an analysis of more than 200,000 services conducted by 1,400 small to large FFDA-client firms in rural and urban areas across the United States. The average selling price of a "regular adult funeral" rose merely 2.3 percent -- the smallest annual increase in memory. At the same time, there was a 3.3 percent increase in the average operation cost.

Trends in the previous 20 years

Over the last 10 years, the typical firm's operating costs increased an annualized average of slightly more than 3.4%. During that same time, the selling price of a Regular Adult Funeral rose at an average annualized rate of just more than 2.9%. Consequently, with similar casket values, the average profit ratio on adult sales fell to only 5.31% from 9.24% in 1999.

	1989	1999	2009
AVERAGE SALE			
Regular Adult Funeral (Services & Casket)	\$3,115.17	\$4,755.34	\$6,338.50
AVERAGE OPERATION Cost per Adult Funeral	\$2,296.98	\$3,522.59	\$4,933.92
PERCENTAGE of Operation Cost to Selling Price	73.74%	74.08%	77.84%
AVERAGE CASKET Cost	\$ 538.92	\$793.07	\$1,068.07
PERCENTAGE of Casket Cost to Selling Price	17.30%	16.68%	16.85%
AVERAGE PROFIT Before Income Taxes	\$ 279.27	\$439.68	\$ 336.51
PERCENTAGE of Profit to Average Sale	8.96%	9.24%	5.31%

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2009 adult funeral selection

The averages presented in this statistical report reflect computations on nearly 1.5 billion dollars of actual funeral selections reported to FFDA's office. The figures indicated do not include payments made directly to cemeteries or incidental costs outside the scope of the funeral director's usual services.

Average Gross Sale to Family Adult Funeral	\$8,527.75
LESS Average of Cash Advanced Items for Client Convenience	\$ 968.97
LESS Average Sale of Vault, Clothing, and Additional Service Requirements	\$1,220.28
LEAVES Average Selling Price Regular Adult Funeral	\$6,338.50

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